



Memorandum

City Council Meeting of:

FEB 28, 2011

- GOLF -

Date: February 18, 2011

To: Mr. Borgmann

Fr: Michael Aldridge

Re: Revenue/Brochure Distribution

Decline in revenues for the first quarter can be attributed to several factors:

- 1) We have lost 3/4 of the Canadian membership due to expensive travel (fuel cost increases & new HOV toll lane put into effect last summer) particularly Broward County tourists. After speaking with many Canadian patrons, many did not rejoin specifically due to new toll charges and extended travel time to get to the course. Many electing to use alternate routes to get here and avoid toll fee experienced 1 to 1 1/2 hour travel time. Many golfers that we have spoken with do plan to return next year as course conditions improve and construction is completed and are not happy with the conditions of the Broward County courses they elected to play this year.
- 2) Condition of the golf course during initial post-irrigation installation; i.e., repairing of sprinkler lines, removal of rocks and filling in of turf.
- 3) Many people did not elect to play from October, November up until mid-December thinking that the golf course was still under construction and we are still receiving telephone calls to date asking about status of construction.

We project that in the next three quarters revenue will increase and be higher than last year because of improved course conditions and regular play returning.

I have given to CTM Media Group 30,000 brochures since September which we had redesigned for better appearance and had brochures distributed to the following: Miami area hotels, North Miami Beach & Hollywood locations, South Beach Concierge Services and Miami Transportation Services. There are 312 locations that brochures are distributed to and find attached detailed distribution list as well as brochures and maps. We are also on the South Florida Golf Map & in the new first year Spanish "MAPA" as the only advertising golf course listing. The distribution of the Spanish map is 100,000 copies being distributed in over 700 high profile tourist locations. Please see attachment for distribution locations. We are on ettractions.com and mobile marketing and are listed in the Hotel Visitor's books located in the hotel rooms in the hotels adjacent to the golf course.

We interviewed and spoken with Golf Course Internet Marketing companies to investigate ways which may better reach potential golf patrons.

We placed ads in addition to the Gazette, in the Miami Herald 5 consecutive Saturdays plus 5 Sundays in the Neighbor's Section as per attached ad. We do plan next year to

advertise in the French Canadian publications to regain tourist play as well as translate brochures into French for specific distributions in key target areas.

MIAMI SPRINGS GOLF COURSE  
KEY OPERATING RESULTS FOR THE PAST FIVE YEARS

	FY09/30/06	FY09/30/07*	FY 09/30/08	FY 09/30/09	FY 09/30/10	Notes				
	% change From FY06		% change From FY07		% change From FY09					
Green Revenues	875,123	1,133,748	29.55%	1,205,425	6.32%	1,102,889	-8.51%	913,599	-17.16%	1
Membership revenues	93,582	94,502	0.98%	117,305	24.13%	95,022	-19.00%	84,882	-10.67%	2
Driving Range Revenue	103,018	118,177	14.71%	112,824	-4.53%	108,329	-3.98%	80,868	-25.35%	3
Rounds Played	32,678	39,509	20.90%	40,872	3.45%	39,785	-2.66%	33,388	-16.08%	4
Average per round	26.78	28.70	7.17%	29.49	2.75%	27.72	-6.00%	27.36	-1.30%	5
Profit (Loss)	(437,148)	(107,778)	-75.35%	(214,079)	98.63%	(260,954)	21.90%	(459,123)	75.94%	

\* FY 09/30/2007 was the first full year of the golf course under the new operating model.

- 1) Green revenues have steadily decreased since the high of FY2008. FY2010 revenues of \$913,599 are 24% less than the \$1,205,425 high posted for FY2008.
- 2) Membership revenues has decreased by 27% from the high of \$117,305 in FY2008, a significant factor has been the Canadian players that did not renew memberships for last year.
- 3) Driving range revenues have decreased by 32% from the high of \$118,177 in FY2007. This has been due to the loss of regular rounds play.
- 4) Rounds played has decreased by 18% from the high of 40,872 in FY2008. This has been due to economic factors, weather, and the new irrigation system work.
- 5) The operating losses have increased since FY2007 by almost 326%. The new operating model achieved the smallest loss the golf course ever recorded (\$107,778) during the past ten years. Beginning in FY2008 the economic downturn had a devastating effect on revenues at the course.

MIAMI SPRINGS GOLF COURSE  
 REVENUE COMPARISON FOR THE FIRST FOUR MONTHS OF EACH FISCAL YEAR

	10/1/2005- 1/31/2006	10/1/2006- 1/31/2007	% Change from 2006	10/1/2007- 1/31/2008	% Change from 2007	10/1/2008 1/31/2009	% Change from 2008	10/1/2009 1/31/2010	% Change from 2009	10/1/2009 1/31/2010	% Change from 2010
Green Fees	278,423	357,316	28.3%	365,149	2.2%	373,429	2.3%	304,444	-18.5%	280,678	-7.8%*
Driving range	31,341	40,151	28.1%	39,383	-1.9%	37,197	-5.6%	27,889	-25.0%	28,032	0.5%
Memberships	22,782	19,476	-14.5%	29,823	53.1%	25,985	-12.9%	22,544	-13.2%	15,594	-30.8%
Rounds Played	11,407	16,560	45.2%	14,497	-12.5%	15,166	4.6%	12,759	-15.9%	11,308	-11.4%
Average per round	\$ 24.41	\$ 21.58	-11.6%	\$ 25.19	16.7%	\$ 24.62	-2.2%	\$ 23.86	-3.1%	\$ 24.82	4.0%

\* The first four months of FY2011 report a decrease of 7.8% compared to last year mainly due to the effects of the irrigation system installation which caused some players to stay away. As you can see from the below analysis, beginning in January 2011 revenues have rebounded.

	Jan-06	Jan-07	Jan-08	Jan-09	Jan-10	Jan-11
Total golf revenues	\$ 120,976	\$ 130,951	\$ 128,547	\$ 136,789	\$ 107,107	\$ 110,290
% Change from prior year	n/a	8.25%	-1.84%	6.41%	-21.70%	2.97%**
Rounds Played	4,206	5,593	4,253	4,516	3,637	3,865
% Change from prior year	n/a	32.98%	-23.96%	6.18%	-19.46%	6.27%**

\*\* January 2011 reported an increase of almost 3% in revenues, thus stopping the decrease from the prior year of almost 22%. January 2011 also posted an increase of 6.27% in rounds played compared to a decrease of 19.46% last year.

**HOTEL & VISITOR PROGRAM**  
Miami Area Hotels

AIR WORLD TRAVEL, Miami Beach  
 AIRWAYS INN & SUITES, Miami  
 ALAMO HOTEL, Miami Beach  
 ARMED FORCES SERVICE CENTER @ MIAMI INTERNATIONAL AIRPORT, Miami  
 ATLANTIC BEACH HOTEL, Miami Beach  
 BAYMONT INN & SUITES, Miami  
 BAYSIDE MOTOR INN, Miami  
 BEACH PARADISE HOTEL, Miami Beach  
 BEACH PLACE HOTEL, Miami Beach  
 BERKELEY SHORE HOTEL, Miami Beach  
 BEST WESTERN, Miami  
 BEST WESTERN, Miami  
 BEST WESTERN ATLANTIC BEACH HOTEL, Miami Beach  
 BETSY HOTEL, THE, Miami Beach  
 BISCAYNE INN, Miami  
 BOUTIQUE RENTALS, Miami Beach  
 CANDLEWOOD SUITES, Miami  
 CAVALIER HOTEL, Miami Beach  
 CHAMBER OF COMMERCE, Key Biscayne  
 CHAMBER OF COMMERCE, Miami Beach  
 CHAMBER OF COMMERCE COCONUT GROVE, Coconut Grove  
 CHAMBER OF COMMERCE MIAMI BEACH LATIN, Miami Beach  
 CHAVIN TOURS, Miami  
 CITY INN MOTEL, Miami  
 CLAY INTERNATIONAL HOSTEL, Miami Beach  
 COMFORT INN & SUITES, Miami Springs  
 COMFORT SUITES, Kendall  
 COMMODORE INN IN THE GROVES, Coconut Grove  
 CONRAD HOTEL, Miami \*  
 CONTINENTAL HOTEL, Miami

COUNTRY INN AND SUITES, Miami  
 COURTYARD BY MARRIOTT, Coral Gables  
 COURTYARD BY MARRIOTT (AIRPORT WEST), Miami  
 COURTYARD BY MARRIOTT (WASHINGTON AVE), Miami Beach  
 COURTYARD BY MARRIOTT HOTEL @ DOLPHIN MALL, Miami  
 CRESCENT HOTEL, Miami Beach  
 CROWN PLAZA HOTEL, Miami  
 DAYS INN, Hialeah  
 DAYS INN, Miami Springs  
 DAYS INN ART DECO, Miami Beach  
 DAYS INN MIAMI INT'L AIRPORT, Miami  
 DAYS INN OCEANSIDE, Miami Beach  
 DON SHULA'S HOTEL & GOLF CLUB, Miami Lakes \*\*\*  
 DORAL GOLF RESORT, Miami  
 DOUBLETREE GRAND HOTEL, Miami  
 DOUBLETREE HOTEL, Coconut Grove \*\*\*  
 E.F. INTERNATIONAL SCHOOL LANGUAGE, Miami Beach  
 EDEN ROC, Miami Beach \*\*\*  
 EL PALACIO SPORTS HOTEL, Opa Locka  
 EMBASSY SUITES HOTEL, Miami  
 EPIC HOTEL, Miami \*\*\*  
 EXTENDED STAY AMERICA, Coral Gables  
 EXTENDED STAY AMERICA, Miami  
 EXTENDED STAY AMERICA, Miami  
 EXTENDED STAY AMERICA, Miami  
 FAIRFIELD INN MARRIOTT, Miami #  
 FANTASY INN MOTEL, Miami  
 FLAMINGO SOUTH BEACH, Miami Beach  
 FONTAINEBLEU HILTON APTS, Miami  
 FOUR AMBASSADORS HOTEL, Miami \*\*

\* Locations are subject to change without notice

Total Locations 60

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# Non Standard Display Stand  
 \* Concierge Use Only  
 \* Winter Service Only

## Location's Own Stand  
 \*\* Local Brochures Only

### Summer Service Only  
 \*\*\* From Desk Delivery Only  
 \*\*\* Members Only

Friday, March 05, 2010

**HOTEL & RESORT PROGRAM**  
**MIAMI AREA HOTELS**

- HABANA LIBRE BEACH RESORT, Miami Beach
- HACIENDA MOTEL, Miami
- HADDON HALL HOTEL, Miami Beach
- HAMPTON INN, Coconut Grove
- HAMPTON INN, Miami
- HAMPTON INN, Miami
- HAMPTON INN & SUITES, Miami
- HAMPTON INN & SUITES, Miami
- HENROSA HOTEL, Miami Beach
- HILTON GARDEN INN, Miami \*\*\*
- HILTON MIAMI AIRPORT, Miami
- HILTON MIAMI DOWNTOWN, Miami
- HOLIDAY INN, Miami Beach
- HOLIDAY INN AIRPORT HOTEL, Miami Springs
- HOLIDAY INN EXPRESS, Kendall
- HOLIDAY INN EXPRESS, Miami
- HOLIDAY INN EXPRESS (DORAL), Miami
- HOLIDAY INN EXPRESS HIALEAH MIAMI LAKES, Hialeah
- HOLIDAY INN MIAMI AIRPORT WEST, Miami
- HOLIDAY INN UNIVERSITY OF MIAMI, Coral Gables \*\*\*
- HOMESTEAD STUDIO SUITES, Miami
- HOMESTEAD STUDIO SUITES, Miami
- HOMESTEAD SUITES, Miami Springs
- HOMEWOOD SUITES BY HILTON, Miami
- HOTEL BLUE, Miami
- HOTEL INDIGO, Kendall
- HOTEL INTER-CONTINENTAL, Miami
- HOTEL ROMA, Miami
- HOTEL SOFITEL MIAMI, Miami
- HOTEL VENEZIA, Miami Beach
- HOWARD JOHNSON PLAZA, Hialeah
- HYATT REGENCY, Coral Gables
- HYATT SUMMERFIELD SUITES, Miami
- IMAGINATIONS TOURIST INFO CENTER, Miami Beach
- JAMES HOTEL, Miami Beach
- JAZZ ON SOUTH BEACH HOSTEL, Miami Beach
- KOA CAMPGROUND MIAMI SOUTH, Miami
- LA QUINTA INN & SUITES, Cutler Ridge
- LA QUINTA INN & SUITES, Miami
- LA QUINTA INN & SUITES, Miami
- LA QUINTA INN & SUITES, Miami
- LA QUINTA INN & SUITES, Miami Lakes
- LEEWARD MOTEL, Miami
- LOEWS MIAMI BEACH HOTEL, Miami Beach
- LORRAINE HOTEL, THE, Miami Beach
- LTC LUIS MARTINEZ ARMY RESERVE CTR, Perrine
- MANDARIN ORIENTAL HOTEL, Miami \*\*\*
- MANDARIN ORIENTAL HOTEL, Miami \*\*\*
- MARIVEL TRAVEL, Sunny Isles
- MARRIOTT BISCAYNE BAY, Miami \*\*\*
- MARRIOTT RESIDENCE INN, Coconut Grove
- MARRIOTT TOWN PLACE SUITES, Miami Lakes
- MARRIOTT VILLA'S AT DORAL, Miami
- MIAMI BEACH CONVENTION CENTER, Miami #
- MIAMI BEACH RESORT & SPA, Miami Beach
- MIAMI BEST ATTRACTION CU-4B, Miami Beach
- MIAMI DISCOUNT TOURS, Miami Beach
- MIAMI DISCOUNT TOURS @ BOHEMIAN INTERNET CAFE, Miami
- MIAMI DISCOUNT TOURS@ US PACK AND POST, Miami Beach
- MIAMI GRAND VACATIONS, Miami
- MIAMI SPRINGS TOURIST INFO CENTER, Miami

\* Locations are subject to change without notice

Total Locations 121

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# Non Standard Display Stand  
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## Location's Own Stand  
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Friday, March 05, 2010

HOTEL & VISITOR PROGRAM  
 HOTEL & VISITOR PROGRAM

MIAMI SPRINGS TOURIST INFO CENTER, Miami  
 MIAMI SUN HOTEL, Miami  
 MIDTOWN INN, Miami  
 MOTEL 6, Culter Bay  
 MOTEL 7, Miami  
 MOTEL BLU, Miami  
 OCEAN BREEZE HOTEL, Miami Beach  
 OCEAN REEF HOTEL, Miami Beach  
 OHANA HOSTELS (EMPIRE), Miami Beach  
 PARISIAN HOTEL & SUITES, Miami Beach  
 PARKWAY MOTEL, Miami Springs  
 QUALITY INN SOUTH, Kendall  
 QUINONES TRAVEL, Miami  
 RAMADA INN, Hialeah  
 RED ROOF INN, Miami  
 RELIANCE AVIATION, Miami  
 RIANDE HOTEL, Miami Beach  
 RICHMOND HOTEL, Miami Beach  
 RITZ CARLTON, Coconut Grove \*\*\*  
 RIU FLORIDA BEACH HOTEL, Miami Beach  
 RIVER PARK HOTEL AND SUITES, Miami  
 ROADWAY INN, Miami  
 ROYAL ELITE VACATIONS, Miami Beach  
 ROYAL PALMS, Miami  
 RUNWAY INN, Miami Springs  
 SADIGO COURT, Miami Beach  
 SAN JUAN HOTEL, Miami Beach  
 SANTA BARBARA, Miami Beach  
 SHALIMAR MOTEL, Miami  
 SHERATON FOUR POINTS HOTEL, Miami Beach

SLEEP INN @ MIAMI INTERNATIONAL AIRPORT, Miami Springs  
 SONESTA HOTEL, Coconut Grove \*\*\*  
 SOUTH BEACH HOTEL, Miami Beach  
 SOUTH BEACH TOURIST INFORMATION CENTER @ THE VISCAY HOTEL, Miami Beach  
 SOUTH BEACH WELCOME CENTER @ THE CARLTON, Miami Beach  
 SOUTH RIVER SUITES, Medley  
 SOUTH SEAS HOTEL, Miami Beach  
 SPRINGHILL SUITES BY MARRIOTT, Miami #  
 SUN' N SURF MOTEL, Miami  
 THE FALLS, Miami  
 THE W HOTEL, Miami Beach  
 TOUR CENTER, Miami  
 TOURIST AGENCY, North Miami  
 TOURIST INFO CENTER AT EGUE BEAUTY SALON, Miami Beach  
 TOURIST INFORMATION CENTER, Miami  
 TOWER 41 PARKING, Miami  
 TOWNPLACE SUITES MARRIOTT, Miami  
 TRAFFIC JAMS RENT - A - CAR, Miami Beach  
 TROPICS HOTEL, THE, Miami Beach  
 VISITOR CENTER @ BAYSIDE MARKETPLACE, Miami  
 VISITOR CENTER @ BAYSIDE MARKETPLACE, Miami  
 WESTGATE RESORT, Miami Beach  
 WESTGATE VISITORS CENTER, Miami  
 WESTGATE VISITORS CENTER, Miami  
 WESTIN HOTEL & RESORT, Coral Gables  
 WYNDHAM MIAMI AIRPORT HOTEL, Miami

\* Locations are subject to change without notice

Total Locations 177

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# Non Standard Display Stand  
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## Locality's Own Stand  
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 +++ Members Only

Friday, March 05, 2010

**HOTEL & VISITOR PROGRAM**  
**North West Beach & Sunny Isles**

ADOPE HACIENDA MOTEL, THE, Hollywood \*\*  
 AMAZONIA TOURS, Miami Beach  
 BEACH & TOWN MOTEL RESORT, Hollywood  
 BEACH HOUSE HOTEL, Hollywood  
 BEST WESTERN, Hallandale  
 BEST WESTERN OCEANFRONT RESORT, Miami Beach  
 BEST WESTERN ON THE BAY INN & MARINA, Miami Beach  
 BEST WESTERN WINDSOR INN, North Miami  
 BLUE DOLPHIN HOTEL, Hollywood  
 CASABLANCA HOTEL, Miami Beach  
 CHAMBER OF COMMERCE, Dania Beach  
 CHAMBER OF COMMERCE, Hallandale  
 CHAMBER OF COMMERCE, Hollywood  
 CHAMBER OF COMMERCE, North Miami Beach ##  
 CHAMBER OF COMMERCE, Pembroke Pines  
 CLARION SUITES (CRYSTAL BEACH), Miami Beach  
 COMFORT INN & SUITES, Hollywood  
 COURTYARD BY MARRIOTT, Aventura  
 COURTYARD BY MARRIOTT, Dania Beach  
 COURTYARD BY MARRIOTT, Miramar  
 CROWN PLAZA HOTEL, Hollywood  
 CRYSTAL COURT RECREATIONAL INC, Hollywood  
 CURTIS INN, Hollywood  
 DANIA CITY HALL, Dania  
 DAYS HOTEL THUNDERBIRD BEACH RESORT, Sunny Isles Beach  
 DAYS INN, Hollywood  
 DAYS INN NORTH BEACH, Miami Beach  
 DIANE'S MOTEL, Hollywood  
 DOUBLETREE OCEAN POINT RESORT, Sunny Isles  
 DRIFTWOOD ON THE OCEAN, Hollywood \*\*\*\*

ECONO LODGE INNS & SUITES, Hollywood  
 ECONO LODGE, Hollywood  
 ENCHANTED ISLE RESORT, Hollywood  
 ENTRADA RESORT MOTEL, Hollywood  
 FONTAINEBLEAU HILTON, Miami Beach  
 GOLDEN NUGGET RESORT, North Miami Beach  
 GOLDEN STRAND OCEAN VILLA RESORT, North Miami Beach  
 GRANBY MOTEL, Hollywood  
 GRAND PALM GOLF & COUNTRY CLUB, Pembroke Pines  
 HAMPTON INN, Hallandale  
 HAMPTON INN, Pembroke Pines  
 HAMPTON INN & SUITES, Hollywood  
 HILTON GARDEN INN, Dania Beach  
 HILTON GARDEN INN, Miramar  
 HOLIDAY INN, North Miami Beach  
 HOLIDAY INN (SIXTY SIXTY RESORT HOTEL), Miami Beach  
 HOLIDAY INN EXPRESS, Pembroke Pines  
 HOLIDAY TRAILER PARK, Hallandale  
 HOLLYWOOD BEACH HOTEL, Hollywood  
 HOLLYWOOD BEACH TOWER (LOBBY), Hollywood  
 HOLLYWOOD BEACH TOWER (UPPER GARAGE), Hollywood  
 HOLLYWOOD GATEWAY INN, Hollywood  
 HOLLYWOOD SANDS RESORT, Hollywood  
 HOWARD JOHNSON (DEZERLAND), Miami Beach  
 HYATT PLACE, Dania  
 INTERNATIONAL INN ON THE BAY, Miami Beach  
 INTRACOASTAL YACHT CLUB, Sunny Isle #  
 KENWOOD LODGE, Hollywood  
 LA QUINTA INN & SUITES, Hollywood  
 LE MERIDIEN, Sunny Isles Beach  
 LOMBARDY INN, Miami Beach

\* Locations are subject to change without notice

Total Locations 61

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# Non Standard Display Stand  
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## Location's Own Stand  
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Friday, March 05, 2010

**HOTEL & VISITOR INFORMATION**  
**MIAMI BEACH, MIAMI BEACH & HOLLYWOOD AREA**

MANTA RAY INN, Hollywood  
 MAR-BAY HOTEL, Hallandale  
 MARINE VILLAS, Hollywood  
 MONACO TRAVELODGE, North Miami Beach  
 MOTEL 6, Dania  
 NEPTUNE HOLLYWOOD BEACH RESORT, Hollywood  
 NEW KENT HOTEL, Hollywood \*\*  
 NEWPORT BEACHSIDE HOTEL AND RESORT, North Miami Beach  
 NORMANDY PLAZA BEACH HOTEL, Miami Beach  
 OCEAN INN MOTEL, Hollywood #  
 OCEAN SURF HOTEL, Miami Beach  
 OCEAN WATERWAY MOBILE HOME PARK, Dania  
 RADISSON DEAUVILLE RESORT, Miami Beach  
 RAMADA INN, Hollywood  
 RAMADA INN HOLLYWOOD BEACH RESORT HOTEL, Hollywood  
 RAMADA PLAZA MARCO POLO BEACH RESORT, North Miami Beach  
 REGENT BAL HARBOUR, Bal Harbour  
 RESIDENCE INN BY MARRIOTT, Aventura  
 RESIDENCE INN BY MARRIOTT, Miramar  
 RICHARD'S MOTEL, Hollywood  
 SEACOAST SUITES HOTEL, Miami Beach  
 SHELDON OCEAN RESORT, Hollywood \*\*\*\*  
 SHELL MOTEL, Hollywood  
 SHERATON FORT LAUDERDALE AIRPORT HOTEL, Dania  
 SHERRY FRONTENAC HOTEL, Miami Beach  
 SILVER SPRAY MOTEL, Hollywood  
 SLEEP INN & SUITES, Dania  
 SPRINGHILL SUITES BY MARRIOTT, Dania Beach  
 SUPER 8 MOTEL, Dania Beach

SURFSIDE TOURIST BUREAU- PARKS AND RECREATION, Surfside  
 TIDE MOTEL APARTMENTS, Hollywood  
 TRAVEL BUDGET INN MOTEL, Hollywood  
 TRINITY TOWERS TRAILER PARK, Hollywood  
 TRUMP PALACE, Sunny Isles  
 TRUMP SONESTA, Sunny Isles \*  
 TURNBERRY OCEAN COLONY, Sunny Isles  
 TURNBERRY OCEAN COLONY, Sunny Isles \*\*\*  
 TURNBERRY ON THE GREEN, Miami  
 VENTURA INN MOTEL, Hollywood  
 WHITEHOUSE INN, Miami Beach  
 WINGATE INN, Miramar

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Total Locations 102

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247 RENT A CAR, Miami  
 ACE RENT A CAR, Miami  
 AIR BUS, INC., Miami  
 ALL DAY RENT-A-CAR, Miami  
 AMERICA CAR RENTAL, Miami  
 AMERICAN AUTO RENTAL, Miami  
 AMERICAN CAR RENTAL, Miami  
 AMTRAK STATION, Miami  
 AROW AUTO RENTAL, Miami  
 AVIS RENT-A-CAR , Coral Gables  
 AVIS RENT-A-CAR, Cutler Ridge  
 AVIS RENT-A-CAR, Hialeah  
 AVIS RENT-A-CAR, Miami  
 AVIS RENT-A-CAR, Miami  
 AVIS RENT-A-CAR, Miami  
 AVIS RENT-A-CAR, Miami  
 AVIS RENT-A-CAR, Miami Beach  
 AVIS RENT-A-CAR(DIXIE HWY), Kendall  
 AVIS RENT-A-CAR(MILLS DRIVE), Miami  
 BUDGET RENT-A-CAR, Miami Beach  
 EAST COAST RENT A CAR, Miami  
 FAMILY AUTO RENTAL, Miami  
 GATOR PARK, Miami  
 GLOBAL RENT-A-CAR, Miami  
 GREYHOUND BUS STOP MIAMI NORTH, Miami  
 METRO ZOO, Miami \*\*  
 MIAMI RENT A CAR PLUS, Miami  
 NATIONAL CAR RENTAL, Miami  
 NATIONAL CAR RENTAL, Miami Beach  
 NATIONAL CAR RENTAL, North Miami Beach  
 SAM'S RENT-A-CAR, Miami Springs

SIGNATURE RENT-A-CAR, Miami Beach  
 SOUTH FLORIDA SALES AND LEASING, Miami

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Total Locations 33

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Friday, March 05, 2010

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# MAPA

ATRACCIONES • COMPRAS Y ENTRETENIMIENTO



**The Most Comprehensive Coverage Of Any Map & The Only Spanish Map In South Florida.**

### Proven Distribution

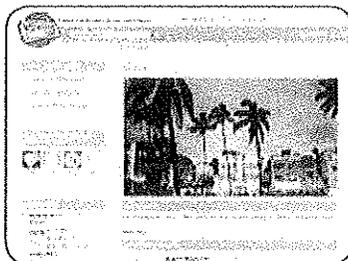
The key to the South Florida "En Español" MAPA is the distribution. CTM will be printing 100,000 copies in 2011 and distributing them in over 700 high profile and high volume tourist locations.

- Miami Hotel Network
- North Miami Beach & Hollywood Hotel Network
- South Miami Hotel Network
- Best of South Beach Hotel Network
- Greater Miami Transportation Network
- Greater Ft. Lauderdale Transportation Network
- South Florida Corporate
- Coconut Grove
- Dolphin Mall
- Sawgrass Mills Mall
- South Florida Fairgrounds



Google Map Technology Illustrates The Palm Beach County Map Distribution Network

The South Florida "En Español" MAPA will be available for download at [Miami.Ettractions.com](http://Miami.Ettractions.com) giving advertisers additional exposure in the pre-planning market.



### Deadlines

**Space Reservations:** November 5, 2010  
**Materials Due:** November 12, 2010  
**Distribution Begins:** December 2010

### Ad Sizes

Ad Size	(W x D)	Rates
Back Panel	3.75" x 8.625"	\$6,500
2 Premium Positions	3.75" x 8.625"	\$6,000
Full Panel	3.75" x 8.625"	\$4,500
1/2 Panel	3.75" x 4.125"	\$2,750
1/4 Panel	3.75" x 1.875"	\$1,200

### AD Sizes

Back / Prime / Full Panel    1/2 Panel    1/4 Panel



Quarter Panel Ad Size Sample (Not To Actual Size)



Text MAP to 71297 \*Msg & Data Rates May Apply

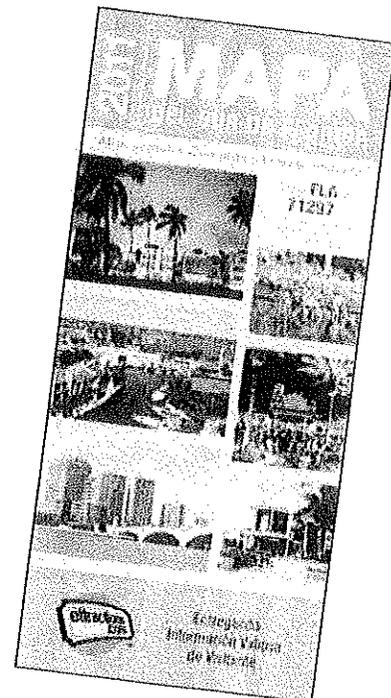
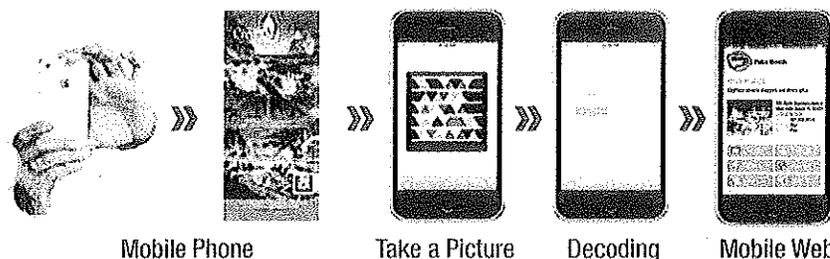


All display ad purchases include a map locator PLUS a Mobile Text Message to deliver timely updates & special offers to map users during the travel season. This 160 character message can be updated anytime by logging into your ettractions.com advertiser profile – clicking "My SMS".

### Mobile Tag

Mobile tagging uses a special 2d barcodes to link visitors from offline materials to a mobile internet page. It is interactive marketing in its truest form.

South Florida "En Español" MAPA advertisers can link visitors directly to their mobile web page. Don't have an mobile webpage? Inquire today!



Hurry Space Is Limited! Call: (954) 929-8009



[www.ctmmediagroup.com](http://www.ctmmediagroup.com)  
[www.ettractions.com](http://www.ettractions.com)



**ALL NEW CARTS!**

11001 VANALHA

**WEEKDAY SENIOR SPECIAL**

(over 55)

**\$28.04**

Includes Cart & Tee

**ALL WE NEEDED IS YOU!**

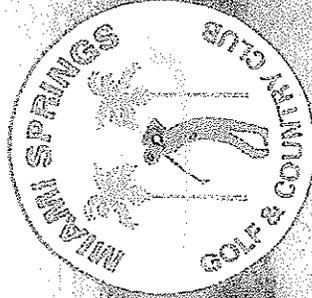
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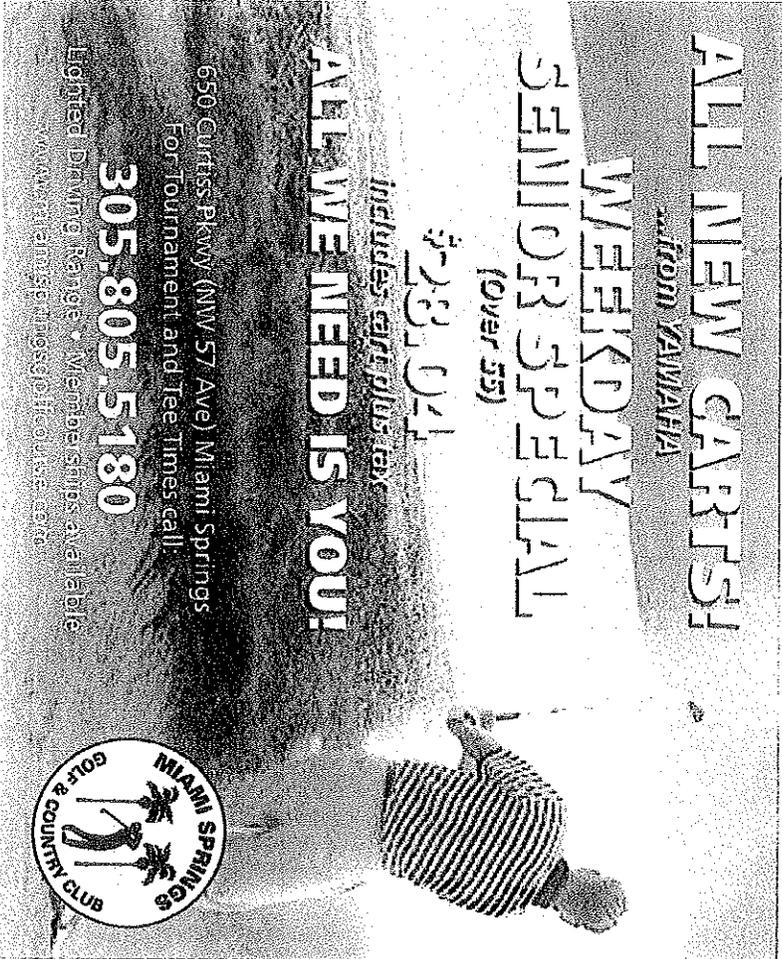
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City Council Meeting of:

FEB 28, 2011

# CITY OF MIAMI SPRINGS



Parks & Recreation Department  
1401 Westward Drive  
Miami Springs, FL 33166-5289  
Phone: (305) 805-5075  
Fax: (305) 805-5077

TO: Honorable Mayor Bain and Members of the City Council

VIA: James R. Borgmann, City Manager *JRB*

FROM: Patricia Bradley, Program Supervisor

SUBJECT: City of Miami Springs 85<sup>th</sup> Anniversary

DATE: February 22<sup>nd</sup>, 2011

As requested, listed below are recommendations for the 85<sup>th</sup> Anniversary of the City of Miami Springs.

**Friday April 8<sup>th</sup>, 2011:**

At the Opening Ceremony of this year's festival we will introduce the current Council and have them kick off our Anniversary Celebration. We will extend to the invitation to past Mayors and Members of Council. I will contact the Festival Committee to coordinate the time and location. We will set up a tent with two (2) tables and provide information in regards to the upcoming 4<sup>th</sup> of July Parade and actual Anniversary Celebration to be held on the Circle, Saturday August 27<sup>th</sup>.

**Monday July 4<sup>th</sup>, 2011:**

I recommend that we have a **City of Miami Springs Float** in this year's Parade. We can have music and people dressed in cloths that represent the 8 decades since the City was incorporated. We should contact the retired airline groups that are still active to have Pan Am, Eastern & National represented. The airlines were a large part of this Community. I will contact Jo Ellen Morgan to see if CMI could offer any assistance in contacting those groups. We can have the Parks & Recreation staff hand out flyers along the parade route promoting the August 27<sup>th</sup> event.

**Saturday August 27<sup>th</sup>, 2011:**

This event would be held in the evening due to the heat. We will provide tents, tables and chairs for the comfort of those attending the event. We will set up our stage on the south side of the Circle for music and presentations. The current City Council, past Council Members, Pioneers of the City and members of the Historical Society will be recognized

and given the opportunity to share their memories and tell us how they contributed to our City to make it what it is today. If the Council decides to have food provided at this event, I would like to contact all of our local restaurants to see if they would be willing to participate. There would be no charge to the vendors for the space. They would be responsible for set up, clean up and providing the food, grills, tables, etc needed for the event. This would be a win-win situation for the City as well as the businesses.

As far as mementos, we can have t-shirts and posters printed. If we decide to sell beer at this event we can also have mugs printed.

If Council agrees, we could host a contest and open it up to school children and residents to provide us with a design for the shirts, posters and mugs. We've done this in the past for other events and it has always been a huge success. We could have the members of the Historical Society judge the entries.

### **EXPENSE:**

The event on **Friday April 8<sup>th</sup>** will not need to be budgeted.

The participation in the Parade, **Monday July 4<sup>th</sup>**, will require renting a flat bed truck and costumes. Before pricing out costumes, I will check with Ralph Wakefield to see if the Pelican Playhouse has anything we can use. I will contact truck rental companies to get an estimate on the cost for the truck.

The main event on **Saturday August 27<sup>th</sup>** will require the renting of tents, tables, chairs and the cost of a band or DJ. We would need four (4) 20 x 40 tents, they run \$180-\$220 each, the 8 foot tables are \$10 each, we need fifty (50), that would seat 400, the chairs are \$1.00 each, we'll need four hundred (400). A band will run approximately \$700-\$1,000 a DJ would be run about \$300-\$500. Printed t-shirts will cost between \$5.00 - \$8.00 each, depending on the quality, posters average \$2.00 - \$5.00 each, the mugs range from \$1.50 - \$3.00 each, license plates \$10.00 each. We'll need to determine the type and quantity of items to be ordered.

The cost of the flyers will range from \$.5 to \$.70 each, depending on color or black & white. We'll need approximately 5000 to cover the distribution at the Festival & Parade. I will also have large poster boards printed to display in local store fronts, City Hall, Community Center & the Country Club, they run \$30.00 - \$45.00 each.

### **ESTIMATED BUDGET\*:**

**4<sup>th</sup> of July Parade: \$2,500** - truck rental, costumes, decorations

**August 27<sup>th</sup> Event: \$12,500** – tents \$880 (4), tables \$500 (50), chairs \$400 (400), entertainment \$1,000, t-shirts \$1,950 (300), mugs \$600 (300), license plates \$2,000 (200), advertising/marketing ie; posters, flyers, Gazette, Neighbors, banners, light pole banners \$5,170

**Projected Budget: \$15,000.00**

**\*Funding will be from the Designated Fund Balance assigned to the Community Center.**





## City of Miami Springs Interoffice Memo

DATE: February 21, 2011

TO: Mayor Billy Bain and Members of the City Council

FROM: James R. Borgmann, City Manager *JRB*

RE: Beacon Council Meeting

---

As you know, Vice Mayor Ator, Councilman Espino, Richard Ventura, Jan, Ron, representatives from Calvin Giordano, and I met with officials from the Beacon Council on February 16 at 2:30 PM. Laz Martinez also attended as Councilman Lob's appointee to the Ad Hoc Committee.

The meeting lasted for well over an hour and was extremely informative. With one exception, the entire meeting was conducted by the president of the organization, Mr. Frank Nero. (The actual presentation is captured in the attached documents.) I came away from the meeting with the feeling that we were the last piece of a puzzle they had been working on for years and that they were excited to have us join them.

One point that should be kept in mind as we begin to work with the Beacon Council is that they are a county-wide group. They do not market individual cities. Their job is to entice businesses with incentives to relocate here or to start up here in Miami-Dade County.

As expected, they verified that NW 36<sup>th</sup> Street was/is the last piece of the puzzle to develop the areas surrounding Miami International Airport in support of international trade. **Our location is key!**

You may or may not be aware of the various "enterprise zones" located in Miami-Dade County. The enclosed map outlines the location of these areas. Roughly ten years ago, Miami Springs attempted on at least two occasions to have the boundary of the airport zone extended to include the north side of NW 36<sup>th</sup> Street. Our requests failed. However, I believe we have found new support from the Beacon Council to have that zone extended. Legislation is now pending in Tallahassee to make these zones more functional with new and improved incentives. I believe our support for this legislation will help our request.

Agenda Item No.

City Council Meeting of:

FEB 28, 2011

In the attached documentation you will find a chart showing all of the monetary incentives offered from the state and county. While I was aware that such formal incentives existed, I never knew the actual value of them. Miami Springs has participated once in an incentive plan over ten years ago when the County was trying to keep the Airbus training center from locating in Broward. We waived about \$60,000 in building permit fees as our contribution to that effort.

Our next "assignment" is to provide the Beacon Council with statistical data about Miami Springs; our population, income levels, housing, schools, recreation, government services, taxes, etc., so that they can begin to include us in their county-wide marketing efforts. Richard Ventura has already begun this task.



## BEACON COUNCIL SERVICES

As Miami-Dade County's official economic development partnership, The Beacon Council is charged with bringing new, job-generating investments to the community and assisting existing businesses in their efforts to expand. In particular, The Beacon Council focuses on growing high-wage, high-values clusters that help diversify Miami-Dade's economy, including (but not limited to):

- Aviation/Aerospace
- Life Sciences
- Financial Services
- Fashion & Lifestyle
- Telecommunications and Information Technology
- International Business (Investment and Trade)

Since its creation in 1985, The Beacon Council has completed over 800 new location and expansion projects. These projects resulted in over 55,000 direct jobs and \$2.8 billion in new capital investment in our community. The Beacon Council has been successful in assisting companies with new locations like Caterpillar, Porsche, Volkswagen, Telefonica, Nokia, Discovery Channel Latin America, Donald J Pliner and BD Biosciences. Through the Local Business Local Jobs Program, The Beacon Council works with Miami-Dade County businesses and has assisted the retention and/or expansion of local businesses including Visa, Burger King, Ryder System, Bertram Yacht and Goya Foods.

The Beacon Council also works collaboratively with a countywide network of local economic development organizations that can provide specialized assistance in all of Miami-Dade's municipalities.

### **Programs and Services**

*Please note that all Beacon Council Services are Free and information gathered is treated as Confidential.*

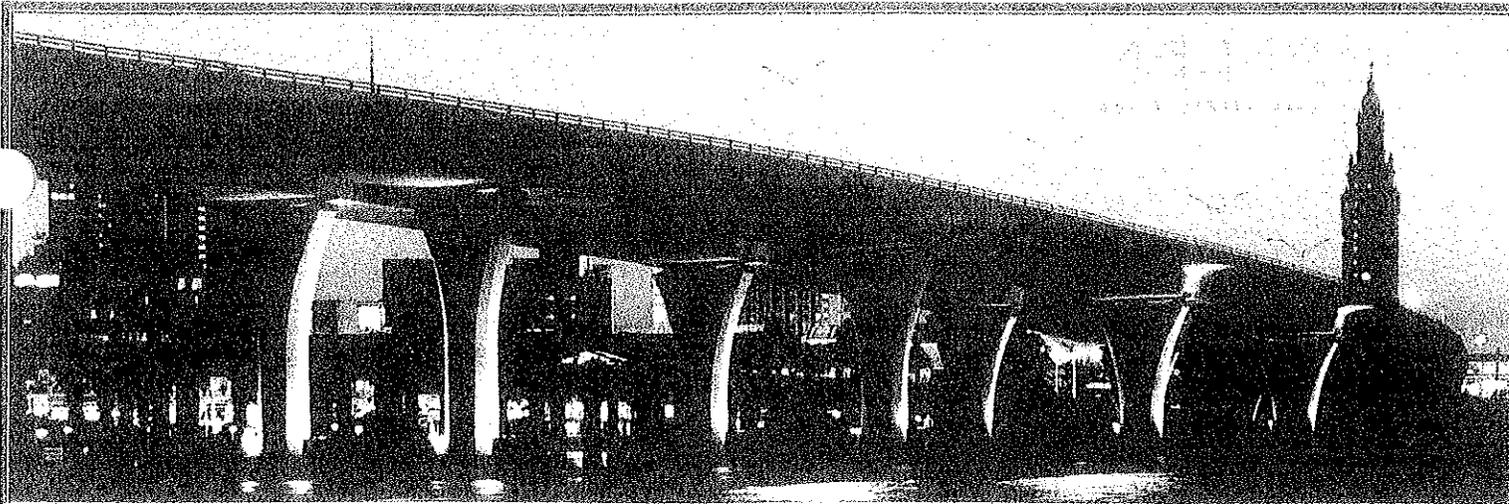
The Beacon Council provides customized assistance to companies that are looking to expand or to relocate. This assistance can come in the form of:

- **Site Identification Services** – The Beacon Council can help companies identify and examine which areas of Miami-Dade County best fit their needs.
- **Customized Research** – Our Research Department can create customized reports, which can include a demographic profile on Miami-Dade County that outlines firms by major industry, employment by industry, percent distribution of employment and wages, international business, international transportation, population, households, income, and quality of life.

- **Access** – The Beacon Council’s countywide partnerships guarantee that a company will be able to access the people it needs to know: from elected officials to companies doing business in its industry sector.
- **Business Incentives** – The Beacon Council can help companies determine their eligibility for local and state job creation and training business incentives and help eligible companies navigate the application process.
- **Financing Programs and Assistance** – The Beacon Council can assist with identifying alternative financing programs, such as the Industrial Bond program, that help Miami-Dade businesses expand and grow. The Beacon Council also works closely with lending corporations to provide additional niche financing products.
- **Permitting and Regulatory Assistance** – The Beacon Council can facilitate meetings and communication between companies and various County and/or municipal permitting and regulatory agencies.
- **Labor Recruitment and Training** – The Beacon Council can provide links to many local service providers of qualified candidates to meet the human resource needs of a company. In addition, there are various programs available that can also reduce training costs by reimbursing an employer a percentage of the employee’s salary while in training.
- **Employee Assistance Relocation Program** – The Beacon Council can provide and coordinate corporate relocation presentations for the employees of a relocating company, worldwide. The Beacon Council can customize and schedule a team, composed of residential Real Estate companies, local experts, banks, and/or moving companies who can develop substantial relocation discount packages. The onsite relocation presentations can include videos, an in-depth relocation review, and a forum to answer any questions that employees may have about moving to Miami-Dade County.

**For further information, please contact:**

**The Beacon Council**  
80 SW 8<sup>th</sup> Street, Suite 2400  
Miami, FL 33130  
305-579-1300  
[www.beaconcouncil.com/web/](http://www.beaconcouncil.com/web/)



# MIAMI-DADE COUNTY

## Enterprise Zone Program



**The Beacon Council**

Non-Profit 501(c)(3)  
Economic Development Authority



*Enterprise Florida*



The Beacon Council  
80 SW 8<sup>th</sup> Street, Suite 2400 · Miami, FL 33130  
Phone: 305.579.1300 · Fax: 305.579.7580  
[www.beaconcouncil.com](http://www.beaconcouncil.com)

# ENTERPRISE ZONE INCENTIVE MATRIX

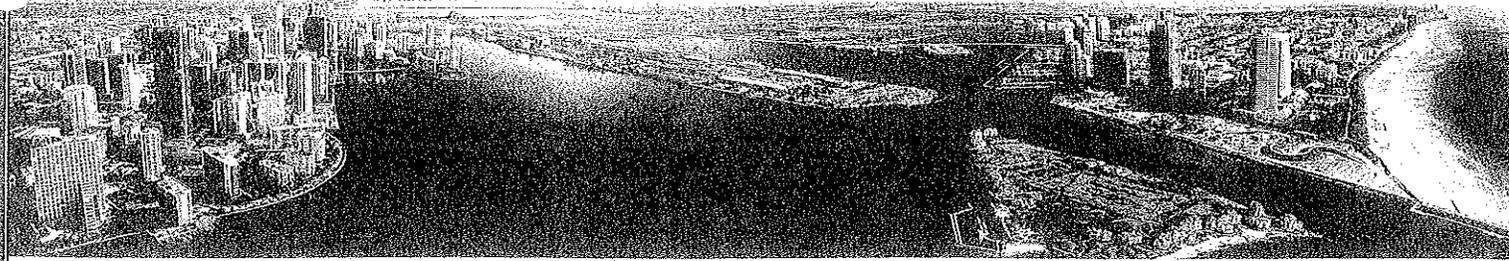
## Incentive Information Sheet



	What is the program?	What are the advantages?	What are the limitations?	How do I receive the credit?
<b>ENTERPRISE ZONE JOBS TAX CREDIT (CORPORATE INCOME TAX)</b> *State Level	<p>Allows businesses located in an enterprise zone that pay corporate income tax a corporate income tax credit for the wages paid to new employees (in a new full-time job) who have been employed by the business for at least 3 months and are residents of a Florida enterprise zone.</p>	<p>This incentive provides a credit of 20% of wages paid to new eligible employees who are residents of a Florida enterprise zone. If 20% or more of the permanent, full-time employees are residents of a Florida enterprise zone, the credit is 30%.</p>	<p>Firms must earn more than \$5,000 to take advantage of the credit.</p> <p>The Federal tax burden may increase since state tax liability is reduced. The amount of the credit also must be added back to Florida taxable income.</p> <p>This credit is not available if the Enterprise Zone Tax Credit, against sales tax, is taken.</p>	<p>Form F-1156Z, which requires a list of names and addresses of eligible employees must be certified by an Enterprise Zone Coordinator and be submitted with the business' corporate income tax return.</p>
<b>ENTERPRISE ZONE JOBS TAX CREDIT (SALES &amp; USE TAX)</b> *State Level	<p>Allows businesses located in an enterprise zone that collect and pay Florida sales and use tax a monthly credit against their tax due on wages paid to new employees (in a new full-time job) who have been employed by the business for at least 3 months and are residents of a Florida enterprise zone.</p>	<p>This incentive provides a credit of 20% of wages paid to new eligible employees who are residents of a Florida enterprise zone. If 20% or more of the permanent, full-time employees are residents of a Florida enterprise zone, the credit is 30%.</p>	<p>The credit is limited to the amount of tax due on each return. There is no refund or carry-forward for credit in excess of the tax due.</p> <p>This credit is not available if the Enterprise Zone Jobs Tax Credit, against corporate tax, is taken.</p> <p>The credit is limited to 24 months if the employee remains employed for 24 months.</p>	<p>Form DR-15ZC must be submitted to an Enterprise Zone Coordinator and DOR within 6 months after the new employee is hired.</p> <p>Within 10 working days of receiving a completed tax credit application, DOR will notify the business that the application has been approved.</p>
<b>SALES TAX REFUND FOR BUSINESS MACHINERY &amp; EQUIPMENT USED IN AN ENTERPRISE ZONE</b> *State Level	<p>A refund is available for sales taxes paid on the purchase of certain business property (e.g., tangible personal property such as office equipment, warehouse equipment, and some industrial machinery and equipment), that is used exclusively in an enterprise zone for at least three years.</p>	<p>This incentive reduces the cost of purchasing new and used qualified tangible personal property that is used in an enterprise zone.</p>	<p>Business equipment must have a sales price of at least \$5,000 per unit. The maximum refund per application will be no more than \$5,000 or 97% of the tax paid. If 20% or more of the permanent, full-time employees of the business are residents of a Florida enterprise zone, the refund will be no more than the lesser of \$10,000 or 97% of the tax paid.</p>	<p>Form DR-26S and Form EZ-E must be certified by an Enterprise Zone Coordinator for the enterprise zone in which the business is located, and must be filed with the Department of Revenue within 6 months of when the business equipment is purchased or when the tax is due.</p>
<b>SALES TAX REFUND FOR BUILDING MATERIALS USED IN AN ENTERPRISE ZONE</b> *State Level	<p>A refund is available for Sales taxes paid on the purchase of building materials used to rehabilitate real property located in an enterprise zone.</p>	<p>This incentive reduces the Cost of rehabilitating real property that is located in an enterprise zone.</p>	<p>The total amount of the Sales tax refund must be at least \$500, but no more than the lesser of \$10,000 or 97% of the tax paid per parcel.</p>	<p>Form DR-26S and Form EZ-M must be certified by an Enterprise Zone Coordinator for the enterprise zone in which the business is located, and must be filed with the Department of Revenue within 6 months of when the improvements are certified as being substantially complete or within 90 days after the property is first subject to assessment.</p>

	What is the program?	What are the advantages?	What are the limitations?	How do I receive the credit?
<b>ENTERPRISE ZONE PROPERTY TAX CREDIT (Corporate Income Tax)</b> *State Level	New or expanded businesses located in an enterprise zone are allowed a credit equal to 96% of all ad valorem taxes not abated by local government is applies against State corporate incomes taxes.	Any unused portion of the credit may be carried forward for five years. The credit can be claimed for five years, up to a maximum of \$50,000 annually if 20% or more employees are enterprise zone residents, otherwise the credit is limited to \$25,000 annually.	Firms must earn more than \$5,000 to take advantage of the credit.  The federal tax burden may increase, since state tax liability is reduced. The amount of the credit must also be added back to Florida taxable income.	Businesses must file Form DR-456 with the county property appraiser before April 1 of the first year in which the new or expanded property is subject to assessment. An Enterprise Zone Coordinator will certify Form F-1158Z and provide copies to the Department of Revenue. Firms must include copies of receipts for applicable ad valorem taxes paid with tax returns and Form F-1158Z
<b>COMMUNITY CONTRIBUTION TAX CREDIT</b> *State Level	Allows businesses anywhere in Florida a 50% credit on Florida corporate income tax, insurance premium tax, or a sales tax refund for donations to local community development projects. Donations must be made to an eligible sponsor conducting an approved community development project. The annual amount of credit granted is limited to \$200,000 per firm and \$10,000,000 for the state.	For each dollar donated, businesses may receive a 55.5 cent reduction in Florida tax liability (50 cents from the credit, 5.5 cents from the deductibility of the donation). The donation may also be deducted from Federal taxable income.  A five-year carry forward provision is available for any unused portion of the corporate income tax credit (sales tax refunds are available for up to three years after the first application).	IRS rules for the valuation of donated goods may require depreciation recapture; therefore, the deduction may be decreased.  By reducing the state liability, state taxes deducted from federal income are decreased; therefore, the federal tax burden may increase.	The project sponsor submits a proposal to OTTED for approval and solicits donations from businesses. Businesses file form 8E-17TCA#01 to OTTED.  Once the donation has been approved, a copy of the approval letter must be submitted with the state tax return or application for a sales tax refund. Project proposals must be recertified on an annual basis.
<b>SALES TAX EXEMPTION FOR ELECTRICAL ENERGY USED IN AN ENTERPRISE ZONE</b> *State, by way of Miami-Dade County	A 50% sales tax exemption is available to qualified businesses located in an enterprise zone on the purchase of electrical energy. If 20% or more of the permanent, full-time employees are residents of a Florida enterprise zone, the exemption is 100% of sales tax.	The 50% or 100% exemption of state sales tax on utilities and the 50% abatement of municipal utility tax are available for up to five years.	<b>The tax exemption is limited to municipalities that have passed an ordinance to reduce the municipal utility tax for enterprise zone businesses.</b>	Form DR-15JEZ must be filed with an application certified by an Enterprise Zone Coordinator for the zone in which the business is located.





# MIAMI-DADE COUNTY Incentives Summary



The Beacon Council  
Miami-Dade County's Official  
Economic Development Authority



Enterprise Florida



THE BEACON COUNCIL  
80 SW 8<sup>th</sup> Street, Suite 2400 · Miami, FL 33130  
Phone: 305.579.1300 · Fax: 305.579.7580  
[www.beaconcouncil.com](http://www.beaconcouncil.com)

	<b>Qualified Target Industry (QTI)</b>	<b>Targeted Jobs Incentive Fund (TJIF) MIAMI-DADE ONLY</b>	<b>Quick Response Training (QRT)</b>	<b>Incumbent Worker Training Program (IWT)</b>	<b>Economic Development Transportation Fund (EDTF)</b>
<b>Type of Incentive</b>	Tax Refund	Tax Refund	Grant	Grant	Grant
<b>Award Made to Whom</b>	Business	Business	Training provider on behalf of business	Business	Local government on behalf of Business
<b>Wage Requirement</b>	At least 115% of state, county, or Metropolitan Statistical Area wage, whichever is lower; may be waived for enterprise zone or brownfield projects.	The Miami-Dade County Commission, in recognition of its responsibility to set a community standard that permits full-time workers to live above the poverty line, enacted the Living Wage Ordinance. The Ordinance requires living wages to be paid by companies receiving incentives for job creation and capital investment through the TJIF program.	Goal is 115% of county or state wage, whichever is lower; may be waived for enterprise zone or brownfield projects.	Goal is 115% of county or state wage, whichever is lower; may be waived for enterprise zone or brownfield projects.	No requirement but it is a consideration.
<b>Number of Jobs Required</b>	At least 10 net new full-time equivalent Florida jobs, and if an expansion, a 10% increase in employment. Expansion requirement may be waived for enterprise zone projects.	Create at least 10 net new full-time equivalent Miami-Dade jobs and, if an expansion project, increase employment at minimum by five new jobs or by at least 10 percent (whichever is greater).	No minimum or maximum. If an expansion, a 10% increase in employment or 100 new full-time jobs, whichever is less.	No minimum or maximum.	No minimum requirement. May be used for new or retained jobs.
<b>Available to Expanding Industry</b>	Yes	Yes	Yes	Yes	Yes
<b>Available to New Industry</b>	Yes	Yes	Yes	No	Yes
<b>Available to Retain Jobs</b>	No	Yes, but only if new jobs are created (see number of jobs required).	As part of an expansion project	Yes	Yes

# STATE & LOCAL KEY INCENTIVES

## Incentive Information Sheet



	Qualified Target Industry (QTI)	Targeted Jobs Incentive Fund (TJIF) MIAMI-DADE ONLY	Quick Response Training (QRT)	Incumbent Worker Training Program (IWT)	Economic Development Transportation Fund (EDTF)
<b>Amount of Award</b>	\$3,000 per job (\$6,000 in an enterprise zone). Increased per job award for extremely high wages or if located in a brownfield area.	\$3,000 per job (\$4,500 if the job is in a Designated Priority Area), and an additional \$1,500 for each new employee that resides in a Designated Priority Area. Or if the capital investment exceeds \$3 million in taxable property value, the company may receive a tax refund of 80% of the amount of Countywide Ad Valorem Property taxes generated by the project and up to 100% if it is in a Designated Priority Area.  There is also a bonus of up to \$1,500 per job for companies with a facility that qualifies as "green construction" and an additional \$1,500 per job if the company is in the business of Solar Thermal and Photovoltaic manufacturing, installation, and repair.	Negotiated with local training provider to meet business needs.	Negotiated with local training provider to meet business needs.	Up to \$2 million based on the cost of the necessary improvements. Limited to \$5,000 (\$7,500 in distressed area) per job created and/or retained.
<b>Payout Schedule</b>	Paid out over a minimum of four years.	Up to 6 years (or longer as may be determined by the County).	Reimbursement monthly to a local training provider.	Reimbursement monthly to business.	Paid out to local governmental entity as needed for construction.
<b>Specified Use of Funds</b>	None	None	Direct training costs, instructor's wages, curriculum development, resource materials, (cannot be used for trainees' wages or training equipment).	Direct training costs, instructor's wages, curriculum development, resource materials, (cannot be used for trainees' wages or training equipment).	Design and engineering costs, and construction costs of transportation project.

**The Beacon Council**  
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Phone: 305.579.1300 · Fax: 305.579.7580  
[www.beaconcouncil.com](http://www.beaconcouncil.com)

	<b>Qualified Target Industry (QTI)</b>	<b>Targeted Jobs Incentive Fund (TJIF) MIAMI-DADE ONLY</b>	<b>Quick Response Training (QRT)</b>	<b>Incumbent Worker Training Program (IWT)</b>	<b>Economic Development Transportation Fund (EDTF)</b>
<b>Local Support Required</b>	Yes – 20% of total tax refund	Yes – 100% is County funded	Yes – local training provider serves as fiscal agent for grant funds; endorsement by local economic development organization.	No – however, Regional Workforce Board is copied on "application received" letter to business When application is received from a business in their region.	Yes
<b>"But For" Incentive</b>	Yes	Yes	No	No	Yes
<b>Eligible Industries, Businesses, and Activities</b>	Manufacturing Facilities; Wholesale Trade; Information Industries; Finance & Insurance Services; Professional, Scientific & Technical Services; Management Services; Administrative & Support Services Only businesses serving <b>multi-state and/or international markets</b> are eligible. Business must be able to locate in other states.	Manufacturing Facilities; Wholesale Trade; Information Industries; Finance & Insurance Services; Professional, Scientific & Technical Services; Management Services; Administrative & Support Services Only businesses serving <b>multi-state and/or international markets</b> are eligible. Business must be able to locate in other states.	Manufacturing Facilities; Wholesale Trade; Information Industries; Finance & Insurance Services; Professional, Scientific & Technical Services; Management Services; Administrative & Support Services Only businesses serving <b>multi-state and/or international markets</b> are eligible. Business must be able to locate in other states.	Manufacturing Facilities; Wholesale Trade; Information Industries; Finance & Insurance Services; Professional, Scientific & Technical Services; Management Services; Administrative & Support Services Only businesses serving <b>multi-state and/or international markets</b> are eligible. Business must be able to locate in other states.	Manufacturing Facilities; Wholesale Trade; Information Industries; Finance & Insurance Services; Professional, Scientific & Technical Services; Management Services; Administrative & Support Services Only businesses serving <b>multi-state and/or international markets</b> are eligible. Business must be able to locate in other states.
<b>Ineligible Industries, Businesses, and Activities</b>	Any retail activities; electrical utility company; phosphate or sold minerals severance, mining, or processing operation; oil or gas exploration or production operation; or, firms subject to regulation by the Division of Hotels and Restaurants of DBPR	Any retail activities; electrical utility company; phosphate or sold minerals severance, mining, or processing operation; oil or gas exploration or production operation; or, firms subject to regulation by the Division of Hotels and Restaurants of DBPR	Businesses that are producing local goods, providing a local service or that are retention in nature.  Standard training programs that are available locally are ineligible.	None	Any retail activities; electrical utility company; distributors, hotels, convention centers (Some exceptions for Enterprise Zone)

## Enterprise Zone Legislation Talking Points

- It is the opinion of most economic development agencies statewide that the current Enterprise Zone model is ineffective, cumbersome and does little to create jobs in economically blighted areas.
- A January, 2011 OPPAGA report identified that current law is bureaucratic where everything gets bottled up at the State level; establishes no communication between the State and local governments; and the current thresholds for the sales and use tax refunds for business property and building materials discourage program participation.
- The proposed legislation relieves some of these issues by improving incentives and giving local government a role in pre-screening applications for incentives. At the same time the proposed legislation gives the State a significant role in the development of a comprehensive integrated policy in the revitalization of urban areas.
- A concern with Enterprise Zone legislation, including the program currently in effect, is the fiscal impact to the State. The legislature could abolish the Enterprise Zone program altogether but in doing so it would completely abandon the effort to induce business investment and employment growth in our State's most needed areas.
- The proposed legislation addresses the fiscal impact to the state by creating a "floor" that would guarantee the State's incremental sales tax, which it would normally receive from an Enterprise Zone. This would ensure that the State of Florida would not see a reduction in the collection of sales taxes it currently receives. The amount of sales tax revenue generated above the established floor would still be remitted to the State but would be eligible for application by the Enterprise Zone to be used for defined economic development projects and improvements within the particular Enterprise Zone.
- Improved incentives in the proposed legislation include the following:
  - A one-time \$1,500 corporate tax credit for each new full time employee hired that is a resident of an Enterprise Zone and has been unemployed for a minimum of 90 days or was dependent on public assistance,
  - A 50% tax credit against sales tax paid by certified businesses within the zone on the purchases of depreciable items,
  - Subsidized unemployment insurance costs for employees who earn less than \$4,500 per quarter as determined by the local zone development corporation, and
  - A tax credit against the corporate business tax of 8%

- The benefits of this legislation would span across Enterprise Zones state-wide and create a Florida initiative to attract businesses to our State in our economically disadvantaged areas.
- The proposed legislation is based upon a model, which has been successful for the past 30 years.

Approved \_\_\_\_\_ Mayor

Agenda Item No.

Veto \_\_\_\_\_

Override \_\_\_\_\_

RESOLUTION NO. \_\_\_\_\_

RESOLUTION SUPPORTING THE BEACON COUNCIL IN  
URGING THE FLORIDA LEGISLATURE TO PASS URBAN  
JOB CREATION INVESTMENT ACT LEGISLATION

**WHEREAS**, the Urban Job Creation Investment Act would authorize the creation of economic development zones within the State of Florida; and

**WHEREAS**, under the Act, businesses located in designated zones could apply for certification to receive certain benefits including a 50 percent reduction in the amount of state sales tax imposed; and

**WHEREAS**, the Act also would authorize the creation of funds within each designated zone made up of sales taxes collected within each program zone that would be used to finance redevelopment projects in the zone; and

**WHEREAS**, the Act would create:

1. A one-time \$1,500 corporate tax credit for each new full time employee hired that is a resident of a program zone and has been unemployed for a minimum of 90 days or was dependent on public assistance,
2. A 50 percent tax credit against sales tax paid by certified businesses within the zone on the purchases of depreciable items,
3. Subsidized unemployment insurance costs for employees who earn less than \$4,500 per quarter as determined by the local zone development corporation,
4. A tax credit against the corporate business tax of 8 percent; and

**WHEREAS**, the Act would establish a sales tax revenue floor for each program zone reflecting current sales tax revenue that is generated in the program zone, and addressing any negative fiscal impact the Act could have on state revenue; and

**WHEREAS**, incremental sales tax revenue that is generated in excess of the floor in each program zone would be placed in a fund to be used for the economic development purposes of the Act and each zone could apply for additional funds that may be generated for other projects and improvements within the zone; and

**WHEREAS**, the Beacon Council is pursuing passage of the Urban Job Creation Investment Act during the 2011 session of the Florida Legislature in an effort to encourage economic development; and

**WHEREAS**, this Board supports passage of the Urban Job Creation Investment Act and would like to support the Beacon Council in its efforts,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board:

**Section 1.** Supports the Beacon Council in urging the Florida Legislature to pass the Urban Job Creation Investment Act or similar economic development legislation.

**Section 2.** Directs the Clerk of the Board to transmit a certified copy of this resolution to the Governor, Senate President, House Speaker, and the Chair and Members of the Miami-Dade County State Legislative Delegation.

**Section 3.** Directs inclusion of this item in the 2011 State Legislative Package as a critical priority for the 2011 state legislative session.

The Prime Sponsor of the foregoing resolution is \_\_\_\_\_. It was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

The Chairperson thereupon declared the resolution duly passed and adopted this        day  
of        , 2011. This resolution shall become effective ten (10) days after the  
date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon  
an override by this Board.

By Senator Flores

38-00508B-11

2011816\_\_

1                   A bill to be entitled  
2           An act relating to enterprise program development  
3           zones; designating the act as the "Urban Job Creation  
4           Investment Act"; providing definitions; creating the  
5           Urban Investment Job Creation Authority; providing for  
6           the appointment of members to the authority;  
7           specifying the duties of the authority to include  
8           specifying enterprise program zone boundaries,  
9           reviewing applications from businesses to become  
10          eligible for certain tax benefits, reviewing proposed  
11          projects for eligibility to receive funding from a  
12          local enterprise program zone development corporation,  
13          and conducting studies and filing reports; requiring  
14          the Office of Tourism, Trade, and Economic Development  
15          to provide administrative support to the authority;  
16          providing for the creation of enterprise zone  
17          development corporations by counties and  
18          municipalities as nonprofit corporations; providing  
19          for the appointment of the board of directors of those  
20          corporations; specifying the duties of the  
21          corporations to include implementing an enterprise  
22          program zone development plan, administering an  
23          enterprise zone program assistance fund, prequalifying  
24          applications from businesses to become eligible to  
25          receive certain tax benefits, and preparing annual  
26          reports; specifying criteria for the designation of  
27          enterprise program zones by the Urban Investment Job  
28          Creation Authority upon the expiration of the  
29          enterprise zone program; specifying procedures for

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30 enterprise program zone development corporations and  
31 the authority to follow in certifying a business as a  
32 qualified business that is eligible to receive certain  
33 tax benefits; authorizing the authority to adopt  
34 rules; authorizing a qualified business to receive tax  
35 credits against sales and corporate income taxes and a  
36 subsidy for the cost of unemployment compensation  
37 insurance; authorizing the Department of Revenue to  
38 adopt rules relating to the tax credits; requiring  
39 enterprise program zone development corporations to  
40 create an enterprise program zone assistance fund  
41 using the proceeds of certain incremental sales tax  
42 revenues in excess of the sales and tax revenue  
43 generated within the zone during a specified fiscal  
44 year; requiring the payment of those tax revenues from  
45 the Department of Revenue, counties, and  
46 municipalities to enterprise program zone development  
47 corporations; authorizing those funds to be used upon  
48 approval by the authority for urban improvement  
49 projects; requiring the authority to account for the  
50 funds; requiring the Office of Program Policy Analysis  
51 and Government Accountability to evaluate the  
52 effectiveness of enterprise program zones and issue a  
53 report of its findings and recommendations before the  
54 expiration of the act; providing for future expiration  
55 of the act; providing an effective date.

56  
57 Be It Enacted by the Legislature of the State of Florida:  
58

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2011816

59       Section 1. Short title.—This act may be cited as the "Urban  
60 Job Creation Investment Act."

61       Section 2. Definitions.—As used in sections 1 through 10 of  
62 this act, the term:

63       (1) "Authority" means the Florida Urban Investment Job  
64 Creation Authority.

65       (2) "Business" has the same meaning as provided in s.  
66 212.02, Florida Statutes.

67       (3) "Enterprise program zone" means a zone designated by  
68 the authority within which a qualified business may receive  
69 certain corporate and sales tax benefits.

70       (4) "Enterprise zone program assistance fund" means a fund  
71 to be administered by a zone development corporation consisting  
72 of additional sales tax revenue generated by qualified  
73 businesses in excess of the amount of sales and tax revenue  
74 generated in an enterprise program zone during the 2010-2011  
75 state fiscal year.

76       (5) "Qualified business" means a business that is located  
77 within an enterprise program zone and certified by the authority  
78 as meeting the criteria to receive certain corporate and sales  
79 tax benefits.

80       (6) "Zone development corporation" means a nonprofit  
81 corporation created by a county or municipality to recommend  
82 enterprise program zone boundaries, create and implement a  
83 preliminary enterprise program zone development plan, administer  
84 the enterprise zone program assistance fund, and review  
85 applications to prequalify businesses as a qualified business.

86       (7) "Zone development plan" means a plan that is adopted by  
87 a zone development corporation, sets the goals for the

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88 enterprise program goals, and identifies the steps to achieve  
89 those goals.

90 Section 3. Urban Investment Job Creation Authority;  
91 creation; membership and duties.-

92 (1) The Urban Investment Job Creation Authority is created.  
93 The Urban Investment Job Creation Authority shall have 11  
94 members, as follows:

95 (a) Five members of the public appointed by the Governor.  
96 Three of these members must reside or work in an enterprise  
97 program zone. No more than three of these five members may be  
98 members of the same political party.

99 (b) One member appointed by the Governor who is an owner or  
100 officer of a business that is located within an enterprise  
101 program zone and satisfies the requirements to be certified as a  
102 qualified business.

103 (c) One member appointed by the Chief Financial Officer,  
104 one member appointed by the President of the Senate, and one  
105 member appointed by the Speaker of the House of Representatives.  
106 Each of these members must have experience in the areas of local  
107 government finance, economic development, and redevelopment, or  
108 must have experience with volunteer civic service and community  
109 organizations.

110 (d) The President of Enterprise Florida, Inc., or his or  
111 her designee.

112 (e) The director of the Governor's Office of Tourism,  
113 Trade, and Economic Development or his or her designee.

114  
115 Members of the authority who are appointed shall be appointed to  
116 4-year terms ending on June 30. However, in order to ensure

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117 staggered terms, of the initial appointments three members of  
118 the public and the member appointed by the Chief Financial  
119 Officer shall be appointed to 2-year terms. A vacancy shall be  
120 filled in the same manner as the original appointment. A member  
121 of the authority may not receive compensation for his or her  
122 services, but is entitled to reimbursement for per diem and  
123 travel expenses from the county or municipality creating the  
124 corporation, consistent with s. 112.061, Florida Statutes.

125 (2) The authority shall:

126 (a) Designate enterprise program zone boundaries after the  
127 repeal of ss. 290.001-290.016, Florida Statutes, on December 31,  
128 2015, based on the recommendations of zone development  
129 corporations and the criteria for the designation of an  
130 enterprise zone under ss. 290.001-290.016, Florida Statutes  
131 2010.

132 (b) Review applications for certification as a qualified  
133 business which have been prequalified by a zone development  
134 corporation.

135 (c) Review projects proposed by a zone development  
136 corporation to receive funding from an enterprise program zone  
137 assistance fund.

138 (d) Certify annually to the Chief Financial Officer,  
139 amounts to be paid from enterprise program zone assistance funds  
140 for approved projects.

141 (e) File an annual report with the Governor, the President  
142 of the Senate, and the Speaker of the House of Representatives  
143 by September 30th of its activities during the preceding state  
144 fiscal year. The report must include a complete financial  
145 statement setting forth its assets, liabilities, income, and

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146 operating expenses as of the end of the previous state fiscal  
147 year.

148 (f) File a report of its findings and recommendations from  
149 fiscal impact study of enterprise program zones with the  
150 Governor, the President of the Senate, the Speaker of the House  
151 of Representatives, and the Chief Financial Officer by November  
152 30, 2013, and annually thereafter. The initial financial impact  
153 study must address enterprise program zones that have been in  
154 existence for at least 1 year as of June 30, 2012. Subsequent  
155 studies must address all enterprise program zones. The reports  
156 must include, but need not be limited to, an analysis of the  
157 effects of the enterprise program zones on the economies of the  
158 county and municipalities in which they are located, and any  
159 recommendations for legislation to improve the effectiveness of  
160 the zones. Each enterprise program zone development corporation  
161 shall pay the authority for the pro rata cost of the studies  
162 from their enterprise program zone assistance funds.

163 (3) The Office of Tourism, Trade, and Economic Development  
164 shall provide administrative support to the authority.

165 Section 4. Zone development corporations; creation;  
166 membership and duties.—

167 (1) Each county or municipality having an enterprise zone  
168 created pursuant to ss. 290.001-290.016, Florida Statutes,  
169 before July 1, 2011, shall create a zone development corporation  
170 as a nonprofit corporation. The board of directors shall be  
171 composed of the following members:

172 (a) A member appointed by the Governor who is an owner or  
173 officer of a business that is located within an enterprise  
174 program zone and satisfies the requirements to be certified as a

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175 qualified business.

176 (b) A member appointed by the President of the Senate who  
177 is a business or community leader who works or resides in the  
178 enterprise program zone.

179 (c) A member appointed by the Speaker of the House of  
180 Representatives who is a business or community leader who works  
181 or resides in the enterprise program zone.

182 (d) A member who resides within the county containing the  
183 enterprise program zone and appointed by the chair of the  
184 governing body of the county, if the zone is not exclusively  
185 within the boundaries of a municipality, or a member who resides  
186 within the municipality containing the enterprise program zone  
187 and appointed by the mayor of the municipality, if the zone is  
188 exclusively within the boundaries of a municipality.

189 (e) A member who resides within the county containing the  
190 enterprise program zone and appointed by the governing body of  
191 the county, if the zone is not exclusively within the boundaries  
192 of a municipality, or a member who resides within the  
193 municipality containing the enterprise program zone and  
194 appointed by the governing body of the municipality, if the zone  
195 is exclusively within the boundaries of a municipality.

196 (f) A member who resides in a municipality containing an  
197 enterprise program zone and appointed by the governing body of  
198 the municipality, if the zone includes any part of a  
199 municipality.

200 (2) Members of the authority appointed by the President of  
201 the Senate and the Speaker of the House of Representatives shall  
202 be appointed to 2-year terms ending on June 30. All other  
203 members shall be appointed to 4-year terms. A vacancy shall be

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204 filled in the same manner as the original appointment. A member  
205 shall file a certificate of the appointment or reappointment  
206 with the county or municipal clerk. A member of the board of  
207 directors of a zone development corporation may not receive  
208 compensation for his or her services, but is entitled to  
209 reimbursement for per diem and travel expenses from the county  
210 or municipality creating the corporation, consistent with s.  
211 112.061, Florida Statutes.

212 (3) The members of a zone development corporation shall  
213 designate a chair and vice chair. Subject to funding by the  
214 county or municipality, each zone development corporation may  
215 employ or designate an executive director, technical experts,  
216 and such other agents and employees, permanent and temporary, as  
217 the zone development corporation requires, and determine their  
218 qualifications, duties, and compensation. For such legal  
219 services as the zone development corporation requires, each zone  
220 development corporation may employ private counsel or use county  
221 or municipal attorneys at the discretion of the county or  
222 municipality.

223 (4) A zone development corporation shall:

224 (a) Recommend enterprise program boundaries to the  
225 authority after the repeal of the enterprise zone program under  
226 ss. 290.001-290.016, Florida Statutes, on December 31, 2015.  
227 However, the enterprise zone boundaries created pursuant to ss.  
228 290.001-290.016, Florida Statutes, which are in existence on  
229 June 30, 2011, shall be the initial enterprise zone program  
230 boundaries.

231 (b) Create and implement an enterprise program zone  
232 development plan. The plan must set the goals for the enterprise

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233 program goals and identify the steps to achieve those goals. The  
234 plan must provide guidance to business and community  
235 organizations.

236 (c) Administer an enterprise program zone assistance fund.

237 (d) Review applications from businesses for  
238 prequalification for certification as a qualified business.

239 (5) An enterprise zone development corporation shall meet  
240 at least quarterly to review applications from businesses for  
241 prequalification as a qualified business. The application of a  
242 business that is prequalified must be forwarded to the authority  
243 for further review within 10 days.

244 (6) An enterprise program zone development corporation  
245 shall hold an open public forum at least quarterly, in which  
246 urban development projects to be funded from the enterprise  
247 program zone assistance fund may be proposed and discussed.

248 (7) An enterprise program zone development corporation  
249 shall file a report of its activities during the preceding state  
250 fiscal year with the county or municipal clerk, the authority,  
251 the Governor, the President of the Senate, and the Speaker of  
252 the House of Representatives on or before September 30 of each  
253 year. The report must include a complete financial statement  
254 setting forth the corporation's assets, liabilities, income, and  
255 operating expenses as of the end of such fiscal year. At the  
256 time of filing the report, each zone development corporation  
257 shall publish in a newspaper of general circulation in the area  
258 affected, notice that such report has been filed and is  
259 available for inspection during business hours in the offices of  
260 the zone development corporation.

261 Section 5. Enterprise program zone; criteria; procedures.--

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262 By June 30, 2015, each enterprise program zone development  
263 corporation shall create an economic report that relies on the  
264 most current census data and other economic indicators to  
265 identify the most economically blighted areas located within the  
266 federal empowerment zones within the boundaries of its  
267 enterprise program zone. Each zone development corporation shall  
268 recommend enterprise program zone boundaries using the economic  
269 report and the criteria for enterprise zones under ss. 290.001-  
270 290.016, Florida Statutes 2010. The area of the enterprise  
271 program zones within a county or municipality may not exceed 25  
272 percent of the area of the federal empowerment zones in the  
273 respective county or municipality which were in existence on  
274 June 30, 2011. By September 30, 2015, each zone development  
275 corporation shall submit its recommended enterprise program zone  
276 boundaries along with the economic report to the authority. The  
277 authority shall designate enterprise program zone boundaries  
278 that shall become effective January 1, 2016.

279 Section 6. Certification as a qualified business; criteria  
280 and procedures.-

281 (1) A business seeking to become certified as a qualified  
282 business must apply on forms created by the authority to its  
283 local enterprise program zone development corporation for  
284 prequalification. If prequalified, the application shall be  
285 forwarded to the authority for further review.

286 (2)(a) To become certified as a qualified business, the  
287 business' application for certification must, at a minimum,  
288 contain documentation showing that the business satisfies the  
289 following criteria:

290 1. Is located and actively conducts business within an

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291 enterprise program zone.

292 2 Has employees at least 20 percent of whom:

293 a. Are residents of the enterprise program zone, an  
294 empowerment zone, or an enterprise zone;

295 b. Were employed by the business on or after July 1, 2011,  
296 and were unemployed for at least 6 months immediately preceding  
297 employment with the business at its location within the  
298 enterprise program zone;

299 c. Were employed by the business on or after July 1, 2011,  
300 and were recipients of public assistance for at least 6 months  
301 immediately preceding employment; or

302 d. Were employed by the business on or after July 1, 2011,  
303 and were determined to be economically disadvantaged in the  
304 period immediately preceding employment with the business under  
305 the Jobs Training Partnership Act, 29 U.S.C. 1501 et seq.

306 (b) An application for certification must also identify or  
307 include information relating to:

308 1. Real and tangible personal property owned or leased by  
309 the business before and after July 1, 2011, if any;

310 2. Net new or additional real and tangible personal  
311 property acquired on or after July 1, 2011, to facilitate a new,  
312 expanded, or rebuilt facility; and

313 3. Comprehensive urban planning, neighborhood aesthetics  
314 and compatibility, and maximization of economic development and  
315 job-creation opportunities, as specified by the authority.

316 (3) The authority shall transmit a copy of its order  
317 approving or denying an application for certification or  
318 revoking a certification to the business.

319 (4) The authority must transmit a copy of its order

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320 certifying a business as a qualified business or revoking  
321 certification to the executive director of the Department of  
322 Revenue within 10 days after it enters its order.

323 (5) The authority shall require a qualified business to  
324 annually establish that it satisfies the criteria in subsection  
325 (2) in order to remain certified as a qualified business.

326 (6) The authority shall adopt rules to administer this  
327 section.

328 Section 7. Tax benefits for qualified businesses.--

329 (1) (a) A qualified business is entitled to:

330 1. A 50 percent tax credit against the sales or use tax  
331 imposed on its purchases pursuant to chapter 212, Florida  
332 Statutes, except for purchases of motor vehicles or adult  
333 entertainment products or services;

334 2. A one-time credit against the business' corporate income  
335 tax liability of \$1,500 for each new full-time employee who is  
336 hired on or after July 1, 2011, who is a resident of an  
337 enterprise program zone, and who was unemployed for at least 90  
338 days immediately preceding employment with the business or was  
339 receiving public assistance;

340 3. A subsidy, as determined and provided by the enterprise  
341 zone development corporation, for unemployment compensation  
342 insurance costs for employees who earn less than \$4,500 per  
343 quarter; and

344 4. An 8 percent credit against the corporate income tax.

345 (b) A qualified business is entitled to accrue, receive,  
346 and claim the tax benefits under paragraph (a) until June 30,  
347 2016.

348 (2) A qualified business becomes ineligible to accrue the

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349 tax benefits under this section in the month that it no longer  
350 satisfies the criteria in subsection (2) of section 6 of this  
351 act.

352 (3) The Department of Revenue shall adopt rules to  
353 administer this section.

354 Section 8. Enterprise program zone assistance funds.--

355 (1) Each enterprise program zone development corporation  
356 shall create an enterprise program zone assistance fund. The  
357 fund shall be funded using the incremental sales tax collected  
358 within each enterprise program zone to the extent that those  
359 revenues exceed the amount of sales and tax revenue generated in  
360 an enterprise program zone during the 2011-2012 state fiscal  
361 year. The Department of Revenue, counties, and municipalities  
362 shall pay the tax revenues to the respective enterprise program  
363 zone development corporations by the end of the month following  
364 the month in which incremental revenues were collected by the  
365 Department of Revenue or received by the county or municipality.  
366 Those payments shall be reported by the Department of Revenue  
367 and each county and municipality to the authority within 10 days  
368 after those payments have been made.

369 (2) Funds from an enterprise program zone assistance fund  
370 may be used for urban improvement projects or other development  
371 programs within an enterprise program zone. The authority must  
372 approve each project before it may be funded from an assistance  
373 fund.

374 (3) Each enterprise program zone development corporation  
375 must annually account for the collection and allocation or  
376 expenditure of funds from an assistance fund and provide a  
377 report of its accounting to the authority. The authority must

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378 certify annually to the Chief Financial Officer the amount of  
379 approved expenditures on urban improvement projects from each  
380 assistance fund.

381 Section 9. Review of enterprise program zones.--Before the  
382 2021 Regular Session of the Legislature, the Office of Program  
383 Policy Analysis and Government Accountability shall review and  
384 evaluate the effectiveness of each enterprise program zone using  
385 the annual reports prepared by the authority and each enterprise  
386 program zone development corporation. The office shall evaluate  
387 whether the enterprise program zone benefits caused new  
388 investment and development; increased the number of jobs created  
389 or retained; caused the renovation, rehabilitation, restoration,  
390 improvement, or new construction of businesses or housing; or  
391 contributed to the economic viability and profitability of  
392 business and commerce. The office shall submit a report of its  
393 findings and recommendations to the President of the Senate and  
394 the Speaker of the House of Representatives by January 15, 2021.

395 Section 10. This act expires June 30, 2021.

396 Section 11. This act shall take effect July 1, 2011.

## Enterprise Zone Legislation Talking Points

- It is the opinion of most economic development agencies statewide that the current Enterprise Zone model is ineffective, cumbersome and does little to create jobs in economically blighted areas.
- A January, 2011 OPPAGA report identified that current law is bureaucratic where everything gets bottled up at the State level; establishes no communication between the State and local governments; and the current thresholds for the sales and use tax refunds for business property and building materials discourage program participation.
- The proposed legislation relieves some of these issues by improving incentives and giving local government a role in pre-screening applications for incentives. At the same time the proposed legislation gives the State a significant role in the development of a comprehensive integrated policy in the revitalization of urban areas.
- A concern with Enterprise Zone legislation, including the program currently in effect, is the fiscal impact to the State. The legislature could abolish the Enterprise Zone program altogether but in doing so it would completely abandon the effort to induce business investment and employment growth in our State's most needed areas.
- The proposed legislation addresses the fiscal impact to the state by creating a "floor" that would guarantee the State's incremental sales tax, which it would normally receive from an Enterprise Zone. This would ensure that the State of Florida would not see a reduction in the collection of sales taxes it currently receives. The amount of sales tax revenue generated above the established floor would still be remitted to the State but would be eligible for application by the Enterprise Zone to be used for defined economic development projects and improvements within the particular Enterprise Zone.
- Improved incentives in the proposed legislation include the following:
  - A one-time \$1,500 corporate tax credit for each new full time employee hired that is a resident of an Enterprise Zone and has been unemployed for a minimum of 90 days or was dependent on public assistance,
  - A 50% tax credit against sales tax paid by certified businesses within the zone on the purchases of depreciable items,
  - Subsidized unemployment insurance costs for employees who earn less than \$4,500 per quarter as determined by the local zone development corporation, and
  - A tax credit against the corporate business tax of 8%

- The benefits of this legislation would span across Enterprise Zones state-wide and create a Florida initiative to attract businesses to our State in our economically disadvantaged areas.
- The proposed legislation is based upon a model, which has been successful for the past 30 years.

By Senator Garcia

40-00624-11

2011620

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2           An act relating to enterprise program development  
3           zones; designating the act as the "Urban Job Creation  
4           Investment Act"; providing definitions; creating the  
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6           the appointment of members to the authority;  
7           specifying the duties of the authority to include  
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10          eligible for certain tax benefits, reviewing proposed  
11          projects for eligibility to receive funding from a  
12          local enterprise program zone development corporation,  
13          and conducting studies and filing reports; requiring  
14          the Office of Tourism, Trade, and Economic Development  
15          to provide administrative support to the authority;  
16          providing for the creation of enterprise zone  
17          development corporations by counties and  
18          municipalities as nonprofit corporations; providing  
19          for the appointment of the board of directors of those  
20          corporations; specifying the duties of the  
21          corporations to include implementing an enterprise  
22          program zone development plan, administering an  
23          enterprise zone program assistance fund, prequalifying  
24          applications from businesses to become eligible to  
25          receive certain tax benefits, and preparing annual  
26          reports; specifying criteria for the designation of  
27          enterprise program zones by the Urban Investment Job  
28          Creation Authority upon the expiration of the  
29          enterprise zone program; specifying procedures for

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2011620

30 businesses enterprise program zone development  
 31 corporations, and the authority to follow to certify a  
 32 businesses as qualified businesses that are eligible  
 33 to receive certain tax benefits; authorizing the  
 34 authority to adopt rules; authorizing a qualified  
 35 business to receive tax credits against sales and  
 36 corporate income taxes and a subsidy for the cost of  
 37 unemployment compensation insurance; authorizing the  
 38 Department of Revenue to adopt rules relating to the  
 39 tax credits; requiring enterprise program zone  
 40 development corporations to create an enterprise  
 41 program zone assistance fund using the proceeds of  
 42 certain incremental sales tax revenues in excess of  
 43 the sales and tax revenue generated within the zone  
 44 during a specified fiscal year; requiring the payment  
 45 of those tax revenues from the Department of Revenue,  
 46 counties, and municipalities to enterprise program  
 47 zone development corporations; authorizing those funds  
 48 to be used upon approval by the authority for urban  
 49 improvement projects; requiring the authority to  
 50 account for the funds; requiring the Office of Program  
 51 Policy Analysis and Government Accountability to  
 52 evaluate the effectiveness of enterprise program zones  
 53 and issue a report of its findings and recommendations  
 54 before the expiration of the act; providing for future  
 55 expiration of the act; providing an effective date.

57 Be It Enacted by the Legislature of the State of Florida:

58

40-00624-11

2011620

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60 Job Creation Investment Act."

61           Section 2. Definitions.—As used in sections 1 through 10 of  
62 this act, the term:

63           (1) "Authority" means the Florida Urban Investment Job  
64 Creation Authority.

65           (2) "Business" has the same meaning as provided in s.  
66 212.02, Florida Statutes.

67           (3) "Enterprise program zone" means a zone designated by  
68 the authority within which a qualified business may receive  
69 certain corporate and sales tax benefits.

70           (4) "Enterprise zone program assistance fund" means a fund  
71 to be administered by a zone development corporation consisting  
72 of additional sales tax revenue generated by qualified  
73 businesses in excess of the amount of sales and tax revenue  
74 generated in an enterprise program zone during the 2010-2011  
75 state fiscal year.

76           (5) "Qualified business" means a business that is located  
77 within an enterprise program zone and certified by the authority  
78 as meeting the criteria to receive certain corporate and sales  
79 tax benefits.

80           (6) "Zone development corporation" means a nonprofit  
81 corporation created by a county or municipality to recommend  
82 enterprise program zone boundaries, create and implement a  
83 preliminary enterprise program zone development plan, administer  
84 the enterprise zone program assistance fund, and review  
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86           (7) "Zone development plan" means a plan that is adopted by  
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2011620

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89 those goals.

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93 The Urban Investment Job Creation Authority shall have 11  
94 members, as follows:

95 (a) Five members of the public appointed by the Governor.  
96 Three of these members must reside or work in an enterprise  
97 program zone. No more than three of these five members may be  
98 members of the same political party.

99 (b) One member appointed by the Governor who is an owner or  
100 officer of a business that is located within an enterprise  
101 program zone and satisfies the requirements to be certified as a  
102 qualified business.

103 (c) One member appointed by the Chief Financial Officer,  
104 one member appointed by the President of the Senate, and one  
105 member appointed by the Speaker of the House of Representatives.  
106 Each of these members must have experience in the areas of local  
107 government finance, economic development, and redevelopment, or  
108 must have experience with volunteer civic service and community  
109 organizations.

110 (d) The President of Enterprise Florida, Inc., or his or  
111 her designee.

112 (e) The director of the Governor's Office of Tourism,  
113 Trade, and Economic Development or his or her designee.

114  
115 Members of the authority who are appointed shall be appointed to  
116 4-year terms ending on June 30. However, in order to ensure

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117 staggered terms, of the initial appointments three members of  
118 the public and the member appointed by the Chief Financial  
119 Officer shall be appointed to 2-year terms. A vacancy shall be  
120 filled in the same manner as the original appointment. A member  
121 of the authority may not receive compensation for his or her  
122 services, but is entitled to reimbursement for per diem and  
123 travel expenses from the county or municipality creating the  
124 corporation, consistent with s. 112.061, Florida Statutes.

125 (2) The authority shall:

126 (a) Designate enterprise program zone boundaries after the  
127 repeal of ss. 290.001-290.016, Florida Statutes, on December 31,  
128 2015, based on the recommendations of zone development  
129 corporations and the criteria for the designation of an  
130 enterprise zone under ss. 290.001-290.016, Florida Statutes  
131 2010.

132 (b) Review applications for certification as a qualified  
133 business which have been prequalified by a zone development  
134 corporation.

135 (c) Review projects proposed by a zone development  
136 corporation to receive funding from an enterprise program zone  
137 assistance fund.

138 (d) Certify annually to the Chief Financial Officer,  
139 amounts to be paid from enterprise program zone assistance funds  
140 for approved projects.

141 (e) File an annual report with the Governor, the President  
142 of the Senate, and the Speaker of the House of Representatives  
143 by September 30th of its activities during the preceding state  
144 fiscal year. The report must include a complete financial  
145 statement setting forth its assets, liabilities, income, and

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146 operating expenses as of the end of the previous state fiscal  
147 year.

148 (f) File a report of its findings and recommendations from  
149 fiscal impact study of enterprise program zones with the  
150 Governor, the President of the Senate, the Speaker of the House  
151 of Representatives, and the Chief Financial Officer by November  
152 30, 2013, and annually thereafter. The initial financial impact  
153 study must address enterprise program zones that have been in  
154 existence for at least 1 year as of June 30, 2012. Subsequent  
155 studies must address all enterprise program zones. The reports  
156 must include, but need not be limited to, an analysis of the  
157 effects of the enterprise program zones on the economies of the  
158 county and municipalities in which they are located, and any  
159 recommendations for legislation to improve the effectiveness of  
160 the zones. Each enterprise program zone development corporation  
161 shall pay the authority for the pro rata cost of the studies  
162 from their enterprise program zone assistance funds.

163 (3) The Office of Tourism, Trade, and Economic Development  
164 shall provide administrative support to the authority.

165 Section 4. Zone development corporations; creation;  
166 membership and duties.-

167 (1) Each county or municipality having an enterprise zone  
168 created pursuant to ss. 290.001-290.016, Florida Statutes,  
169 before July 1, 2011, shall create a zone development corporation  
170 as a nonprofit corporation. The board of directors shall be  
171 composed of five members as follows:

172 (a) A member appointed by the Governor who is an owner or  
173 officer of a business that is located within an enterprise  
174 program zone and satisfies the requirements to be certified as a

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175 qualified business.

176 (b) A member appointed by the President of the Senate who  
177 is a business or community leader who works or resides in the  
178 enterprise program zone.

179 (c) A member appointed by the Speaker of the House of  
180 Representatives who is a business or community leader who works  
181 or resides in the enterprise program zone.

182 (d) A member who resides within the county containing the  
183 enterprise program zone and appointed by the chair of the  
184 governing body of the county, if the zone is not exclusively  
185 within the boundaries of a municipality, or a member who resides  
186 within the municipality containing the enterprise program zone  
187 and appointed by the mayor of the municipality, if the zone is  
188 exclusively within the boundaries of a municipality.

189 5. A member who resides within the county containing the  
190 enterprise program zone and appointed by the governing body of  
191 the county, if the zone is not exclusively within the boundaries  
192 of a municipality, or a member who resides within the  
193 municipality containing the enterprise program zone and  
194 appointed by the governing body of the municipality, if the zone  
195 is exclusively within the boundaries of a municipality.

196 (2) Members of the authority appointed by the President of  
197 the Senate and the Speaker of the House of Representatives shall  
198 be appointed to 2-year terms ending on June 30. All other  
199 members shall be appointed to 4-year terms. A vacancy shall be  
200 filled in the same manner as the original appointment. A member  
201 shall file a certificate of the appointment or reappointment  
202 with the county or municipal clerk. A member of the board of  
203 directors of a zone development corporation may not receive

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204 compensation for his or her services, but is entitled to  
 205 reimbursement for per diem and travel expenses from the county  
 206 or municipality creating the corporation, consistent with s.  
 207 112.061, Florida Statutes.

208 (3) The members of a zone development corporation shall  
 209 designate a chair and vice chair. Subject to funding by the  
 210 county or municipality, each zone development corporation may  
 211 employ or designate an executive director, technical experts,  
 212 and such other agents and employees, permanent and temporary, as  
 213 the zone development corporation requires, and determine their  
 214 qualifications, duties, and compensation. For such legal  
 215 services as the zone development corporation requires, each zone  
 216 development corporation may employ private counsel or use county  
 217 or municipal attorneys at the discretion of the county or  
 218 municipality.

219 (4) A zone development corporation shall:

220 (a) Recommend enterprise program boundaries to the  
 221 authority after the repeal of the enterprise zone program under  
 222 ss. 290.001-290.016, Florida Statutes, on December 31, 2015.  
 223 However, the enterprise zone boundaries created pursuant to ss.  
 224 290.001-290.016, Florida Statutes, which are in existence on  
 225 June 30, 2011, shall be the initial enterprise zone program  
 226 boundaries.

227 (b) Create and implement an enterprise program zone  
 228 development plan. The plan must set the goals for the enterprise  
 229 program goals and identify the steps to achieve those goals. The  
 230 plan must provide guidance to business and community  
 231 organizations.

232 (c) Administer an enterprise program zone assistance fund.

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233 (d) Review applications from businesses for  
234 prequalification for certification as a qualified business.

235 (5) An enterprise zone development corporation shall meet  
236 at least quarterly to review applications from businesses for  
237 prequalification as a qualified business. The application of a  
238 business that is prequalified must be forwarded to the authority  
239 for further review within 10 days.

240 (6) An enterprise program zone development corporation  
241 shall hold an open public forum at least quarterly, in which  
242 urban development projects to be funded from the enterprise  
243 program zone assistance fund may be proposed and discussed.

244 (7) An enterprise program zone development corporation  
245 shall file a report of its activities during the preceding state  
246 fiscal year with the county or municipal clerk, the authority,  
247 the Governor, the President of the Senate, and the Speaker of  
248 the House of Representatives on or before September 30 of each  
249 year. The report must include a complete financial statement  
250 setting forth the corporation's assets, liabilities, income, and  
251 operating expenses as of the end of such fiscal year. At the  
252 time of filing the report, each zone development corporation  
253 shall publish in a newspaper of general circulation in the area  
254 affected, notice that such report has been filed and is  
255 available for inspection during business hours in the offices of  
256 the zone development corporation.

257 Section 5. Enterprise program zone; criteria; procedures.-

258 (1) By June 30, 2015, each enterprise program zone  
259 development corporation shall create an economic report  
260 featuring the most current census data and other economic  
261 indicators that exhibit the most economically blighted areas

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262 located within the federal empowerment zones within the  
263 boundaries of its enterprise program zone. Each zone development  
264 corporation shall recommend enterprise program zone boundaries  
265 using the economic report and the criteria for enterprise zones  
266 under ss. 290.001-290.016, Florida Statutes 2010. The area of  
267 the enterprise program zones within a county or municipality may  
268 not exceed 25 percent of the area of the federal empowerment  
269 zones in the respective county or municipality which were in  
270 existence on June 30, 2011. By September 30, 2015, each zone  
271 development corporation shall submit its recommended enterprise  
272 program zone boundaries along with the economic report to the  
273 authority. The authority shall designate enterprise program zone  
274 boundaries that shall become effective January 1, 2016.

275 Section 6. Certification as a qualified business; criteria  
276 and procedures.—

277 (1) A business seeking to become certified as a qualified  
278 business must apply on forms created by the authority to its  
279 local enterprise program zone development corporation for  
280 prequalification. If prequalified, the application shall be  
281 forwarded to the authority for further review.

282 (2)(a) To become certified as a qualified business, the  
283 business' application for certification must, at a minimum,  
284 contain documentation showing that the business satisfies the  
285 following criteria:

286 1. Is located and actively conduct business within an  
287 enterprise program zone.

288 2 Has employees at least 25 percent of whom:

289 a. Are residents of the enterprise program zone, an  
290 empowerment zone, or an enterprise zone;

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291 b. Were employed by the business on or after July 1, 2011,  
292 and were unemployed for at least 6 months immediately preceding  
293 employment with the business at its location within the  
294 enterprise program zone;

295 c. Were employed by the business on or after July 1, 2011,  
296 and were recipients of public assistance for at least 6 months  
297 immediately preceding employment; or

298 d. Were employed by the business on or after July 1, 2011,  
299 and were determined to be economically disadvantaged in the  
300 period immediate preceding employment with the business under  
301 the Jobs Training Partnership Act, 29 U.S.C. 1501 et seq.

302 (b) An application for certification must also identify or  
303 include information relating to:

304 1. Real and tangible personal property owned or leased by  
305 the business before and after July 1, 2011, if any;

306 2. Net new or additional real and tangible personal  
307 property acquired on or after July 1, 2011, to facilitate a new,  
308 expanded, or rebuilt facility; and

309 3. Comprehensive urban planning, neighborhood aesthetics  
310 and compatibility, and maximization of economic development and  
311 job-creation opportunities, as specified by the authority.

312 (3) The authority shall transmit a copy of its order  
313 approving or denying an application for certification or  
314 revoking a certification to the business.

315 (4) The authority must transmit a copy of its order  
316 certifying a business as a qualified business or revoking  
317 certification to the executive director of the Department of  
318 Revenue within 10 days after it enters its order.

319 (5) The authority shall require a qualified business to

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320 annually establish that it satisfies the criteria in subsection  
321 (2) in order to remain certified as a qualified business.

322 (6) The authority shall adopt rules to administer this  
323 section.

324 Section 7. Tax benefits for qualified businesses.-

325 (1)(a) A qualified business is entitled to:

326 1. A 50 percent tax credit against the sales or use tax  
327 imposed on its purchases pursuant to chapter 212, Florida  
328 Statutes, except for purchases of motor vehicles or adult  
329 entertainment products or services;

330 2. A one-time credit against the business' corporate income  
331 tax liability of \$1,500 for each new full-time employee who is  
332 hired on or after July 1, 2011, who is a resident of an  
333 enterprise program zone, and who was unemployed for at least 90  
334 days immediately preceding employment with the business or was  
335 receiving public assistance;

336 3. A subsidy, as determined and provided by the enterprise  
337 zone development corporation, for unemployment compensation  
338 insurance costs for employees who earn less than \$4,500 per  
339 quarter; and

340 4. An 8 percent credit against the corporate income tax.

341 (b) A qualified business is entitled to accrue, receive,  
342 and claim the tax benefits under paragraph (a) until June 30,  
343 2016.

344 (2) A qualified business becomes ineligible to accrue the  
345 tax benefits under this section in the month that it no longer  
346 satisfies the criteria in subsection (2) of section 6 of this  
347 act.

348 (3) The Department of Revenue shall adopt rules to

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349 administer this section.

350 Section 8. Enterprise program zone assistance funds.-

351 (1) Each enterprise program zone development corporation  
352 shall create an enterprise program zone assistance fund. The  
353 fund shall be funded using the incremental sales tax collected  
354 within each enterprise program zone to the extent that those  
355 revenues exceed the amount of sales and tax revenue generated in  
356 an enterprise program zone during the 2011-2012 state fiscal  
357 year. The Department of Revenue, counties, and municipalities  
358 shall pay the tax revenues to the respective enterprise program  
359 zone development corporations by the end of the month following  
360 the month in which incremental revenues were collected by the  
361 Department of Revenue or received by the county or municipality.  
362 Those payments shall be reported by the Department of Revenue  
363 and each county and municipality to the authority within 10 days  
364 after those payments have been made.

365 (2) Funds from an enterprise program zone assistance fund  
366 may be used for urban improvement projects or other development  
367 programs within an enterprise program zone. The authority must  
368 approve each project before it may be funded from an assistance  
369 fund.

370 (3) Each enterprise program zone development corporation  
371 must annually account for the collection and allocation or  
372 expenditure of funds from an assistance fund and provide a  
373 report of its accounting to the authority. The authority must  
374 certify annually to the Chief Financial Officer the amount of  
375 approved expenditures on urban improvement projects from each  
376 assistance fund.

377 Section 9. Review of enterprise program zones.-Before the

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378 2021 Regular Session of the Legislature, the Office of Program  
379 Policy Analysis and Government Accountability shall review and  
380 evaluate the effectiveness of each enterprise program zone using  
381 the annual reports prepared by the authority and each enterprise  
382 program zone development corporation. The office shall evaluate  
383 whether the enterprise program zone benefits caused new  
384 investment and development; increased the number of jobs created  
385 or retained; caused the renovation, rehabilitation, restoration,  
386 improvement, or new construction of businesses or housing; or  
387 contributed to the economic viability and profitability of  
388 business and commerce. The office shall submit a report of its  
389 findings and recommendations to the President of the Senate and  
390 the Speaker of the House of Representatives by January 15, 2021.

391 Section 10. This act expires June 30, 2021.

392 Section 11. This act shall take effect July 1, 2011.



January 2011

Report No. 11-01

## Few Businesses Take Advantage of Enterprise Zone Benefits; the Legislature Could Consider Several Options to Modify the Program

### *at a glance*

Over the past five years, Florida's Enterprise Zone Program awarded \$187 million in incentives, most of which went to businesses in Miami-Dade County. Program participation remains relatively low in most enterprise zones, limiting progress toward achieving the legislative goals of revitalizing distressed areas and increasing employment of area residents.

The Legislature could consider several options for modifying the program, including

- encouraging greater participation by lowering incentive eligibility thresholds;
- focusing on job creation by eliminating all incentives except jobs tax credits;
- establishing a one-year program moratorium on awarding incentives to save an estimated \$18 million in Fiscal Year 2011-12;
- abolishing the program to save an estimated \$18 million annually; or
- allowing the program to sunset on December 31, 2015.

### Scope

As required by Ch. 2010-147, *Laws of Florida*, OPPAGA reviewed the Florida Enterprise Zone Program and answered five questions.

1. How has the program changed over time?
2. What are the costs of incentives and program administration?
3. Are the application, review, and approval processes transparent, effective, and efficient?

4. Is the program effectively meeting legislative goals?
5. What options could the Legislature consider to modify the program?

### Background

The 1982 Legislature created the Florida Enterprise Zone Program to provide incentives to induce private investments in economically distressed areas of the state. The program has several goals, including revitalizing and rehabilitating distressed areas, encouraging businesses to locate and expand in these areas, stimulating employment among area residents, and enhancing the areas' general social and economic well-being.<sup>1</sup>

To achieve these goals, the state, county, and municipal governments provide investments, tax incentives, and local government regulatory relief to encourage businesses to invest and locate in designated zones and residents to improve their property. These incentives include job and property tax credits as well as sales tax refunds (see Exhibit 1).

<sup>1</sup> Sections 290.001-290.016, *F.S.*, authorize the creation of enterprise zones in Florida and specify goals and criteria for the program. Chapter 2005-287, *Laws of Florida*, re-designated existing enterprise zones and extended the program until December 31, 2015.

**Exhibit 1  
Florida's Enterprise Zone Program Provides a Variety of Incentives**

**State Program Incentives**

**Enterprise Zone Jobs Tax Credit (Sales and Use Tax).** Businesses located in a zone that collect and pay Florida sales and use tax are allowed a monthly sales tax credit for wages paid to new employees who have been employed for at least three months and are zone residents.

**Enterprise Zone Jobs Tax Credit (Corporate Income Tax).** Businesses located in a zone that pay Florida corporate income tax are allowed a corporate income tax credit for wages paid to new employees who have been employed for at least three months and are zone residents.

**Enterprise Zone Property Tax Credit (Corporate Income Tax).** New or expanded businesses located in a zone are allowed a credit on their Florida corporate income tax equal to 96% of ad valorem taxes paid on new or improved property.

**Sales Tax Refund for Building Materials.** A refund is available for sales taxes paid on the purchase of building materials used to rehabilitate real property located in a zone.

**Sales Tax Refund for Business Machinery and Equipment Used in an Enterprise Zone.** A refund is available for sales taxes paid on the purchase of certain business property that is used exclusively in a zone for at least three years.

**Sales Tax Exemption for Electrical Energy Used in an Enterprise Zone.** A 50% sales tax exemption is available to businesses located in a zone on the purchase of electrical energy. The exemption is only available if the municipality in which the business is located passed an ordinance to exempt qualified enterprise zone businesses from 50% of the municipal utility tax.

**Community Contribution Tax Credit Program.** Businesses located anywhere in Florida are allowed a 50% credit on Florida corporate income tax, insurance premium tax, or a sales tax refund for donations made to approved community development projects. This incentive is available only in Front Porch Florida communities or enterprise zones unless the projects include low and very low income housing.

**Local Program Incentives**

- Reduction in occupational license fees
- Reduction in building permit or land development fees
- Utility tax abatement
- Facade/commercial rehabilitation grants
- Local option economic development property tax exemptions
- Ad valorem tax exemptions
- Local funds for capital projects

Source: Office of Tourism, Trade, and Economic Development.

The Legislature requires enterprise zones to meet several criteria. An enterprise zone cannot exceed 20 square miles and must have a poverty rate greater than 20%, high unemployment, and include deteriorating structures.<sup>2</sup> Rural enterprise zones are located in counties with populations

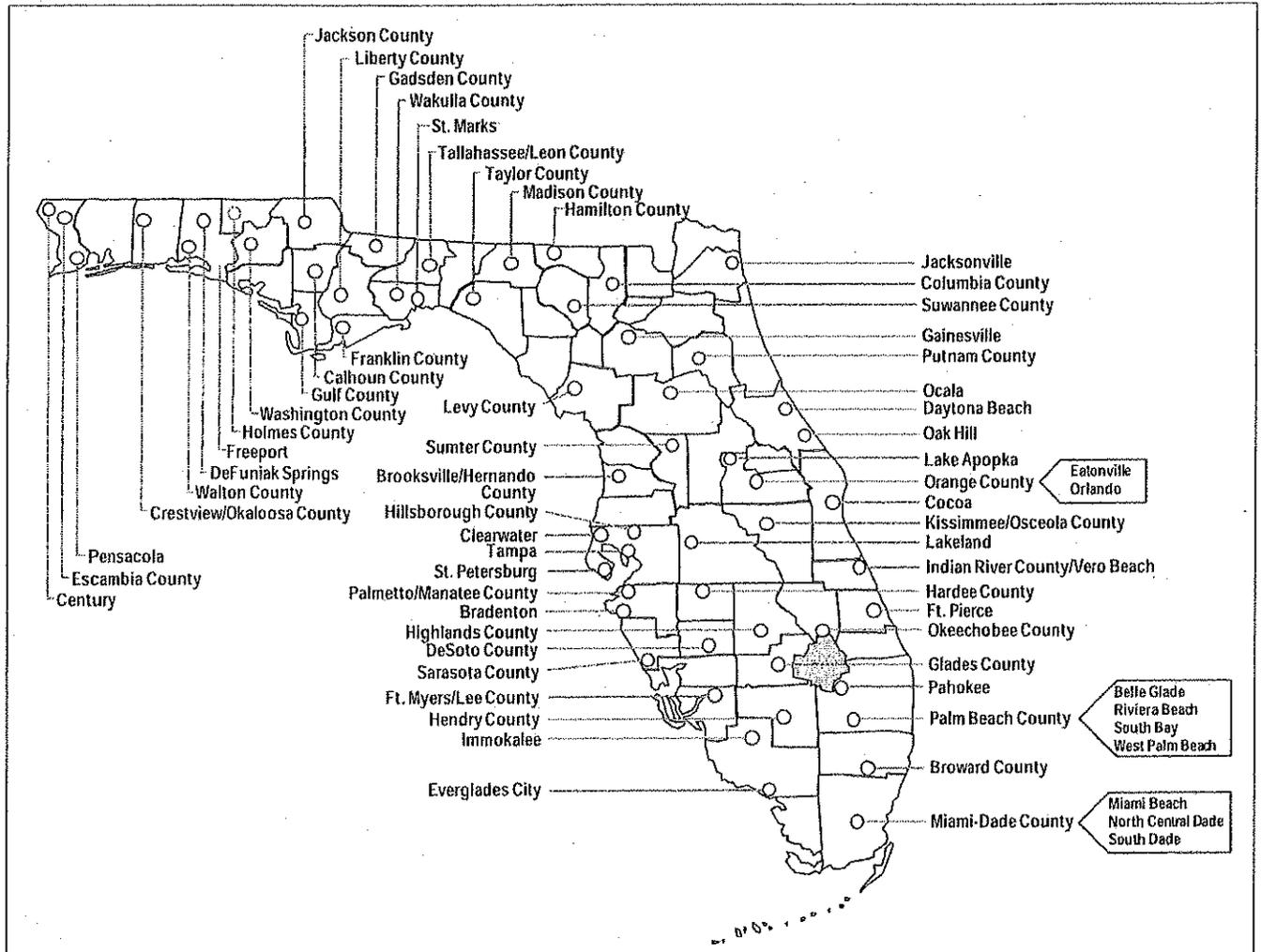
that generally do not exceed 100,000.<sup>3</sup> When the Legislature authorizes a new zone, counties and municipalities may nominate an area that meets the criteria to be designated as a zone. The state currently has 59 enterprise zones—29 urban and 30 rural, as shown in Exhibit 2.<sup>4</sup>

<sup>2</sup> The Legislature authorized federally designated empowerment zones and enterprise communities as state enterprise zones without regard to size.

<sup>3</sup> Zones may be designated rural if the nominating county has a population of 75,000 or less; a county has a population of 100,000 or less and is contiguous to a county with a population of 75,000 or less; a municipality is located in a county with a population of 75,000 or less; or a municipality is located in a county with a population of 100,000 or less and is contiguous to a county with a population of 75,000 or less.

<sup>4</sup> Two additional enterprise zones in Columbia and Suwannee counties, which were created in 2010 following the passage of Ch. 2010-108, *Laws of Florida*, effective July 1, 2010, were not included in our analysis.

**Exhibit 2  
Florida Currently Has 59 Enterprise Zones**



Source: Office of Tourism, Trade, and Economic Development.

Local governments may apply to the Governor's Office of Tourism, Trade, and Economic Development (OTTED) for an enterprise zone boundary change once every three years by adopting a resolution that describes the reasons for and extent of the proposed change.

**Multiple state and local entities play a role in administering the enterprise zone program.** At the state level, three agencies are involved in the enterprise zone program.

- The Governor's Office of Tourism, Trade, and Economic Development oversees the program and approves zone designation applications and changes in enterprise zone boundaries. The

office also provides technical support to local zone coordinators, assists businesses in using program benefits, and submits annual program reports to the Governor and the Legislature.<sup>5</sup>

- The Department of Revenue approves program tax incentive applications and ensures that businesses and individuals receive associated tax credits and refunds.
- The state's economic development agency, Enterprise Florida, Inc., markets the program and maintains a website describing enterprise zone benefits and incentives.

<sup>5</sup> Section 290.014, F.S.

Local governments have enterprise zone administrative and monitoring responsibilities. For example, local governments are required to establish enterprise zone development agencies and employ zone coordinators to serve as local contacts. Zone coordinators provide assistance to businesses applying for state tax credits and refunds, certify incentive applications to the Department of Revenue, educate the public about the program, and submit data on zone activities to OTTED for inclusion in its annual program report. The state does not provide funding to local governments for these activities.

**The incentive application and approval process includes several steps at the state and local levels.** All businesses and individuals applying for the enterprise zone program incentives must complete a Department of Revenue form, which requires information such as business name and address, enterprise zone identification number, and small business designation, if applicable. Additional requirements vary based on the incentive sought.

Businesses applying for community contribution tax credits or refunds must seek approval from OTTED, while those applying for any other type of credit or refund must seek certification from the local enterprise zone coordinator. Applicants must attach required documents to the forms, including receipts if the business is applying for sales tax refunds and employee information if applying for jobs tax credits.

After receiving certification, businesses and individuals must submit an application to the Department of Revenue, which audits each application to verify that applicants meet several criteria. For example, applicants must have owned the property when improvements were made; employees must be full-time and live in an enterprise zone; applicants requesting refunds must pay the pertinent taxes; and application deadlines must be met.

If the department denies an application, it notifies the taxpayer. Taxpayers may respond by amending their applications, filing an informal protest with the department, or filing a written formal protest with the Division of Administrative Hearings (DOAH) or a circuit court. The

department reports that since 2005, it has received 1,516 informal protests related to enterprise zone incentive applications.<sup>6</sup> DOAH held hearings on only three protests involving enterprise zone incentives during this period.

Many enterprise zone program applicants use consultants to assist with the incentive application process. These consultants provide expertise in determining applicants' eligibility for incentives and completing program applications. They typically work on a contingency basis, receiving a percentage of total incentives awarded to program applicants. Seventy-four percent of enterprise zone coordinators who responded to an OPPAGA survey question regarding consultants reported that most or some of the businesses that applied for incentives hired consultants.<sup>7</sup> According to survey respondents, the consultants' role in the application process was generally positive.<sup>8</sup>

**Other states' enterprise zone programs are similar to Florida's.** Prior OPPAGA reports found that more than three-fourths of the states have established enterprise zone or similar programs.<sup>9</sup> States' programs vary widely in the number of zones established, and three entire states have been designated as enterprise zones.<sup>10</sup> Most states require enterprise zone areas to meet certain criteria, such as having high levels of poverty, unemployment, and population losses. Most states also require businesses to meet certain job creation or capital investment criteria in order to receive incentives.

Some states have implemented other types of geographically targeted incentive programs such

<sup>6</sup> The number of protests received includes those made by developers filing individual refund claims for multiple condominium units.

<sup>7</sup> We sent a survey to all enterprise zone coordinators regarding program incentives and effectiveness. We received responses from 40 coordinators representing 41 of the 57 enterprise zones, resulting in a response rate of 72%. One coordinator represents two enterprise zones.

<sup>8</sup> Of the 32 enterprise zone coordinators who responded to this question, 27 said the role of paid consultants in the application process was mostly or somewhat positive.

<sup>9</sup> *Florida's Enterprise Zone Program Is Similar to Those of Other States*, OPPAGA Report No. 04-24, March 2004 and *The Legislature Has Several Options Available for Enhancing Rural Enterprise Zones*, OPPAGA Report No. 05-54, November 2005.

<sup>10</sup> These states are Arkansas, Kansas, and South Carolina.

as tax-free zones. These programs differ from typical enterprise zone programs in that they substantially reduce taxes for existing businesses and residents of distressed areas rather than targeting incentives to businesses relocating or expanding operations in a designated area.

Academic research on enterprise zone performance in Florida and other states has found mixed results, with numerous studies demonstrating that state enterprise zone programs had little to no effect. For example, a 2009 study found that enterprise zone designations had statistically significant effects on unemployment rates, poverty rates, and wages in several states but not in Florida.<sup>11</sup> Other research conducted in 2007 and 2009 determined that enterprise zones did not have statistically significant effects on increasing employment in California and Florida.<sup>12, 13</sup> Recent studies of Colorado's enterprise zones yielded similar mixed results, with one finding that the zones had an effect on creating jobs but not on attracting new businesses; the other study found that the zones had no effect on wages and no effect on employment except in rural zones.<sup>14, 15</sup>

These varying results are likely due to differences in research methods. For example, some researchers used census tracts to provide data on zone characteristics, while others used census blocks or ZIP codes for this purpose. Researchers also used different methods to identify areas that served as control groups for determining how the presence or absence of an enterprise zone designation affected program outcomes.

<sup>11</sup> John C. Ham, Ayse Imrohorglu, and Charles Swenson, "Government Programs Can Improve Local Labor Markets: Evidence from State Enterprise Zones, Federal Empowerment Zones, and Federal Enterprise Communities," unpublished paper, 2009.

<sup>12</sup> David Neumark and Jed Kolko, "Do Enterprise Zones Create Jobs?," *Public Policy Institute of California*, 2009.

<sup>13</sup> Joel A. Elvery, "The Impact of Enterprise Zones on Resident Employment: An Evaluation of the Enterprise Zone Programs of California and Florida," *Economic Development Quarterly*, Vol. 23 Issue 1, February 2009, 44-59.

<sup>14</sup> Stephen Billings, "Do Enterprise Zones Work? An Analysis at the Borders," *Public Finance Review*, Vol. 37 Issue 1, January 2009, 68-93.

<sup>15</sup> Devon Lynch and Jeffrey S. Zax, "Incidence and Substitution in Enterprise Zone Programs: The Case of Colorado," unpublished paper, June 2010.

## Questions and Answers —

### *How has the program changed over time?*

**The Legislature has modified the program several times since its inception in 1982.** The Legislature significantly revised the Enterprise Zone Program in 1994 by limiting jobs credits to businesses located in zones, limiting the number of zones to 20, eliminating most existing zones, and requiring local governments to reapply to have areas designated as zones. The Legislature also set a program expiration date of June 30, 2005, and transferred program administration from the Department of Community Affairs to the Department of Commerce. When the Department of Commerce was abolished in 1996, the program was transferred to OTTED.

In 2005, the Legislature reauthorized the program but capped the number of zones as the number in existence on January 1, 2005. In that same year, the Legislature provided four areas the opportunity to apply for enterprise zone designations in addition to the 51 zones in existence at the time.<sup>16</sup> Since 2005, additional enterprise zones have been authorized in Levy County and Ocala. The 2005 Legislature also required re-designation of existing zones, established a procedure for zone boundary changes, expanded the powers and responsibilities of enterprise zone development agencies, and extended the program until December 31, 2015.

Since 2005, seven enterprise zones have undergone boundary changes.<sup>17</sup> Some of these changes removed publicly owned property from the zones and added privately owned property where development would generate additional revenue for local governments.

<sup>16</sup> The four areas were Apopka/Orange County, Lakeland, Sebastian/Vero Beach/Indian River County, and Sumter County.

<sup>17</sup> The zones are Fort Myers/Lee County, Gadsden County, Glades County, Highlands County, Miami-Dade County, Sarasota/Sarasota County, and Tallahassee/Leon County.

Most recently, the 2010 Legislature made condominium properties ineligible for sales tax refunds for building materials. Specifically, Ch. 2010-147, *Laws of Florida*, changed the definition of “real property” to exclude condominiums. In addition, the 2010 Legislature passed Ch. 2010-108, *Laws of Florida*, which directed OTTED to designate as a rural enterprise zone any rural catalyst sites approved prior to January 2010.<sup>18</sup> OTTED subsequently granted

enterprise zone designations to rural catalyst sites in Columbia and Suwannee counties.

**State incentive expenditures have increased significantly in recent years.** During calendar year 2009, the Department of Revenue approved \$58.7 million in state incentives for the program (see Exhibit 3). This represents a 225% increase compared to \$18.1 million in state incentives approved in 2005. Total incentives for the five-year period were \$187 million.

<sup>18</sup> The Rural Economic Development Catalyst Project is an economic development program intended to attract high-growth industries

to the state’s rural counties.

**Exhibit 3  
State Enterprise Zone Incentives Increased 225% from 2005 through 2009**

Incentives	2005	2006	2007	2008	2009	Total 2005-2009	Percentage Change 2005-2009
Sales Tax Refund for Building Materials Used	\$5,261,149	\$14,394,159	\$25,643,610	\$30,715,751	\$46,410,878	\$122,425,547	782.14%
Jobs Tax Credit (Sales and Use Tax)	5,018,381	5,793,620	6,578,538	5,946,494	5,997,055	29,334,088	19.50%
Jobs Tax Credit (Corporate Income Tax)	3,237,294	4,816,175	3,152,233	3,341,483	2,392,295	16,939,480	-26.10%
Sales Tax Refund for Business Machinery and Equipment Used	2,856,760	1,866,331	1,604,967	1,012,723	1,072,975	8,413,756	-62.44%
Property Tax Credit (Corporate Income Tax)	1,621,570	1,037,206	1,627,781	1,108,496	1,823,284	7,218,337	12.44%
Sales Tax Exemption on Electricity Use	84,516	778,090	793,179	606	1,007,007	2,663,398	1,091.50%
<b>Total</b>	<b>\$18,079,670</b>	<b>\$28,685,581</b>	<b>\$39,400,308</b>	<b>\$42,125,553</b>	<b>\$58,703,494</b>	<b>\$186,994,606</b>	<b>224.69%</b>

Source: OPPAGA analysis of Department of Revenue data.

Most of this increase in incentives was associated with condominium developers’ extensive use of the sales tax refund for building materials. For example, condominium developers received \$37.2 million, or 96%, of the \$38.6 million in sales tax refunds claimed for building materials during the last six months of calendar year 2009. However, due to the Legislature’s recent decision to change the definition of “real property” to exclude condominiums, use of these incentives should decline significantly in the future.<sup>19</sup>

From 2005 to 2009, the sales tax incentives most frequently awarded to applicants in specific enterprise zones were for building materials, business equipment and machinery, and jobs tax

credits; these incentives totaled approximately \$160 million.<sup>20</sup> Applicants in 10 of the state’s 57 enterprise zones received 84% of these incentives during the five-year period, with applicants in Miami-Dade County’s enterprise zone receiving 55% of the total amount (approximately \$87.6 million).<sup>21</sup> See Appendix A for a list of the 57 enterprise zones and the incentives awarded to applicants in each zone from 2005 to 2009.

<sup>20</sup> This amount does not include credits taken against Florida corporate income taxes because the Department of Revenue does not track these incentives for individual enterprise zones.

<sup>21</sup> The other nine zones were Fort Lauderdale/Broward County, Gulf County, Jacksonville, Okeechobee County, Palm Beach County, Palmetto/Manatee County, St. Petersburg, Tallahassee/Leon County, and Tampa.

<sup>19</sup> See, Ch. 2010-147, s.9, *Laws of Florida*.

**What are the costs of incentives and program administration?**

In 2009, the enterprise zone program’s total cost was approximately \$71.5 million (see Exhibit 4). This included state and local program incentives and the administrative costs of state (OTTED, the Department of Revenue, and Enterprise Florida, Inc.) and local entities.<sup>22</sup> Most of the program’s costs (82%) were for state incentives.

**Exhibit 4  
The Enterprise Zone Program Cost \$71.5 Million in 2009**

<b>Incentive Costs</b>			
	<b>State</b>	<b>Local</b>	<b>Total</b>
Incentive Costs	\$58,703,494	\$11,557,451	\$70,260,945
<b>Administrative Costs</b>			
Office of Tourism, Trade, and Economic Development	40,000	0	40,000
Enterprise Florida, Inc.	35,000	0	35,000
Department of Revenue	162,882	0	162,882
Local Governments <sup>1</sup>	0	1,007,625	1,007,625
<b>Total</b>	<b>\$58,941,376</b>	<b>\$12,565,076</b>	<b>\$71,506,542</b>

<sup>1</sup> Local government data is based on survey responses from 40 coordinators representing 41 of the 57 enterprise zones.

Source: Information provided by administering agencies and local governments.

**Are the application, review, and approval processes transparent, effective, and efficient?**

The program’s incentive application review process and reporting procedures have several deficiencies and should be modified. Specifically, while the Department of Revenue has written procedures for sales tax refunds, it lacks such procedures for review and approval of tax credits (e.g., jobs tax credits). In addition, the department uses different procedures for refunds, credits, sales and use taxes, and corporate income taxes, which can confuse and frustrate business applicants. Further, stakeholders report that for some incentives, the department’s approval process is inconsistent and some department staff

<sup>22</sup> Totals are approximate because figures are from different periods. The Department of Revenue approves incentives for a calendar year. The state fiscal year is July 1 through June 30, while the fiscal year for local enterprise zone development agencies is October 1 through September 30.

are unresponsive and lack program knowledge. Moreover, tax credit applications cannot be submitted online. Consequently, taxpayers are required to complete time-consuming paper applications.

There are also several deficiencies in program data reporting processes, which makes it difficult to draw valid conclusions about the overall effectiveness of the program. First, the Department of Revenue is not required to notify local enterprise zone coordinators when it approves applications for credits and refunds. Thus, local coordinators do not know which incentives have been approved and cannot report this information to OTTED. Without this information, OTTED is unable to accurately report program data and outcomes to the Legislature. For example, according to OTTED’s most recent annual enterprise zone report, between October 1, 2004 and September 30, 2009, 54,000 new jobs were created in zones.<sup>23</sup> However, Department of Revenue data shows that businesses received job tax credits against sales and use taxes for 8,086 employees over the five-year period from calendar year 2005 to 2009.

Second, the department does not record information on corporate income tax credits approved by zone, making it difficult to determine how these credits are distributed. Third, taxpayers completing sales and use tax returns often fail to specify on the application form that they are claiming enterprise zone jobs tax credits, resulting in the underreporting of the use of this incentive.

To address these application review and data reporting issues, we recommend that the Department of Revenue

- develop written application review, validation, and approval procedures;
- develop standard procedures for processing enterprise zone credits and refunds;

<sup>23</sup> Job creation data in the annual enterprise zone report is derived from multiple sources. Specifically, the information is self-reported by enterprise zone coordinators who gather it from sources such as county occupational license data, tax credit statistics, and local businesses’ press releases.

- develop an online application process for all enterprise zone incentives;<sup>24</sup>
- be granted the authority to notify enterprise zone coordinators when it approves applications for incentives within their zones;<sup>25</sup>
- record zone information related to the corporate income tax jobs tax credits in a database; and
- modify the sales and use tax credit application form to require taxpayers to report total credits from a list that includes the jobs tax credit and reject incomplete forms.

**Is the program effectively meeting legislative goals?**

**Low participation hinders the program's progress toward meeting major legislative goals.** Limited business involvement in the enterprise zone program makes it difficult for the program to accomplish its intended goals of revitalizing and rehabilitating distressed areas, encouraging businesses to locate and expand in these areas, and increasing employment among area residents.

To assess the program's progress toward achieving its intended goals, we examined economic outcomes for five zones that received 64% of the total incentives from 2005 to 2009.<sup>26</sup> These urban and rural zones include Gulf County, Jacksonville, Miami-Dade County, Okeechobee County, and Tallahassee/Leon County.<sup>27</sup>

As shown in Exhibit 5, during the five-year period business, employment, and wage growth varied widely among the five zones. For example, business growth in Jacksonville increased by 8% while it decreased by 19% in Gulf County. Employment dropped in all zones except Tallahassee/Leon County where it grew by less than 1%. Wages increased in all zones, with growth ranging from 9% (Tallahassee/Leon County) to 22% (Jacksonville).

**Exhibit 5  
Economic Outcomes Varied in Five Enterprise Zones from 2005 to 2009**

Enterprise Zone	Business Growth <sup>1</sup>	Employment Growth <sup>2</sup>	Wage Growth <sup>3</sup>
Gulf County	-19.2%	-19.8%	9.4%
Jacksonville	8.0%	-3.4%	22.0%
Miami-Dade County	0.02%	-2.4%	15.6%
Okeechobee County	-2.2%	-9.2%	10.9%
Tallahassee/Leon County	3.0%	0.1%	9.0%

<sup>1</sup> Changes in number of businesses.

<sup>2</sup> Changes in number of employees.

<sup>3</sup> Changes in average wages.

Source: OPPAGA analysis of Agency for Workforce Innovation data.

However, low participation makes it difficult to attribute changes in business, employment, and wage growth to the effects of the program. For example, only 300 (1.6%) of the 18,692 businesses in the Miami-Dade County zone received program incentives from 2005 to 2009. The percentage of businesses participating in the program was higher in other zones but still did not exceed 15% (see Exhibit 6).

<sup>24</sup> The department would incur some costs in developing and implementing an online application process.

<sup>25</sup> To facilitate this recommendation, the Legislature may have to amend s. 213.053, *F.S.*, regarding the sharing of confidential information.

<sup>26</sup> Our analyses were limited by several factors. For example, confidentiality requirements between the Agency for Workforce Innovation and the Department of Revenue prevented us from gathering information about size, average wage, industry type, age, and other information about businesses that received incentives. In addition, because the department does not track corporate income tax credits received by taxpayers in specific zones, we were unable to determine which zones received these credits. Lastly, enterprise zone GIS maps used in our analysis had some inaccuracies regarding zone boundaries and may have incorrectly included or excluded businesses.

<sup>27</sup> Two of the zones, Miami-Dade County and Tallahassee/Leon County, changed boundaries in 2008. The Miami-Dade County

boundary change brought several large condominium and mixed use developments into the zone while the Tallahassee/Leon County boundary change brought in a business park and the municipal airport. In both cases, the boundary changes removed public lands and institutions and areas with minimal demand for enterprise zone incentives.

**Exhibit 6  
Small Percentages of Businesses in Selected  
Enterprise Zones Received Incentives between 2005  
and 2009<sup>1</sup>**

Enterprise Zone	Number of Businesses in the Zone	Number of Businesses Receiving Incentives	Percentage Receiving Incentives
Miami-Dade County	18,692	300	(1.6%)
Jacksonville	3,461	102	(3.0%)
Tallahassee/Leon County	2,519	75	(3.0%)
Gulf County	353	52	(14.7%)
Okeechobee County	761	46	(6.0%)

<sup>1</sup> The figures do not include businesses taking credits against corporate income taxes.

Source: OPPAGA analysis of Agency for Workforce Innovation data.

Enterprise zones also appear to have a limited effect on the legislative goal of creating jobs for zone residents, because few businesses have used the program’s job tax credits. While businesses received jobs tax credits for 8,606 employees during the five-year period, over half of these employees and one-third of the businesses receiving job tax credits were in one zone—Miami-Dade County.<sup>28</sup> As shown in Exhibit 7, 136 businesses in Miami-Dade County’s enterprise zone received approximately \$12 million in sales and use tax jobs credits for 4,475 employees, while 3 businesses in the Tallahassee-Leon County enterprise zone received a total of \$43,000 in credits for 5 employees.

**Exhibit 7  
Few Businesses Received Sales and Use Tax Jobs  
Credits in Five Enterprise Zones between 2005 and  
2009**

Enterprise Zone	Businesses	Credits	Tax Credit Jobs
Miami-Dade County	136	\$12,268,358	4,475
Okeechobee County	25	3,758,716	425
Gulf County	25	2,433,818	468
Jacksonville	24	675,123	392
Tallahassee/Leon County	3	43,212	5
<b>Total</b>	<b>213</b>	<b>\$19,179,227</b>	<b>5,765</b>

Source: OPPAGA analysis of Agency for Workforce Innovation and Department of Revenue data.

<sup>28</sup> The number of jobs created in each of the 57 zones can be found in Appendix B.

As shown in Exhibit 8, these jobs represented a small percentage of the total jobs in each of the three urban zones (Jacksonville, Miami-Dade County, and Tallahassee/Leon County). However, they represented approximately 23% of the jobs in the rural zone in Gulf County.

**Exhibit 8  
Tax Credit Jobs Represented a Small Percentage of  
the Total Jobs in Three Urban Enterprise Zones**

Enterprise Zone	Total Jobs <sup>1</sup>	Tax Credit Jobs	Tax Credit Jobs as a Percentage of Total Jobs
Miami-Dade County	206,429	4,475	2.2%
Okeechobee County	5,445	425	7.8%
Gulf County	2,055	468	22.8%
Jacksonville	57,950	392	Less than 1%
Tallahassee/Leon County	26,573	5	Less than 1%

<sup>1</sup> These figures represent an average over the period from 2005 to 2009.

Source: OPPAGA analysis of Agency for Workforce Innovation and Department of Revenue data.

**Enterprise zone coordinators rated program  
incentives as being only moderately effective.**

To further examine program effectiveness, we asked local enterprise zone coordinators to rate the program’s performance in achieving its goals in their communities. Using a scale from 1 (low) to 10 (high), zone coordinators rated the program’s effectiveness in achieving several legislative goals as moderate to low. For example, the coordinators’ average ratings of the program’s effectiveness in attracting new businesses and creating new jobs were between 5 and 6. The coordinators’ average ratings of the program’s effectiveness in achieving other goals are shown in Exhibit 9.

**Exhibit 9  
Enterprise Zone Coordinators Rate Program Effectiveness  
in Meeting Legislative Goals as Moderate to Low**

Program Goal	Average Score (1 = Low, 10 = High)
Attracting new businesses	6.00
Creating new jobs	5.76
Creating new businesses	5.42
Creating jobs for zone residents	5.21
Increasing property values	4.53
Attracting new residents	3.49
Reducing crime	3.32

Source: OPPAGA survey of enterprise zone coordinators.

Local enterprise zone coordinators gave slightly higher ratings for the effectiveness of program incentives. Of the eight incentives, coordinators identified two as the most effective – sales tax refunds for building materials and sales tax refunds for business equipment. As shown in Exhibit 10, the coordinators’ average ratings for these incentives were 7.89 and 7.59, respectively. The next most highly rated incentive was the job tax credit for sales tax, with an average rating of 6.83.<sup>29</sup> The average ratings for the other incentives ranged from 5.36 to 3.40. Enterprise zone coordinators also reported that the application processes for the three sales tax incentives were relatively easy to complete and that expanding businesses found such incentives especially useful.

**Exhibit 10**  
**Enterprise Zone Coordinators Rate the Effectiveness of Program Incentives as Moderate to Low**

Incentive	Average Score (1 = Low, 10 = High)
Building Materials Sales Tax Refund	7.89
Business Equipment Sales Tax Refund	7.59
Jobs Tax Credit (Sales Tax)	6.83
Jobs Tax Credit (Corporate Income Tax)	5.36
Sales Tax Exemption for Electrical Energy	4.48
Property Tax Credit (Corporate Income Tax)	4.17
Community Contribution Tax Credit Program	3.40

Source: OPPAGA survey of enterprise zone coordinators.

However, coordinators voiced concerns regarding some program incentives. For example, some coordinators reported that many businesses in their zones are unable to use the corporate tax credits, either because they are not corporations or they are S-type corporations that typically do not have to pay corporate income taxes. Some coordinators also reported that many businesses with part-time employees are unable to take advantage of jobs tax credits because only full-time employees who work at least 36 hours per week may qualify. In addition, they asserted that the thresholds for sales and use tax refunds for business property and building materials

<sup>29</sup> This is consistent with the findings of our 2005 report on rural enterprise zones, in which zone coordinators identified the same two incentives as being the most effective. See *The Legislature Has Several Options Available for Enhancing Rural Enterprise Zones*, OPPAGA Report No. 05-54, November 2005.

discouraged program participation among small businesses. Finally, they suggested that businesses would benefit if they could apply for incentives online.

The enterprise zone coordinators provided several suggestions for improving the program.

- Modify the jobs tax credits to include part-time employees that small businesses are likely to hire.
- Reduce the business property and equipment threshold of \$5,000 to a lower amount such as \$500 so more small businesses can use the incentive.
- Increase the sales tax refund for building material purchases from the current maximum to an amount such as \$125,000 to encourage higher-value projects.<sup>30</sup>
- Simplify application forms and allow for online completion.

***What options could the Legislature consider to modify the program?***

Given the enterprise zone program’s low participation rate among businesses and the lack of employment growth in five of the most active zones, we identified several options the Legislature may wish to consider to modify the program.

**Option 1: Modify program eligibility requirements to expand participation.** To encourage increased program participation, especially by small businesses, the Legislature may wish to consider changing eligibility requirements for program incentives. While such changes may encourage more businesses to apply for program incentives, they would also reduce state revenue collections. For example, the Legislature could amend s. 212.08(5)(h), *Florida Statutes*, to lower the \$5,000 threshold for sales tax refunds on business property; some zone coordinators recommended a new threshold could be \$500. The Legislature could also amend ss. 212.096 and 220.181, *Florida Statutes*, to allow businesses to claim part-time

<sup>30</sup> The current maximum is \$5,000 or \$10,000, depending on whether 20% or more of the employees of the business receiving the incentive are residents of an enterprise zone.

employees for jobs tax credits. In addition, the Legislature could amend s. 212.08(5)(g), *Florida Statutes*, to increase the maximum sales tax refund for building material purchases, currently \$5,000.

**Option 2: Target program incentives to encourage job creation.** To focus the program on job creation, the Legislature could eliminate all program incentives except jobs tax credits. This change would reduce program costs by eliminating incentives estimated at \$10 million annually as well as the program administrative costs associated with those incentives. However, this change could reduce program participation and discourage business growth in the enterprise zones. As in Option 1, the Legislature could also allow businesses to claim part-time employees for jobs tax credits, although this would reduce the \$10 million cost savings.

**Option 3: Implement a program moratorium to create short-term savings.** The Legislature could suspend the program for one year, saving the state at least \$18 million.<sup>31</sup> This option would increase state revenue collections during a time when state resources are limited because of economic conditions. However, eliminating business participation in the program for one year

<sup>31</sup> This figure represents the lowest amount of program incentives awarded in a given year between 2005 and 2009.

could reduce business investment and employment growth in the enterprise zones.

**Option 4: Abolish the program to create long-term savings.** The Legislature could amend the statutes and abolish the program, saving at least \$18 million. This change would increase state revenue collections, but could reduce business investment and employment growth in the enterprise zones.

**Option 5: Allow the program to sunset as the Legislature intended.** The Legislature could allow the program to sunset on December 31, 2015, which would delay the effects of abolishing the program. As with Option 4, this option would increase state revenue collections, but could result in reducing business investment and employment growth in the enterprise zones. However, any effects would be delayed until 2016.

## Agency Responses

In accordance with the provisions of s. 11.51(5), *Florida Statutes*, a draft of our report was provided to the Director of the Office of Tourism, Trade, and Economic Development, the Executive Director of the Department of Revenue, and the President and CEO of Enterprise Florida, Inc., for review. Written responses to the draft report are included in Appendix C.

OPPAGA supports the Florida Legislature by providing data, evaluative research, and objective analyses that assist legislative budget and policy deliberations. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL 32399-1475). Cover photo by Mark Foley.

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**Appendix A**

# Program Incentives for 2005 through 2009 Totaled \$160 Million

During the period 2005 to 2009, the sales and use tax refund and credit incentives were most frequently used by businesses in all 57 enterprise zones. These incentives totaled approximately \$160 million during the period. Miami-Dade County's enterprise zone received 55% of these incentives, or approximately \$88 million. The figures presented in this appendix do not include credits taken against Florida corporate income taxes because the Department of Revenue does not track these incentives for individual enterprise zones. The figures differ from those reported in Exhibit 3 because of missing data on the enterprise zones in which businesses were located.

Enterprise Zone	Jobs Tax Credit (Sales and Use Tax)		Sales Tax Refund for Building Materials Used		Sales Tax Refund for Business Machinery and Equipment Used		Total
	Businesses	Incentive	Businesses/ Individuals	Incentive	Businesses	Incentive	Incentive
Miami-Dade County	136	\$12,268,358	122	\$72,915,021	104	\$2,389,939	\$87,573,318
Tampa	6	331,656	155	8,945,767	8	125,299	9,402,722
Fort Lauderdale/Broward County	5	32,427	189	8,123,532	15	78,537	8,234,496
St. Petersburg	15	1,648,521	88	5,231,326	21	115,432	6,995,279
Okeechobee County	25	3,758,716	49	191,227	21	65,967	4,015,910
Gulf County	25	2,433,818	121	1,381,168	9	33,381	3,848,367
Palmetto/Manatee County	3	38,083	78	3,681,236	13	108,951	3,828,270
Jacksonville	24	675,123	62	1,301,676	55	1,747,685	3,724,484
Tallahassee/Leon County	3	43,212	100	3,419,037	15	141,140	3,603,389
Palm Beach County	3	85,095	9	2,557,003	19	294,068	2,936,166
Gainesville	6	23,645	38	2,634,011	11	93,519	2,751,174
Jackson County	12	510,302	126	488,916	11	1,035,942	2,035,160
Hendry County	16	924,277	175	878,011	17	45,206	1,847,493
Sarasota County	1	1,736	110	1,680,554	11	19,433	1,701,723
Clearwater	0	0	8	1,675,457	1	2,120	1,677,578
Bradenton	0	0	21	1,345,952	7	114,878	1,460,830
Fort Pierce	1	414,378	5	498,064	6	195,772	1,108,214
Taylor County	6	602,898	81	424,822	8	77,913	1,105,633
Madison County	8	867,119	15	40,625	5	21,279	929,024
Daytona Beach	0	0	7	922,961	0	0	922,961
Freeport	3	395,784	7	451,054	1	5,000	851,838
Pensacola	7	109,729	84	487,384	33	206,331	803,444
Highlands County	12	647,423	9	36,943	17	83,852	768,218
Immokalee/Collier County	0	0	4	732,843	1	2,481	735,325
Washington County	9	534,663	22	90,070	11	38,097	662,830
Putnam County	3	490,579	6	25,930	6	111,411	627,920
Gadsden County	12	436,554	12	54,782	8	38,565	529,901

Enterprise Zone	Jobs Tax Credit (Sales and Use Tax)		Sales Tax Refund for Building Materials Used		Sales Tax Refund for Business Machinery and Equipment Used		Total
	Businesses	Incentive	Businesses/ Individuals	Incentive	Businesses	Incentive	Incentive
Fort Myers/Lee County	1	18,541	12	112,260	19	338,197	468,998
Wakulla County	5	259,195	9	136,897	5	62,277	458,369
Hardee County	7	354,276	12	66,138	5	16,077	436,492
DeSoto County	5	262,970	8	49,386	10	104,400	416,756
Orange County	0	0	22	337,635	9	68,446	406,081
DeFuniak Springs	2	73,747	49	165,991	5	21,307	261,045
Franklin County	8	208,209	8	43,417	1	896	252,522
Liberty County	1	195,029	14	54,507	1	1,151	250,687
Escambia County	3	19,587	15	64,289	12	158,988	242,864
Kissimmee/Osceola County	0	0	6	54,441	7	179,367	233,808
Hillsborough County	4	48,364	15	127,415	4	17,893	193,671
Lakeland	0	0	19	155,395	5	34,479	189,874
St. Marks	2	176,520	3	10,100	0	0	186,620
South Apopka	0	0	8	178,551	1	3,134	181,685
Cocoa	1	7,575	9	146,645	1	26,196	180,416
Everglades City	1	128,743	6	45,680	2	1,243	175,666
Walton County	0	0	4	174,892	0	0	174,892
Calhoun County	4	44,071	25	94,119	2	2,221	140,411
Vero Beach/Indian River County	1	1,134	5	41,307	6	81,039	123,481
Levy County	3	18,415	10	38,199	13	27,168	83,782
Glades County	1	20,989	11	54,003	3	5,302	80,295
Holmes County	4	35,668	5	21,722	1	10,000	67,390
Hamilton County	1	39,859	5	16,906	3	2,999	59,764
Sumter County	1	43,449	0	0	0	0	43,449
Brooksville/Hernando County	1	474	0	0	2	17,532	18,007
Crestview/Okaloosa County	3	12,999	0	0	1	5,000	17,999
Century	1	8,073	0	0	0	0	8,073
Pahokee	1	1,497	0	0	1	1,762	3,258
Oak Hill	0	0	0	0	2	1,526	1,526
<b>Total<sup>1,2</sup></b>	<b>402</b>	<b>\$29,253,481</b>	<b>1,983</b>	<b>\$122,405,267</b>	<b>555</b>	<b>\$8,380,798</b>	<b>\$160,039,547</b>

<sup>1</sup> Businesses took credits and refunds in multiple enterprise zones.

<sup>2</sup> Values were estimated for six companies that claimed job tax credits in multiple enterprise zones.

Source: OPPAGA analysis of Florida Department of Revenue data.

**Appendix B**

# Businesses Received Jobs Tax Credits Totaling \$29 Million for More Than 8,000 Employees between 2005 and 2009

Businesses in enterprise zones that collect and pay Florida sales and use tax are allowed a monthly credit against their sales tax for wages paid to new employees who have been employed for at least three months and are zone residents. Sales and use tax jobs tax credits for the period 2005 to 2009 totaled \$29,253,481 for 8,606 employees. The Miami-Dade County enterprise zone accounted for 52% (4,475) of these employees. The figures differ from those reported in Exhibit 3 because of missing data on enterprise zones in which businesses were located.

Enterprise Zone	Businesses	Credits	Employees
Miami/Dade County	136	\$12,268,358	4,475
Okeechobee County	25	3,758,716	425
Gulf County	25	2,433,818	468
St. Petersburg	15	1,648,521	711
Hendry County	16	924,277	178
Madison County	8	867,119	85
Jacksonville	24	675,123	392
Highland County	12	647,423	68
Taylor County	6	602,898	47
Washington	9	534,663	115
Jackson County	12	510,302	84
Putnam County	3	490,579	68
Gadsden County	12	436,554	101
Fort Pierce	1	414,378	55
Freeport	3	395,784	16
Hardee County	7	354,276	34
Tampa	6	331,656	88
Desoto County	5	262,970	140
Wakulla County	5	259,195	94
Franklin County	8	208,209	48
Liberty County	1	195,029	28
St. Marks	2	176,520	13
Everglades City	1	128,743	24
Pensacola	7	109,729	35
Palm Beach County	3	85,095	18
DeFuniak Springs	2	73,747	41
Hillsborough County	4	48,364	9
Calhoun County	4	44,071	7
Sumter County	1	43,449	9

Enterprise Zone	Businesses	Credits	Employees
Tallahassee/Leon County	3	43,212	5
Hamilton County	1	39,859	4
Palmetto/Manatee County	3	38,083	40
Holmes County	4	35,668	10
Fort Lauderdale/Broward County	5	32,427	6
Gainesville	6	23,645	11
Glades County	1	20,989	3
Escambia County	3	19,587	47
Fort Myers/Lee County	1	18,541	6
Levy County	3	18,415	4
Crestview/Okaloosa County	3	12,999	16
Century	1	8,073	19
Cocoa	1	7,575	24
Sarasota County	1	1,736	7
Pahokee	1	1,497	5
Vero Beach/Indian River County	1	1,134	1
Brooksville/Hernando County	1	474	2
<b>Total<sup>1</sup></b>	<b>402</b>	<b>\$29,253,481</b>	<b>8,086</b>

<sup>1</sup> Values were estimated for six companies that claimed job tax credits in multiple enterprise zones.  
Source: OPPAGA analysis of Department of Revenue data.

Appendix C

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CHARLIE CRIST  
GOVERNOR

STATE OF FLORIDA  
**Office of the Governor**

THE CAPITOL  
TALLAHASSEE, FLORIDA 32399-0001

www.flgov.com  
850-488-7146  
850-487-0801 fax

December 30, 2010

Mr. Gary R. VanLandingham, Ph.D.  
Director  
Office of Program Policy Analysis and  
Government Accountability  
111 West Madison Street; Suite 312  
Tallahassee, Florida 32399-1475

Dear Mr. VanLandingham:

In accordance with the provisions of subsection 11.51 (5), Florida Statutes, the Governor's Office of Tourism, Trade and Economic Development (OTTED) acknowledges receipt of OPPAGA's draft report entitled: *"Few Businesses Take Advantage of Enterprise Zone Benefits; the Legislature Could Consider Several Options to Modify the Program"* dated January 2011.

We appreciate the opportunity to review and respond to the draft report. We have no objections or questions in regard to the information presented at this time. We look forward to working with the Legislature as the options are discussed in the future.

We extend our appreciation to your staff for their thoroughness and professionalism in conducting the review of the Florida Enterprise Zone Program.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Hart, IV".

Chris Hart, IV  
Director  
Office of Tourism, Trade and Economic Development

cc: Ms. Kim Mills, Director of Auditing, Executive Office of the Governor



Executive Director  
Lisa Vickers

Child Support Enforcement  
Ann Coffin  
Director

General Tax Administration  
Jim Evers  
Director

Property Tax Oversight  
James McAdams  
Director

Information Services  
Tony Powell  
Director

Tallahassee,  
Florida  
32399-0100  
www.myflorida.com/dor

January 10, 2010

Ms. Kathy McGuire, Interim Director  
Office of Program Policy Analysis and  
Government Accountability  
The Florida Legislature  
111 West Madison Street, Room 312  
Claude Pepper Building  
Tallahassee, Florida 32399-1475

Dear Ms. McGuire:

We appreciate the opportunity to respond to the recommendations for the Department of Revenue (Revenue) in OPPAGA's January 2011 report, "Few Businesses Take Advantage of Enterprise Zone Benefits; the Legislature Could Consider Several Options to Modify the Program."

The report recommends Revenue:

- Develop written application review, validation, and approval procedures.

Revenue has procedures that are used to verify eligibility for enterprise zone credits taken on tax returns. These procedures will be documented and added as a part of the Review and Math Audit, Sales and Use Tax and Corporate Income Tax Procedures manuals by January 31, 2011.

- Develop standard procedures for processing enterprise zone credits and refunds.

Revenue, in order to take advantage of processing efficiencies, intentionally processes tax credits differently than the tax refunds.

Revenue is taking advantage of an existing business process to promote efficiency in processing. Verification of tax credits is a part of the overall examination of the tax return and allows Revenue to take advantage of existing processes to provide the taxpayer with a single result of the examination of the tax return.

Due to the nature of the enterprise zone refunds, there are several criteria that must be verified prior to issuance of the refund and are documented in the written procedures provided.

- Develop an online application process for all enterprise zone incentives.

Revenue has an online application process for refunds. Many taxpayers applying for enterprise zone refunds have done so via the Internet. The link to Revenue's online refund application is <https://taxapps3.state.fl.us/refunds/>.

For credits, Revenue uses a combination of both electronic and paper processing. Providing a complete electronic solution is desirable, but due to limited resources and the relatively limited participation in the program, other higher priority

Ms. Kathy McGuire  
 January 10, 2011  
 Page 2

programming needs have taken precedence. Additional resources would be required to complete an electronic solution for tax credits.

- Be granted the authority to notify enterprise coordinators when it approves applications for incentives within their zones.

Revenue is currently restricted from sharing specific information regarding approval of applications with the enterprise zone coordinators due to confidentiality requirements defined by section 213.053, Florida Statutes.

However, enterprise zone refunds are summarized by zone and provided to the Office of Tourism, Trade, and Economic Development (OTTED) annually. This includes the number and amount of refunds approved, denied, or withdrawn.

- Record zone information related to the corporate income jobs tax credits in a database.

Revenue agrees that recording of the zone information related to the corporate income jobs tax credits would benefit the gathering and analysis of data regarding the effectiveness of the enterprise zone program. However, due to current limited resources and other priority programming requirements, additional resources would be necessary for this enhancement at this time. It will be addressed as resources become available.

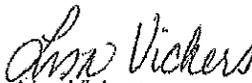
- Modify the sales and use tax credit application form to require taxpayers to report total credits from a list that includes the jobs tax credit and reject incomplete forms.

This is a complex issue that can best be addressed by requiring electronic filing of tax returns for taxpayers claiming an enterprise zone credit. Due to the space limitations on the current paper Sales and Use Tax Return, a listing of all available credits from which the taxpayer can select would require a costly redesign of the paper tax return and associated equipment Revenue uses to efficiently process those returns. If electronic filing of the tax return was mandated for credit eligibility, this suggestion could be implemented without the expenses associated with revising the paper form.

We appreciate OPPAGA's interest in the improvement of the application review process and data reporting for enterprise zone jobs tax credits.

Please let me know if we may be of further assistance.

Sincerely,

  
 Lisa Vickers

LV/hm/bsc

cc: Kim Mills, Director of Auditing, Office of the Chief Inspector General, Executive Office of the Governor  
 Kara Collins-Gomez, Staff Director, Government Operations, OPPAGA  
 Sharon Doredant, Inspector General, Department of Revenue  
 Jim Evers, Director, General Tax Administration

enterprise.com



January 7, 2011

Mr. Gary R. VanLandingham
Director
Office of Program Policy Analysis and
Government Accountability
111 West Madison Street, Room 312
Tallahassee, Florida 32399-1475

Dear Mr. Van Landingham:

Enterprise Florida is in receipt of the preliminary report; Few Businesses Take Advantage of Enterprise Zone Benefits: the Legislature Could Consider Several Options to Modify the Program. We appreciate the opportunity to comment on the report.

The Enterprise Zone Program has had a measurable impact on improving economic conditions in some of Florida's most distressed areas. Potential modifications to the existing Programs could serve to strengthen their effectiveness and further improve economic conditions in these areas. In addition to the Programs highlighted in the report, the Enterprise Zone designation also helps to attract other businesses to these areas. For example, businesses receiving the Qualified Target Industry Tax Refund incentive are eligible for a higher award for jobs created within Enterprise Zones, prompting new, high-quality job creation within these Zones.

Enterprise Florida provides many marketing opportunities for the enterprise zone program through its web site, fact sheets, training and value propositions. Each explains the program's incentives and benefits. In addition to narrative explanations the Florida Enterprise Zone website has a map function for preliminary determination of site location within or outside of an enterprise zone.

In the discussion of changes in the program since the Legislature reauthorized the program in 2005 it should be clarified that Levy County applied for a vacant enterprise zone slot not that it was afforded the same opportunity as Sumter or Ocala.

The OPPAGA Report points out a number of program deficiencies that could make the program stronger and more effective. The Jobs Tax Credit, only available against the Corporate Income Tax or Sales and Use Tax, is not highly effective for small to medium sized manufacturers as they neither collect sales and use taxes nor do they have a significant corporate income tax liability. There have been attempts over the past several years to modify this incentive to make it have value such as allowing the credits to be transferred/sold.

strengthening Florida's economy



Governor Rick Scott, Chairman • Howell W. Melton Jr., Vice Chairman • John A. Adams Jr., President & CEO

800 North Magnolia Avenue, Suite 1100 • Orlando, Florida 32803 • T 407.956.5600 • F 407.956.5599

January 10, 2011

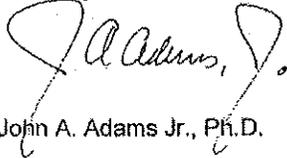
Page 2

Whether highly or moderately effective, the enterprise zone incentives, particularly in the rural areas are the only incentive available. In the Urban area it is hoped to be a tie-breaking resource. It was not designed to be a panacea but to give the most distressed areas of Florida a chance to slow down the downward economic spiral of the area by affording local governments an opportunity to increase economic activity and job creation.

In addition to the audit conducted by the Department of Revenue there has been a change in the Department's eligibility interpretation that could retroactively require refunds for projects. This shift could serve as a detriment for the entire program and could bleed over into other areas causing Florida to lose credibility with those looking to place a facility in the state.

Additionally Florida Statutes give the program a ten year life and each incentive is time certain. Any recommendations should recognize the inherent commitment by the state to those businesses already in the program and allow them the full range of incentive opportunity upon which the location decision was made.

Sincerely,



John A. Adams Jr., Ph.D.

cc: Chris Hart  
Crystal Sircy



ORDINANCE NO. 1010-2011



**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, AMENDING CODE OF ORDINANCE SECTION 32-100, ARCHITECTURAL REVIEW BOARD-ESTABLISHED; BY REVISING THE AUTHORITY OF THE BOARD IN REVIEWING PROPOSED DEVELOPMENT PROJECTS; ESTABLISHING ADVISORY REVIEW AUTHORITY; SPECIFYING ADVISORY OPINION OF BOARD; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT; EFFECTIVE DATE.**

**WHEREAS**, the City Council has reviewed the currently existing authority of the Architectural Review Board in conjunction with its efforts to establish District Boundary Regulations and review procedures for the sub-districts of the Airport, Highway, Marine and Business District; and,

**WHEREAS**, as part of the establishment of development review procedures by the City Council, it has been determined that a revision of the role of the Architectural Review Board in the review process is required; and,

**WHEREAS**, although the City Council wishes to streamline and make the development review process "developer friendly", it continues to believe that it is beneficial to the review process for the Architectural Review Board to function in a "project specific" advisory capacity; and,

**WHEREAS**, in accordance with the foregoing, the City Council has determined that it is in the best interests of the City and its citizens to amend Code of Ordinance Section 32-100 to specifically provide for the new role and function of the Architectural Review Board:

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MIAMI SPRINGS, FLORIDA:**

**Section 1:** That Code of Ordinance Section 32-100, Architectural Review Board - Established, is hereby amended as follows:

Sec. 32-100. Architectural Review Board - Established.

- (A) ...
- (B) ...
- (C) ...
- (D) ...
- (E) ...
- (F) ...
- (G) ...

(H) ~~Recommendations on Plans, Specifications and Designs. As a condition of the granting of any building permit or other related and required building or construction approval, the Board shall consider and make recommendations to the City Council in regard to any act upon plans, specifications and designs submitted in connection with applications for such approvals recommendations. The approval recommendation of at least a majority of the Board, evidenced by their signature on each set of plans, specifications and designs required to be submitted with each application for a permit or other approval, the minutes of the Board action, shall be a prerequisite to the issuance of any building permit or approval. for the automatic review of the Board's recommendations by the City Council within thirty days of the action of the Board in regard to any plans, specifications or designs received for review.~~

(f) ~~Notice of Review by Board. In every case where the Board is scheduled to review preliminary plans for additions, exterior alterations and/or new construction of commercial projects, the Secretary of the Board shall cause a notice of the meeting to be given in the following manner:~~

~~(1) Posting of Property.~~

~~(a) Each property shall be posted at least five (5) days prior to the Board meeting. Such posting shall consist of a sign, the face surface of which shall not be larger than forty (40) square inches in area, the color of which shall be yellow with black lettering and shall contain the following language:~~

**NOTICE  
ARCHITECTURAL REVIEW BOARD  
REVIEW OF PRELIMINARY PLANS**

**PHONE:** \_\_\_\_\_  
**HEARING NO:** \_\_\_\_\_  
**HEARING DATE:** \_\_\_\_\_

~~(b) The sign shall be erected in full view of the public on each street side of such property. Where large parcels of property are involved with street frontages extending over considerable distances, as many signs shall be erected on the street frontage as may be deemed adequate to inform the public.~~

~~(c) If such a sign is placed on a vacant lot or parcel of land, it shall be securely nailed or otherwise fastened securely to a stake or post which itself shall be fastened securely into the ground. Said sign shall not be located nearer than ten (10) feet nor more than fifteen (15) feet from the street property line, provided, however, that where said property is improved by a building, the main part of which is less than ten (10) feet from said property line, the sign may be placed upon the front and/or side of the building, or upon a front and/or side door and/or window of the building. Whenever a building on improved property is located more than ten (10) feet from the street property line, the sign shall be erected as provided for on vacant property.~~

~~(d) The height of such sign shall be erected to project not more than three (3) feet above the surface of the ground.~~

~~(e) It shall be a misdemeanor in the second (2<sup>nd</sup>) degree, punishable pursuant to Florida Statute 775.082 and 775.083, if any unauthorized person shall tamper with or remove the signs posted pursuant to this section.~~

~~(J) Authority to Require Modifications. It shall be the duty of the Board to require make such recommendations for changes, if any, in any plans, specifications or designs presented as may be necessary to conform to the policies, standards and ordinances of the City of Miami Springs. The Board may also suggest or recommend such changes in said plans, specifications or designs, as in its judgment may be requisite or appropriate to the maintenance of the standards of construction, architecture, beauty and harmony currently existing in the City.~~

~~(K) Fees for Examination of Plans, Specifications and Designs. For examination of plans, specifications and designs by the Board, there shall be charged and collected by the City, in addition to all other building permit fees which are now or which may hereafter be prescribed by ordinance, the following:~~

~~(1) A fee of \$1.00 per \$1,000, or fraction thereof, of the estimated cost of the construction involved, with a minimum fee of \$50.00 for each set of plans, specifications and designs submitted, which shall be paid at the time of the submission of the plans, specifications and designs for examination.~~

~~(2) A fee of \$50.00 for each resubmittal shall be paid prior to any subsequent review of the Board.~~

(3) ~~An additional fee of \$50.00 shall be paid if the project is to be posted prior to the Board's initial review or resubmittal review.~~

(H) Review of Proposed Projects. As part of the City's Development Review Process for the 36<sup>th</sup> Street, Abraham Tract and Airport Golf Districts, the Architectural Review Board shall review the proposed plans and designs of all development projects which have completed the mandatory preliminary review process with City Staff.

(I) Board Advisory Opinion. The minutes of each development review meeting conducted by the Board to review the plans and designs of any proposed development project shall contain, and constitute, the advisory opinion of the Board on the specific project reviewed. The Board may include within its meeting minutes any additional information or documentation that may be further explanative of its project opinion.

**Section 2:** That all Ordinances or parts of Ordinances in conflict herewith are hereby repealed insofar as they are in conflict.

**Section 3:** That the provisions of this Ordinance shall be effective immediately upon adoption by the City Council.

**PASSED AND ADOPTED** by the City Council of the City of Miami Springs, Florida this 14<sup>th</sup> day of March, 2011.

The motion to adopt the foregoing ordinance was offered on second reading by \_\_\_\_\_, seconded by \_\_\_\_\_, and on roll call the following vote ensued:

Vice Mayor Ator " \_\_\_\_\_ "  
Councilman Best " \_\_\_\_\_ "

Councilman Espino  
Councilman Lob  
Mayor Bain

"\_\_\_\_"  
"\_\_\_\_"  
"\_\_\_\_"  
\_\_\_\_\_

\_\_\_\_\_  
Billy Bain  
Mayor

**ATTEST:**

\_\_\_\_\_  
Magali Valls, CMC  
City Clerk

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY**



Jan K. Seiden, Esquire  
City Attorney

First reading: 02/28/2011  
Second reading: 03/14/2011

Words ~~-stricken through-~~ shall be deleted. Underscored words constitute the amendment proposed. Words remaining are now in effect and remain unchanged.



FEB 28, 2011



**CITY OF MIAMI SPRINGS, FLORIDA  
MEMORANDUM**

**DATE:** February 17, 2011

**TO:** The Honorable Mayor Bain and Members of the City Council

**VIA:** James R. Borgmann, City Manager *JRB*

**FROM:** Richard E. Ventura, <sup>RV</sup>AICP, City Planner

**RE:** **Scope of Work from LaRue Planning and Management to the Florida Dept. of Community Affairs (DCA) as part of the Evaluation and Appraisal Report (EAR) Process, pursuant to Section 163.3191(2)(a) through (p), Florida Statutes; for Council Review.**

\*\*\*\*\*

Attached is a draft Scope of Work, dated February 28, 2011, from LaRue Planning and Management, to DCA as part of the EAR process.

This Scope of Work letter outlines the major issues Miami Springs proposes to address in the 2012 EAR with DCA being the recipient. The Scope of Work requests from DCA a Letter of Understanding agreeing to the proposed major issues and scope of work. This Scope of Work is a result of the Nov. 30, 2010 public hearing / Council workshop and a Jan. 26, 2011 scoping meeting during which representatives from local, county and regional agencies discussed their concerns with regard to the City's Evaluation and Appraisal Report.

[Section 163.3191, Florida Statutes, requires all local governments to assess the progress in implementing their comprehensive plans every seven years. Miami Springs' next EAR is due on May 1, 2012, and will objectively examine the extent to which the City has achieved the goals and objectives established in the Comp Plan.]

**ATTACHED**

**DOCUMENTS:** *Scope of Work*, dated February 28, 2011; for the 2012 Miami Springs EAR, by LaRue Planning and Management Services, Inc.

*City of Miami Springs Evaluation and Appraisal Report Adoption Schedule* by LaRue Planning and Management Services, Inc.

*The Ear Process* (flowchart) from the Florida Dept. of Community Affairs.



**LaRue Planning  
& Management Services, Inc.**

---

February 28, 2011

Mr. D. Ray Eubanks, Plan Processing Administrator  
Office of Comprehensive Planning  
Division of Community Planning  
Florida Department of Community Affairs  
2555 Shumard Oak Boulevard  
Tallahassee, FL 32399-2100

RE: Letter of Understanding for the 2012 City of Miami Springs  
Evaluation and Appraisal Report

Dear Mr. Eubanks:

Enclosed please find the City of Miami Springs' scope of work pursuant to Section 163.3191(2)(a) through (p), Florida Statutes and the major issues the City proposes to address in its 2012 Evaluation and Appraisal Report. The City hereby requests that the Department of Community Affairs provide them with a Letter of Understanding agreeing to the proposed major issues and scope of work.

On November 30, 2010 the City held a public workshop for the purpose of identifying the major issues that should be addressed in the City's Evaluation and Appraisal Report. Additionally, on January 26, 2011, the City of Miami Springs conducted a scoping meeting having invited representatives from State, regional and local agencies to discuss their scope of work and proposed major issues that will serve as the basis for the City's 2012 Evaluation and Appraisal Report of its Comprehensive Plan.

The City Council officially authorized this letter outlining the proposed Evaluation and Appraisal Report scope of work and major issues summary on February 28, 2011.

If you have any questions or require additional information, please contact me at 239-334-3366.

Respectfully,

James G. LaRue, AICP  
Planning Consultant

JGL/vr

c: Walker Banning, DCA Community Program Manager  
Bob Pable, DCA Community Planning  
Jim Borgmann, City Manager  
Richard Ventura, City Planner  
Jan K Seiden, City Attorney  
Magali Valls, City Clerk

Attachment

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Providing Planning and Management Solutions for Local Governments Since 1988

1375 Jackson Street, Suite 206 Fort Myers, FL 33901 239-334-3366 info@larueplanning.com

# The City of Miami Springs 2012 Evaluation and Appraisal Report

The proposed City of Miami Springs Evaluation and Appraisal Report will consist of the following three (3) Sections:

## Section 1: Communitywide Assessment

This Section will include the following subsections:

**Introduction** – This subsection will provide an executive summary of the EAR, discuss the purpose of the EAR, describe the EAR process and requirements, the format of the EAR, and the process for identifying the City's major issues.

**Profile of the City** – This subsection briefly discuss the history and general location of the City.

**Population Analysis** – The City will discuss changes in population since the Plan was last adopted and compare actual changes with changes projected by the 1990 Plan. *§163.3191(2)(a), F.S.*

**Land Use Analysis** – This subsection will analyze the changes in land area (*§163.3191(2)(a)*) and the City will identify the extent of vacant and undevelopable land and the location of existing development in relation to the location of development as anticipated in the plan. *§163.3191(2)(b) & (d), F.S.* The City will evaluate whether there is any vacant land available and suitable for development and if any existing areas are in poor condition, in need of repair, or in need of redevelopment. In addition, the City will evaluate the annexation of land since the last Plan Adoption and discuss the potential for annexation of land in the future.

**Financial Feasibility of Providing Needed Infrastructure** – The City will discuss the financial feasibility of providing needed infrastructure to achieve and maintain adopted levels of service standards and sustain concurrency through capital improvements, as well as the City's ability to address infrastructure backlogs and meet the growth demands of public services and facilities pursuant to *§163.3191(2)(c), F.S.* The discussion will include the financial implications of providing public services while maintaining an adopted level of service for the following areas: sanitary sewer, potable water, solid waste disposal and collection, drainage, traffic circulation, recreation facilities, and school coordination.

This subsection will also discuss the extent to which the City has been successful in identifying alternative water supply projects and traditional water supply projects, including conservation and reuse, necessary to meet the water needs within its jurisdiction. (*§163.3191 (2) (l), F.S.*)

In addition, this subsection will discuss the success or failure of coordinating future land uses and residential development with the capacity of existing and planned schools by coordinating with the School Board on appropriate population projections and the planning and siting of new schools. *§163.3191(2)(k), F.S.*

**Assessment of Successes and Shortcomings of the Elements:** This subsection of the Report will contain a brief assessment of the successes and shortcomings related to each Element of the Comprehensive Plan in addition to a measurement of the goals, objectives and policies of each Element and the extent to which they have been implemented. *§163.3191(2)(h), F.S.*

**Compliance with Growth Management Laws:** The City will evaluate relevant changes in Growth Management Laws since the adoption of the original Plan for consistency with the State Comprehensive Plan. *§163.3191(2)(f), F.S.* Other legislative and statutory requirements will such also be evaluated where applicable. *§163.3191(2)(m-p), F.S.*

**Public Participation Summary** – The City will provide a summary of the public participation activities involved in preparing the report. *§163.3191(2)(j), F.S.*

## Section 2 – Major Issues

This Section will include the following subsections:

**Identification of Major Issues:** Prior to the scoping meeting, the City held a public visioning workshop to determine the direction of the EAR and eventually the future of the City. The four (4) major issues were developed based on certain challenges and opportunities currently facing the City. This subsection will provide an assessment of these issues. The major issues identified by the City are as follows:

1. Establish redevelopment priorities for the City. Focus on the redevelopment of the existing areas including infill redevelopment, preservation and transportation improvements.
2. Reassess housing affordability within the City. Improve opportunities for affordable housing, including housing types for a balance of age groups. Address the City's level of diversity in housing types and affordability especially in connection with workforce housing.
3. Encourage economic development within the City and incentivize business creation and growth.
4. Promote walkability and connectivity throughout the community. Create linkages between existing parks, public areas and private areas, and ways of making these linkages safe, attractive and inviting for the users.

**Evaluation of Major Issues:** This Section will evaluate the major issues identified by the City for the purpose of the EAR. The City will analyze these issues for their potential social, economic, and environmental impacts. *§163.3191(2)(e), F.S.* The City will also assess whether Plan Objectives within each Element, as they relate to the major issues, have been achieved, and whether unforeseen and/or unanticipated changes in circumstances have resulted in problems and/or opportunities with respect to the major issues in each Element. *§163.3191(2)(g), F.S.*

## Section 3 – Recommendations

The City will identify any actions, corrective measures and strategies to address the issues, including whether Plan Amendments are anticipated to address the major issues identified and analyzed in the report. Such identification shall include, as appropriate, new population projections, new revised planning time-frames, a revised future conditions map or map series, and updated Capital Improvements Element, and any new and revised Goals, Objectives and Policies for the major issues identified within each Element. *§163.3191(2)(i), F.S.*

**City of Miami Springs  
Evaluation and Appraisal Report Adoption Schedule**

September – October 2010	Local workshops and public meetings to identify subject matter (major issues) and prepare the list of issues
November 2010	Scoping meeting with agency representatives and presentation of final list of major issues.
December 2010	Letter of Understanding with DCA
March 2011	Complete a first draft of the EAR.
June 2011	Public hearing with LPA to review first draft.
July – October 2011	Revise drafts, as needed
November 2011	Transmit proposed EAR to DCA and other reviewing agencies (optional)
December 2011	Receive comments from DCA
January 2012	Revise first draft and produce final EAR for adoption
February 2012*	<b>Public Hearing with Council and adoption of the EAR</b>

\* The City is required to complete an EAR by May 1, 2012. DCA guidelines will not allow an EAR to be submitted more than 90 days prior to the schedule date.



# The EAR Process

