

# MEMORANDUM

Agenda Item No. 7(I)

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**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** November 2, 2021

**FROM:** Geri Bonzon-Keenan  
County Attorney

**SUBJECT:** Ordinance relating to job creation incentives for businesses; creating the Miami-Dade Relocation And Expansion Incentives Program to provide financial incentives to certain expanding and new-to-market businesses in Miami-Dade County which create a minimum number of jobs; amending Article LXXXVI of the Code and creating sections 2-1260 through 2-1269 of the Code; providing definitions; providing scope, terms, maximum award amount and disbursement procedures of the incentive; providing application and approval procedures and for annual reports

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**This substitute differs from the original item in that it (1) created separate qualification criteria for businesses relocating to Targeted Urban Areas (TUAs) by allowing businesses in TUAs to qualify for incentives with a minimum of 25 employees and paying a wage that is 125 percent of Average Annual Wage, (2) allowed for extension or waiver of the requirement that a business execute a lease within 12 months of application, (3) allowed a total award above \$2,500,000.00 upon Board approval, and (4) shortened the time that staff must prepare a recommendation on an application from 60 days to 30 days.**

**Rule 5.06(i) of the Board's Rules of Procedure provides that where double underlining and double strike-through would not clearly show the differences between an original item and the substitute, comments may instead be provided. Pursuant to this rule, the preceding comprehensive description of the differences between the original item and the substitute is provided in lieu of double underlining and double strike-through for this item.**

**Additionally, this substitute was amended in committee to provide (1) that the separate qualification criteria for businesses relocating to TUAs would also apply to businesses locating to Designated Priority Areas and (2) for verification that the jobs created are in Miami-Dade County.**

The accompanying ordinance was prepared and placed on the agenda at the request of Prime Sponsor Commissioner Eileen Higgins.



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Geri Bonzon-Keenan  
County Attorney

GBK/jp

# Memorandum



**Date:** November 2, 2021

**To:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**From:** Daniella Levine Cava  
Mayor

A handwritten signature in blue ink that reads "Daniella Levine Cava". The signature is written in a cursive style and is positioned to the right of the printed name.

**Subject:** Fiscal Impact Statement for Ordinance Relating to Miami-Dade Relocation and Expansion Incentives Program

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The proposed Relocation and Expansion Incentives Program (REIP) will have a fiscal impact to the County. This proposed ordinance will parallel the existing Targeted Jobs Incentive Fund (TJIF) that is budgeted at \$2.3 million in FY 2021-22. Given that approximately 500 jobs are created each year under the existing TJIF program, the fiscal impact of approving this ordinance would be approximately \$600,000 per year pending participation of the companies requesting and qualifying for these incentives which is expected to be realized in Fiscal Year 2022-23.


A handwritten signature in blue ink that reads "Jimmy Morales". The signature is written in a cursive style and is positioned above a horizontal line.

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Jimmy Morales  
Chief Operations Officer

**Date:** November 2, 2021

**To:** Honorable Chairman Jose “Pepe” Diaz  
and Members, Board of County Commissioners

**From:** Daniella Levine Cava   
Mayor


**Subject:** Social Equity Statement for Ordinance Amending Article LXXXVI of the Code and creating Sections 2-1260 through 2-1269 of the Code of Miami-Dade County, Florida Relating to creating the Miami-Dade Relocation and Expansion Incentives Program

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The proposed ordinance creates Sections 2-1260 through 2-1269 of the Code of Miami-Dade County, which is related to creating the Miami-Dade Relocation and Expansion Incentives (REIP) Program. The REIP Program is an incentive program that works by providing financial incentives to certain expanding business or New-to-Market business within Miami-Dade County. Qualifying companies that create a minimum of 50 new jobs within a five-year period paying at least equal to 150 percent of the average of all wages and salaries in Miami-Dade County or the State of Florida and execute a new commercial lease or extend an existing commercial lease for at least five years may be awarded \$1,000.00 per new job for the first 50 jobs with eligibility for additional bonuses: 1) an additional \$125.00 per new job if new hire received a degree from a public university, private university or technical school located within Miami-Dade County and graduated within 3 years of the hire date; and 2) an additional \$125.00 per new job if previously unemployed, a returning citizen, or employed below the Living Wage Rate immediately preceding employment with company.

The Targeted Jobs Incentive Fund (TJIF) program is Miami-Dade County’s own local business incentive program that was created to encourage economic growth and development. The TJIF Program works by providing cash incentives to qualifying companies in selected industries that create new above-average paying jobs and make a capital investment of at least \$3 million. The REIP provides additional enhancements to the job creation incentives needed to improve Miami-Dade County’s economic competitiveness.

The proposed change to the ordinance allows qualifying business that otherwise would not meet the criteria of the TJIF Program to qualify under REIP by creating new jobs with above average salaries and committing to a minimum of a 5-year commercial lease. Incentives for the creation and attraction of higher-wage jobs to Miami-Dade and incentives for employment of Miami-Dade residents would provide a social benefit by encouraging higher-wage job creation by broadening participation to industries that are high-pay but not capital intensive.


  
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Jimmy Morales  
Chief Operations Officer



**MEMORANDUM**  
(Revised)

**TO:** Honorable Chairman Jose "Pepe" Diaz  
and Members, Board of County Commissioners

**DATE:** November 2, 2021

**FROM:**   
Gen Bonzon-Keenan  
County Attorney

**SUBJECT:** Agenda Item No. 7(I)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present \_\_\_\_, 2/3 membership \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) \_\_\_\_, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 7(I)  
11-2-21

ORDINANCE NO. \_\_\_\_\_

ORDINANCE RELATING TO JOB CREATION INCENTIVES FOR BUSINESSES; CREATING THE MIAMI-DADE RELOCATION AND EXPANSION INCENTIVES PROGRAM TO PROVIDE FINANCIAL INCENTIVES TO CERTAIN EXPANDING AND NEW-TO-MARKET BUSINESSES IN MIAMI-DADE COUNTY WHICH CREATE A MINIMUM NUMBER OF JOBS; AMENDING ARTICLE LXXXVI OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA, AND CREATING SECTIONS 2-1260 THROUGH 2-1269 OF THE CODE; PROVIDING DEFINITIONS; PROVIDING SCOPE, TERMS, MAXIMUM AWARD AMOUNT AND DISBURSEMENT PROCEDURES OF THE INCENTIVE; PROVIDING APPLICATION AND APPROVAL PROCEDURES AND FOR ANNUAL REPORTS; AND PROVIDING SEVERABILITY, INCLUSION IN THE CODE, AND AN EFFECTIVE DATE

**WHEREAS**, this Board recognizes the need to stimulate economic development in the County; and

**WHEREAS**, this Board adopted Ordinance 00-98, as amended, creating the Targeted Jobs Incentive Fund (“TJIF”) program to encourage economic growth and development, the creation of above average paying jobs, the alleviation of economic disinvestment and unemployment and the creation of an enhanced business climate particularly in distressed targeted areas; and

**WHEREAS**, the TJIF program requires companies receiving incentives under that program to make a significant capital investment, but does not provide an adequate incentive for companies seeking to expand or re-locate to Miami-Dade who plan to create a significant number of high wage jobs and invest in human capital; and

**WHEREAS**, there are companies that may expand or re-locate to Miami-Dade County which will not make a capital investment large enough to qualify for an award under TJIF, but which will employ a significant number of people locally, at high wage and benefit rates, and make other types of significant investments, such as long-term leases in commercial spaces; and

**WHEREAS**, in 2021, the Board approved a TJIF incentive package for a global asset management firm considering a potential relocation of a United States headquarter office to Miami-Dade County; and

**WHEREAS**, this project would create 450 jobs with an average annual wage of at least \$200,000.00 and make a new capital investment of \$5,000,000.00 in the County, which equates to an estimated cash outlay of over \$900,000,000.00 over a 10-year period, not including benefits, but led to a TJIF award of only \$167,500.00, for an incentive of roughly \$372.00 per job created; and

**WHEREAS**, in 2021, the Board was unable to offer a TJIF incentive package for a FinTech company considering a potential relocation of a regional headquarter office to Miami-Dade County because the amount of capital investment falls below the \$3,000,000.00 minimum program threshold; and

**WHEREAS**, this FinTech project would have created 158 jobs within three years with an average annual wage of at least \$121,829.00 in the County, which equates to an estimated cash outlay of over \$192,489,820.00 over a 10-year period, not including benefits; and

**WHEREAS**, in 2021, the Board was unable to offer a TJIF incentive package for another FinTech company considering a potential relocation of a global headquarter office to Miami-Dade County because the amount of capital investment falls below the \$3,000,000.00 minimum program threshold; and

**WHEREAS**, this second Fintech project would have created 110 jobs within three years with an average annual wage of at least \$120,000.00 in the County, which equates to an estimated cash outlay of over \$158,400,000.00 over a 10-year period, not including benefits; and

**WHEREAS**, in 2021, the Board was unable to offer a TJIF incentive package for a HealthTech company considering relocating its global headquarter office to another city from Miami-Dade County because the amount of capital investment falls below the \$3,000,000.00 minimum program threshold; and

**WHEREAS**, this project would have created 75 jobs within three years with an average annual wage of at least \$100,000.00 in the County, which equates to an estimated cash outlay of over \$75,000,000.00 over a 10-year period, not including benefits; and

**WHEREAS**, because this Board recognizes the need to stimulate economic development in the County, the County significantly participated in the State of Florida's Qualified Target Industry Tax Refund Program (QTI program); and

**WHEREAS**, the QTI program was a critical economic development tool used by the State of Florida and local jurisdictions to attract and facilitate the expansion of businesses operating in targeted industries; and

**WHEREAS**, the State of Florida has discontinued the QTI program; and

**WHEREAS**, with the discontinuation of the QTI program development of additional local economic development tools for job creation is even more critical; and

**WHEREAS**, Miami-Dade County is in competition with other markets such as Austin, Dallas and North Carolina seeking to attract companies around the country; and

**WHEREAS**, the Austin, Texas Expansion Incentive Program provides an incentive of up to \$1,800.00 per new job and up to a 50 percent property tax reimbursement for the creation of five jobs at the city living wage for businesses relocating to the area; and

**WHEREAS**, the retention and attraction of above average paying jobs to Miami-Dade County, even in the absence of a significant capital investment, benefits the County and should be a goal of this Board; and

**WHEREAS**, Miami-Dade County through Ordinance 97-33 has identified 17 underserved communities that require dedicated efforts for economic improvement, identified as Targeted Urban Areas (TUAs); and

**WHEREAS**, the County efforts on TUAs seek to improve the economic vitality of these predominately Black communities; and

**WHEREAS**, these TUAs would benefit from companies relocating or expanding into those communities, bringing higher wages to the area; and

**WHEREAS**, this Board desires to create a program which would further encourage economic growth, investment in human capital, and development and the creation of above average paying jobs by incentivizing creation of such jobs within the County by all businesses, including those whose primary investment is in human capital; and

**WHEREAS**, accordingly, this Board wishes to create a program to be named the Miami-Dade Relocation and Expansion Incentives Program (“REIP”) to provide per job financial incentives to expanding and new to market businesses within Miami-Dade County,

**BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:**

**Section 1.** The foregoing recitals are incorporated as if set forth herein and are approved.



**Section 2.** Article LXXXVI of the Code of Miami-Dade County, Florida is hereby amended to read as follows:<sup>1</sup>

**Article LXXXVI. – TARGETED JOBS INCENTIVE FUND  
[[PROGRAM]] >>AND MIAMI-DADE  
RELOCATION AND EXPANSION  
INCENTIVES PROGRAMS<<.**

**Sec. 2-1251. - Title.**

This article shall be cited as the Targeted Jobs Incentive Fund >>and  
Miami-Dade Relocation and Expansion Incentives Programs<<  
[[Program of Miami-Dade County]].

\* \* \*

**Section 3.** Sections 2-1260 through 2-1269 of the Code of Miami-Dade County, Florida, are hereby created to read as follows:

>>**Section 2-1260.** **Title.** This program shall be cited as the Miami-Dade Relocation and Expansion Incentives Program (“REIP” or “Program”).

**Section 2-1261.** **Definitions.** As used in this ordinance, unless the context otherwise requires:

- a. Agreement is the agreement entered into between an Expanding Business or New-to-Market Business and Miami-Dade County setting forth the obligations and rights of the company under this Program.
- b. Average Annual Wage means the average of all wages and salaries in Miami-Dade County or State of Florida as determined by Miami-Dade County or the State of Florida, or U.S. Bureau of Labor Statistics using the most currently available data as determined by Miami-Dade County and by choosing the higher number.

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<sup>1</sup> Words stricken through and/or [[double bracketed]] shall be deleted. Words underscored and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now in effect and remain unchanged.

- c. Expanding Business means a company with a commercial business, excluding residential or commercial development, that increases operations on a site within Miami-Dade County.
- d. Incentive or Incentives means the funds paid to a company under this Program.
- e. New Job or New Jobs means jobs created by an Expanding Business or a New-to-Market Business which are being added to the company's roster of employees and that did not exist within Miami-Dade County within the last 12 months prior to the date the company submits the application to Miami-Dade County.
- f. New-to-Market Business is a company that relocates to Miami-Dade County or is a start-up company setting up operations in Miami-Dade County.
- g. Project means the associated new jobs that are the basis of the application for an award.

**Section 2-1262. Eligible Applicants.**

The Program will only be available to New-to-Market Businesses or Expanding Businesses that will either relocate or hire a minimum of 50 new employees in Miami-Dade County within a five year period. A new lease or expansion of an existing lease for commercial office space for at least five years must be executed within 12 months from time of the application. A company may request an extension from the Board for cause. The Board may also waive the lease requirement provision if the company plans to move the New Jobs into space the company already leases or owns in Miami-Dade County.

**Section 2-1263. Eligible Industries.**

The Program is open to all companies in all industries that meet the requirements of the other sections of this Code.

**Section 2-1264. Program Requirements.**

- a. ***New-to-Market or Expanding Businesses:*** Companies applying for Program incentives must be New-to-Market or Expanding Businesses.
- b. ***Living Wage Requirement:*** The Program will not be available to companies that pay any of their employees less than the Living Wage Rate as defined in section 2-8.9 of the Code of Miami-Dade County, as adjusted annually by the Department of Small Business Development or its successor department. Companies receiving Program Incentives must continue to pay all its employees no less than the Living Wage Rate to remain eligible for the Program.
- c. ***Wages of New Jobs Created:*** All New Jobs promised under the Agreement must pay an estimated Average Annual Wage at least equal to 150 percent of the average of all wages and salaries in Miami-Dade County or the State of Florida as determined by Miami-Dade County or the State of Florida, or U.S. Bureau of Labor Statistics using the most currently available data as determined by Miami-Dade County and by choosing the higher rate. For a company relocating or expanding operations in one of the County's Targeted Urban Areas<< >>or Designated Priority Areas<<<sup>2</sup> >>, the wage must at least equal 125 percent of the average of all wages and salaries.
- d. ***Wage Calculation:*** In determining the Average Annual Wage for the Company, only New Jobs are to be included and wages for existing jobs shall be excluded from the calculation. The Board of County Commissioners, at its discretion, may waive the Average Annual Wage requirement upon receipt of a written request and justification from the Company.
- e. ***Job Creation:*** New-to-Market or Expanding Businesses must create at least 50 New Jobs within five years of starting operations or executing the Agreement, whichever is later, in Miami-Dade County and maintain those new jobs for a minimum of one additional year. Miami-Dade County must verify compliance with New Job creation and wage requirements as specified in a resolution adopted by the

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<sup>2</sup> Committee amendments are item are indicated as follows: Words double stricken through and/or [[double bracketed]] shall be deleted, words double underscored and/or >>double arrowed<< are added.

Board of County Commissioners approving the Agreement prior to any disbursement of Program Incentives. The Company must agree to furnish all documents necessary for County staff to verify the Company's compliance with the New Job and salary requirements pursuant to the Agreement. Companies relocating or expanding into one of the County's Targeted Urban Area<< >>or Designated Priority Areas<< >>must only create 25 New Jobs.

- f. **Executed Lease:** Applicant must execute a commercial lease for space within one year of application approval. A company may request an extension from the Board for cause. The Board may provide a waiver of this provision for companies that are relocating or expanding staff into existing office space they already lease or own.
- g. **Taxes & Other Monies:** Where a Company is delinquent in paying its taxes, or any other monies due to the County, the County shall withhold Incentive funds until the Company is current. Where a Company is more than one year delinquent, the Company's award shall be canceled, and the Company shall be disqualified from participating in the Program.
- h. **Media Announcement:** Applicant must (a) mention Miami-Dade County by name within its initial press release announcing the new office location, (b) at least 48 hours in advance, provide the exact date and time of when the press release will be published, and (c) at least 48 hours in advance, provide a copy of the press release.
- i. **Media Appearances:** The company is encouraged to provide a senior employee to assist with recruitment efforts of the County attracting additional companies to Miami-Dade County. Engagements may consist of a presentation, panel discussion, interview, quote for media story, or comparable engagement.

**Section 2-1265. Program Incentives.**

The amount of the award is tentatively ascertained, pending approval by the Board of County Commissioners, during application processing and is based on the commitment of New Job creation as

specified in the Agreement. The actual award will be determined after the Company has begun operations, and at the end of each fiscal year upon the verification of new hires as specified in the Board-approved Agreement, and all other obligations set forth in the Agreement and the resolution approving the award.

The maximum award is based on the number of New Jobs created during the five year eligibility period. The incentives over the five year period after the applicant's start of operations or the execution of this agreement, whichever is later, may not exceed:

- a. \$1,000.00 per New Job (minimum of 50):

Applicant may be eligible for the following bonuses for new hires only:

- i. An additional \$125.00 per New Job if new hire received a degree from a public university, private university, or technical school located within Miami-Dade County and graduated within 3 years of the hire date; and
- ii. An additional \$125.00 per New Job if previously unemployed, a returning citizen, or employed below the Living Wage Rate immediately preceding employment with company.

A company may not receive more than \$2,500,000.00 in award payments over the five year eligibility period, unless a higher award is approved by the Board.

A Company that is awarded the incentive under this section is eligible to apply for and receive the TJIF Program incentives for capital investments, but may not receive the jobs created bonuses in the TJIF program.

**Section 2-1266. Source, Claim Period and Disbursement of Incentives.**

Annual disbursements will be contingent on the verification of the new jobs created. Disbursement will begin in the Miami-Dade County fiscal year following the Project's start of operations. The Miami-Dade County fiscal year runs from October 1 through

September 30 of the following calendar year. Companies will be monitored annually to ensure compliance with the projected number of new jobs and the wages associated with the new jobs.

Disbursements to the Company will only be made after it has met all commitments as set forth in the Agreement and the resolution. Disbursements shall be limited in each year of the disbursement schedule approved in the resolution to amounts set forth in section 2-1265. No incentive amounts shall be disbursed after the last fiscal year set forth in the Agreement and the resolution.

The County Mayor shall designate staff to administer the Program and determine Company compliance and develop program policies and procedures. The County Mayor may in the County Mayor's discretion designate administration of the program to the Beacon Council or successor economic development agency of the County.

**Section 2-1267. Application Process.**

A company wishing to participate in the Program will submit a completed application form to Miami-Dade County as prepared by the County Mayor.

The application will be submitted to the Board of County Commissioners for approval by resolution adopted by the Board of County Commissioners. All requirements shall be incorporated in the approval resolution.

At the time of application, the County will confirm that the Company has provided information and/or documentation supporting the Company's consideration of other locations and that the requested incentive is required for the Company to choose Miami-Dade County to be the location of its new operations or expansion. Any Company decisions committing the Company to a location within Miami-Dade County prior to the adoption of the approval resolution will render a Company ineligible to participate in the Program. The County Mayor or the County Mayor's designee may, upon the written request by the Company to preserve the inducement for a limited time, waive this prior decision rule and forward the Company's application to the Board of County Commissioners for consideration. However, the Board of County Commissioners retains the sole and absolute discretion to approve or deny the Company's application. This prior business decision rule waiver shall not be available to a Company that has publicly disclosed the intent to locate or expand its operations in Miami-Dade County prior to adoption of the approval resolution.

Within thirty (30) days of receipt of a Company's completed application, designated County staff shall prepare a recommendation on the application, including an economic impact analysis and prepare the adoption resolution. If approved, the adoption resolution will instruct the Mayor or Mayor's designee to prepare and execute an Agreement with the Company.

The adoption resolution submitted to the Board shall attach the application and shall include all application requirements outlined in this section and shall further specify, at a minimum:

- a. The total number of New Jobs to be created and that will be dedicated to the Project, the Average Annual Wage of those jobs, any capital investment, and a time schedule or plan for when such jobs will be in place and active in the County;
- b. The economic impact of the business operation proposed, including its fiscal impact to the County, not limited to, but including direct and indirect jobs created and supported, increase in total wages of direct and indirect job creation, taxes generated, and other benefits, as well as costs created by the business;
- c. The estimated amount of Incentive awards which the Company is eligible to receive and the estimated amount of Incentive awards that the Company is eligible to receive for each fiscal year;
- d. That the County may review and verify the financial and personnel records of the Company and/or perform on site visits to verify employment relating to the New Jobs, wages paid, << >>verify that the jobs are in Miami-Dade County, << >>and ascertain whether the Company is in compliance with the terms of the Agreement;

- e. The date, not later than April 30, by which, in each Miami-Dade County fiscal year, the Company must file a claim to be considered to receive an award for the following fiscal year;
- f. That compliance with the terms and conditions of the approved Agreement is a condition precedent for the receipt of any Incentive award in a fiscal year, that the Company's failure to comply with the terms and conditions of the approved Agreement will result in the loss of eligibility for receipt of Incentive awards and the revocation by the County of the certification of the Company as an eligible business;
- g. That payment Incentives is conditioned on and subject to specific annual appropriations by the Board of County Commissioners sufficient to pay amounts under the approved Agreement; and
- h. That the amount of the Incentives received will be based on the Incentive levels specified in section 2-1265 above.

**Section 2-1268. Approval Process.**

Applications may be approved by a resolution of the Board of County Commissioners. The Board shall have no obligation to approve any application before it. Final determination of an approval of the award for Program incentives shall be at the sole and absolute discretion of the Board.

**Section 2-1269. Annual Report.**

The County Mayor shall submit to the Board of County Commissioners an annual report on the progress and operations of the Program. The report shall, at a minimum, include the names and location of companies assisted, the amounts awarded to each company, the number of jobs created by each company, total number of jobs created, and the total amount of awards made that year.<<



**Section 4.** If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

**Section 5.** It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any sunset provision, shall become and be made part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be re-numbered or re-lettered to accomplish such intention, and the word “ordinance” may be to “section”, “article”, or other appropriate word.

**Section 6.** This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as  
to form and legal sufficiency:

Prepared by:

Shannon D. Summerset-Williams

Prime Sponsor: Commissioner Eileen Higgins

