The Florida Senate

COMMITTEE MEETING EXPANDED AGENDA

APPROPRIATIONS SUBCOMMITTEE ON TRANSPORTATION, TOURISM, AND ECONOMIC DEVELOPMENT

Senator Gardiner, Chair
Senator Margolis, Vice Chair

MEETING DATE: Wednesday, January 15, 2014
TIME: 10:00 a.m.—12:00 noon
PLACE: *Toni Jennings Committee Room,* 110 Senate Office Building

MEMBERS: Senator Gardiner, Chair; Senator Margolis, Vice Chair; Senators Brandes, Evers, Gibson, Latvala, Lee, Ring, Simpson, Sobel, Stargel, and Thompson

TAB	BILL NO. and INTRODUCER	BILL DESCRIPTION and SENATE COMMITTEE ACTIONS	COMMITTEE ACTION
1	Update by the Florida Housing Finance Corporation on the implementation of the National Mortgage Settlement Funding		Presented
2	Presentation by Enterprise Florida, Inc., on the annual incentives report		Presented
	Update on Project Connect implementation issues by the Department of Economic Opportunity		Presented
	Other Related Meeting Documents		

Florida Housing Finance Corporation
Update on Implementation of 2013 Resources and New Allocation System

Florida Housing's Allocation System

- Via passage of HB 437/SB 928, Florida Housing was provided the ability to allocate rental funding through a competitive solicitation process. This is a more flexible system compared to the previous Universal Application Cycle.
- Through a series of Requests for Applications (RFAs), Florida Housing now can allocate state and federal resources. This allows Florida Housing to tailor each RFA to the particular housing needs of the intended residents.

Status of Resources Provided by SB 1852, National Mortgage Settlement

State Housing Initiatives Partnership (SHIP) Program

Provides funds to all county local governments and Florida's larger cities on a population-based formula to finance and preserve affordable housing based on locally adopted housing assistance plans.

$40 Million- SHIP Funding (*Local government funding distribution is found in Attachment 1)*

- Nearly $39.5 million in SHIP funds have been disbursed to 117 of the 119 SHIP-eligible counties and cities.
- All of the eligible local governments have approved plans capable of addressing SB 1852's additional program guidelines, including the requirement for each local government to use 20% of its funding to serve persons with special needs.
- Florida Housing staff has done extensive outreach to connect local SHIP offices to various Centers for Independent Living, Family Care Councils, Arc of Florida chapters and the Florida Developmental Disabilities Council. We hosted webinars over the summer, held a workshop at the Florida Housing Coalition conference in September, and attended several of the stakeholders' annual or quarterly conferences. Outreach was geared at ensuring that consumers with Developmental Disabilities, their families and service providers are aware of SHIP resources and that local SHIP offices are aware of the needs of these residents.

Competitive Grant Funding *(See Attachment 2)*

$10 Million- Housing for Homeless Persons and Families

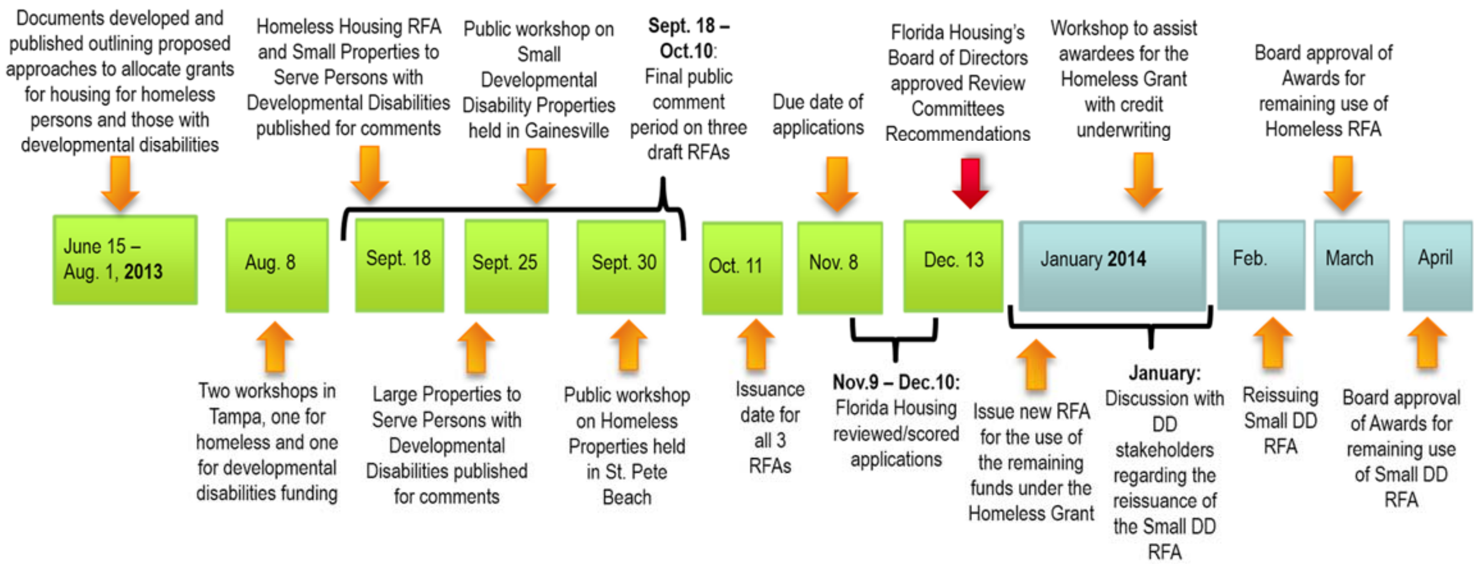
- The funding has been available to non-profit organizations to purchase and renovate existing houses or to construct or purchase and renovate apartment complexes of 15 units or less.
- Florida Housing hosted a public workshop in Tampa in August to discuss our proposed approaches for this funding. We published a draft RFA in September and issued the final RFA in October.
- In December, Florida Housing's Board of Directors awarded $8,303,102 in funds to six developments located throughout the state. An implementation workshop was held on January 7th to assist awardees with credit underwriting and the timeline for this process.
- Because all funding was not distributed, a new RFA for the remaining $1,696,898 has just been issued. The Board will make final awards for this funding at its March meeting.

$10 Million- Housing for Persons with Developmental Disabilities

- Allocation of this competitive grant funding has followed the same timeline and public input process as the homeless grant funding above. It has been available to non-profit organizations with a primary mission of serving persons with developmental disabilities.
- Florida Housing offered this funding through two RFAs:
    1. A $4 million RFA focused on small developments of up to four units, and
    2. A $6 million RFA targeted to developments of 30-100 units, with additional funding from federal Low Income Housing Tax Credits, SAIL and SAIL ELI funding.
- In December, Florida Housing's Board of Directors awarded $2,016,991 out of the $4 million in funds available for small developments. One written protest was filed in accordance with Section 120.57(3), F.S., from an applicant not awarded funding. A new RFA for the remaining funding will be issued when that protest is resolved.

- The Board awarded all $6 million available to applicants in the larger development category. Three developments received funding and have been invited into credit underwriting.

Timeline for Grant Awards



State Apartment Incentive Loan Program (SAIL)

Provides gap financing through low-interest loans to developers to leverage federal resources and obtain the full financing needed to develop rental units for very low income families. Appropriated funding will be made available across small, medium and large counties pursuant to s. 420.5087(1), F.S.

$25 Million- Elderly Housing

- Florida Housing will allocate $22.5 million targeted for elderly housing with Federal Multifamily Mortgage Revenue Bonds and Low Income Housing Tax Credits to provide new units or to rehabilitate and extend the affordability period on existing units with reduced rents for these seniors.
- A workshop to solicit comments and suggestions for the funding occurred in November. Input from this meeting was incorporated into the draft RFA issued in December with a final RFA scheduled for issuance on January 10th.
- Applications will be due in early February with preliminary awards scheduled for approval by Florida Housing's Board at its March 2014 meeting.
- The other $2.5 million will be used for a small sub-program of SAIL that calls for 10% of funds reserved for elder housing to be used to provide loans to existing elderly affordable housing for the purpose of making life safety, code and security related repairs or improvements. A timeline is being developed to get this funding out.

$10 Million- SAIL Funding for Construction or Rehabilitation of Housing, with 10-25% of Units Targeted to Persons with Developmental Disabilities

- Florida Housing expects to pool this SAIL funding with mortgage revenue bonds and a portion of the $25 million in SAIL ELI funding discussed below.
- The appropriation will finance family properties with a portion of units specifically designed for persons with developmental disabilities.

$25 Million- Extremely Low Income (ELI) Residents

- An estimated $7.5 million in ELI funding will be used with the SAIL funding above to make some units more affordable to ELI seniors and persons with developmental disabilities.
- $3,625,000 in ELI funding was awarded with the developmental disability grant funding described above to allow a portion of units to serve ELI residents.
- An estimated $3.0 million will be paired with the special needs/ELI funding for the pilot described below.
- The remaining funding will be allocated to "buy down" a portion of units existing affordable developments so that they may serve ELI residents.

Other Resources Provided by the State Legislature Allocated by RFA

Proviso Language Related to Special Needs/Extremely Low Income Funding

- Funding proviso from the 2012 legislative session provided for up to $10 million in funding that came in to the State Housing Trust Fund from documentary stamp revenue over the $35.3 million estimated to be collected.
- Florida Housing received funds after the state fiscal year ended and doc stamp revenues were tallied. The full $10 million was received.
- The proviso calls for $10 million to go to non-profit organizations specializing in permanent supportive housing for special needs and ELI households.
- Florida Housing's Board approved the use of the funding for a pilot to finance permanent supportive housing (i.e., housing linked with supportive services) that sets up partnerships with service providers to serve high needs persons with disabilities and frail elders who are homeless or living in a more restrictive institutional or congregate setting than they need or desire. These people cycle in and out of residential care or institutional settings because of their lack of stability in the community, and as a result, are often high utilizers of crisis services, such as emergency rooms and jails. The objective of the pilot is to demonstrate:
    - Improved personal outcomes for residents who will be able to live more independently in a stable situation with supportive services; and
    - Reduced public expenditures as residents stabilize and their use of crisis services or more costly institutional residency goes down.
- Florida Housing will work with state partners, including DCF, AHCA, and Elder Affairs through a memorandum of understanding (MOU) in the implementation of the pilot.
- The non-profits chosen under this demonstration will be required to work with researchers to provide Florida Housing and our state partners with data measuring changes in expenditures on crisis and institutional services and the impact on residents' health, welfare and quality of life. This will require organizations chosen under this pilot to already be working within a broader, established community framework that has implemented a collaborative approach to identify, screen, assess and prioritize individuals for permanent supportive housing.
- Florida Housing staff has done outreach to stakeholders statewide through a workshop and telephone conference calls. Those cities with local service systems and providers already in place are the communities most capable of carrying out this comprehensive pilot.
- RFA Issue Date: ~January 2014 – Award Date: ~March or April 2014

Attachment 1

SHIP Program Allocation

County / Eligible City	Allocation
Alachua County	$ 226,684
Gainesville	$ 228,596
County Total	**$ 455,280**
Baker County	$ 350,000
Bay County	$ 278,640
Panama City	$ 74,650
County Total	**$ 353,290**
Bradford County	$ 350,000
Brevard County	$ 475,584
Cocoa	$ 26,966
Melbourne	$ 120,581
Palm Bay	$ 162,140
Titusville	$ 68,099
County Total	**$ 853,370**
Broward County	$ 533,116
Coconut Creek	$ 74,706
Coral Springs	$ 171,997
Davie	$ 130,053
Deerfield Beach	$ 105,730
Ft. Lauderdale	$ 236,279
Hollywood	$ 199,546
Lauderhill	$ 94,065
Margate	$ 77,188
Miramar	$ 172,990
Pembroke Pines	$ 217,664
Plantation	$ 119,132
Pompano Beach	$ 143,207
Sunrise	$ 120,621
Tamarac	$ 85,626
County Total	**$ 2,481,920**
Calhoun County	$ 350,000
Charlotte County	$ 313,600
Punta Gorda	$ 36,400
County Total	**$ 350,000**
Citrus County	$ 350,000
Clay County	$ 384,545
Collier County	$ 533,452
Naples	$ 33,688
County Total	**$ 567,140**
Columbia County	$ 350,000
DeSoto County	$ 350,000
Dixie County	$ 350,000
Duval County	$ 1,286,005
Escambia County	$ 434,646
Pensacola	$ 91,369
County Total	**$ 526,015**
Flagler County	$ 74,620
Palm Coast	$ 275,380
County Total	**$ 350,000**

County / Eligible City	Allocation
Franklin County	$ 350,000
Gadsden County	$ 350,000
Gilchrist County	$ 350,000
Glades County	$ 350,000
Gulf County	$ 350,000
Hamilton County	$ 350,000
Hardee County	$ 350,000
Hendry County	$ 350,000
Hernando County	$ 358,225
Highlands County	$ 350,000
Hillsborough County	$ 1,308,473
Tampa	$ 489,127
County Total	**$ 1,797,600**
Holmes County	$ 350,000
Indian River County	$ 350,000
Jackson County	$ 350,000
Jefferson County	$ 350,000
Lafayette County	$ 350,000
Lake County	$ 526,015
Lee County	$ 628,062
Cape Coral	$ 244,848
Ft. Myers	$ 102,190
County Total	**$ 975,100**
Leon County	$ 168,640
Tallahassee	$ 329,410
County Total	**$ 498,050**
Levy County	$ 350,000
Liberty County	$ 350,000
Madison County	$ 350,000
Manatee County	$ 480,594
Bradenton	$ 86,546
County Total	**$ 567,140**
Marion County	$ 474,079
Ocala	$ 97,996
County Total	**$ 572,075**
Martin County	$ 350,000
Miami-Dade County	$ 2,279,857
Hialeah	$ 313,771
Miami	$ 572,606
Miami Beach	$ 124,311
Miami Gardens	$ 147,906
North Miami	$ 83,109
County Total	**$ 3,521,560**
Monroe County	$ 350,000
Nassau County	$ 350,000
Okaloosa County	$ 335,753
Ft. Walton Beach	$ 40,567
County Total	**$ 376,320**

County / Eligible City	Allocation
Okeechobee County	$ 350,000
Orange County	$ 1,340,435
Orlando	$ 353,530
County Total	**$ 1,693,965**
Osceola County	$ 390,093
Kissimmee	$ 111,247
County Total	**$ 501,340**
Palm Beach County	$ 1,450,757
Boca Raton	$ 121,784
Boynton Beach	$ 97,998
Delray Beach	$ 87,532
West Palm Beach	$ 144,809
County Total	**$ 1,902,880**
Pasco County	$ 751,380
Pinellas County	$ 716,111
Clearwater	$ 158,624
Largo	$ 114,502
St. Petersburg	$ 364,213
County Total	**$ 1,353,450**
Polk County	$ 729,902
Lakeland	$ 151,117
Winter Haven	$ 52,956
County Total	**$ 933,975**
Putnam County	$ 350,000
Santa Rosa County	$ 350,000
Sarasota County	$ 550,550
Sarasota	$ 87,325
County Total	**$ 637,875**
Seminole County	$ 695,450
St. Johns County	$ 389,480
St. Lucie County	$ 127,792
Ft. Pierce	$ 74,449
Port St. Lucie	$ 299,099
County Total	**$ 501,340**
Sumter County	$ 350,000
Suwannee County	$ 350,000
Taylor County	$ 350,000
Union County	$ 350,000
Volusia County	$ 555,687
Daytona Beach	$ 98,178
Deltona	$ 135,350
County Total	**$ 789,215**
Wakulla County	$ 350,000
Walton County	$ 350,000
Washington County	$ 350,000
Compliance Monitoring*	$ 100,000

Florida Total $ 40,000,000

*Compliance monitoring fees as defined in section 420.9079 (2), Florida Statutes

Attachment 2

Total Awarded in RFA 2013-004, RFA 2013-005, and RFA 2013-006 with Grants, ELI Funding and SAIL Funding

Name of Development	County	Funds from SB 1852, National Mortgage Settlement	Low Income Housing Tax Credit and Additional Resources
RFA 2013-004 - Financing To Build Larger Permanent Supportive Housing Properties For Persons With Developmental Disabilities			
Loveland Village	Sarasota	$ 3,835,000	$ 940,000
The Arc Village	Duval	$ 3,290,000	$ 12,230,000
The Villages at Noah's Landing	Polk	$ 2,500,000	$ 12,320,000
	Total	**$ 7,125,000**	
RFA 2013-005 - Financing To Build Or Rehabilitate Smaller Permanent Supportive Housing Properties For Persons With Developmental Disabilities			
Country Walk	Citrus	$ 324,500	
Neff Lake Estate	Hernando	$ 325,000	
Arc Gateway Peacock Home	Escambia	$ 312,076	
Hardy House	Bradford	$ 324,940	
Peoria Project	Clay	$ 128,767	
Anclote Group Home	Pinellas	$ 60,000	
Menendez Residential Facility	St. Lucie	$ 72,000	
California Avenue CRH Renovation	Martin	$ 72,000	
Marymac Group Home	Suwannee	$ 62,822	
12th Road Home/ Arc of Alachua County	Alachua	$ 71,886	
Cowrie Rehab	Okaloosa	$ 48,000	
Glyn Street Group Home Renovation	Orange	$ 72,000	
Sterling Oaks Group Home Renovation	Seminole	$ 71,000	
Highland Terrace Group Home Renovation	Brevard	$ 72,000	
	Total	**$ 1,944,991**	
RFA 2013-006 - Financing To Build Permanent Supportive Housing For Homeless Persons And Families			
Moultrie Lakes Condominium	St. Johns	$ 420,843	
Broadwater IV	Pinellas	$ 1,002,095	
Riverbend Apartments	Broward	$ 1,581,542	$ 230,400
Pinellas Hope IV	Pinellas	$ 1,470,622	
Tampa Veterans Village	Hillsborough	$ 2,100,000	
Home at J Street	Palm Beach	$ 1,728,000	$ 230,400
	Total	**$ 8,303,102**	

Spoke

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-15-2015
Meeting Date

Topic FLORIDA HOUSING FINANCE CORPORATION

Bill Number N/A *(if applicable)*

Name STEVE AUGER

Amendment Barcode N/A *(if applicable)*

Job Title EXECUTIVE DIRECTOR

Address 227 N BRONOUGH ST, SUITE 5000
Street

Phone 850 488-4197

Tallahassee FL 32301
City *State* *Zip*

E-mail steve.auger@floridahousing.org

Speaking: ☐ For ☐ Against ☒ Information

Representing Florida Housing Finance Corporation

Appearing at request of Chair: ☒ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

Spoke

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-15-15
Meeting Date

Topic Florida Housing Finance Corporation Bill Number N/A *(if applicable)*

Name Barney Smith Amendment Barcode N/A *(if applicable)*

Job Title Chairman, Board of Directors

Address 227 N. Bronough St, Suit 5000 Phone 850-488-4197
Street

Tallahassee, FL 32301 E-mail bsmith1460@yahoo.com
City *State* *Zip*

Speaking: ☐ For ☐ Against ☒ Information

Representing Florida Housing Finance Corporation Board of Directors

Appearing at request of Chair: ☐ Yes ☒ No Lobbyist registered with Legislature: ☐ Yes ☒ No

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2013 Incentives Report

Enterprise Florida, Inc. & Department of Economic Opportunity

Appropriations Subcommittee on Transportation, Tourism & Economic Development
January 15, 2014

Enterprise Florida

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Incentives: Accountability & Reporting

- 288.906 – Annual report of Enterprise Florida, Inc., and its divisions; audits
- 288.0001 – OPPAGA Economic Development Programs Evaluation (SB 406)
- 288.0001 – EDR Economic Development Programs Evaluation (SB 406)
- **288.907 – Enterprise Florida & Department of Economic Opportunity Incentives Report**

eflorida Enterprise Florida

DEO FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Qualified Targeted Industry (QTI) Tax Refund

- Objective: Spur new high wage job creation in Florida's target industries
- Eligibility: Target industry, 115% of average wage, requires local match
- Compliance: Performance-based; Incentive paid after verification of net new jobs created, average wage, and taxes paid

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
76,687	60,257	79,321	32%

Total QTI projects	Currently active	Choose not to proceed	Partial Performance	Completed
1,233	347	589	186	111

Quick Action Closing Fund (QAC)

- Objective: Spur new job creation and retention in Florida's target industries
- Eligibility: Target industry, 125% of average wage, 5:1 ROI
- Approval:
    - Under $2M – Governor approval
    - $2M - $5M – Governor and Legislative Appropriations approval
    - Over $5M – Governor, LBC, and Legislative Appropriations approval
- Compliance: Payment conditions, performance contracts with jobs, wages, capital investment requirements; sanctions for falling short of commitments

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
16,091	10,263	10,856	6%

Total QAC projects	Currently active	Choose not to proceed	Partial Performance	Complete
139	101	24	11	3

Enterprise Florida

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Brownfield Redevelopment & Bonus Tax Refund

- Objective: Spur new job creation and investment in eligible Brownfield areas
- Eligibility:
  - o Be a qualified target industry business under the QTI Program OR
  - o "Stand-alone Brownfield" - demonstrate a fixed capital investment and create at least 10 new jobs with benefits
- Compliance: Performance–based contract with jobs, wages and taxes paid requirements

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
2,019	1,989	1,689	(15%)

Total Stand Alone BF	Currently active	Choose not to proceed	Partial Performance	Completed
66	43	16	1	6

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FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Innovation Incentive Fund (IIF)

- Objective: Spur research and development and innovative business projects through negotiated multi-year awards based on unique project needs
- Eligibility: R&D and Alternative and Renewable Energy projects, 1:1 return, 1:1 local match
- Compliance: Performance-based contracts based on jobs, wages and capital investment milestones

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
1,886	849	849	0%

Total IIF projects	Currently active
9	9

Enterprise Florida

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

High Impact Performance Incentive Grants (HIPI)

- Objective: Spur new job creation and capital investment in Florida's high impact sectors
- Eligibility: A minimum of $50M capital investment, 50 new jobs
- Compliance: Performance contract based on jobs, capital investment; two payments – half at commencement of operations, balance at full operations

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
4,836	1,649	1,904	15%
Total HIPI Projects	**Currently Active**	**Partial Performance**	**Completed Projects**
14	7	4	3

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Capital Investment Tax Credit (CITC)

- Objective: Spur new capital investment in Florida's high impact sectors
- Tax credit for up to 20 years, based on the amount of capital investment
- Eligibility: High impact sector, $25M in capital investment, 100 jobs created
- Compliance: Credits claimed after job and investment milestones have been met

Contracted Jobs	Jobs Due	Confirmed Jobs Created	Difference
10,183	2,947	3,158	7%

Total CITC Projects	Businesses Eligible to Claim Credits	Chose not to proceed
30	25	5

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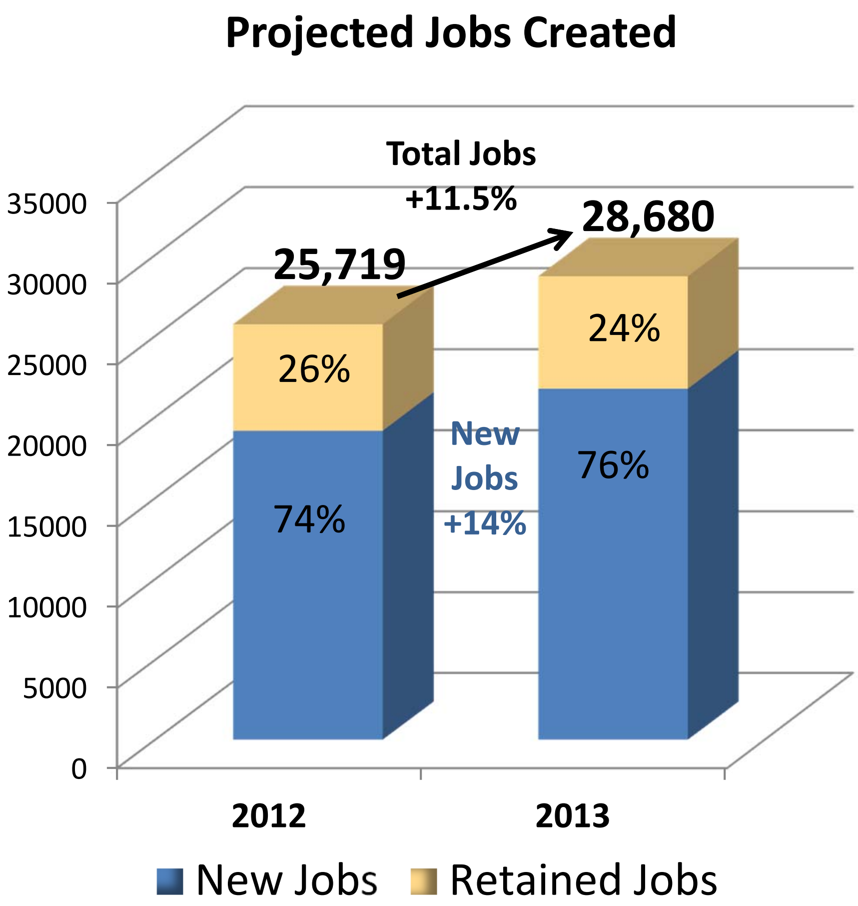
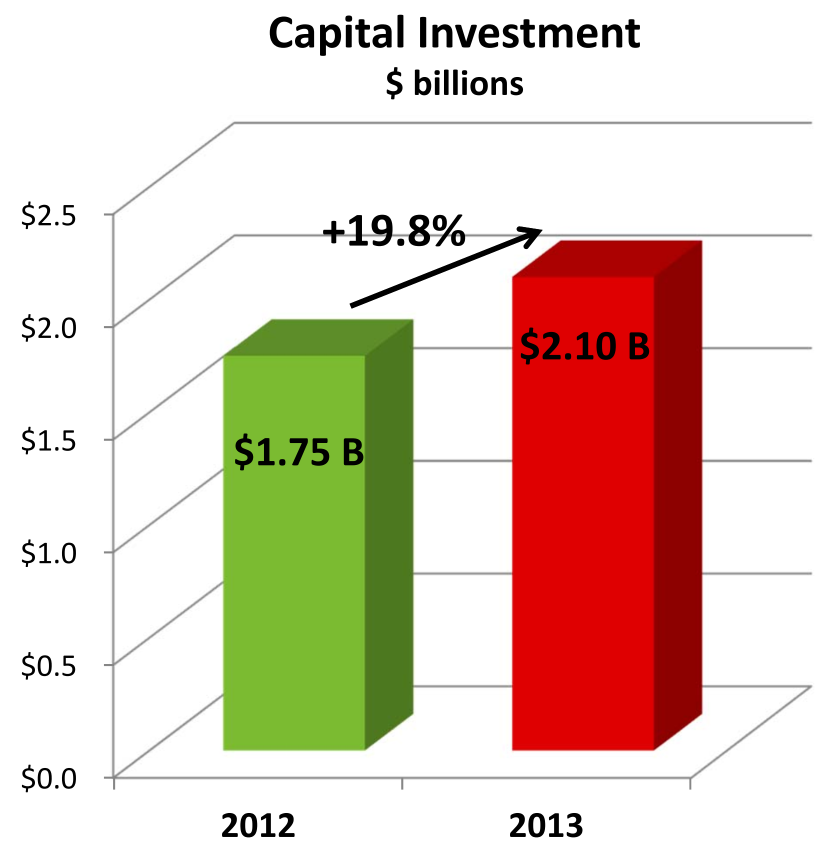
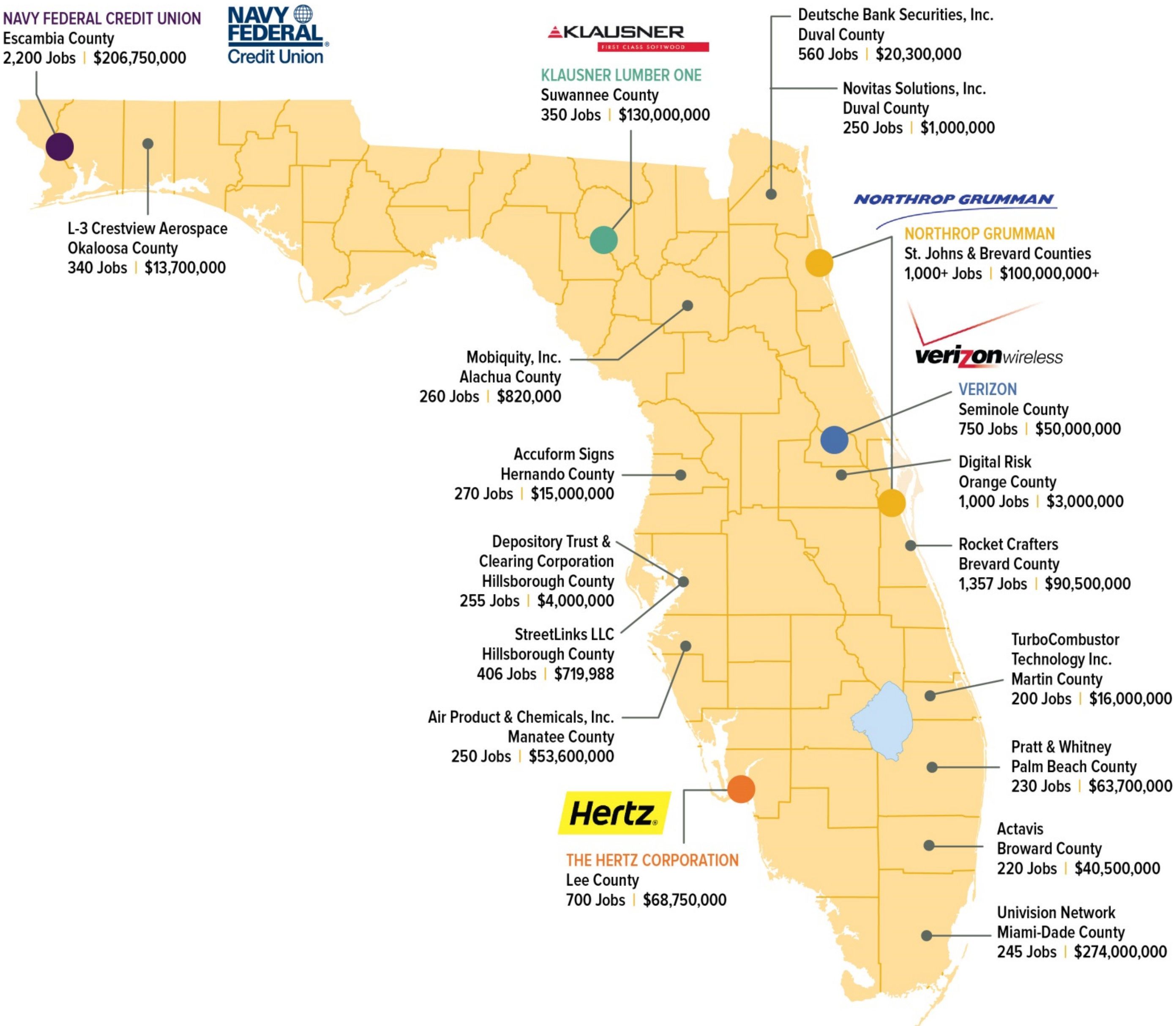
Increased Jobs & Capital Investment

Established Projects





EFI's Top Projects FY 12-13



eFlorida Enterprise Florida

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EFI Recent Announcements

Navy Federal Credit Union – Pensacola *(2 projects)*
2,200 new jobs; $206 million in capital investment

Brinks – Miami
105 new jobs; $2.56 million in capital investment

Johnson & Johnson Vision Care – Jacksonville
100 new jobs; $218 million in capital investment

Golf Channel – Orlando
75 new jobs; $1.9 million

Bristol-Myers Squibb – Hillsborough
579 new jobs; $21.2 million in capital investment

Citrix – Fort Lauderdale
200 new jobs; $7.5 million in capital investment

BRS Aerospace – Brevard County
34 new jobs; $7.4 million in capital investment

Questions?

Thank You

Enterprise Florida

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Rick Scott
GOVERNOR

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Jesse Panuccio
EXECUTIVE DIRECTOR

December 30, 2013

The Honorable Rick Scott, Governor of Florida
Executive Office of the Governor
Plaza Level 05, The Capitol
400 South Monroe Street
Tallahassee, Florida 32399-0001

The Honorable Don Gaetz, Senate President
The Florida Senate
Room 409, The Capitol
404 South Monroe Street
Tallahassee, Florida 32399-1100

The Honorable Will W. Weatherford, Speaker
The Florida House of Representatives
Room 420, The Capitol
402 South Monroe Street
Tallahassee, Florida 32399-1300

Dear Governor Scott, President Gaetz, and Speaker Weatherford:

Enclosed please find the Annual Incentives Report as required by section 288.907, Florida Statutes. The report, prepared in conjunction with Enterprise Florida, Inc., covers the timeframe through June 30, 2013.

During the 2013 Legislative Session, section 288.907, Florida Statutes, was amended to include additional reporting requirements and remove others, such as the calculation of economic benefits, which will be conducted by the Office of Economic and Demographic Research. The 2013 report reflects these changes and provides taxpayers, legislators, and other stakeholders with a detailed understanding of the performance of the state's various economic development incentive programs.

If you have questions or need additional information regarding the Annual Incentives Report or the state's economic-development programs, please contact me or Bill Wilson, our Department's Legislative Affairs Director, at (850) 245-7370.

Sincerely,

Jesse Panuccio

JP/kwb

cc: Gray Swoope, Secretary of Commerce/President and CEO, Enterprise Florida, Inc.
Mark Kruse, Governor's Office of Policy and Budget
Rachel Cone, Deputy Chief of Staff, Executive Office of the Governor

2013 Annual Incentives Report

Division of Strategic Business Development
Department of Economic Opportunity
December 30, 2013

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

Enterprise Florida

107 East Madison Street
Caldwell Building
Tallahassee, Florida 32399
www.floridajobs.org

FLORIDA DEPARTMENT of ECONOMIC OPPORTUNITY

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Introduction

OVERVIEW OF ECONOMIC DEVELOPMENT INCENTIVES

The future for the Sunshine State is brighter than ever as the nation emerges from its most severe recession in recent history. Unemployment rapidly climbed upward while hundreds of thousands of jobs were lost. Florida's housing market crumbled and consumer confidence fell sharply. More Floridians relied on reemployment assistance and state debt increased by several billion dollars. These are just some of the effects of the recession in Florida that resulted in a bleak, deflated economy.

Now, Florida is experiencing remarkable economic turnaround – what some are calling the "Florida Turnaround Story." Employment is rising, unemployment is falling, and businesses are expanding again. To date, the recovery has been driven by global trade, tourism, technology, professional services, and health services – all industries likely to grow in the coming years. As Florida's economic vision is realized, Florida will transition from being a state driven primarily by growth to a state driven by talent, innovation, quality of life, and global connectivity. With a gross domestic product (GDP) of $790 billion in 2012, Florida's economy is the 4th largest in the U.S., and would rank 18th in the world if measured as its own country. The statewide unemployment rate was 6.4 percent in November 2013 and has remained below the national average of 7.0 percent since March 2013. Florida has created a total of 446,300 private sector jobs since December 2010. The state's annual job growth rate has exceeded or been equal to the nation's rate since March 2012.

To expand and diversify Florida's economy through job creation, the Department of Economic Opportunity (DEO) works with its partners, including Enterprise Florida, Inc. (Enterprise Florida or EFI), to attract and retain businesses by offering economic development incentives. The economic development process encourages partnerships and utilizes strategic measures to bring jobs to Florida that are beneficial for the company, community, and state.

The economic development process is dynamic, involving many different groups and complex decisions. It often takes a business several months or even years to select a location for a new facility or decide which existing locations should be expanded. Many factors make up a company's site location decision, including cost and availability of a skilled workforce, the necessary transportation infrastructure, a good education system, and a business-friendly climate. Economic development incentives are frequently part of the discussion. There may be multiple locations across several states that can serve a company's needs from an operational perspective. In those cases, incentives may be offered to sway a company in the direction of one site versus another by reducing a tax burden, putting in infrastructure to help lower the company's construction costs, or assisting with business relocation costs.

Florida's economic development incentives are components of a toolkit, which is critical to improving Florida's economy through new job creation. The State's toolkit includes programs designed to address specific needs of businesses as they look to expand or locate in Florida. Each program serves a different role in attracting businesses and retaining jobs, and the programs come in various forms, including: tax credits, tax refunds, tax exemptions, infrastructure funding, and cash grants paid directly to a qualified business. While the toolkit is critical to successful economic development, those involved in the process understand the responsibility to ensure tax dollars are spent wisely. In some cases, business needs can be met by making introductions to other companies within an industry cluster, assisting with a permitting issue, or helping to identify a suitable site. These situations are a win-win for the business and State, since limited taxpayer resources are required to facilitate new job creation. However, incentives are often required to "close the deal" on competitive projects, otherwise these high quality jobs will be placed in another state or country.

We protect the taxpayers' investment by structuring incentive deals so that the company has to perform, wholly or partly, with performance verified by the State, before all or a pro-rata portion of the incentive value is realized. Of the primary incentives administered during fiscal year 2013, more than 85 percent of the contracts executed fall within the category of pay after performance. These businesses will only receive the incentive after performance has been verified in the following years.

contracts executed fall within the category of pay after performance. These businesses will only receive the incentive after performance has been verified in the following years.

In order to effectively compete for economic development projects, a strong, well-funded toolkit of incentives is needed. This will ensure Florida is able to address specific needs as they arise for projects considering new job creation and investment opportunities.

Florida's Economic Development Process

Policy and statutory changes to Florida's economic development process were implemented in 2011. The primary goal of these changes was to migrate toward a seamless approach and single point-of-contact for businesses and eliminate confusion over the roles of different groups in the process.

Enterprise Florida is the primary point of contact for businesses with relocation, expansion, or retention opportunities. As part of the early project development process, Enterprise Florida sells the value of doing business in the State. When a business is contemplating an expansion or relocation, Enterprise Florida works with the company to understand its needs in order to facilitate a Florida location decision. Next, Enterprise Florida evaluates the competitive nature of the project in order to determine if incentives are needed and the appropriate programs for the particular project. A strong commitment by the local community can also help to define the level of commitment on behalf of the State.

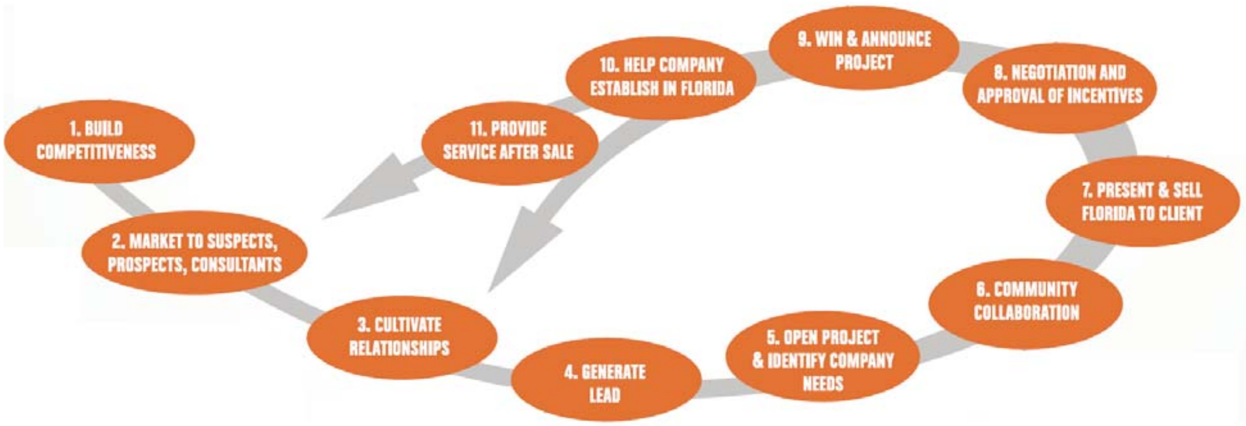
While the company is being vetted, the needs of the project are being evaluated, and an incentive package is being developed, DEO performs an additional level of due diligence – analyzing the risk profile of the company, the particular project, and the recommended incentive package to ensure it is in the best interest of Florida's taxpayers. Adjustments are made during the incentive negotiation process to further tailor the structure of the incentive package to ensure alignment with the company's needs. Once the incentive package is finalized, DEO and/or the other appropriate State bodies issue the formal approvals.

Following the approval, an agreement or contract between the business (or local government) and the State is executed. Most agreements include performance requirements to be achieved before any incentive funds are paid out. For the few agreements structured for the business to receive incentive payments before the full scope of the project is achieved (primarily Closing Fund and Innovation Fund), each contract includes claw-backs and sanctions for non-performance. These sanctions include requiring the company to repay all or a portion of the incentive award, plus interest. The contracts also may include the right to impose a lien on assets of the business.

An additional function which the State performs to protect the taxpayers' dollars is working with each business, with an executed contract, through compliance of the deliverables set forth in each contract. More specifically, the State oversees the administration of tax refund claims and performance reviews and processes all incentive payments and local financial support associated with incentive agreements. This includes maintaining all documentation related to executed agreements and the Economic Development Incentives Portal (Portal).

In order to further protect the State's investment in economic development incentives, funds are often placed into an escrow account, managed by Enterprise Florida, prior to disbursement to the companies. If any of these businesses do not meet the milestones required for the payments to be disbursed, the escrowed funds will be returned to general revenue. Funds previously held in the EFI escrow account have also been returned to the State for projects not meeting their payment milestones in a timely manner.

Table 1
Economic Development Process



Protecting the Taxpayers' Investment

Today, we have incorporated significant changes to the incentives application and approval process. With vast improvements made to our incentive applications, due diligence process, deal structures and contracts, our procedures and documents provide an extraordinary level of protection for the taxpayers' investment.

Before making an investment through incentives, DEO performs due diligence on each company, considers the scope of the proposed project, evaluates what incentives are suitable, and negotiates the terms of an incentive agreement. The process begins with a thorough investigation of the company. This "due diligence" process serves to determine whether incentives are appropriate for the company and the project, identify any problems, and assist with structuring the deal.

DEO's new due diligence process has two levels—we conduct Level One due diligence for tax refund and credit incentive programs (e.g., the Qualified Target Industry Tax Refund Program and the Capital Investment Tax Credit Incentive Program) and we conduct both Level One and Level Two due diligence for discretionary cash incentive programs (e.g., the Quick Acton Closing Fund Program and the High-Impact Performance Incentive Program). Tax refund and credit incentives do not involve credit risk because payments are made only after demonstrated performance. Accordingly, we focus our due diligence on statutory compliance, reputation risk (e.g., known felony criminal histories of principal executives, civil fines and penalties, significant litigation, etc.) and whether there is a substantial probability of non-performance (e.g., imminent insolvency). We consult a variety of resources, including conducting litigation searches on Lexis Nexis and Justia, searching federal and state databases, and reviewing regulatory filings and filings with the Securities and Exchange Commission (for public companies). For incentives in which a company receives all payments prior to fulfilling all of its performance obligations, the State may be required to exercise contractual remedies, including claw-backs. Because the effectiveness of a claw-back remedy depends on the financial ability of a company to return funds to the State, in addition to the Level One due diligence, our financial analysts review the company's financial statements and review credit rating reports (i.e., Standard & Poor's, Moody's and Fitch) or, when a company does not have rated debt, we conduct an independent analysis of its credit. Our improved processes and procedures allow us to fulfill our fiduciary duty to protect the taxpayers' investment, while helping to foster an environment that encourages private sector job creation. In the next year, we will continue to build on our improvements.

Incentives Portal

In March, 2013, DEO designed and implemented a first-of-its kind Economic Development Incentives Portal. Launched on October 1, 2013, the new Portal was improved to allow more interactive capabilities as DEO furthers its commitment to efficiency, accountability, and transparency. The Portal provides unprecedented access to the performance measurements required in economic development incentive contracts and each company's progress toward reaching their required job creation goals.

The interactive Portal includes every non-confidential incentive project with an executed contract since 2000 that received or is on schedule to receive payments from the State. Projects that are confidential or approved but do not yet have an executed agreement and projects that have withdrawn or decided not to proceed with the incentive are not included. Confidential projects, as defined by Florida Statutes, will be included once their exemption from the state's public record requirements has expired.

While the statute requires that DEO update verified performance results for non-confidential projects annually, the portal is updated with additional information on a daily basis. As businesses proceed through the multiple years of the agreement and report their performance for previously completed calendar years, DEO publishes the information on the Portal only after confirming the performance and payments. The published data represent performance confirmed for previous years, not the businesses' current job levels.

The Portal is accessible to the public through a link on DEO's homepage, www.floridajobs.org , or directly at www.floridajobs.org/incentivesportal.

Statutory Requirements

This report was prepared by Enterprise Florida in conjunction with DEO as required by §288.907, F.S.

During the 2013 Legislative session, §288.907, F.S., was amended to both include additional reporting requirements as well as remove others (such as calculation of economic benefits). In summary, the information presented will provide taxpayers, Legislators, and other stakeholders with a detailed understanding of the performance of various incentive programs. Performance is demonstrated by verified job creation and wage figures, capital investment, quantifying economic benefits utilizing actual company performance and actual incentive payments made, and other analyses to help verify the outcomes and appropriateness of State incentives.

The Florida Legislature and Florida's taxpayers have indicated a desire for more transparency into State incentive awards. This report includes an overview of historical incentive awards, information on the current status of previously awarded incentive contracts, and detailed information on incentive agreements executed and incentive payments made during fiscal year 2012-2013 (July 1, 2012, to June 30, 2013). The report also discusses the distinction between the evaluation of programs as compared to the economic development projects that utilize these programs. Some of the specific project information remains confidential per §288.075, F.S., as of the time this report was written. However, all reasonable attempts have been made to include project details where applicable.

The data presented in this report should be evaluated in context with the program goals of the applicable incentives, the highly competitive nature of economic development, as well as the current economic climate.

SUMMARY OF INCENTIVES REPORT CONTENTS

Programs Included

Various programs comprise Florida's economic development incentive toolkit. There are incentives paid directly to businesses, grants to local governments for infrastructure and other community development improvements, capital programs, and other intangible resources. These programs are housed in several different agencies within the State. This report focuses on the eight programs managed by the Department of Economic Opportunity's Division of Strategic Business Development.

- Qualified Target Industry (QTI) Tax Refund
- Brownfield Redevelopment Bonus Tax Refund (available as a bonus in addition to QTI or stand-alone)
- Qualified Defense and Space Contractor (QDSC) Tax Refund
- Quick Action Closing Fund (QACF)
- Manufacturing and Spaceport Investment Incentive (MSII)
- High Impact Performance Incentive (HIPI)
- Capital Investment Tax Credit (CITC)
- Innovation Incentive Program/Fund (IIP or IIF)

Descriptions and data for other programs—including Florida's Quick Response Training program—have been included whenever possible, in order to show the diverse range of business assistance available in Florida. In compiling this Annual Incentives Report, data was collected from Enterprise Florida, the Florida Department of Economic Opportunity's Divisions of Strategic Business Development and Community Development, Workforce Florida, Inc., the Florida Department of Revenue, the Florida Department of Transportation, the Florida Export Finance Corporation, and the Florida Development Finance Corporation.

Program and Project Approach

There are several ways to evaluate the performance and effectiveness of economic development incentives. One approach is based on specific economic development incentive programs (program approach), which includes data for each individual program, irrespective of whether multiple incentive programs were required to land the project. Another approach is based on individual projects (project approach) and evaluating the various incentives required to land a specific project and then a summary of the project's performance compared to the incentives actually paid. In order to give a comprehensive summary, both approaches are presented in this report.

The program approach analysis includes the amount of incentives approved and amounts paid by the State, a summary status of all economic development incentive projects approved (since July 1, 1995, or other date as noted), and summaries of incentive performance within specific industry sectors and geographically distressed areas. The challenge with this approach is that while it is good at comparing programs, it may lead to double counting of jobs if the new job creation for each program was simply added together.

The project approach analysis includes information on approvals for the previous fiscal year for each incentive program and the number of individual projects this represents. Further details are provided regarding these executed agreements, including the names of businesses, their performance commitments, and the incentive agreements executed. Additional information is provided for businesses receiving incentive payments during fiscal year 2012. These two data sets are generally different, since Florida's incentives are performance based and therefore most businesses do not receive actual payments from the State until several years into the project.

Incentive Program Information

TYPES OF INCENTIVES

Economic development incentives come in various forms, including tax refunds, tax credits, tax exemptions, and cash grants. Other tools, such as financing, can help facilitate an economic development project. A thorough evaluation of the project's needs as compared to the eligibility requirements of various incentive programs help dictate which programs may be a good—or not so good—fit for each project.

The majority of Florida's competitive economic development projects utilize tax refunds. With these incentives, the business first enters into a contract with the State, which includes a new job creation goal, a schedule by which these new jobs are to be created, and an average wage to be paid for the new jobs. After the business has commenced the project and begun hiring, it submits an annual claim form and documentation of taxes paid. The State verifies the claim data with the company's quarterly unemployment compensation and payroll reports and verifies the tax documentation. If the State confirms the contractual obligations have been met and the local financial support has been received (if required) from the community, a refund check is sent to the business. If a QTI business, for example, partially performs but does not meet its full contracted job or wage requirements, it may be entitled to a pro-rated refund, less a penalty, or it could have been invited to apply for an Economic Recovery Extension (ERE). Businesses not filing claims or not meeting performance obligations are terminated from the program. Table 2 summarizes several different types of incentives.

Table 2
KEY INCENTIVE CATEGORIES

	TAX REFUNDS	TAX CREDITS	TAX EXEMPTIONS	CASH GRANTS TO COMPANY	CASH GRANTS TO THIRD PARTY
Florida Incentive Programs	• Qualified Target Industry (QTI) • Qualified Defense and Space Contractor (QDSC) • Brownfield Bonus	• Capital Investment Tax Credit (CITC) • Other Job Tax Credits	• Various	• High Impact Performance Incentive (HIPI) • Quick Action Closing Fund (QACF) • Innovation Incentive Program / Fund (IIF)	• Quick Response Training (QRT)
Type of Incentive	Refund of taxes paid, outlined in a performance based contract	Credit against tax owed	Exemption from tax owed	Grant with performance based contract	Grant with performance based contract
Overview of Claim Process	• Company pays taxes • State confirms tax payments and validates performance • State issues refund check	• Company claims credits on State corporate income tax return after meeting program requirements • State confirms jobs and investment (if applicable)	• Company is issued tax exemption permit from Florida Department of Revenue • Permit presented to seller • Seller exempts sales tax on transactions	• Company achieves pre-set milestones • State validates performance • State issues check	• Company achieves pre-set milestones • State validates performance • State issues check
Revenue Source	Annual appropriation	Foregone revenue (no appropriation)	Foregone revenue (no appropriation)	Annual appropriation	Annual appropriation

FLORIDA'S KEY ECONOMIC DEVELOPMENT INCENTIVES

Tax Refunds

Qualified Target Industry Tax Refund (§288.106, F.S.)

Objective: Spur Job Creation in Florida's Target Industries

Description: The Qualified Target Industry Tax Refund, established in 1995, serves to attract new high quality, high wage jobs for Floridians. Tax refunds are made to qualifying, pre-approved businesses creating new jobs within Florida's target industries. All QTI projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved and verified by the State prior to payment of refunds. This incentive is a partnership between the State and local community—20 percent of the award comes from the local city or county government.

Qualified Defense and Space Contractor Tax Refund (§288.1045, F.S.)

Objective: Spur Job Creation in Florida's Defense and Space Industries

Description: The Qualified Defense and Space Contractor Tax Refund, established in 1996, serves to attract new high quality, high wage jobs for Floridians in the defense and space industries. Tax refunds are made to qualifying, pre-approved businesses bidding on new competitive contracts or consolidating existing defense or space contracts. This incentive is a partnership between the State and local community—20 percent of the award comes from the local city or county government. All QDSC projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved and verified by the State prior to payment of refunds.

Brownfield Redevelopment Bonus Refunds (§288.107, F.S.)

Objective: Spur Job Creation and Capital Investment in Florida's Brownfield Areas

Description: The Brownfield Redevelopment Bonus Tax Refund, established in 1997, serves to improve economic opportunities within Florida's Brownfield areas. These areas have been designated as Brownfields by each community for the presence or perceived presence of environmental contamination or blight. This incentive is a partnership between the State and local community—20 percent of the award comes from the local city or county government, unless a waiver of the match is requested. All Brownfield Bonus projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved and verified by the State prior to payment of refunds.

Tax Credits

Capital Investment Tax Credit (§220.191, F.S.)

Objective: Spur Capital Investment in Florida's High Impact Sectors

Description: The Capital Investment Tax Credit became effective July 1, 1998. CITC is used to attract and grow capital-intensive industries in Florida. It is an annual credit, provided for up to twenty years, against the corporate income tax. Eligible projects are those in designated high-impact portions of the following sectors: clean energy, biomedical technology, financial services, information technology, silicon technology, transportation equipment manufacturing, or a corporate headquarters facility.

Manufacturing and Spaceport Investment Incentive (§288.1083, F.S.)

Objective: Spur Capital Investment in the Manufacturing and Space Industries

Description: The Manufacturing and Spaceport Investment Incentive was created in 2010 to serve as a means of relieving some of the sales tax burden on existing manufacturers that were not increasing their productive output enough to be eligible for the standard manufacturing machinery and equipment sales tax exemption. This was a temporary program, and as of FY 2012, credits are no longer available.

Jobs for the Unemployed Tax Credit (§220.1896, F.S.)

Objective: Encourage Hiring of Unemployed Floridians

Description: Created in 2010, the Jobs for the Unemployed Tax Credit encourage target industry businesses to hire Florida residents who were unemployed for at least 30 days. This tax credit is claimed by the business after each employee has been retained for 12 months. This was a temporary program, and as of FY 2012, credits are no longer available.

Cash Grants

High Impact Performance Incentive (§288.108, F.S.)

Objective: Spur Capital Investment and Job Creation in Florida's High Impact Sectors

Description: Enacted in July 1997, the High Impact Performance Incentive (HIPI) is a grant reserved for major facilities operating in designated portions of high-impact sectors, including clean energy, biomedical technology, financial services, information technology, silicon technology, transportation equipment manufacturing, or a corporate headquarters facility. This performance based cash grant is paid in two equal installments, one upon commencement of operations and the other upon commencement of full operations.

Quick Action Closing Fund (§288.1088, F.S.)

Objective: Deal Closing Tool Used for Highly Competitive Projects to Attract New and Retain Existing Florida Jobs

Description: The Quick Action Closing Fund was created by the 1999 Legislature as a discretionary "deal closing" tool in highly competitive negotiations where Florida's traditional incentives are not enough to win the deal. This tool is critical to the state's ability to attract projects where Florida is at a significant competitive disadvantage. All Closing Fund projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved for grant payment, sanctions and penalties for non-performance, as well as annual compliance requirements. Closing Fund awards are generally paid out after the business has made a substantial capital investment toward tangible personal property tied to the project.

Innovation Incentive Program (§288.1089, F.S.)

Objective: Attract Major Innovation Businesses to Spur Development of Key Clusters

Description: The Innovation Incentive Program was created during the 2006 Legislative Session as a tool to allow the state to compete effectively for high-value research and development, innovation business, and alternative and renewable energy projects. These are long-term investments made by the State in industry clusters that are critical to Florida's future of economic diversification. All Innovation projects include a performance-based contract with the State of Florida, which outlines specific milestones that must be achieved for grant payment as well as compliance requirements. Innovation contracts also include a reinvestment requirement, by which recipients must remit a portion of their royalty revenues back to the State for reinvestment in existing State Trust Funds.

Economic Development Transportation Fund (§288.063, F.S.)

Objective: Transportation Infrastructure Improvements to Spur Job Creation / Retention and Capital Investment

Description: The Economic Development Transportation Fund (EDTF) is a grant to a local government used to alleviate transportation impediments as an inducement for a specific business to remain, expand or locate in Florida. The infrastructure funded through this grant serves as permanent community improvements for the benefit of Floridians. Effective July 1, 2012, administration of the EDTF was transferred to the Florida Department of Transportation (DOT).

Local Government Distressed Area Matching Grant (§288.0659, F.S.)

Objective: Stimulate Economic Activity by Matching Local Business Assistance

Description: The Local Government Distressed Area Matching Grant program was created in 2010 to stimulate economic activity and enhance the ability of distressed communities to attract new job creation opportunities. The grant is administered through a contract between the State of Florida and the local government, with the State's funds ($50,000 maximum) passed through to the business. As of FY 2012, this program is no longer funded.

Quick Response Training (§288.047, F.S.)[1]

Objective: Ensure Florida has a well-trained workforce with in-demand skill sets

Description: The Quick Response Training grant is an employer-driven training program designed to assist new value-added businesses and provide existing Florida businesses the necessary training for expansion. This reimbursement program is customized, flexible, and responsive to individual company needs. The Quick Response Training program is managed by Workforce Florida, Inc.; however, detailed information has been included in this report since it is a foundation of Florida's economic development toolkit.

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[1] The Incumbent Worker Training (IWT) program is also an important part of Workforce Florida's toolkit; however, it has not been included in this report since these are Federal workforce dollars rather than a specific State appropriation.

HISTORICAL INCENTIVE PROGRAM FUNDING AND AWARDS

As noted in Table 2, incentives take different forms, some of which require annual appropriations and others involve foregone tax revenue. Tables 3 and 4 detail incentives approved by year for all programs requiring an annual appropriation.

Table 3
INCENTIVE APPROVALS[2]– TAX REFUNDS

FISCAL YEAR ENDED	QTI	QDSC	BROWNFIELD BONUS (WITH QTI)	BROWNFIELD BONUS (STAND-ALONE)	MSII
2013 Maximum Awards	$60,975,040	$0	$4,022,500	$5,160,000	$0
State Portion	*$48,780,072*	*$0*	*$3,218,000*	*$4,128,000*	*NA*
2012 Maximum Awards	$58,063,500	$2,180,000	$7,697,500	$5,982,500	$150,000
State Portion	*$46,450,800*	*$1,744,000*	*$6,158,000*	*$4,786,000*	*NA*
2011 Maximum Awards	$37,940,810	$2,037,000	$4,552,500	$3,437,500	$1,300,000
State Portion	*$30,352,648*	*$1,629,600*	*$3,642,000*	*$2,750,000*	*NA*
2010 Maximum Awards	$33,863,300	$0	$4,790,000	$1,112,500	Created in 2010
State Portion	*$27,090,640*	*$0*	*$3,832,000*	*$890,000*	
2009 Maximum Awards	$34,125,000	$2,136,000	$5,070,000	$230,000	
State Portion	*$27,300,000*	*$1,708,800*	*$4,056,000*	*$184,000*	
2008 Maximum Awards	$23,710,000	$0	$472,500	$812,500	
State Portion	*$18,968,000*	*$0*	*$378,000*	*$ 650,000*	
2007 Maximum Awards	$36,611,000	$2,966,888	$1,545,000	$3,072,500	
State Portion	*$29,288,800*	*$2,373,510*	*$1,236,000*	*$2,458,000*	
2006 Maximum Awards	$55,670,867	$3,921,000	$2,942,500	$1,567,500	
State Portion	*$44,536,694*	*$3,136,800*	*$2,354,000*	*$1,254,000*	
2005 Maximum Awards	$56,954,000	$475,000	$2,360,000	$1,250,000	
State Portion	*$45,563,200*	*$380,000*	*$1,888,000*	*$1,000,000*	
2004 Maximum Awards	$41,964,800	$0	$4,322,000	$312,500	
State Portion	*$33,571,840*	*$0*	*$3,457,600*	*$250,000*	
2003 Maximum Awards	$45,675,100	$0	$1,982,500	$312,500	
State Portion	*$36,540,080*	*$0*	*$1,586,000*	*$250,000*	
2002 Maximum Awards	$37,576,950	$0	$125,000	Stand-alone component added in 2002	
State Portion	*$30,061,560*	*$0*	*$100,000*		
2001 Maximum Awards	$50,546,800	$288,000	$100,000		
State Portion	*$40,437,440*	*$230,400*	*$80,000*		
2000 Maximum Awards	$56,223,500	$1,350,000	$300,000		
State Portion	*$44,978,800*	*$1,080,000*	*$240,000*		
1999 Maximum Awards	$26,607,880	$112,000	$845,000		
State Portion	*$21,286,304*	*$89,600*	*$676,000*		
1998 Maximum Awards	$59,995,152	$0	$231,250		
State Portion	*$47,996,122*	*$0*	*$185,000*		
1997 Maximum Awards	$34,298,000	$410,000	Created in 1997		
State Portion	*$27,438,400*	*$328,000*			
1996 Maximum Awards	$26,557,500	$0			
State Portion	*$21,246,000*	*$0*			

[2] "Maximum awards" represents the total amount of tax refunds approved for businesses during the respective fiscal year and includes the state award plus the required local match. These refunds are paid to companies in future years following confirmed performance.

For incentives paid from the same year's appropriation, particularly QACF, EDTF, and QRT, the awards granted may exceed the appropriation for that year. This is because incentives are sometimes approved for businesses that decide not to locate in Florida; those funds may then be re-allocated to another project.

Table 4
INCENTIVE APPROVALS – GRANTS

FY END	HIPI	QACF	IIF	EDTF	LGDAMG	QRT
2013	$5,000,000	$43,724,500	$0	$18,999,357	NA	$ 8,537,539
2012	$1,500,000	$28,413,000	$6,600,000	$14,830,795	$150,000	$5,899,332
2011	$8,640,000	$24,337,700	$0	$30,342,123	$0	$8,545,367
2010	$0	$25,401,830	$0	$4,280,390	Created in 2010	$3,391,777
2009	$13,984,000	$60,579,000	$0	$27,565,525		$13,270,962
2008	$0	$47,000,000	$249,090,000	$9,732,860		$1,606,960
2007	$0	$41,857,800	$200,000,000	$12,039,178		$11,410,488
2006	$3,150,000	$10,442,200	Created in 2006	$11,617,198		$7,083,202
2005	$0	$9,272,500		$14,710,964		$7,970,541
2004	$0	$4,400,000		$17,212,039		$7,822,434
2003	$0	$0		$17,012,214		$7,317,724
2002	$0	$1,350,000		$14,937,348		$7,585,239
2001	$2,000,000	$900,000		$20,158,571		$4,772,350
2000	$15,250,000	$1,400,000		$27,866,578		$5,803,588
1999	$12,500,000	Created in 1999		$25,047,952		$4,166,842
1998	$0			$16,230,721		$3,739,430
1997	Created in 1997			$8,595,618		$6,704,625
1996				$10,023,177		$4,371,850

In addition to incentives requiring a payment from the State, tax credits are also key components of Florida's incentive toolkit. Since credits are foregone revenue and therefore do not require an annual appropriation, they are reported differently. Table 5 includes a summary of the amount of tax credits approved for various State tax credit incentives. Capital Investment Tax Credit is provided as an aggregate figure for the amount of credits claimed for years prior to 2010 in order to maintain company confidentiality. The value of credits claimed is often much lower than the value of credits approved because, in many cases, the credits can only be used to offset a portion of the incremental new tax liability attributable to a project or the company's tax liability may be lower than the value of the credits. Further, companies occasionally file amended tax returns or request extensions, which is why there may be a change in prior years.

Table 5
TAX CREDITS, REFUNDS AND EXEMPTIONS CLAIMED BY BUSINESSES

YEAR	CITC (AMOUNT CLAIMED)	JOBS FOR THE UNEMPLOYED TAX CREDIT	RURAL JOB TAX CREDIT	URBAN JOB TAX CREDIT	EZ JOBS TAX CREDIT (SALES TAX)
2012	$5,258,832	NA	$187,000	$2,460,500	$7,035,555
2011	$5,578,022	$33,000	$431,000	$790,500	$7,384,634[1]
2010	$13,658,884	Created in 2010	$181,000	$1,259,500	$5,683,252
2009	$70,970,525		$204,000	$855,000	$5,227,245
2008			$66,000	$517,500	$5,732,605
2007			$204,000	$654,000	$6,087,743
2006			$647,500	$1,014,000	$6,777,250
2005			$673,000	$1,761,000	$4,729,834
2004			$50,000	$1,053,500	$2,579,512
2003			$1,008,000	$1,069,000	$1,444,543
2002			$584,000	$2,673,500	$970,148
2001	$0		$257,000	$2,486,500	$1,287,263
2000	$0		$21,000	$4,999,500	$1,036,480
1999	$0		$0	$260,500	$1,179,457
1998	Created in 1998		$0	$0	$629,694
1997			Created in 1997	Created in 1997	$548,988
1996					$269,906

YEAR	EZ JOBS TAX CREDIT (CORP. INCOME TAX)	EZ PROPERTY TAX CREDIT	EZ SALES TAX REFUND FOR BUILDING MATERIALS	EZ SALES TAX REFUND FOR BUSINESS EQUIPMENT	EZ SALES TAX EXEMPTION FOR ELECTRICAL ENERGY
2012	$4,663,263	$2,275,522	$632,604	$850,027	$842,710
2011	$4,956,598	$1,994,562	$13,590,376	$679,440	$972,185
2010	$4,348,031	$1,384,668	$54,012,915	$1,035,562	$1,138,054
2009	$5,072,555	$1,910,708	$30,994,860	$1,139,066	$1,007,007
2008	$5,507,311	$2,184,036	$25,665,025	$1,269,955	$606
2007	$5,919,236	$2,291,961	$18,855,129	$1,771,396	$793,179
2006	$4,253,621	$1,267,999	$7,415,711	$2,940,864	$778,090
2005	$2,080,397	$1,668,168	$3,878,421	$1,618,721	$84,516
2004	$1,086,747	$507,022	$1,356,462	$1,182,582	$488,937
2003	$800,029	$272,942	$533,673	$1,874,145	$476,251
2002	$1,965,920	$303,542	$456,551	$2,813,601	$229,789
2001	$345,669	$363,502	$548,668	$1,911,472	$289,822
2000	$1,022,058	$545,409	$334,668	$2,188,606	$331,614
1999	$626,972	$1,015,587	$277,803	$1,739,695	$331,695
1998	$1,365,761	$638,833	$269,242	$1,288,160	$303,528
1997	$2,812,621	$204,713	$102,349	$521,443	$223,827
1996	$2,463,810	$145,017	$72,713	$242,303	$243,565

[1] Corrected figure from the 2012 Incentives Report.

Table 5 Notes: Enterprise Zone incentives are on an October 1 to September 30 program year, which has been translated to the calendar year in which the program ends. The value of CITC credits claimed is for the companies' fiscal years beginning in the corresponding calendar year. These credits may change due to changes from Federal audits or filing extensions.

INCENTIVE PROGRAM ACTIVITY AND RESULTS

Understanding the usage and performance of specific incentive programs is critical to determining whether they are effective job creation tools. Measurement against the incentive contract takes place annually (at a minimum). The following tables quantify key performance metrics for each program.

Program Utilization – Tax Refunds

Tables 6 through 9 show a summary of the current status of incentives approved by the State since July 1, 1995. The status of each incentive falls within one of six categories: active, inactive, terminated, vacated, withdrawn or complete. Explanations for each of these are contained within the tables below. The number of executed incentive agreements is also provided.

Businesses with active incentive agreements are in the midst of ramping up their expansion or new Florida operation. The number of complete incentive agreements may seem low compared to the number approved. Since incentive agreements are multi-year contracts—typically five to seven years for QTI—many businesses are in the midst of contract performance.

Not all businesses approved for incentives decide to commence their projects in Florida, which explains the gap between number of approvals and contracts executed. This number is reflected in Table 6 as vacated. Some of these businesses even execute the incentive agreement, but still decide not to proceed with the project or decide to forego the incentive. This number is reflected in Table 6 as terminated. Other factors may also play a role, such as failure to get an anticipated contract or a change in operational plans. In addition, some businesses start their project, create a minimum number of jobs, and therefore receive one or more incentive payments based on this performance. If these businesses do not fulfill the full terms of their agreement, they are no longer eligible for subsequent payments. All QTI agreements are pay after performance, and therefore no funds were dispersed until performance is verified.

Table 6 **PROGRAM ACTIVITY – TAX REFUNDS**	QTI	QDSC[3]	BROWNFIELD BONUS[4] (WITH QTI)	BROWNFIELD BONUS (STAND-ALONE)
Incentive Approvals (7/1/94 to 6/30/13)	1,233	33	114	66
Active: Business currently performing and in good standing	347	6	48	43
Inactive: Business has received one or more incentive payment after meeting a portion of its contract commitments, but is ineligible for future payments	186	3	7	1
Terminated: An incentive contract was executed but business has not received any payments and is ineligible for future payments	444	14	44	7
Vacated: Incentive contract never signed by the business and therefore no incentive payments made	142	5	11	9
Withdrawn: Incentive application was withdrawn by the business or Enterprise Florida prior to approval or before the contract was drafted	3	6	0	0
Complete: Business has met the terms of its contract and received all eligible incentive payments	111	5	4	6
Contracts Executed (through 6/30/13)	1,088	28	103	57

[3] QDSC figures are since program inception, 1/1/1994.
[4] These contract and job figures are also part of the QTI data set.

Confirmed Results – Tax Refunds

Depending on the scope of the project, it may take a business several months or several years to reach its full employment projections. Therefore at any given point they may have only created a portion of the total jobs committed over the life of the agreement. Three data points are provided to show the current performance of active incentive agreements. “Contract Job Requirement” represents the full job creation commitments for these projects. “Jobs Due (as of latest FY)” is the total number of new jobs the businesses are contractually obligated to have in place as of their latest claim period. “Confirmed Performance” represents the number of net new to Florida jobs the State has confirmed to have been created by these businesses. The proper comparison here is the “Jobs Due (as of latest FY)” with “Confirmed Performance,” since this represents where the businesses actually are in terms of meeting their goals versus where they should be per their contracts.

Table 7 shows the number of jobs expected to be created by active incentive projects, both over the life of the agreements (“Contract Job Requirement”) and as of the most recent claim period (“Jobs Due”). To provide a more complete view of performance, data is also presented for all of the projects with executed incentive agreements. This includes businesses actively performing and in compliance with their agreements, those who partially performed under an agreement but are no longer active, and those who have successfully completed their agreements. The data do not include agreements that are terminated and for which businesses have no performance obligations and no state funds have or will be paid. The job data included represents the last figures confirmed by the State.

Table 7
PROGRAM RESULTS – TAX REFUNDS[6]

	QTI	QDSC	BROWN-FIELD BONUS (WITH QTI)[7]	BROWN-FIELD BONUS (STAND-ALONE)	COMMENTS
Active Agreements					
Contract Job Requirement (Total Project)	41,635	418	7,374	1,027	Number of jobs these businesses have committed to create over the life of the contract
Jobs Due (as of Latest FY)	18,580	318	1,692	997	Number of jobs these businesses are contractually obligated to have in place as of their last reporting period
Confirmed Performance	19,259	530	3,960	763	Number of net new jobs the State has confirmed have been created by these businesses
Difference (Jobs Due vs. Confirmed)	4%	67%	134%	(24%)	Businesses created more (or less) jobs than originally committed
Complete Agreements					
Contract Job Requirement	10,863	795	975	792	Number of jobs these businesses committed to create over the life of the contract
Confirmed Performance	17,400	1,521	2,558	770	Number of net new jobs the State has confirmed have been created by these businesses as of their last report
Difference (Expected vs. Contracted)	60%	91%	163%	(3%)	Businesses created more (or less) jobs than originally committed
All Executed Agreements					
Contract Job Requirement (Total Project)	76,687	2,034	8,999	2,019	Number of jobs these businesses have committed to create over the life of the contract
Jobs Due (as of Latest FY)	60,257	1,414	2,898	1,989	Number of jobs these businesses are contractually obligated to have in place as of their last reporting period
Confirmed Performance	79,321	2,342	7,034	1,689	Number of net new jobs the State has confirmed have been created by these Businesses
Difference (Expected vs. Confirmed)	32%	66%	143%	(15%)	Businesses created more (or less) jobs than originally committed

[6] Several companies have more than one active or complete QTI as a result of multiple expansions. For these projects, the "confirmed" jobs only include those required under the original contracts so as to not double count the same set of jobs for multiple projects. These jobs are also included in the "QTI" section.

Program Utilization – Grants

Contracts for incentive grants are similar to contracts for tax refunds. The business enters into a performance based agreement with the State, which outlines specific milestones for performance and payment.

Table 8
PROGRAM ACTIVITY - GRANTS

	HIPI	QACF	IIF
Incentive Approvals (7/1/95 to 6/30/13)	14	139	9
Active: Business currently performing and in good standing	7	101	9
Inactive: Business has received one or more incentive payment after meeting a portion of its contract commitments, but is ineligible for future payments	4	11	0
Terminated: An incentive contract was executed but business has not received any payments and is ineligible for future payments	0	8	0
Vacated: Incentive contract never signed by the business and therefore no incentive payments made	0	12	0
Withdrawn: Incentive application was withdrawn by the business or Enterprise Florida prior to approval or before the contract was drafted	0	4	0
Complete: Business has met the terms of its contract and received all eligible incentive payments	3	3	0
Contracts Executed(through 6/30/12)	14	123	9

Confirmed Results – Grants

Results for the economic development grants are mixed, with projects both exceeding as well as not quite achieving their targets. All of the State's incentive grant contracts with businesses contain penalties for non-performance or other sanctions in order to protect taxpayer funds. In cases where a business falls short, the State actively pursues the recapture of funds.

Table 9
PROGRAM RESULTS - GRANTS

	HIPI	QACF	IIF	COMMENTS
Active Agreements				
Contract Job Requirement (Total Project)	2,306	13,331	1,886	Number of jobs these businesses have committed to create over the life of the contract
Jobs Due (as of Latest FY)	20	7,503	849	Number of jobs these businesses are contractually obligated to have in place as of their last reporting period
Confirmed Performance	21	8,507	849	Number of net new jobs the State has confirmed have been created by these businesses
Difference (Jobs Due vs. Confirmed)	5%	13%	0%	Businesses actually created more (or less) jobs than originally committed
Complete Agreements				
Contract Job Requirement	480	2,760	NA	Number of jobs these businesses committed to create over the life of the contract
Confirmed Performance	478	2,349	NA	Number of net new jobs the State has confirmed have been created by these businesses as of their last report
Difference (Expected vs. Contracted)	(0.4%)	(15%)[2]	NA	Businesses actually created more (or less) jobs than originally committed
All Executed Agreements				
Contract Job Requirement (Total Project)	4,836	16,091	1,886	Number of jobs these businesses have committed to create over the life of the contract
Jobs Due (as of Latest FY)	1,649	10,263	849	Number of jobs these businesses are contractually obligated to have in place as of their last reporting period
Confirmed Performance	1,904	10,856	849	Number of net new jobs the State has confirmed have been created by these Businesses
Difference (Expected vs. Confirmed)	15%	6%	0%	Businesses actually created more (or less) jobs than originally committed

[2] All QACF agreements contain sanctions and claw-back provisions for companies which do not achieve required performance.

Qualified Targeted Industries

The most widely used economic development incentive program, QTI, is a tool available to Florida communities to encourage quality job growth. In exchange for a business creating jobs at higher than average wages, the state provides tax refunds of eligible taxes paid by the business once the agreed-upon jobs and wages are confirmed by DEO.

In order to receive tax refunds, a company must meet its job creation and wage goals and then maintain them over a minimum three-year period. This is known as pay-for-performance and is the basis for the QTI program. While performance requirements are typically phased and met over multiple years, performance is measured and confirmed annually. When businesses apply to participate in the QTI program, they project their job creation and wage schedules into the future, typically four to ten years. As businesses enter into agreements with DEO and proceed through the performance years, changes in the businesses' plans or other external factors may impact the companies' ability to continue participation in the QTI program. As a pay-for-performance incentive, QTI payments also change based on a businesses' performance under the agreement. If a business meets or exceeds the job and wage requirements, it will receive the full value of the QTI incentive. If the business partially meets the requirements, it will receive a partial payment, or in some cases, no payments. If a business does not achieve the minimum job and wage requirements for a given year, or chooses not to continue participating in the program, DEO will terminate the agreement.

In 2010, the Legislature amended §288.106(7)(d), F.S., to require the following annual report related to the QTI program: "Beginning with tax refund agreements signed after July 1, 2010, the department shall attempt to ascertain the causes for any business's failure to complete its agreement and shall report its findings and recommendations to the Governor, the President of the Senate, and the speaker of the House of Representatives." In 2012, the Legislature amended §288.106(7)(d), F.S., to require DEO's findings and recommendations be included in the annual incentives report under §288.907, F.S., rather than submitted as a separate departmental report.

Since July 1, 2010, 308 QTI agreements have been signed. While most of the projects are proceeding through their performance periods and remain active, to date, 58 of the agreements were terminated and received no incentive funds. Some of the businesses voluntarily withdrew from the program, while others did not submit performance claims required to remain active in the program.

Through ongoing communications with the businesses, DEO is aware of the reasons why many of the agreements were not completed. DEO found a variety of issues affected the businesses' continued participation in the program, including inability to meet the minimum job and wage requirements; delays in facility preparations; delays in location and expansion plans; changes in business plans and market conditions; and decisions not to locate in Florida. For the agreements that were signed after July 1, 2010, and subsequently terminated, ten of the businesses filed performance claims, but did not meet the minimum job and wage requirements, and 48 of the agreements were terminated based on the businesses voluntarily withdrawing from the program or for not submitting the required performance claim. Causes for businesses inability to complete their agreements included the following:

- Ten businesses reported not being able to meet the job creation requirement or the mutually agreed upon schedule for job creation;
- Seven businesses could not meet the average wage requirement (QTI requires wages of at least 115% of the prevailing average wage);
- Ten business reported changes in their business plans or market conditions as factors influencing their ability to meet the requirements; and
- Two businesses ultimately decided not to locate in Florida.

The overall conclusion remains that the QTI program continues to be a successful tool for Florida's economic development, and taken as a whole, the projects that remain in the QTI program throughout their entire job creation schedule are successful. As reported in Table 9, active QTI projects have created 4 percent more jobs than required per their contracts, while complete QTI projects have created 60 percent more jobs.

Innovation Incentive Fund

As of 2013, nine companies have been awarded funds totaling $455,690,000, in addition to the Scripps Florida grant ($310,000,000). Based on the most recent annual report from each lab (including Scripps Florida), they have created a combined total of 1365 jobs (seven of nine recipients reporting), with wages above the state average. The nine labs that have received Innovation Incentive funding are: Sanford-Burnham Medical Research Institute (Burnham), The Charles Stark Draper Laboratory, Inc. (Draper), Max Planck Florida Corporation (Max Planck), SRI International – Florida (SRI), Torrey-Pines Institute for Molecular Studies, Inc. (Torrey Pines), Hussman Institute for Human Genomics (Hussman), IRX Therapeutics, Inc. (IRX – first jobs due by 12/31/13) VGTI Florida (VGTI), and Embraer Engineering & Technology Center USA, Inc. (Embraer – first jobs due by 12/31/13).

Table 10[3]
Funding for Innovation Incentive Fund

Fiscal Year Funded	Appropriation Amount	Funds Under Contract as of 10/09/13	Authority
2013/2014	$12,063,221	$0	Re-appropriation from 2012/2013
2012/2013	$12,063,221	$0	Chapter 2012-118. L.O.F.
2012/2013	$14,400,000	$6,000,000	Re-appropriation from Chapter 2011-76, L.O.F.
2011/2012	$15,000,000	$600,000	Chapter 2011-76, L.O.F.
2010/2011	$75,000,000	$0	Chapter 2010-152, L.O.F.
2007/2008	$250,000,000	$249,090,000	Chapter 2007-72, L.O.F.
2006/2007	$200,000,000	$200,000,000	Chapter 2006-55, L.O.F.

The Burnham Institute for Medical Research occupies its permanent 175,000 square foot facility on Lake Nona as of April 2009. The new construction project brought $85 million of funding into the local economy upon completion. Lake Nona Medical City is based on the theory that a cluster of healthcare and biotech facilities within proximity to one another will breed innovation. Lake Nona Medical City is anchored by the University of Central Florida College of Medicine, Sanford-Burnham Medical Research Institute, Orlando VA Medical Center, M.D. Anderson Cancer Research Institute, Nemours Children's Hospital, and the University of Florida Academic and Research Center. These institutions are already forming synergies that will make Orlando a global destination for health care, research and medical education while creating an economic development and job creation engine for the region. The Lake Nona location is home to Sanford-Burnham's Diabetes and Obesity Research Center and the Conrad Prebys Center for Chemical Genomics' ultra-high throughput chemical screening center.

The Florida Center for Innovation at Tradition is a 120-acre development in Port St. Lucie which contains the new permanent facility for the Torrey Pines Institute for Molecular Studies. Torrey Pines moved into its 107,000 square foot, $40 million biomedical research facility in January 2009, and is relocating its headquarters from La Jolla, California to the Florida location. The Torrey Pines Institute facility in Port St. Lucie has received silver certification under the U.S. Green Building Council LEED® (Leadership in Energy &

[3] This chart does not include funding to Scripps Florida.

Environmental Design) green building certification system, which demonstrates that a building is environmentally responsible, profitable and a healthy place to work. Torrey Pines conducts research in heart disease, cancer, Alzheimer's and other ailments. Torrey Pines is collaborating with scientists and researchers at the nearby FAU/ Harbor Branch Oceanographic Institute.

Vaccine and Gene Therapy Institute, The Mann Research Center, and Martin Memorial Hospital are also based at the Florida Center for Innovation in Port St. Lucie. VGTI had its grand opening ceremonies for its new $47 million, 100,000 square foot research facility on February 29, 2012. Research at VGTI-FL is focused on developing new vaccines and treatments to fight diseases such as HIV/AIDS, TB, melanoma, breast and prostate cancer as well as emerging diseases such as yellow fever and dengue fever. The researchers at the institute aim to identify the mechanisms that allow some individuals to control infections or cancers leading to a slowly progressing disease or in some cases to a remission or a cure while others develop symptoms, aggressive disease and death.

SRI International, one of the world's leading research and technology development organizations, selected St. Petersburg as the site for a new marine technology research facility. SRI International has established several operations in Florida, with the primary location in St. Petersburg. The St. Petersburg Marine Technology Program began operations on January 2, 2007. The core of SRI St. Petersburg operations is to accelerate the research and development of technologies related to ocean science, the maritime industry and port security. As SRI expands its Florida operations, additional, marine science and non-marine science, initiatives have been created in areas such as biomedical research, micro and nano structures, information, computing and simulation technologies and K-12 education research. SRI's expansion into Florida is in collaboration with the University of South Florida's College of Marine Science and its Center for Ocean Technology and is supported by the City of St. Petersburg, Pinellas County and the State.

In January 2008, Governor Crist announced the creation of the Max Planck Florida Institute to be located in Jupiter, adjacent to Scripps Florida and FAU. Max Planck, a world leader in biomedical research, is a non-profit German research organization that has won the second most Nobel prizes since 1900 and has made more than 2,300 inventions and has nearly 1,400 license agreements in place. This is the first U.S. branch of the German-based institute and their work will focus on brain function and neural circuits, using the most advanced techniques to visualize microscopic molecular processes to help understand the functional organization of the nervous system, its capacity to produce perception, thought, language, memory, emotion, and action. In June of 2012, the employees began moving into the permanent, $64 million, three-story, 100,000 sq. ft. facility, which includes 57,600 sq. ft. dedicated to research/laboratories; the Grand Opening was set for December 5, 2012. This facility is designed to reduce energy consumption and use materials wisely, resulting in not only meeting the requirements of the US Green Building Council's LEED-NC accreditation program, but also supplementing laboratory-specific energy-use reduction recommendations from the U.S. Department of Energy's Lab 21 environmental performance criteria.

The Hussman Institute of Human Genomics (HIHG) is in its permanent 182,000 square-foot facility in the Biomedical Research building at the University of Miami. The HHIG is dedicated to using the very latest in cutting-edge technologies to identify genes involved in human diseases for the diagnosis, intervention and prevention of illness. Its scientists apply clinical, molecular, and mathematical techniques to identify genes leading to human disease, whether single genes that might cause some rare diseases, or the interplay between multiple genetic factors and the environment that may cause more common illnesses and disorders such as Parkinson’s, cancer or autism. HIHG is exploring the genetic influences on human health and applying this knowledge to the practice of medicine through improved diagnostics, treatments, and medications, thus translating the unprecedented scientific advance of the “Human Genome Project” into information that can benefit patients directly.

The Charles Stark Draper Laboratory, Inc., is an independent, not-for-profit research and development laboratory engaged in applied research, engineering development, technology transfer, and advanced technical education. The Laboratory’s Florida operations consist of the Draper Bioengineering Center at USF in Tampa, Florida, and the Draper Multi-chip Module (MCM) fabrication facility in St. Petersburg, Florida. Draper is expanding and improving its original facilities to support the increased technical sophistication of the work being performed in the Tampa/St. Petersburg area. Draper is bringing a unique Multi-Chip Module (MCM) technology that results in the reduction in the size of electronics which enables the sensor systems to be placed in small hard-to-reach areas and perform in a variety of severe environments. This technology has tactical, covert, space, and medical applications. Draper's Bioengineering Center at the University of South Florida is involved in an array of research – from post-traumatic stress disorder, balance prosthesis development and the development of reagent-less handheld biological agent sensors, to liver-stage malaria drug discovery and microenvironment models for personalized cancer treatment.

IRX Therapeutics plans to relocate and expand in St. Petersburg, Florida. IRX develops immune therapies to treat cancer and related diseases. The company's therapies are designed to target and restore the immune system in order to improve a patient's response to next-generation cancer vaccines and novel targeted therapeutics. The Company's product platform under development, which is based on over 30 years of research, seeks to restore the immune system of cancer patients that has been suppressed by the onset of the disease.

Embraer Engineering & Technology Center USA. Inc. partnered with Space Florida, Inc., to build a new facility for Embraer's Executive Jets business. This new research and development operation will be housed in a 67,000 sq. ft. facility that will be constructed at the Melbourne International Airport on the site of the current Embraer Executive Jets Division Headquarters and final assembly building. While the company awaits final build-out of the new facility, Melbourne International Airport has agreed to provide Embraer with temporary facilities, also located on airport property.

The Scripps Research Institute, one of the world's largest non-profit research institutes, opened its second major research facility in Florida in 2005, and celebrated the completion of their 370,000 square foot building in February 2009. Located in Palm Beach County, the facility has over 440 faculty members and scientific, technical, and administrative staff working at the facility and focuses on basic biomedical science, drug discovery, and technology development. Scripps Florida was the impetus for much of the state's growth in the biotech industry and is expected to create 6,500 new jobs (direct and indirect) in the next decade and generate about $1.6 billion in additional income for Floridians.

Other Program Results

Several other programs have similar performance data available. Due the nature of each, the relevant metrics to report are different. Information for these programs is presented below.

Capital Investment Tax Credit

The State has issued 30 approvals or certifications for CITC projects through June 30, 2012. Of these, 25 are considered active and five have been terminated. The Florida Department of Revenue has issued nine technical assistance advisements (TAAs) for CITC projects through fiscal year 2012. The active CITC projects may create as many as 10,183 new jobs. The State has confirmed creation of 3,158 new jobs to date.

Economic Development Transportation Fund

The EDTF is administered by DOT. During fiscal year 2012-2013, DOT approved 12 projects for transportation enhancements to help promote the location and expansion of businesses in the state committing to create 2,439 jobs. The awards approved totaled $18,999,357.

Quick Response Training

The QRT program, managed by Workforce Florida, Inc., had approved 470 applications through November 20, 2013. Of these, 74 are active. While QRT grants are largely based on new job creation, the focus is on the number of trainees. For the active agreements, QRT businesses are expected to train 14,750 Floridians, leading to new and improved skill sets. The QRT program has already trained 80,542 citizens through these completed contracts.

ECONOMIC BENEFITS

DEO uses an economic impact model to analyze the projected economic benefit over ten years for each applicant requesting state economic development incentives for a project. Pursuant to §288.061(2), F.S., beginning July 1, 2013, DEO is using an economic impact model established by the Office of Economic and Demographic Research (EDR) to calculate the economic benefits for each project.

Economic benefits are calculated as the gains in state revenue (taxes attributable directly to the business or those generated as a result of the increased economic activity rippling through the economy) as a percentage of the state's investment in the project. The state's investments are the various incentives offered to the business via tax refund, tax credit, or cash grant. Based on EDR's revisions to the model, economic benefits are now calculated in a manner consistent with Return on Investment (ROI) calculations. Results prior to 2013 are expressed as a Payback Ratio and are not comparable with ROI.

Previous incentive reports included a summary of the economic benefits generated by projects with completed incentive agreements based on the actual amount of private capital invested, actual number of jobs created, and actual wages paid by the businesses. During the 2012 legislative session, this requirement was removed from the annual incentives report and EDR was directed to evaluate and determine the economic benefits of each incentive program over the previous three years. EDR's report on economic benefits is scheduled for completion by January 1, 2014.

PROGRAM TRENDS AND UTILIZATION

Several trends are apparent when looking at interest in and usage of economic development incentives. These general trends are listed below. In addition in fiscal year 2013, five applications were approved for businesses identifying themselves as minority or woman-owned (5 QTI).

Increased Project Activity

Enterprise Florida has seen an uptick in project activity as the economy continues to strengthen. Over the last two years, Enterprise Florida has seen an increase in projects. As consumer and overall economic confidence increases, some of these companies are now looking to reinvest back into their operations and upgrade facilities, streamline operations, or venture into new product lines. From 2010 to 2012, Enterprise Florida has seen a 95% increase in capital investment, a requirement to many incentives. More specifically Enterprise Florida reported $900 million of capital investment in 2010, and $1.75 billion of capital investment in 2012.

Flexibility is Key

Cities, counties, and states across the country are being more and more creative in crafting compelling offers to attract economic development projects and meet individual company needs. In order to compete, Florida must continue to enhance the flexibility of its incentive toolkit, while at the same time maintain programs that are fiscally sound and provide a good return on taxpayer investments. The creation of Florida's State Economic Enhancement and Development Trust Fund (SEED) in 2011 is a good example of an effort to increase flexibility. The ability to utilize a single source of funding for multiple incentive programs allows leadership to address the individual needs of a specific project by using existing statutory programs, with flexibility on the funding mechanism.

Financing is Still an Issue

For small and medium sized businesses, financing remains a critical need in order to expand. Capital is still tight through many traditional sources; therefore, companies are seeking other resources. The State Small Business Credit Initiative program is helping to open up access to much needed capital by way of loan guarantees and other mechanisms.

Consider Amending Existing Programs to be More Competitive

Florida's incentive programs help the State to be more competitive for highly sought after economic development projects. However, other states are often able to put forth more attractive incentive packages in terms of overall dollar value. Most companies recognize it is not just the dollar value of these incentives that make a difference in the attractiveness of a particular location, but the timeliness of approvals, how the programs are structured, and the compliance process. Additional funding for Florida's incentive programs would make the State a more attractive option for these important projects. Other suggestions to make Florida more competitive include the following:

- *Economic Development Incentive Carry Forward* - Without proviso language, unspent funds appropriated to the State Economic Enhancement and Development (SEED) fund revert back to general revenue each year. This proposal would allow a carry-forward of SEED funds and general revenue in order to establish a more consistent funding structure for economic development projects.
- *Quick Action Closing Fund* - The Quick Action Closing Fund provides a way for Florida communities to

"close the deal" when facing distinct, quantifiable competitive disadvantages for high impact economic development projects. Currently, recommendations over $5 million require the approval of the full Legislative Budget Commission (LBC), with no designated time period for such review. An update to the review process is proposed, whereby the LBC will have 14 days to hold a meeting. If no meeting is held, the review will revert to the Chair and Vice Chair of the LBC, who will have 5 days to issue their determination.

- *Enterprise Zone Restructure* - Florida's Enterprise Zone program will sunset in 2015 if the Florida Legislature does not re-enact in the next two years. Currently, Enterprise Florida is working with stakeholders to develop recommendations for the rewrite of the Enterprise Zone program to provide to the Legislature.
- *QTI Incentive Program Updates -* Currently, companies that do not have enough tax liability to take full advantage of the QTI program in a given year are unable to carry this amount forward or sell the credits to other companies. Without this, the value of the incentive is undermined or lost. In order to allow greater flexibility in extending the QTI program, a carry-forward provision and transferable/sellable credit is proposed.
- *CITC Updates* - The capital investment tax credit is a meaningful incentive to projects with significant capital investment in the state. However, the program requires the project be within a designated high impact sector as specified in §288.1088, F.S. Florida is the only state to require this level of eligibility while other states only require the company exist within a targeted industry. Due to prohibitively strict requirements, this proposal removes the high impact requirement for businesses investing $100 million, with 100 jobs at 115% of the local average or 1000 jobs at 100% of the local average. Proposed changes also open the credit to existing businesses investing $25 million as well as add a cap $50 million in tax credits.
- *Florida Business Brand Funding* - For the first time, Florida has established a business brand to raise our business profile to key audiences. EFI is currently raising private dollars to support this initiative.
- *Matching Funds* - Until 2011, EFI was able to count in-kind donations as part of its match requirement. During the 2011 legislative session, SB 2126 removed this language, thus not allowing in-kind donations to count toward the match. This has caused EFI to miss its match requirement two of the last three years, despite a record number of investors. This would allow EFI to count in-kind donations as part of the statutory required match.
- *Rural Economic Development Package* - As a result of Enterprise Florida's study to identify innovative strategies for expanding economic activity of rural areas in the state, a rural economic development boot camp was hosted by Gov. Scott & Sec. Swoope in July 2013. Recommendations from the study and boot camp include: renaming the Rural Areas of Critical Economic Concern (RACEC) to a more positive brand, Rural Areas of Opportunity; revising rural infrastructure awards and qualifications to be more competitive with competing states; providing for targeted industry waivers in RACEC regions and specific targeted industries for each region (through EFI and DEO); increasing award amounts of the rural jobs tax credit to be more competitive with competing states ($2,000 in rural county/ $5,000 in RACEC region); removing award amount restriction on QTI awards when local match is waived; allowing each rural/RACEC county to be considered an Enterprise Zone; and rewriting of the Regional Rural Development Grant.

Fiscal Year 2013 Project Information

PROJECTS WORKED

In fiscal year 2013, 234 applications were received for the programs listed below. Table 11 includes a breakout of applications received, recommendations and approvals issued by DEO or other agency, and contracts executed. Applications may not be approved and executed in the same fiscal year; therefore, the applications received and contracts executed represent a slightly different population of projects.

Table 11 also includes the number of projects represented by these incentives. For example, 234 applications were received on behalf of 157 different DEO projects, since some projects submit applications for multiple incentives. EDTF projects resulting from a line item appropriation by Legislative members are not included in the project totals since these are not considered traditional economic development projects and may or may not be tied to job creation and capital investment.

Table 11

INCENTIVE APPLICATIONS AND PROJECTS[10] – FISCAL YEAR 2013

	APPLICATIONS RECEIVED	APPROVALS (CERTIFICATIONS)	CONTRACTS EXECUTED
QTI	126	101	102
QTI with Brownfield Bonus	15	19	13
QACF	27	25	21
QRT[11]	38	38	38
Brownfield Bonus (stand-alone)	11	16	13
EDTF	12	12	12
MSII	0	0	NA
JUTC	0	0	NA
CITC	4	4	1
HIPI	1	0	0
IIF	0	0	1
LGDAMG	0	0	0
QDSC	0	0	0
TOTAL (APPLICATIONS)	234	234	201
NUMBER OF UNIQUE PROJECTS	157	153	127

[10] NA denotes the corresponding step does not apply for this program.
[11] QRT projects have been included here in summary form but are not included in the subsequent charts.

The incentive application, negotiation, and approval process can take anywhere from several weeks to several months or occasionally more than a year, depending on the scope of the economic development project. This timing phenomenon is the primary reason for the difference in applications, approvals, recommendations, and contracts. In addition, Enterprise Florida works closely with businesses through the incentives process and if a company is believed to be ineligible for a specific incentive, that information is conveyed as early as possible so as to not waste the time of the company in filling out an application. This approach also leads to efficiencies in incentive processing.

EXECUTED AGREEMENTS

All of the State incentives reported on require the business to enter into a performance agreement with Florida. Exceptions are sales tax credits and exemptions, which are utilized upon a taxable event after approval by the State. Grants to local governments are overseen by performance agreements with the government applicant.

Table 12 summarizes the job, capital investment, and average wage commitments for businesses with incentive agreements executed by DEO in fiscal year 2013 (excludes QRT agreements, which totaled an additional $8,537,539 for this group of projects). This table also includes the value of State incentives associated with these executed agreements and the required local financial support commitments by Florida cities and counties.

Table 12
SUMMARY OF FY 2013 EXECUTED AGREEMENTS

NUMBER OF Agreements	CONTRACTED NEW JOBS	EXPECTED CAPITAL INVESTMENT	CONTRACTED AVERAGE ANNUAL WAGE	MAXIMUM STATE INCENTIVE PAYMENTS	LOCAL FINANCIAL SUPPORT COMMITMENTS[13]
151	13,689	$1,572,435,357	$54,728	$80,120,900	$16,362,880

Some of these projects may take advantage of other incentives not included in the $80.1 million since this represents the value of those agreements executed during the previous fiscal year. A breakdown by project is included in Appendix C[14]. This list is as complete as possible, given the data available from various State agencies, including DEO and Workforce Florida, and the fact that some incentives are awarded after jobs are created such as the Enterprise Zone Jobs Tax Credit. Enterprise Florida and DEO assume these other incentives are taken advantage of at their maximum potential value. This is the most fiscally conservative approach in order to ensure the statutory payback ratio requirements are met. The local incentives listed are minimum amounts expected to be provided for each project. In some cases, the community may offer incentives above and beyond what is required to leverage State funds. These values have been included wherever possible.

[13] This information has been limited to the statutorily required local financial support for the QTI, QDSC, IIF, and Brownfield Bonus incentives.

[14] While §288.907, F.S. requires disclosure of the average wage committed to be paid for these projects, Florida's economic development confidentiality statute, §288.075, F.S., prohibited releasing wage information for active incentive agreements prior to March 23, 2012. Several incentive agreements were executed during the fiscal year, which have since been terminated (therefore are no longer "active"). The wages for these projects have been disclosed as required in Appendix C and D.

Table 13 provides a breakdown of the maximum incentive payments by program type for the incentive agreements executed in fiscal year 2013.

Table 13
MAXIMUM INCENTIVE AWARDS – CONTRACTS EXECUTED IN FY 2013

PROGRAM	MAXIMUM INCENTIVE AWARDS
QTI	$46,230,500
Brownfield Bonus	$7,140,000
With QTI	*$2,385,000*
Stand Alone	*$4,755,000*
QACF	$31,424,500
HIPI	$0
EDTF	$18,999,357
QDSC	$0
IIF	$6,000,000
LGDAMG	$0
Total – DEO Managed Programs	$90,795,000
QRT	$8,537,539
Value of contracts executed in other fiscal years	$2,994,500
Total – incentives under contract for all projects listed in Appendix C	$102,327,039

Industry Analysis

The majority of Florida's incentive programs are focused on job growth within specific target industries. In fiscal year 2013, the majority of DEO's executed incentive agreements were with businesses in these target industries. The exception is several stand-alone Brownfield Bonus projects. Table 14 provides additional details on the contracts executed by industry.

Table 14.A
INCENTIVE PROJECT COMMITMENTS BY INDUSTRY

INDUSTRY	NUMBER OF AGREEMENTS	CONTRACTED NEW JOBS	EXPECTED CAPITAL INVESTMENT	CONTRACTED AVERAGE ANNUAL WAGE
Manufacturing	18	1,225	$154,654,500	$42,481
Corporate Headquarters	22	845	$32,609,578	$81,191
Financial / Professional Services	28	3,672	$297,089,360	$53,807
Information Technology	19	1,541	$56,487,869	$61,225
Not in a Target Industry	14	1,548	$227,163,000	$40,839
Aviation / Aerospace	15	2,243	$174,361,700	$61,982
Emerging Technologies	10	906	$153,229,612	$35,955
Life Sciences	9	798	$225,257,000	$51,539
Logistics/Distribution	3	324	$107,000,000	$42,228
Semiconductor Technology	2	66	$30,700,000	$60,833
Strategic Challenges	1	105	$9,998,210	N/A
Research & Development	1	30	$2,299,000	$48,690
Clean Technologies	4	120	$48,402,780	$64,731
Not Specified	1	21	$1,700,000	$34,556
Homeland Security / Defense	4	245	$51,482,748	$55,761
TOTAL	151	13,689	$1,572,435,357	

[16] Wage not disclosed due to confidentiality since there are only two projects in this industry.

Industry Results

In fiscal year 2011, Florida's target industries were reviewed in conjunction with economic development organizations, representatives from the State University System, local governments, and other stakeholders, as required by §288.106(2)(q), F.S. The review concluded with no substantive changes to the industries that comprise the list. However, the format was revised to be consistent with how Enterprise Florida markets the State as a business location of choice and also to better reflect current industry nomenclature. The new target industry list is included in Appendix A of this report. A review of projects with completed incentive agreements in the last three years is presented below by target industry in Table 14.B. The information contained within the table is central to evaluating the quality and effectiveness of the incentives geared toward targeted industries in Florida.

Table 14.B

ECONOMIC BENEFITS BY INDUSTRY

MANUFACTURING	CONFIRMED PERFORMANCE
Complete Contracts (3 Years)	9
Jobs Created	627
Average Wage	$50,902
Capital Investment	N/A
CORPORATE HEADQUARTERS	**CONFIRMED PERFORMANCE**
Complete Contracts (3 Years)	8
Jobs Created	4,386
Average Wage	$96,430
Capital Investment	N/A
LIFE SCIENCES	**CONFIRMED PERFORMANCE**
Complete Contracts (3 Years)	3
Jobs Created	102
Average Wage	$60,296
Capital Investment	N/A
INFORMATION TECHNOLOGY	**CONFIRMED PERFORMANCE**
Complete Contracts (3 Years)	7
Jobs Created	2,315
Average Wage	$71,803
Capital Investment	$74,714,495
AVIATION / AEROSPACE	**CONFIRMED PERFORMANCE**
Complete Contracts (3 Years)	2
Jobs Created	574
Average Wage	$63,360
Capital Investment	$209,000,000
LOGISTICS / DISTRIBUTION	**CONFIRMED PERFORMANCE**
Complete Contracts (3 Years)	3
Jobs Created	1,436
Average Wage	$34,647
Capital Investment	$25,448,374

Table 14.B ECONOMIC BENEFITS BY INDUSTRY (CONTINUED)	
FINANCIAL / PROFESSIONAL SERVICES	CONFIRMED PERFORMANCE
Complete Contracts (3 Years)	3
Jobs Created	387
Average Wage	$67,766
Capital Investment	N/A
NOT IN A TARGET SECTOR	CONFIRMED PERFORMANCE
Complete Contracts (3 Years)	3
Jobs Created	1,268
Average Wage	$26,589
Capital Investment	$25,990,875

Distressed Areas

Of the 151 projects with executed incentive agreements in fiscal year 2013, 60 of these were in distressed areas, including rural communities, Brownfield areas, Enterprise Zones, and distressed urban areas. These projects are committing to create 5,070 new jobs and are expected to invest more than $886 million into these blighted areas. Table 15 shows the breakdown of these projects by area.

Table 15
ACTIVITY IN DISTRESSED AREAS

	RURAL	NON-RURAL	TOTAL
Brownfield Area	1	32	33
Enterprise Zone	1	17	18
Brownfield Area and Enterprise Zone	1	7	8
General Economic Distress	0	1	1
Total	3	57	60

Economic Recovery Extension

In 2010, the Florida Legislature extended the Economic Recovery Extension (ERE) for existing QTI businesses. This extension allows businesses affected by an economic downturn in their industry, hurricanes or named tropical storms, or specific terrorist attacks to receive additional time to meet their job creation commitments.

Amending Tax Refund Agreements

In 2002, a statutory change requiring a December 31 job creation date and a subsequent January 31 claim submission deadline were established for QTI and QDSC in order to streamline the claims payment process. In addition, tax refunds for these projects now require that the refund be paid from funds appropriated for the following fiscal year. Economic Recovery Extension recipients operating under the old contracts have been migrated to the new contract timing, which led to a significant increase in the number of contracts requiring December 31 job creation since 2004. As of now, virtually all active QTI contracts are based on December 31 job creation schedules.

INCENTIVE PAYMENTS

During fiscal year 2013, the State paid a total of $74,120,900 between the QTI, Brownfield Bonus, Closing Fund, QDSC, Innovation Incentive, HIPI, and EDTF programs. 79 payments were made to or on behalf of 71 projects. Table 16 includes the number of net new to Florida jobs the State is confirmed to have been created as well as the confirmed average wage for the businesses receiving incentive payments and the total local incentive contributions made during the year (this is a minimum value). The local incentives consist primarily of cash paid to the State and subsequently refunded to the business. Several projects were recipients of ad valorem tax abatements, which were used as the match for the QTI refunds. These local incentives have been included in the local incentive payments data below. Further information on individual businesses receiving payments is included in Appendix D.

Table 16
SUMMARY OF FY 2013 INCENTIVE PAYMENTS

NUMBER OF PROJECTS	CONFIRMED NEW JOBS	CONFIRMED AVERAGE ANNUAL WAGE	LOCAL INCENTIVE PAYMENTS
71	6,916	$73,034.56	$767,154.94

Table 17 shows a summary of the total payments (state portion) made by program. Specific information on tax credits claimed is not included here due to the lag of information between a fiscal year and when credits are claimed. In addition, the information for specific businesses claiming credits under the CITC program is considered confidential per §213.053, F.S. Aggregate information for the most recent fiscal years for credits claimed is contained in Table 5.

Table 17
INCENTIVE PAYMENTS – FISCAL YEAR 2013

INCENTIVE	TOTAL FY 2013	TOTAL FY 2012	TOTAL FY 2011
Innovation Incentive	$24,066,000	$37,925,000	$98,997,852.80
QACF	$12,348,980.28	$19,357,700	$9,490,830.00
Paid into escrow	*$5,646,533*	*$14,814,200*	*$400,000.00*
Paid to businesses	*$6,702,447.28*	*$3,793,500*	*$9,090,830.00*
EDTF	$7,866,469.28	$7,866,469.28	8,471,415.97
QTI	$3,377,820.20	$4,558,534.26	$8,214,848.69
Brownfield Bonus	$235,004.48	$1,011,865.50	$824,953.24
QTI bonus	*$172,125*	*$647,410.00*	*$500,199.40*
Stand-alone	*$62,879.48*	*$337,455.50*	*$324,753.84*
QDSC	$591,997.44	$243,600.00	$722,600.00
Total – incentive payments for all projects listed in Appendix D	$40,619,802.40	$71,963,169.04	$126,722,500.70

All of Florida's incentives are performance based to varying degrees. Each business receiving a payment had to provide documentation to the State demonstrating they met the contractual requirements to receive a payment. As previously discussed, for QACF projects, Enterprise Florida may recommend incentive funds be placed into an escrow account, which protects State funds while allowing a business sufficient time to meet appropriate performance requirements.

SUCCESS STORIES

The Hertz Corporation – Fort Myers
Industry: Headquarters
Florida is home to more than 2,600 headquarters offices, 15 of them are Fortune 500 corporate headquarters.

In May 2013, Hertz announced that they will locate its worldwide headquarters to Estero in Lee County, creating 700 high-wage jobs and investing nearly $70 million in capital in the community.

Mark P. Frissora, Chairman and Chief Executive Officer of The Hertz Corporation: *"We did not make the decision to relocate lightly. We wanted to know that Florida was not only attractive to us as a company but also for our employees. Florida is a great place to run a business and raise a family and we are proud to be able to call this our new home."*

Navy Federal Credit Union – Pensacola
Industry: Financial & Professional Services
Florida today has the 2nd highest number of professional, scientific, and technical services companies and the 3rd largest finance and insurance cluster in the U.S.

In April 2013, Navy Federal Credit Union, the world's largest credit union, announced it will create 1,500 new jobs and invest $200 million in capital in the Northwest Florida region. This news comes less than a year after their announcement to create 640 jobs and invest $6.5 million in the area.

Cutler Dawson, president and CEO of the NFCU: *"Providing the best possible service to our members is our first priority. Our Pensacola expansion is key to supporting the credit union's strong growth and an important way for us to continue delivering outstanding service. We're proud to be a part of the economic growth for the area."*

Verizon Communications – Lake Mary
Industry: Financial & Professional Services
Florida's 122,000 financial and professional firms employ 850,000 Floridians today.

In February 2013, Verizon Communications announced they will establish a finance and accounting "Center of Excellence" in Lake Mary. The project will create 750 new jobs and bring a capital investment $50 to Seminole County.

Michelle Robinson, Vice President of Verizon south area: *"We have received a warm welcome from the state and local economic development partners, who aided in our decision process to locate in Metro Orlando. The region's talent pipeline, which is full of finance and accounting graduates, was an integral factor in Verizon choosing to invest in Central Florida."*

R.J. Corman Signaling – Orange Park
Industry: Manufacturing
Florida is home to nearly 18,000 manufacturers who employ more than 311,000+ workers across the state.

In September 2013, R.J. Corman Signaling, a newly formed subsidiary of R.J. Corman Railroad Group, announced the location of their southeast regional headquarters in Orange Park. The company will create 58 engineering jobs and accelerate early stage growth in the company's engineering of railroad signal system design, wiring, construction, maintenance, packaging and material warehousing, and logistics.

Craig King, President of R.J. Corman Railroad Group, LLC: *"We wanted close access to Florida engineering schools which we consider significant. We wanted to attract employees to life in the Sunshine State and we're excited to grow our operations right here."*

Nanotherapeutics – Alachua

Industry: Life Sciences

Florida is home to more than 200 biotech companies specializing in therapeutics, diagnostics, industrial biotech, and other areas.

In October 2013, Nanotherapeutics, a biopharmaceutical company that currently has 45 employees, announced that they will create 150 jobs at their new Medical Countermeasures Advanced Development and Manufacturing (MCM ADM) facility with a capital investment of $122 million.

James Dalton, President & CEO of Nanotherapeutics: *“The Nano ADM facility is evidence of Nanotherapeutics’ extensive experience and track record with all aspects of MCM product development, and this would not be possible without the support system of Alachua.”*

Additional Program Reports

Other State incentives and resources are critical components of Florida's economic development toolkit. Each of these programs has its own goals, objectives, and performance measures. Since these programs are vastly different from the traditional economic development incentives already discussed, the information presented here reflects a summary of each program's performance.

DEO – DIVISION OF COMMUNITY DEVELOPMENT

Black Business Loan Program

In 2007, the Legislature enacted the Florida Black Business Investment Act, which established the Black Business Loan Program within OTTED. On October 1, 2011, the program was transferred to DEO. Annually, DEO certifies program administrators, known as Black Business Investment Corporations (BBICs). The BBICs use program funds to make loans, loan guarantees, and investments to black business enterprises that cannot obtain capital through conventional lending institutions.

Table 18
BLACK BUSINESS LOAN PROGRAM

FLORIDA STATUTE: 288.7102 – 288.714, F.S.

INCEPTION DATE: 2007 (Current Version)

FISCAL YEAR	NUMBER OF CERTIFICATIONS	CONTRACT AMOUNTS	NUMBER OF LOANS/LOAN GUARANTEES	AMOUNT OF LOANS/LOAN GUARANTEES	PROJECTED NUMBER OF JOBS CREATED
2012/2013	7	$317,857.00	64	$1,463,430.11	78
2011/2012	7	$325,000.00	16	$884,964.25	33
2010/2011	9	$250,000.00	67	$2,824,791	59
2009/2010	9	$261,333.32	91	$2,732,743	132
2008/2009	9	$591,133.34	92	$2,893,667	171
TOTALS	34	$1,427,466.66	266	$9,336,165.25	395

Community Contribution Tax Credit Program

The Community Contribution Tax Credit Program (CCTCP) provides a financial incentive (tax credit or sales tax refund) to encourage Florida businesses to make donations toward community development and housing projects for low-income persons. Businesses located anywhere in Florida that make donations to approved community development projects may receive a tax credit or sales tax refund equal to 50 percent of the value of the donation.

Table 19 COMMUNITY CONTRIBUTION TAX CREDIT PROGRAM					
FLORIDA STATUTE:	212.08 (5) (p); 220.183; and 624.5105, F.S.				
INCEPTION DATE:	1982				
FISCAL YEAR	NUMBER OF APPROVALS	NUMBER OF DENIALS	AMOUNT OF TAX CREDITS	COMMUNITY DEVELOPMENT PROJECTS	HOUSING
2012/13	328	5	$14.0 million	28	39
2011/12	333	1	$14.0 million	24	41
2010/11	308	3	$14.0 million	19	41
2009/10	308	2	$14.0 million	20	38
2008/09	351	1	$16.5 million	21	39
2007/08	286	3	$14.0 million	22	33
2006/07	283	6	$14.0 million	19	27
2005/06	285	0	$12.0 million	16	29
2004/05	251	0	$10.0 million	6	23
2003/04	285	5	$10.0 million	11	22
2002/03	359	7	$10.0 million	21	30
2001/02	323	1	$10.0 million	21	23
2000/01	224	0	$6.1 million	24	15
1999/00	198	2	$5.1 million	30	10
1998/99	170	1	$5.0 million	25	7
1997/98	69	0	$2.0 million	18	2
1996/97	81	4	$2.0 million	13	3
1995/96	75	1	$2.0 million	15	3
TOTALS	4,517	42	$174.7 million	353	425

Economic Gardening Loan Pilot Program

The purpose of the Economic Gardening Loan Pilot Program is to stimulate investment into Florida's economy by providing loans to expanding second stage businesses in the state.

Table 20 ECONOMIC GARDENING LOAN PILOT PROGRAM				
FLORIDA STATUTE:	288.1082, F.S.			
INCEPTION DATE:	2009 Special Session A			
NUMBER OF LOANS MADE	NUMBER OF APPLICATIONS DENIED	AMOUNT OF LOANS MADE TO DATE	INTEREST EARNED ON LOANS MADE	ECONOMIC BENEFITS
43	57	$7,875,000.00	$324,062.39	526 jobs created 836 jobs retained

Florida Small Business Credit Initiative

Florida was awarded $97.6 million to establish the program that increases access to capital for small businesses. Florida was approved to operate a Capital Access Program (CAP), a Venture Capital Program and a Small Business Loan Support Program.

Table 21 FLORIDA SMALL BUSINESS CREDIT INITIATIVE			
FLORIDA STATUTE: The Legislative Budget Commission approved the federal grant and established budget authority to allow the Department of Economic Opportunity to administer the State Small Business Credit Initiative on 9/30/2011.			
INCEPTION DATE: December 2011			
FLORIDA CAPITAL ACCESS PROGRAM BUDGET	VENTURE CAPITAL BUDGET	SMALL BUSINESS LOAN SUPPORT BUDGET	ECONOMIC BENEFITS
$10.9 million	$43.5 million	$43.2 million	In aggregate these programs are required to leverage 10 private dollars for every public dollar spent. Therefore the program anticipates leveraging $970 million capital for small businesses in Florida.

Manufacturing Extension Partnership

The Florida Manufacturing Extension Partnership (Florida MEP) supports the economic growth of Florida manufacturing businesses and communities. This program provides technical and business assistance for manufacturers in order to leverage federal and private resources. The focus of MEP is market penetration and creating economic impact for manufacturers.

Table 22 MANUFACTURING EXTENSION PARTNERSHIP		
FLORIDA STATUTE: General Appropriations Act		
INCEPTION DATE: 2008		
FISCAL YEAR	CONTRACT AMOUNT	NEW JOBS CREATED
2012/2013	$500,000.00	380
2011/2012	$500,000.00	275
2010/2011	$500,000.00	287
2009/2010	$500,000.00	47
2008/2009	$500,000.00	n/a
TOTALS	$2,500,000.00	989

New Markets Development Program

The New Markets Development Program was created in 2009 to encourage capital investment in low income communities. Tax payers earn credits against specified taxes by making qualified investments into federally registered Community Development Entities which in turn make investments in qualified low income community businesses. In July 2012, an additional $66.3 million in tax credits was approved. Information on this allocation of credits will be in next year’s incentives report.

Table 23
NEW MARKETS DEVELOPMENT PROGRAM

FLORIDA STATUTE: 288.9912 - 288.9922, F.S.				
INCEPTION DATE: 2009				
TOTAL AMOUNT OF CAPITAL INVESTMENT	TOTAL TAX CREDITS AWARDED	NUMBER OF INVESTMENTS IN LOW INCOME	AMOUNT INVESTED	JOBS CREATED OR RETAINED
$420,000,000	$163,000,000	52	$291,809,037	1,298 jobs created 2,421 jobs retained

Regional Rural Development Grant Program

§288.018, F.S., created the Regional Rural Development Grant Program which provides funds to regionally-based economic development organizations representing rural counties and communities in order to build the professional capacity of their organizations.

The maximum grant award per fiscal year is $35,000, or $100,000 if located in a rural area of critical economic concern. The grant must be matched each year by an equivalent amount of non-state resources. Up to $750,000 may be used for this program each fiscal year from funds appropriated to the Rural Community Development Revolving Loan Fund.

Table 24
REGIONAL RURAL DEVELOPMENT GRANT PROGRAM

FLORIDA STATUTE:	288.018, F.S.		
INCEPTION DATE:	1996		
FISCAL YEAR	NUMBER OF APPROVALS	AMOUNT OF AWARDS	Economic benefits
2012/2013	6	$405,000	Enhancements to the staffing abilities of regional economic development organizations serving within the rural areas of Florida. Staff members have received scholarships to attend training workshops and participate in site visits and familiarization tours
2011/2012	2	$135,000	
2010/2011	11	$587,000	
2009/2010	6	$458,285	
2008/2009	5	$250,000	
2007/2008	5	$242,138	
2006/2007	4	$235,000	
2005/2006	4	$197,500	
2004/2005	4	$284,300	
2003/2004	4	$279,000	
2002/2003	4	$259,000	
TOTALS			

Rural Community Development Revolving Loan Fund

§288.065, F.S., creates the Fund to provide loans to local governments or economic development organizations to finance initiatives directed toward maintaining or developing the economic base of rural communities, especially when addressing employment opportunities.

Eligible local governments or economic development organizations must be located in:
- counties with populations of 75,000 or less;
- counties with populations of 125,000 or less if contiguous to a county with a population of fewer than 75,000; or
- rural areas of critical economic concern.

All repayments of principal and interest are returned to the loan fund and made available for loans to other applicants. However, if the recipient is in a rural area of critical economic concern, repayments may be retained by the applicant if funds are used for regionally based economic development organizations representing that area.

The General Revenue appropriation is used to support the Regional Rural Development Grant Program. The Economic Development Trust Fund appropriation supports the Rural Community Development Revolving Loan Fund and is funded from the repayment of loans.

Table 25

Fiscal Year	State Economic Enhancement and Development Trust Fund	Economic Development Trust Fund	Total
FY 2013-14	$810,000	$360,000	$1,170,000
FY 2012-13	$810,000	$360,000	$1,170,000
FY 2011-12	$810,000	$360,000	$1,170,000
FY 2010-11	$900,000	$400,000	$1,300,000
FY 2009-10	$900,000	$400,000	$1,300,000
FY 2008-09	$900,000	$400,000	$1,300,000
FY 2007-08	$900,000	$400,000	$1,300,000

Table 26
RURAL COMMUNITY DEVELOPMENT REVOLVING LOAN FUND

FLORIDA STATUTE: 288.065, F.S.
INCEPTION DATE: 1996

YEARS	NUMBER OF APPROVALS	AMOUNT OF AWARDS	ECONOMIC BENEFITS
1997 - 2013	17	$6,056,727	Funding was used to attract businesses retain jobs, and make capital improvements to help attract businesses. Examples include: • Family Dollar distribution center in Jackson County • Green Circle Energy in Jackson County

Rural Infrastructure Fund Program

The purpose of the Rural Infrastructure Fund Grant is to facilitate the planning, preparing, and financing of traditional economic development or nature-based tourism infrastructure projects that encourage job creation and capital investment in rural communities. The Department of Economic Opportunity (DEO) may award up to 40 percent of total costs for catalyst site projects, and no more than 30 percent of total costs for projects in rural counties that are not located on designated catalyst sites.

The three types of grants available under the Rural Infrastructure are as follows:

- Total Project Participation Grants - Up to 30 percent of the total infrastructure project costs related to specific job-creating opportunities, and up to 40 percent of total costs for catalyst site projects.

- Infrastructure Feasibility Grants - Funding for infrastructure feasibility studies, design and engineering or other planning and preparation activities that will help facilitate the location or expansion of specific job-creating opportunities. Grant awards are dependent on the project location; and the degree to which administrative and consultant expenses are minimized.
  - $50,000 (maximum) for projects creating at least 100 jobs
  - $150,000 (maximum) for projects creating at least 300 jobs
  - $300,000 (maximum) for projects in a Rural Area of Critical Economic Concern (RACEC).

  Feasibility Grants may be used in conjunction with Total Project Participation Grants. The total of both grants may not exceed 30 percent of the total project cost.

- Preclearance Review Grants - This grant is used to help local governments access resources available pursuant to §403.973(18), F.S. (Expedited permitting; comprehensive plan amendments). Grants may be used for surveys, feasibility studies and other activities related to the identification and preclearance review of land use modifications. Available funding and the required match is dependent on the location of the project and the degree to which administrative and consultant expenses are minimized. If an application for funding is for a catalyst site, the requirement for local match may be waived pursuant to the process in §288.06561, F.S. In evaluating applications under this paragraph, the department will consider the extent to which the application seeks to minimize administrative and consultant expenses.
  - $75,000 (maximum) with a 50 percent local match
  - $300,000 (maximum) with a 33 percent local match for activities in a RACEC.

Table 27

Fiscal Year	Fixed Capital Outlay State Economic Enhancement and Development Trust Fund
FY 2013-14	$1,600,000
FY 2012-13	$1,581,245
FY 2011-12	$1,581,244
FY 2010-11	$1,100,000
FY 2009-10	$1,150,000
FY 2008-09	$4,700,000
FY 2007-08	$2,700,000

Table 28
RURAL INFRASTRUCTURE FUND PROGRAM

FLORIDA STATUTE: 288.0655, F.S.

INCEPTION DATE: 2001

FISCAL YEAR	NUMBER OF APPROVALS	AMOUNT OF AWARDS	ECONOMIC BENEFITS
2012/2013	3	$1,581,245	Stormwater facility expansion for Jefferson County, City of Live Oak stormwater master plan to alleviate flooding, and additional site work at Catalyst Site
2011/2012	3	$1,581,244	Feasibility and engineering studies for the NW RACEC and NC RACEC Catalyst Sites and Gadsden
2010/2011	4	$1,100,000	Projected capital Investment of $6,350,000 for one total participation grant. Remaining three grants are feasibility studies.
2009/2010	6	$1,150,000	Feasibility studies
2008/2009	10	$4,700,000	Projected capital investment - Two feasibility study grants totaling $336,000 awarded to two Rural Areas of Critical Economic Concern (RACEC) for broadband studies resulted in a combined award of approximately
2007/2008	5	$1,834,186	Projected capital investment
2006/2007	11	$4,233,548	Projected capital investment
2005/2006	8	$3,060,301	Projected capital investment
2004/2005	7	$2,416,005	Projected capital investment
2003/2004	4	$492,300	Projected capital investment
2002/2003	6	$1,366,165	Projected capital investment
2001/2002	11	$4,297,355	Projected capital investment
TOTALS	75	$26,231,104	

Rural Economic Development Initiative (REDI)

REDI was created in §288.0656, F.S., to provide a more focused and coordinated effort among state and regional agencies regarding the problems that affect the fiscal, economic and community viability of economically distressed rural communities.

REDI agencies and organizations may waive or reduce program match requirements and provide preferential awards to rural or Rural Areas of Critical Economic Concern (RACEC) counties and communities in the way of extra points towards grants or provide other financial or technical assistance. The collective value of these preferential awards for FY 2012-13 is estimated at over $57,027,157.00.

To qualify for assistance, a community must be:

- Rural – an economically distressed county with a population of 75,000 or less or 125,000 or less if contiguous to the former; a municipality located in a rural county. For a list of rural counties please visit www.florida-redi.com.

- For communities not located in a rural county – a community must be an unincorporated federal enterprise community or an incorporated rural city with a population of 25,000 or less and an employment base focused on traditional agriculture or resource-based industries located in a non-rural county which has at least three economic distress factors.

- Economically distressed – have conditions affecting the fiscal and economic viability of a rural community, including such factors as low per capita income, low per capita taxable values, high unemployment, high underemployment, low weekly earned wages compared to the state average, low housing values compared to the state average, high percentage of the population receiving public assistance, high poverty levels compared to the state average, and a lack of year-round stable employment opportunities.

Statutes direct 17 state agencies and regional organizations to designate a REDI representative. The representatives serve as the organization's primary contact for projects relating to economically distressed communities.

Specifically, REDI:
- Responds to requests for assistance from rural communities and coordinates projects;
- Identifies opportunities for preferential awards of program funds and allowances;
- Reviews and evaluates statutes and rules for adverse impact on rural communities; and
- Recommends up to three rural areas of critical economic concern to the Governor.

The state has no funding or staff specific to REDI.

Rural Areas of Critical Economic Concern (RACEC)

RACEC are rural communities or regions that have been adversely affected by an extraordinary economic event or a natural disaster or that presents a unique economic development opportunity of regional impact.

The Governor may issue an executive order designating up to three areas which establishes them as a priority of REDI and allows the Governor to waive criteria, requirements or similar provisions of any economic development incentive. There are currently 3 areas designated.

Enterprise Zone Incentives

The Florida Enterprise Zone Program offers businesses located in enterprise zones corporate and sales tax credits for hiring residents of the zones. Sales tax refunds are offered to businesses located in the zone that purchase building materials and business equipment for use in the zone. Corporate tax credits are available to new and expanding businesses that locate or expand their facilities in a zone. In some zones, a sales tax exemption on electrical energy is available to new businesses locating there. In addition to these state incentives, local governments also provide a number of incentives to attract new businesses, as well as to help existing businesses expand. Table 5 includes the amount of annual credits and refunds approved under the various Enterprise Zone programs. The Enterprise Zone Program reporting period is October 1 to September 30.

Table 29 ENTERPRISE ZONE INCENTIVES					
FLORIDA STATUTE: 212.096, 220.181, 220.182, 212.08(5)(g), 212.08(5)(h), 212.08(15), 212.08(5)(p), 220.183, 624,5105, 196.095					
INCEPTION DATE: 1995 (Current Version)					
FISCAL YEAR	NEW BUSINESSES	NEW JOBS CREATED	BUSINESSES RECEIVING TECHNICAL ASSISTANCE	STATE EZ INCENTIVES APPROVED	LOCAL EZ INCENTIVES APPROVED
2012/13	5,306	16,640	6,989	$16,299,681	$53,140,856
2011/12	4,500	11,602	9,014	$17,955,954	$56,586,962
2010/11	4,103	11,559	5,618	$29,577,795	$33,091,214
2009/10	7,559	6,784	9,056	$67,602,482	$19,975,176
2008/09	3,104	9,073	11,708	$45,351,441	$11,577,451
2007/08	2,719	9,600	10,850	$40,359,538	$22,470,601
2006/07	4,976	11,456	16,170	$35,718,744	$10,006,935
TOTALS	32,267	76,714	69,405	$252,865,635	$206,849,195

Rural Job Tax Credit Program

The Rural Job Tax Credit Program offers an incentive for eligible businesses located within one of 36 designated Qualified Rural Areas to create new jobs. The tax credit ranges from $1,000 to $1,500 per qualified employee and can be taken against either the Florida corporate income tax or the Florida sales and use tax. The credit can only be taken against one of these two taxes. These tax credits are provided to encourage meaningful employment opportunities that will improve the quality of life of those employed and to encourage economic expansion of new and existing businesses in rural areas of Florida. Five million dollars of tax credits may be approved in a calendar year.

Table 30 RURAL JOB TAX CREDIT PROGRAM			
FLORIDA STATUTE: 212.098, F.S			
INCEPTION DATE: 1999			
CALENDAR YEAR	NUMBER OF APPROVALS	NUMBER OF JOBS CREATED	AMOUNT OF TAX CREDITS
2012	3	187	$187,000
2011	4	431	$431,000
2010	5	181	$181,000
2009	9	204	$204,000
2008	6	56	$66,000
2007	6	204	$204,000
2006	3	647	$647,500
2005	5	673	$673,000
2004	5	50	$50,000
2003	8	1,008	$1,008,000
2002	4	577	$584,000
2001	3	465	$257,000
2000	1	21	$21,000
1999	0	0	$0
TOTALS	62	4,714	$4,513,500

Urban Job Tax Credit Program

The Urban Job Tax Credit Program offers an incentive for eligible businesses located within one of 13 designated urban areas to create new jobs. The tax credit ranges from $500 to $2,000 per qualified job and can be taken against either the Florida corporate income tax or the Florida sales and use tax. The credit can only be taken against one of these two taxes. These tax credits are provided to encourage meaningful employment opportunities that will improve the quality of life of those employed and to encourage economic expansion of new and existing businesses in urban areas of Florida. Five million dollars of tax credits may be approved in a calendar year.

Table 31
URBAN JOB TAX CREDIT PROGRAM

FLORIDA STATUTE: 212.097, F.S.
INCEPTION DATE: 1999

CALENDAR YEAR	NUMBER OF APPROVALS	NUMBER OF JOBS CREATED	AMOUNT OF TAX CREDITS
2012	5	1,672	$2,460,500
2011	12	589	$790,500
2010	11	893	$1,259,500
2009	18	803	$855,000
2008	16	569	$517,500
2007	10	587	$654,000
2006	16	981	$1,014,000
2005	11	2,044	$1,761,000
2004	18	938	$1,053,500
2003	14	1,184	$1,069,000
2002	19	2,856	$2,673,500
2001	22	2,214	$2,486,500
2000	9	4,109	$4,999,500
1999	5	221	$260,500
TOTALS	186	19,660	$21,854,500

FINANCING PROGRAMS

Florida Opportunity Fund

The Florida Opportunity Fund was created because the Florida Legislature found there was a need to increase the availability of seed capital and early stage venture equity capital for emerging companies in Florida, including, without limitation, enterprises in life sciences, information technology, advanced manufacturing processes, aviation and aerospace, homeland security and defense, as well as other strategic technologies.

Legislation passed by the Florida Legislature in 2007, which created §288.9621-288.9625 of the Florida Statutes, collectively referred to as the Florida Capital Formation Act, provided for the creation of the Florida Opportunity Fund, initially as a fund of funds program that invests in venture capital funds. In 2009, The Florida Legislature expanded the Florida Opportunity Fund's mandate under the Florida Capital Formation Act to create direct investment programs that invest in businesses and infrastructure projects.

The Florida Opportunity Fund receives administrative services from Enterprise Florida and investment management services from Florida First Partners (FFP). FFP is a joint venture between Arsenal Venture Partners (AVP) and the Credit Suisse Customized Fund Investment Group (CFIG). Formerly known as MILCOM Venture Partners, AVP is a leading Florida fund manager and venture capital firm that has invested in companies in the power, energy, communications, software and materials science sectors. CFIG is the leading primary private equity fund-of-funds investment group of global banking giant Credit Suisse. CFIG also manages in-state private equity investment programs in Ohio, Michigan, Indiana, New York and Oregon.

As of June 30, 2013, the Florida Opportunity Fund was comprised of three programs – 1) the Fund of Funds Program, 2) the Clean Energy Investment Program and 3) the Florida Venture Capital Program:

FUND OF FUNDS PROGRAM

Launched in 2008, the Fund of Funds Program was created to realize significant long-term capital appreciation by identifying and investing in a diversified, high-quality portfolio of seed and early stage venture capital funds that target (in whole or in part) investment opportunities within Florida.

The State of Florida provided $29.5 million to capitalize the Fund of Funds Program. As of June 30, 2013, $27.0 million out of the $29.5 million had been committed to seven venture capital funds and approximately $11.8 million had been funded. These seven venture funds were:

- Element Partners II, a fund that focuses on early-stage clean-tech specific venture opportunities. In February 2009, Florida Opportunity Fund announced its $4.0 million commitment to this fund.
- New Enterprise Associates, a fund with a long track record of success in financing startup companies in Florida. In November 2009, Florida Opportunity Fund announced its $4.0 million commitment to this fund.
- Harbert Venture Partners II, a fund that focuses on early-stage information technology and biotech opportunities. In January 2010, Florida Opportunity Fund announced its $4.0 million commitment to this fund.
- 5AM Ventures III, a bioscience venture capital fund whose managing partner is the former chairman of The Scripps Research Institute. In February 2010, Florida Opportunity Fund announced its $3.0 million commitment to this fund.
- Stonehenge Growth Equity, a fund that includes a team in Tampa that has focused on early-stage ventures in Florida for the past decade, investing in more than 17 Florida companies. In March 2010, Florida Opportunity Fund announced its $4.0 million commitment to this fund.
- HIG BioVentures, a bioscience venture capital fund based out of Miami. Florida Opportunity Fund committed $4.0 million to this fund in January 2011.
- Harbert Venture Partners III, a fund that focuses on early-stage information technology and biotech opportunities. In August 2011, Florida Opportunity Fund announced its $4.0 million commitment to this fund.

The participating funds are performing well, providing approximately $3.8 million in returns since the program's inception.

CLEAN ENERGY INVESTMENT PROGRAM

Launched in 2010, the Clean Energy Investment Program (CEIP) was created to promote the adoption of energy efficient or renewable energy (EE/RE) products and technologies in Florida by providing funding to businesses to increase the use of EE/RE technologies, equipment and materials in the State. The Florida Energy & Climate Commission provided approximately $32.5 million to capitalize the CEIP.

Examples of possible structures for funding opportunities include project financing, asset-based lending, mezzanine financing and equity investments. The Program's Focus Areas for investment are:

- Facility and Equipment Improvement – Implementing, expanding, upgrading or demonstrating energy efficient products, equipment and materials for use by companies in their existing facilities and buildings in Florida.
- Renewable Energy Products – Acquiring, upgrading or demonstrating small-scale renewable energy products, equipment and materials for use by companies in their operations in Florida.
- Process Improvement – Determining potential energy efficiencies and then executing actions to reduce consumption or increase the efficient use of energy in existing production, manufacturing, assembly or distribution processes, including the purchase of equipment and materials to make processes more energy efficient.

The CEIP may invest alongside additional private capital that will allow funding for activities beyond those permitted by the CEIP. The CEIP targets funding opportunities ranging from $500,000 to $5.0 million. As of June 30, 2013, six direct investment commitments had been made which fully committed the program's funding.

FLORIDA VENTURE CAPITAL PROGRAM

In late 2011, the Florida Venture Capital Program was launched utilizing approximately $41.9 million in State Small Business Credit Initiative (SSBCI) funding. The Florida Venture Capital Program is available to qualifying Florida businesses by providing direct investments to increase the amount of capital available to small businesses. The program's emphasis is placed on investment opportunities within the State of Florida's targeted industries.

Equity investments and convertible debt instruments ranging from $1,000,000 - $3,000,000 are targeted, although larger transactions are permitted in exceptional cases. Each equity investment requires at a minimum, a matching concurrent private capital investment or other credit assistance. As of June 30, 2013, nine direct investments had closed.

Florida Development Finance Corporation

Florida Development Finance Corporation (FDFC) was specifically formed pursuant to Florida Statutes, Chapter 288 Part IX to facilitate economic development in Florida by working in partnership with the Florida financial services industry and local development organizations to create access to competitive sources of finance for creditworthy small manufacturers and other firms critical to the economic base of Florida. FDFC receives its administrative support entirely from Enterprise Florida.

FDFC offers tax-exempt, low interest bond financing to qualified, financially sound, manufacturers and 501(c)(3) non-profit organizations. Because rules, regulations and historical case law are extensive and can affect eligibility, case by case eligibility for manufacturers is ultimately determined by bond counsel after review of all the factors.

If a transaction does not meet IRS qualifying rules for tax-exempt finance, it can be financed with taxable bonds through FDFC. For taxable transactions, IRS qualifying rules governing tax- exempt financing do not apply. However, the project must still meet project-type parameters as outlined per Florida Statute. With the continued restoration of market confidence through 2012 and into 2013, the global credit market continued to experience a slow recovery. In this environment, however, FDFC completed the following two conduit bond issuances in the fiscal year ending June 30, 2013:

Table 32
FLORIDA DEVELOPMENT FINANCE CORPORATION

BORROWER	COUNTY	AMOUNT
Classical South Florida, Inc.	Lee	$4,2000,000
Renaissance Charter School, Inc.	Leon/Orange/ Osceola/ Palm Beach	$59,320,000

FDFC recognized $149,570 in issuance fee revenue from these issuances. Please note that with respect to these bond issuances, FDFC served only as the conduit issuer of bonds issued on behalf of the borrowers. These bonds do not constitute a general debt, liability or obligations of FDFC.

Florida Export Finance Corporation

Access up to $500,000 in loan guarantees is available to Florida's small and medium-sized businesses through the Florida Export Finance Corporation (FEFC). The FEFC was created by the State in 1993 as a not for profit corporation with a mandate to expand employment and income opportunities to Florida residents by increased exports of goods and services resulting from assistance given by the FEFC to Florida companies.

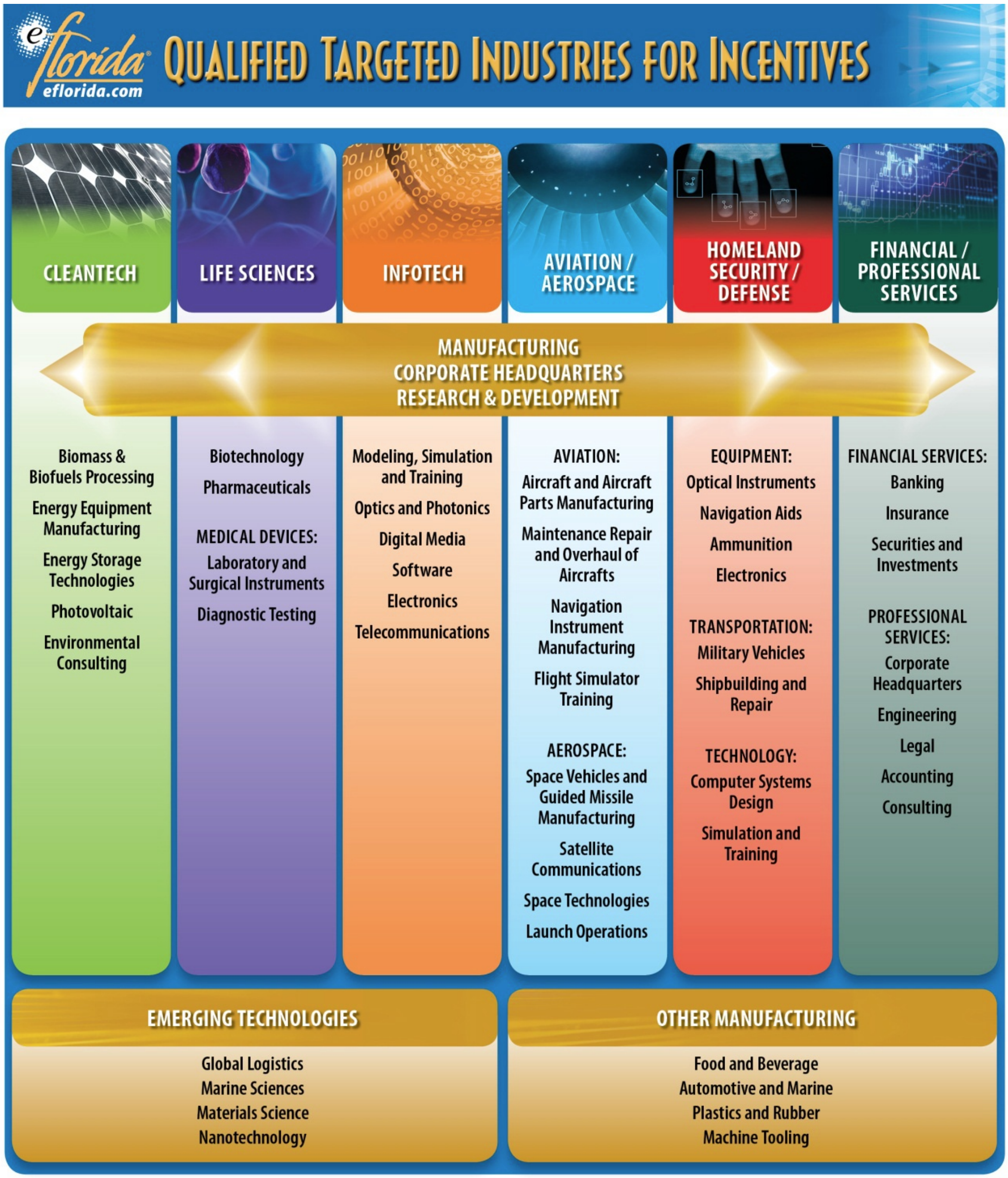
Information, technical, and consulting assistance is offered. However, financial assistance is the primary service offered by the FEFC. Guarantees are transaction specific but normally issued as a revolving line of credit. This program, operating in partnership with Florida’s banking community, is designed to assist the State’s smaller exporters by giving them improved access to affordable working capital. As of December 31, 2012, FEFC reported total assets of $9,588,243.20 and total liabilities of $9,585.54. The full copy of the FEFC annual report is included with the Annual Incentives Report, as required by §288.7771, F.S.

Florida Small Business Technology Growth Fund

The Florida Small Business Technology Growth Program (FSTGP) was established in 1998 to provide financial assistance to businesses in this state having high job growth and emerging technology potential and fewer than 100 employees. The program is administered and managed by Enterprise Florida. All moneys in FSTGP ($922,938 in cash as of June 30, 2013) are continuously appropriated to the FSTGP and may be used for loan guarantees, letter of credit guarantees, cash reserves for loan and letter of credit guarantees, payments of claims pursuant to contracts for guarantees, subordinated loans, loans with warrants, royalty investments, equity investments, and operations. During fiscal year 2012-13, no new activity was reported for the FSTGP.

Appendix

APPENDIX A- TARGETED INDUSTRY LIST



Businesses able to locate in other states and serving multi-state and/or international markets are targeted. Call Centers and Shared Service Centers may qualify for incentives if certain economic criteria are met. Retail activities, utilities, mining and other extraction or processing businesses, and activities regulated by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation are statutorily excluded from consideration. All projects are evaluated on an individual basis and therefore operating in a target industry does not automatically indicate eligibility.

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APPENDIX B – KEY ACRONYMS

The following acronyms are used throughout this report:

- BF – Brownfield
- QACF or Closing Fund – Quick Action Closing Fund
- CITC – Capital Investment Tax Credit
- DEO – Department of Economic Opportunity
- DOD – Department of Defense
- EDO – Economic Development Organization
- EDTF or Road Fund – Economic Development Transportation Fund
- EFI – Enterprise Florida, Inc.
- EZ – Enterprise Zone
- FEFC – Florida Export Finance Corp.
- FTE – Full time equivalent job
- FOF – Florida Opportunity Fund
- LGDAMG – Local Government Distressed Area Matching Grant Program
- HIPI – High Impact Performance Incentive
- IIP or IIF – Innovation Incentive Program / Fund
- IWT – Incumbent Worker Training
- JUTC – Jobs for the Unemployed Tax Credit
- MSA – Metropolitan Statistical Area
- MSII – Manufacturing and Spaceport Investment Incentive
- OTTED – Office of Tourism, Trade, and Economic Development
- QDSC – Qualified Defense and Space Contractor
- QRT – Quick Response Training
- QTI – Qualified Target Industry
- RACEC – Rural Area of Critical Economic Concern
- REDI – Rural Economic Development Initiative
- RIF – Rural Infrastructure Fund
- RJTC – Rural Jobs Tax Credit
- SDST – Semiconductor, Defense, and Space Technology
- SSBCI – State Small Business Credit Initiative
- TGF – Technology Growth Fund
- UJTC – Urban Jobs Tax Credit

APPENDIX C – INCENTIVE AGREEMENTS EXECUTED

Table 33 lists projects with executed incentive agreements during fiscal year 2013. Incentives noted in italics are for contracts executed as of November 2013, but not executed during fiscal year 2013.

For confidential projects, the average wage commitment cannot be disclosed per §288.075(6)(b), F.S. QACF, QDSC, and EDTF awards may be partially based upon retained jobs, if there were jobs at jeopardy of leaving the State. All contracts require existing Florida companies to maintain their current employment levels.

Some communities are eligible to request a waiver of the local financial support (LFS) requirements. These are denoted as "Waived" in the respective column. In addition, the LFS shown here is what is required in order to access the State incentive. Additional incentives for each project such as property tax abatements, cash grants, etc., have not been included here.

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
1Brick, LLC	Pasco	Financial/Prof Svcs	200	$210,000	QTI	$480,000	$120,000	$36,319
Absolute Consulting, Inc	Santa Rosa	Financial/Prof Svcs	30	$1,310,000	QTI	$96,000	$24,000	$60,000
Accuform Manufacturing Inc.	Hernando	Emerging Tech	271	$4,925,000	QTI	$650,400	$162,600	$28,984
Accurate Information Systems	Sarasota	Financial/Prof Svcs	30	$120,000	QTI	$72,000	$18,000	$41,711
Actavis, Inc.	Broward	Life Sciences	220	$40,500,000	QACF	$690,000	$0	$53,994
ADS Waste Holdings, Inc.	St. Johns	Corporate HQ	85	$8,200,000	QACF	$200,000	$0	$112,000
ADS Waste Holdings, Inc.	St. Johns	Corporate HQ	85	$8,200,000	QTI	$476,000	$119,000	$81,110
ADT LLC	Palm Beach	Corporate HQ	120	$400,000	QACF	$400,000	$0	$81,110
ADT LLC	Palm Beach	Corporate HQ	120	$400,000	QTI	$672,000	$168,000	$81,110
Advanced Sawmill Machinery	Okaloosa	Emerging Tech	15	$1,275,612	QTI	$36,000	$9,000	$50,750
Amtech LLC	Bay	Emerging Tech	90	$895,000	QTI	$216,000	$54,000	$34,000
Ansafone Contact Centers LLC	Marion	Not in Target Sector	300	$2,913,000	BFR	$600,000	$0	$21,800
Embraer Eng.& Tech Center USA, Inc.	Brevard	Engineering Services	200	$24,520,000	IIF	$6,000,000	$6,000,000	$70,000

Table 33

INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
Ansafone Contact Centers LLC	Marion	Corporate HQ	37	$300,000	QACF	$100,000	$0	$50,746
AO Precision Manufacturing	Volusia	Homeland Sec/Def	90	$0	BROWN	$180,000	$45,000	$38,282
AO Precision Manufacturing	Volusia	Homeland Sec/Def	90	$10,682,748	QTI	$216,000	$54,000	$38,282
Banker Steel Company LLC	Orange	Emerging Tech	60	$550,000	QTI	$144,000	$36,000	$41,310
Bass Pro Outdoor World	Brevard	Not In Target Sector	150	$12,750,000	BFR	$300,000	WAIVED	$24,600
Benecard Services, Inc.	Orange	Financial/Prof Svcs	159	$586,340	QACF	$67,000	$0	$49,289
Benecard Services, Inc.	Orange	Financial/Prof Svcs	159	$586,000	QTI	$381,600	$95,400	$49,289
BinTech Partners, Inc.	Pinellas	Corporate HQ	86	$287,078	QTI	$344,000	$86,000	$46,428
Biologics Dev Services LLC	Hillsborough	Life Sciences	15	$1,130,000	QTI	$60,000	$15,000	$46,638
Bolton Medical	Broward	Research & Dev	30	$2,299,000	QTI	$72,000	$18,000	$48,690
BRS Aerospace	Brevard	Aviation/Aerospace	34	$7,300,000	QTI	$108,800	$27,200	$62,100
Carbolosic Corp	Brevard	Clean Technologies	70	$0	BROWN	$140,000	$0	$46,638
Carbolosic Corp	Brevard	Clean Technologies	70	$41,050,000	QTI	$280,000	WAIVED	$46,638
ChromalloyCastings Tampa	Hillsborough	Emerging Tech	25	$12,000,000	QACF	$150,000	$0	$53,500
Citrix Systems, Inc.	Broward	Information Tech	210	$7,500,000	QACF	$250,000	$0	$84.678
Citrix Systems, Inc.	Broward	Information Tech	210	$7,500,000	QTI	$1,120,000	$280,000	$84,678
ClearView Systems, Inc.	Orange	Not in Target Sector	100	$3,200,000	QTI	$240,000	$60,000	$46,955
Cognition Health Partners	Bay	Information Tech	201	$5,550,000	QTI	$482,400	$120,600	$45,000
Command Languages, Inc.	Hillsborough	Corporate HQ	40	$3,400,000	QTI	$224,000	$56,000	$60,833
Confidential	Seminole	Financial/Prof Svcs	750	$50,000,000	CITC	$0	$0	N/A
Confidential	Seminole	Financial/Prof Svcs	750	$50,000,000	QTI	$4,800,000	$2,250,000	$50,000
Confidential	Duval	Corporate HQ	52	$10,000,000	BROWN	$104,000	$26,000	$66,400
Confidential	Duval	Corporate HQ	52	$10,000,000	QACF	$250,000	$0	$66,400

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
Confidential	Duval	Corporate HQ	52	$10,000,000	QTI	$374,400	$119,600	$66,400
Confidential	Brevard	Aviation/Aerospace	50	$28,500,000	QACF	$500,000	$0	$85,372
Confidential	Broward	Life Sciences	100	$50,000,000	QTI	$400,000	$100,000	$49,555
Confidential	Brevard	Aviation/Aerospace	50	$14,152,000	QTI	$160,000	$40,000	$64,000
Confidential	Alachua	Information Tech	260	$820,000	QTI	$1,664,000	$416,000	$53,000
Confidential	Orange	Not in Target Sector	20	$2,825,000	QTI	$48,000	$12,000	$46,955
Confidential	Brevard	Aviation/Aerospace	50	$1,770,000	BROWN	$100,000	$25,000	$50,000
Confidential	Brevard	Aviation/Aerospace	50	$1,770,000	QTI	$120,000	$55,000	$50,000
Confidential	Miami-Dade	Not In Target Sector	150	$64,000,000	BFR	$300,000	WAIVED	$30,000
Confidential	Manatee	Not Specified	21	$1,700,000	QTI	$50,400	$12,600	$34,556
Confidential	Orange	Logistics/Distrib	61	$16,000,000	QTI	$146,400	$36,600	$46,955
Confidential	Flagler	Information Tech	98	$2,450,000	QTI	$548,800	WAIVED	$46,500
Confidential	Santa Rosa	Other Manufacturing	200	$2,995,000	QTI	$480,000	$120,000	$35,110
Confidential	Escambia	Financial/Prof Svcs	0	$200,000,000	QACF	$4,750,000	$0	$44,082
Confidential	Nassau	Financial/Prof Svcs	40	$2,100,000	QTI	$224,000	$56,000	$55,500
Confidential	Hillsborough	Financial/Prof Svcs	700	$1,960,000	QTI	$1,680,000	$420,000	$47,581
Confidential	Broward	Corporate HQ	25	$150,000	QTI	$140,000	$35,000	$86,182
Confidential	Palm Beach	Life Sciences	25	$5,000,000	QTI	$100,000	$25,000	$52,500
Confidential	Broward	Financial/Prof Svcs	56	$1,770,000	QTI	$358,400	$89,600	$50,000
Confidential	Miami-Dade	Financial/Prof Svcs	105	$2,567,000	QTI	$168,000	$42,000	$48,000
Confidential	Bay	Information Tech	300	$17,250,000	QTI	$1,440,000	$360,000	$50,498
Confidential	St. Johns	Aviation/Aerospace	400	$0	QACF	$3,400,000	$0	$60,000
Confidential	Brevard	Aviation/Aerospace	700	$0	QACF	$8,700,000	$0	$75,000

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
Confidential	Pinellas	Other Manufacturing	140	$25,555,000	BFR	$300,000	WAIVED	$20,000
Confidential	Duval	Financial/Prof Svcs	300	$10,000,000	QACF	$140,000	$0	$62,063
Confidential	Hillsborough	Financial/Prof Svcs	20	$20,000	QTI	$48,000	$12,000	$47,581
Confidential	Escambia	Strategic Challenges	105	$9,998,210	QTI	$252,000	$63,000	N/A
Confidential	Okaloosa	Information Tech	20	$2,150,000	QTI	$75,600	$18,900	$56,500
Confidential	Polk	Logistics/Distirb	248	$91,000,000	QTI	$595,200	$148,800	$41,170
Cory's Thunder, Inc.	Duval	Information Tech	35	$450,000	QTI	$196,000	$49,000	$107,133
Covidien	Hillsborough	Life Sciences	165	$0	QTI	$660,000	$165,000	$42,248
DaVita Rx, LLC	Orange	Not in Target Sector	100	$8,750,000	QTI	$240,000	$60,000	$44,743
DB Services New Jersey Inc.	Duval	Financial/Prof Svcs	260	$10,300,000	QACF	$145,000	$0	$62,063
DB Services New Jersey Inc.	Duval	Financial/Prof Svcs	260	$10,300,000	QTI	$1,040,000	$260,000	$52,722
Design Interactive, Inc.	Seminole	Information Tech	30	$30,335	QTI	$48,000	$12,000	$75,992
Draken International, Inc.	Polk	Corporate HQ	55	$6,684,000	QTI	$264,000	$66,000	$52,865
Dynamic Pharmaceuticals, Inc.	Hernando	Life Sciences	20	$890,000	QTI	$80,000	$20,000	$33,332
Dynamic Precision Group	Martin	Aviation/Aerospace	200	$16,000,000	QACF	$3,000,000	$0	$45,000
ECI Pharmaceuticals LLC	Broward	Life Sciences	20	$1,050,000	QTI	$48,000	$12,000	$48,690
Education Training Corp	Broward	Corporate HQ	70	$230,000	QTI	$280,000	$70,000	$50,000
Emerson Process Mgt LLLP	Broward	Corporate HQ	20	$400,000	QTI	$112,000	$28,000	$96,000
FedEx Ground Pkg Sys, Inc.	Marion	Not in Target Sector	165	$113,000,000	QTI	$792,000	$198,000	$31,536
FL Organic Aquaculture LLC	Indian River	Not in Target Sector	52	$12,995,000	BFR	$104,000	WAIVED	$28,276
Florida SE, Inc.	Volusia	Not in Target Sector	64	$2,915,000	BFR	$128,000	$32,000	$22,000
GS Engineering Solutions, Inc.	Orange	Financial/Prof Svcs	27	$500,000	QTI	$108,000	$27,000	$100,000
Geltech	Orange	Not in Target Sector	12	$1,460,000	QTI	$28,800	$7,200	$52,548

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
Global Business Solutions, Inc.	Escambia	Information Tech	120	$5,900,000	QTI	$672,000	$168,000	$54,000
Global Response Corp	Broward	Not in Target Sector	200	$1,000,000	BFR	$400,000	WAIVED	$24,000
GPD Pathology LLC	Bay	Life Sciences	83	$4,687,000	QTI	$332,000	$83,000	$68,000
Healthcare Billing Sys Inc.	Volusia	Information Tech	38	$1,600,620	QTI	$91,200	$22,800	$37,697
Heritage Property & Casualty	Pinellas	Not in Target Sector	35	$0	BROWN	$70,000	$17,500	$87,500
Heritage Property & Casualty	Pinellas	Not in Target Sector	35	$1,000,000	QTI	$224,000	$56,000	$87,500
iCare.com LLC	Broward	Information Tech	30	$4,282,979	QTI	$96,000	$24,000	$46,955
IKEA US East	Miami-Dade	Emerging Tech	240	$121,000,000	BFR	$480,000	WAIVED	$27,000
Intern'l Cruise & Excursions	Orange	Not in Target Sector	200	$355,000	QTI	$480,000	$120,000	$70,000
Intersil Corporation	Brevard	Semiconductor Tech	66	$0	BROWN	$200,000	$0	$60,833
Intersil Corporation	Brevard	Semiconductor Tech	66	$30,700,000	QTI	$480,000	$0	$60,833
Interstate Electronics Corp	Brevard	Homeland Sec/Def	15	$0	QTI	$48,000	$12,000	$70,000
Iron Galaxy Orlando	Orange	Information Tech	10	$40,000	BROWN	$20,000	$5,000	$46,995
Iron Galaxy Orlando	Orange	Information Tech	10	$40,000	QTI	$64,000	$16,000	$46,995
Italico Aviation USA	Osceola	Aviation/Aerospace	55	$2,390,000	QTI	$440,000	$110,000	$61,340
J.T.D. Enterprises Inc.	Pasco	Other Manufacturing	10	$240,000	QTI	$24,000	$6,000	$37,000
Jackson Sierra Wood Treaters	Santa Rosa	Other Manufacturing	50	$1,912,000	QTI	$120,000	$30,000	$37,000
Jacksonville Lime LLC	Duval	Other Manufacturing	22	$35,900,000	BFR	$44,000	$11,000	$55,000
K2 Industrial Services Inc.	Escambia	Corporate HQ	15	$132,500	QTI	$120,000	$30,000	$250,000
KAMedData.com Inc.	Escambia	Information Tech	10	$49,310	QTI	$72,000	$20,000	$60,654
Kaye Scholer LLP	Leon	Financial/Prof Svcs	140	$100,000	QTI	$448,000	$112,000	$53,585
Kingspan Insolated Panels	Volusia	Emerging Tech	30	$2,500,000	QTI	$72,000	$18,000	$37,354
Lockheed Martin Maritime Sys	Pinellas	Homeland Sec/Def	140	$40,800,000	QACF	$4,000,000	$0	$59,000

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
MarJam Supply Company Inc.	Palm Beach	Other Manufacturing	19	$1,540,000	BFR	$38,000	$9,500	$52,000
MarJam Supply Company Inc.	Orange	Other Manufacturing	10	$1,615,000	QTI	$24,000	$6,000	$47,044
Mazor Robotics Ltd	Orange	Corporate HQ	34	$145,000	QTI	$190,400	$47,600	$81,660
Morgan Stanley Smith Barney	Hillsborough	Financial/Prof Svcs	110	$6,600,000	QTI	$440,000	$110,000	$55,000
Nanotherapeutics Inc.	Alachua	Life Sciences	150	$122,000,000	QTI	$840,000	$210,000	$68,892
National Air Cargo Holdings	Orange	Corporate HQ	105	$875,000	QACF	$200,000	$0	$61,245
National Air Cargo Holdings	Orange	Corporate HQ	105	$875,000	QTI	$504,000	$126,000	$61,245
Next Level Security Sys Inc.	Indian River	Information Tech	10	$65,000	QTI	$64,000	$30,000	$80,000
Novitas Solutions, Inc.	Duval	Financial/Prof Svcs	250	$1,000,000	BROWN	$500,000	$125,000	$45,834
Novitas Solutions, Inc.	Duval	Financial/Prof Svcs	250	$1,000,000	QTI	$1,200,000	$300,000	$45,834
Nuance Communications	Brevard	Financial/Prof Svcs	115	$0	BROWN	$230,000	WAIVED	$46,638
Nuance Communications	Brevard	Financial/Prof Svcs	115	$1,000,000	QTI	$276,000	WAIVED	$46,638
P.D.K.N. Holdings LLC	Broward	Emerging Tech	150	$8,130,000	BFR	$300,000	$75,000	$13,700
PFMan LLC	Hardee	Emerging Tech	25	$1,954,000	BROWN	$50,000	WAIVED	$37,000
PFMan LLC	Hardee	Emerging Tech	25	$1,954,000	QTI	$120,000	WAIVED	$37,000
Pratt & Whitney	Palm Beach	Aviation/Aerospace	230	$63,720,000	QACF	$3,000,000	$0	$81,110
Priority Payment Sys Gulf Cst	Santa Rosa	Financial/Prof Svcs	20	$55,000	QTI	$48,000	$13,200	$35,105
ProActive Technologies LLC	Seminole	Aviation/Aerospace	46	$462,700	QTI	$147,200	$36,800	$64,565
Radiant Power Corporation	Manatee	Aviation/Aerospace	16	$650,000	QTI	$64,000	$16,000	$39,739
Ravago Americas LLC	Orange	Corporate HQ	30	$650,000	QTI	$120,000	$30,000	$46,955
Red Hawk Fire & Security LLC	Palm Beach	Corporate HQ	35	$231,000	QTI	$196,000	$49,000	$110,000
Reneu Energy Florida Inc.	Polk	Other Manufacturing	63	$5,250,000	QTI	$151,200	$37,800	$40,539
Sapient Corporation	Miami-Dade	Information Tech	112	$6,445,000	QTI	$358,400	$82,880	$67,000

Table 33
INCENTIVE AGREEMENTS EXECUTED – FY 2013 (CONTINUED)

Company	County	Industry	Contracted New Jobs	Expected Capital Investment	State Program	Maximum State Incentive Payment	Required Local Financial Support	Contracted Annual Average Wage
SB Manufacturing LLC	Pasco	Other Manufacturing	75	$0	BROWN	$150,000	$37,500	$40,000
SB Manufacturing LLC	Pasco	Other Manufacturing	75	$7,750,000	QTI	$180,000	$45,000	$40,000
Siemens Energy Inc.	Orange	Clean Technologies	50	$7,352,780	QACF	$150,000	$0	$82,824
Siemens Energy Inc.	Orange	Clean Technologies	50	$7,352,780	QTI	$280,000	$70,000	$82,824
Signature Systems Group	Orange	Other Manufacturing	95	$9,650,000	QTI	$228,000	$57,000	$41,000
SIMTEC Silicone Parts LLC	Broward	Other Manufacturing	40	$3,045,500	QTI	$96,000	$24,000	$42,339
Storage Mgt & Leasing Co	Orange	Corporate HQ	36	$525,000	BROWN	$72,000	$18,000	$46,638
Storage Mgt & Leasing Co	Orange	Corporate HQ	36	$525,000	QTI	$144,000	$36,000	$46,638
TGC LLC dba Golf Channel	Orange	Information Tech	75	$1,904,625	QACF	$100,000	$0	$67,000
TGC LLC dba Golf Channel	Orange	Information Tech	75	$1,904,625	QTI	$360,000	$90,000	$67,000
The Cast Clothing Company	Palm Beach	Other Manufacturing	40	$1,900,000	QTI	$128,000	$32,000	$71,000
The Depository Trust & Clear	Hillsborough	Financial/Prof Svcs	255	$4,811,360	QACF	$1,232,500	$0	$100,000
The Depository Trust & Clear	Hillsborough	Financial/Prof Svcs	255	$4,811,360	QTI	$1,428,000	$357,000	$100,000
Total Quality Logistics LLC	Orange	Financial/Prof Svcs	75	$380,000	QTI	$180,000	$45,000	$46,995
Turbine Controls Inc.	Broward	Aviation/Aerospace	60	$1,500,000	QTI	$240,000	$60,000	$48,690
United States Cold Storage	Columbia	Logistics/Distribution	15	$0	QTI	$72,000	WAIVED	$38,560
USAmeriBank	Pinellas	Financial/Prof Svcs	30	$1,700,000	QTI	$72,000	$18,000	$46,428
Wal-Mart Stores East LC	Miami-Dade	Other Manufacturing	90	$13,157,000	BFR	$180,000	WAIVED	$20,000
Wal-Mart Stores East LC	Miami-Dade	Other Manufactiring	315	$40,780,000	BFR	$630,000	$0	$20,000
XCOR Aerospace Inc.	Brevard	Aviation/Aerospace	152	$13,397,000	QTI	$729,600	$182,400	$60,833
XOS Digital Inc.	Orange	Other Manufacturing	46	$3,365,000	BROWN	$92,000	$23,000	$60,833
XOS Digital Inc.	Orange	Other Manufacturing	46	$3,365,000	QTI	$147,200	$36,800	$60,833
Zetor North America Inc.	Duval	Other Manufacturing	10	$0	QTI	$32,000	$8,000	$60,833

APPENDIX D – INCENTIVE PAYMENTS

Table 34 lists all businesses receiving incentive payments from the QTI, QDSC, Brownfield Bonus, HIPI, Closing Fund, Innovation Incentive, and EDTF programs. The majority of these payments are for QTI and other programs that do not require confirmation of capital investment. For programs with a capital investment requirement, the confirmed investment has been noted. Since most of these are active incentive agreements and in place prior to March 23, 2012, the average wage commitment cannot be disclosed per §288.075(6)(a)3., F.S. (2011 statutes and prior).

The State QTI payment represents the amount of the incentive paid during fiscal year 2013. Other payments may have been received in previous years and/or may be payable in the future depending on company performance. The local incentive payment indicates the amount of local financial support provided to leverage the State's investment for that fiscal year. Additional local incentive payments are made in the years preceding and following fiscal year 2012. Neither DEO nor Enterprise Florida is not aware of any Federal incentives received by these projects. QACF, QDSC, and EDTF awards may also be partially based upon retained jobs, if there were jobs at jeopardy of leaving the State.

The following is an explanation of the fields within incentive payments table:

- Maximum QTI Award – Maximum incentive award
- State QTI Payment – State's portion of incentive award for this fiscal year
- Local Financial Support – Community's portion of incentive award for this fiscal year
- Date Paid – Date paid by the state
- Contract Job Requirements – Total contract job commitment
- Jobs Due – Job commitment for the scheduled fiscal year
- Confirmed Performance – Confirmed number of jobs created as of the most recent verification period
- Scheduled Fiscal Year – Fiscal year the incentive is scheduled to be paid

Table 34
INCENTIVE PAYMENTS – FY 2013

2G CENERGY Power Systems Technologies Inc.		**Clean Technologies**	**St. Johns County**
Maximum QACF Award	$350,000	Contract Job Requirement	125
State QACF Payment	$350,000.00	Jobs Due	N/A
Date Paid	10/11/2012	Confirmed Performance	N/A
AAR Airlift Group, Inc.		**Aviation/Aerospace**	**Brevard County**
Maximum QTI Award	$900,000	Contract Job Requirement	225
State QTI Payment	$135,325.69	Jobs Due	175
Local Financial Support	$33,831.42	Confirmed Performance	177
Date Paid	2/22/2013	Scheduled Fiscal Year	2012-13
Adecco, Inc.		**Information Technology**	**Duval County**
Maximum QTI Award	$300,000	Contract Job Requirement	162
State QTI Payment	$42,897.60	Jobs Due	152
Local Financial Support	$10,724.40	Confirmed Performance	76
Date Paid	1/29/2013	Scheduled Fiscal Year	2012-13
Air Products and Chemicals, Inc.		**Manufacturing**	**Manatee County**
Maximum QACF Award	$100,000,000	Contract Job Requirement	250
State QACF Payment	$100,000,000	Jobs Due	NA
Date Paid	2/13/2012	Confirmed Performance	NA
Altadis USA, Inc.		**HQ**	**Broward County**
Maximum QACF Award	$236,000	Contract Job Requirement	55
State QACF Payment	$236,000.00	Jobs Due	15
Date Paid	8/24/2012	Confirmed Performance	18
		Confirmed Capital Investment	$863,861.65
Astor & Black Custom LLC		**HQ**	**Broward County**
Maximum QACF Award	$80,000	Contract Job Requirement	62
State QACF Payment	$80,000.00	Jobs Due	NA
Date Paid	3/5/2013	Confirmed Performance	NA
		Confirmed Capital Investment	$420,991.04
BBA U.S. Holdings, Inc.		**HQ**	**Orange County**
Maximum QACF Award	$175,000	Contract Job Requirement	100
State QACF Payment	$175,000	Jobs Due	N/A
Date Paid	12/12/2012	Confirmed Performance	N/A
		Confirmed Capital Investment	$938,706.16
Beall's, Inc.		**HQ**	**Manatee County**
Maximum QTI Award	$560,000	Contract Job Requirement	140
State QTI Payment	$112,000.00	Jobs Due	140
Local Financial Support	$28,000.00	Confirmed Performance	125
Date Paid	5/21/2013	Scheduled Fiscal Year	2012-13

Cardinal Glass Industries, Inc.		Strategic Challenges	Marion County
Maximum QTI Award	$405,000	Contract Job Requirement	135
State QTI Payment	$27,000.0	Jobs Due	135
Local Financial Support	$6,750.00	Confirmed Performance	156
Date Paid	1/18/2013	Scheduled Fiscal Year	2012-13

CareCentrix, Inc.		Life Sciences	Hillsborough County
Maximum QTI Award	$330,000	Contract Job Requirement	110
State QTI Payment	$38,864.28	Jobs Due	65
Local Financial Support	$9,716.07	Confirmed Performance	211
Date Paid	4/16/2013	Scheduled Fiscal Year	2012-13

CEC Controls Company, Inc.		Manufacturing	Manatee County
Maximum QTI Award	$90,000	Contract Job Requirement	30
State QTI Payment	$6,750.00	Jobs Due	15
Local Financial Support	$1,687.50	Confirmed Performance	12
Date Paid	4/18/2013	Scheduled Fiscal Year	2012-13

Chico's FAS, Inc. 03-00106		Manufacturing	Lee County
Maximum QTI Award	$240,000	Contract Job Requirement	48
State QTI Payment	$15,000	Jobs Due	NA
Local Financial Support	$3,750	Confirmed Performance	NA
Date Paid	9/12/2012	Scheduled Fiscal Year	2010-11

Chico's FAS, Inc. 04-00103		Manufacturing	Lee County
Maximum QTI Award	$260,000	Contract Job Requirement	52
State QTI Payment	$16,000	Jobs Due	NA
Local Financial Support	$4,000	Confirmed Performance	NA
Date Paid	12/28/2012	Scheduled Fiscal Year	2010-11

Colts ManufacturingCompany LLC		Homeland Security/Defense	Osceola County
Maximum QACF Award	$250,000	Contract Job Requirement	63
State QACF Payment	$250,000	Jobs Due	N/A
Date Paid	1/9/2013	Confirmed Performance	N/A

Conax Florida Corporation		Aviation/Aerospace	Pinellas County
Maximum QTI Award	$111,000	Contract Job Requirement	37
State QTI Payment	$12,000.00	Jobs Due	37
Local Financial Support	$3,000.00	Confirmed Performance	124
Date Paid	3/26/2013	Scheduled Fiscal Year	2012-13

CoreRx, Inc.		Life Sciences	Pinellas County

Maximum QTI Award	$220,000	Contract Job Requirement	55
State QTI Payment	$8,000.00	Jobs Due	10
Local Financial Support	$2,000.00	Confirmed Performance	12
Date Paid	6/4/2013	Scheduled Fiscal Year	2012-13
Crane Performance Products		Manufacturing	Volusia County
Maximum QTI & BF Award	$143,000	Contract Job Requirement	22
State QTI Payment	$12,800.00	Jobs Due	16
Local Financial Support (QTI)	$3,200.00	Confirmed Performance	28
State Brownfield Bonus Payment	$8,000.00	Date Paid	8/31/2012 (B
Local Financial Support (BF)	$2,000.00	9/11/12 (QTI)	
		Scheduled Fiscal Year	2012-13
CSC, LLC		Life Sciences	Osceola County
Maximum QTI Award	$125,000	Contract Job Requirement	25
State QTI Payment	$25,000.00	Jobs Due	25
Local Financial Support	$6,250.00	Confirmed Performance	36
Date Paid	2/15/2013	Scheduled Fiscal Year	2012-13
Danfoss Turbocor Compressors, Inc.		Strategic Challenges	Leon County
Maximum QTI Award	$1,050,000	Contract Job Requirement	150
State QTI Payment	$84,000.00	Jobs Due	150
Local Financial Support	$21,000.00	Confirmed Performance	181
Date Paid	5/14/2013	Scheduled Fiscal Year	2012-13
Darden Restaurants, Inc.		HQ	Orange County
Maximum QTI Award	$2,500,000	Contract Job Requirement	500
State QTI Payment	$191,000.00	Jobs Due	191
Local Financial Support	$47,750.00	Confirmed Performance	195
Date Paid	2/3/2013	Scheduled Fiscal Year	2012-13
DB Services New Jersey, Inc.		Financial / Professional Services	Duval County
Maximum QACF Award	$145,000	Contract Job Requirement	260
State QACF Payment	$145,000	Jobs Due	NA
Date Paid	6/10/2013	Confirmed Performance	NA
Digital Risk, LLC		Financial / Professional Services	Orange County
Maximum QTI Award	$726,000	Contract Job Requirement	242
State QTI Payment	$135,000.00	Jobs Due	225
Local Financial Support	$33,750.00	Confirmed Performance	497
Date Paid	12/26/2012	Scheduled Fiscal Year	2012-13
Digital Risk, LLC		Financial / Professional Services	Duval County
Maximum QTI Award	$525,000	Contract Job Requirement	175
State QTI Payment	$73,920.00	Jobs Due	150
Local Financial Support	$18,480.00	Confirmed Performance	91
Date Paid	5/3/2013	Scheduled Fiscal Year	2012-13
Digital Risk, LLC		Financial / Professional Services	Palm Beach County

Maximum QACF Award	$2,000,000	Contract Job Requirement	1,000
State QACF Payment	$2,000,000	Jobs Due	N/A
NOTE: paid to escrow		Confirmed Performance	261
Date Paid	8/3/2012	Scheduled Fiscal Year	2012-13
		Confirmed Capital Investment	$702,314.13

Dynamic Precision Group dba Turbo Combuster Technologies		Aviation/Aerospace	Martin County
Maximum QACF Award	$3,000,000	Contract Job Requirement	396
State QACF Payment	$3,000,000	Jobs Due	NA
Date Paid	6/4/2013	Confirmed Performance	NA
		Confirmed Capital Investment	$1,033,246.00

EDAK, Inc.		Strategic Challenges	Brevard County
Maximum QTI Award	$48,000	Contract Job Requirement	16
State QTI Payment	$1,800.00	Jobs Due	16
Local Financial Support	$450.00	Confirmed Performance	17
Date Paid	3/20/2013	Scheduled Fiscal Year	2012-13

Embraer Engineering & Technology Center USA, Inc.		Aviation/Aerospace	Brevard County
Maximum IIF Award	$6,000,000	Contract Job Requirement	200
State IIF Payment	$6,000,000	Jobs Due	NA
Date Paid	2/28/2013	Confirmed Performance	NA

Emerson Process Management, LLLP		HQ	Broward County
Maximum QACF Award	$250,000	Contract Job Requirement	51
Maximum QTI Award	$357,000	Jobs Due	18
State QACF Payment	$250,000	Confirmed Performance	24
State QTI Payment	$7,772.26		
Local Financial Support	$1,943.07	Confirmed Capital Investment	$1,770,050.63
Date Paid	9/26/2012 (QACF), 10/30/2012 (QTI)		

Ernst & Young U.S. LLP		Financial/Professional Services	Hillsborough County
Maximum QTI Award	$120,000	Contract Job Requirement	30
State QTI Payment	$20,000.00	Jobs Due	25
Local Financial Support	$5,000.00	Confirmed Performance	27
Date Paid	3/1/2013	Scheduled Fiscal Year	2012-12

EverBank		Financial/Professional Services	Duval County
Maximum QTI Award	$360,000	Contract Job Requirement	120
State QTI Payment	$72,000.00	Jobs Due	120
Local Financial Support	$18,000.00	Confirmed Performance	622
Date Paid	5/14/2013	Scheduled Fiscal Year	2012-13

Family Dollar Services, Inc.		Other Manufacturing	Jackson County
Maximum QTI Award	$2,550,000	Contract Job Requirement	425
State QTI Payment	$185,760.00	Jobs Due	425
Local Financial Support	$46,440.00	Confirmed Performance	351
Date Paid	11/20/2012	Scheduled Fiscal Year	2012-13

Flightstar Aviation Services, Inc.	*Aviation/Aerospace*	*Duval County*

Maximum QTI Award	$762,000	Contract Job Requirement	254
State QTI Payment	$115,382.04	Jobs Due	254
Local Financial Support	$28,845.51	Confirmed Performance	205
Date Paid	6/11/2013	Scheduled Fiscal Year	2012-13
Gartner, Inc.		Information Technology	Lee County
Maximum QTI Award	$800,000	Contract Job Requirement	200
State QTI Payment	$32,000.00	Jobs Due	40
Local Financial Support	$8,000.00	Confirmed Performance	40
Date Paid	4/19/2013	Scheduled Fiscal Year	2012-13
Gartner, Inc.		Information Technology	Lee County
Maximum QTI Award	$1,200,000	Contract Job Requirement	240
State QTI Payment	$48,000.00	Jobs Due	80
Local Financial Support	$12,000	Confirmed Performance	83
Date Paid	4/23/2013	Scheduled Fiscal Year	2012-13
Geographic Solutions, Inc.		Information Technology	Pinellas County
Maximum QTI Award	$30,000	Contract Job Requirement	10
State QTI Payment	$6,000.00	Jobs Due	10
Local Financial Support	$1,500.00	Confirmed Performance	37
Date Paid	2/21/2013	Scheduled Fiscal Year	2012-13
Green Circle Bio Energy, Inc.		Strategic Challenges	Jackson County
Maximum QTI Award	$357,000	Contract Job Requirement	51
State QTI Payment	$71,400.00	Jobs Due	51
Local Financial Support	WAIVED	Confirmed Performance	79
Date Paid	10/30/2012	Scheduled Fiscal Year	2012-13
HBO Latin America Production Services, LC		Strategic Challenge	Miami-Dade County
Maximum QACF Award	$400,000	Contract Job Requirement	101
State QACF Payment	$400,000	Jobs Due	101
Date Paid	9/17/2012	Confirmed Performance	N/A
		Confirmed Capital Investment	$1,612,984.30
Highlands Ethanol, LLC		Clean Technologies	Highlands County
Maximum QTI Award	$528,000	Contract Job Requirement	78
State QTI Payment	$19,200.00	Jobs Due	24
Local Financial Support	WAIVED	Confirmed Performance	13
Date Paid	1/23/2013	Scheduled Fiscal Years	2011-12, 2012-13
Home Source International, Inc.		HQ	Jackson County
Maximum QACF Award	$1,400,000	Contract Job Requirement	303
State QACF Payment	$1,399,980.28	Jobs Due	N/A
Date Paid	2/1/2013 $1,151,533 paid to escrow, 2/7/2013 248,447.28 paid to business	Confirmed Performance	N/A

IKEA US East, LLC Inc.)		Manufacturing	Hillsborough County
Maximum BFR Award	$562,500	Contract Job Requirement	225
State BFR Payment	$172,125.00	Jobs Due	225
Local Financial Support	WAIVED	Confirmed Performance	182
Date Paid	9/30/2012	Scheduled Fiscal Years	2011-12, 2012-13
		Confirmed Capital Investment	$2,531,783.73

Iowa College Acquisition Corporation dba Kaplan University		Information Technology	Broward County
Maximum QTI Award	$1,980,000	Contract Job Requirement	660
State QTI Payment	$396,000.00	Jobs Due	660
Local Financial Support	$99,000.00	Confirmed Performance	460
Date Paid	5/24/2013	Scheduled Fiscal Year	2011-12

Lockheed Martin Information Systems & Global Solutions		Homeland Security/Defense	Brevard County
Maximum QDSC Award	$717,000	Contract Job Requirement	100
State QDSC Payment	$52,827.44	Jobs Due	100
Local Financial Support	$7,170.00	Confirmed Performance	268
Date Paid	1/8/2013	Scheduled Fiscal Year	2012-13

Lockheed Martin Corporation - FBM		Aviation/Aerospace	Brevard County
Maximum QDSC Award	$850,000	Contract Job Requirement	30
State QDSC Payment	$20,000.00	Jobs Due	30
Local Financial Support	5,000.00	Confirmed Performance	92
Date Paid	5/31/2013	Scheduled Fiscal Year	2012-13

Lockheed Martin Missiles and Fire Control/Ocala		Homeland Security/Defense	Marion County
Maximum QTI Award	$500,000	Contract Job Requirement	125
State QTI Payment	$100,000.00	Jobs Due	125
Local Financial Support	$25,000.00	Confirmed Performance	214
Date Paid	1/26/2013	Scheduled Fiscal Year	2012-13

MDVIP, Inc.		Life Sciences	Palm Beach County
Maximum QTI Award	$112,000	Contract Job Requirement	28
State QTI Payment	$16,000.00	Jobs Due	20
Local Financial Support	$4,000.00	Confirmed Performance	29
Date Paid	3/4/2013	Scheduled Fiscal Year	2012-13

MindTree Ltd.		Information Technology	Alachua County
Maximum QACF Award	$950,000	Contract Job Requirement	400
State QACF Payment	$950,000	Jobs Due	N/A
Date Paid	11/16/2012	Confirmed Performance	N/A

Myers Industries, Inc.	QTI Project	Highlands County	
Maximum QTI Award	$87,500	Contract Job Requirement	35
State QTI Payment	$14,000.00	Jobs Due	35
Local Financial Support	WAIVED	Confirmed Performance	35
Date Paid	2/23/2013	Scheduled Fiscal Year	2012-13

Navy Federal Credit Union		Financial/Professional	Escambia County
Maximum QACF Award	$1,000,000	Contract Job Requirement	700
State QACF Payment	$1,000,000	Jobs Due	N/A
Date Paid	9/4/2012	Confirmed Performance	N/A
Nortrax, Inc.		**Financial/Professional**	**Hillsborough County**
Maximum QTI Award	$240,000	Contract Job Requirement	60
State QTI Payment	$42,398.40	Jobs Due	60
Local Financial Support	$10,599.60	Confirmed Performance	56
Date Paid	2/22/2013	Scheduled Fiscal Year	2012-13
Orbeco-Hellige Inc.		**Life Sciences**	**Manatee County**
Maximum QTI Award	$30,000	Contract Job Requirement	10
State QTI Payment	$6,000.00	Jobs Due	10
Local Financial Support	$1,500.00	Confirmed Performance	13
Date Paid	4/16/2013	Scheduled Fiscal Year	2012-13
Oshkosh Corporation		**Strategic Challenges**	**Manatee County**
Maximum QTI Award	$330,000	Contract Job Requirement	66
State QTI Payment	$66,000.00	Jobs Due	66
Local Financial Support	$16,500.00	Confirmed Performance	184
Date Paid	4/16/2013	Scheduled Fiscal Year	2012-13
Pilot Corporation of America		**Strategic Challenges**	**Duval County**
Maximum QTI Award	$264,000	Contract Job Requirement	66
State QTI Payment	$43,760.64	Jobs Due	66
Local Financial Support	$10,940.16	Confirmed Performance	58
Date Paid	6/5/2013	Scheduled Fiscal Year	2012-13
Planet Hollywood International, Inc.		**HQ**	**Orange County**
Maximum QACF Award	$288,000	Contract Job Requirement	90
State QACF Payment	$288,000	Jobs Due	NA
Date Paid	11/8/2012	Confirmed Performance	NA
Prioria Robotics, Inc.		**Research and Development**	**Alachua County**
Maximum QACF Award	$225,000	Contract Job Requirement	40
State QACF Payment	$225,000	Jobs Due	NA
Date Paid	10/22/2012	Confirmed Performance	NA
		Confirmed Capital Investment	$1,278,897.57
Raydon Corporation		**Homeland Security / Defense**	**Volusia County**
Maximum QDSC Award	$1,200,000	Contract Job Requirement	88
State QDSC Payment	$218,400.00	Jobs Due	88
Local Financial Support	$54,600.00	Confirmed Performance	51
Date Paid	12/5/2012	Scheduled Fiscal Year	2012-13
Saab Training USA LLC		**Information Technology**	**Orange County**
Maximum QTI Award	$132,000	Contract Job Requirement	36
State QTI Payment	$17,600.00	Jobs Due	25
Local Financial Support	$4,400.00	Confirmed Performance	15
Date Paid	1/2/2013	Scheduled Fiscal Year	2012-13
Saft Industrial Battery Group		**Clean Technologies**	**Duval County**

Maximum QTI & BF Award	$2,371,500	Contract Job Requirement	279
State QTI Payment	$127,200.00	Jobs Due	106
Local Financial Support (QTI)	$31,800.00	Confirmed Performance	124
State Brownfield Bonus Payment	$31,103.58	Date Paid	12/13/2012
Local Financial Support (BF)	$7,775.90	Scheduled Fiscal Year	2012-13

Sanford Burnham Medical Research Institute	Life Sciences	Orange County	
Maximum IIF Award	$155,272,000	Contract Job Requirement	303
State IIF Payment	$16,566,000	Jobs Due	230
Date Paid	12/3/2012	Confirmed Performance	189
		Confirmed Capital Investment	$44,222,100.00

To date, Sanford Burnham has received $120,067,513.37 in IIF payments.

Sikorsky Aircraft Corporation	Aviation / Aerospace	Palm Beach County	
Maximum QACF Award	$600,000	Contract Job Requirement	14
State QACF Payment	$600,000.00	Jobs Due	NA
Date Paid	12/6/2012	Confirmed Performance	NA

Funds were paid into the EFI escrow account 9/23/11 and then paid to the company on 12/6/12 following achievement of performance milestones.

Sparton Electronics Florida, Inc.	Strategic Challenges	Volusia County	
Maximum QDC Award	$936,000	Contract Job Requirement	50
State QDC Payment	$187,200.00	Jobs Due	50
Local Financial Support	$46,800.00	Confirmed Performance	58
Date Paid	1/3/2013	Scheduled Fiscal Year	2012-13

System Services Enterprises, Inc.	Homeland Security/Defense	Palm Beach County	
Maximum QTI Award	$240,000	Contract Job Requirement	60
State QTI Payment	$24,000.00	Jobs Due	30
Local Financial Support	$6,000.00	Confirmed Performance	42
Date Paid	2/22/2013	Scheduled Fiscal Year	2012-13

TBC Corporation	Manufacturing	Palm Beach County	
Maximum QTI Award	$200,000	Contract Job Requirement	50
State QTI Payment	$32,000.00	Jobs Due	50
Local Financial Support	$8,000.00	Confirmed Performance	139
Date Paid	2/22/2013	Scheduled Fiscal Year	2012-13

The Depository Trust & Clearing Corporation	Information Technology	Hillsborough County	
Maximum QTI Award	$2,500,000	Contract Job Requirement	400
State QTI Payment	$100,000.00	Jobs Due	N/A
Local Financial Support	$25,000.00	Confirmed Performance	552
Date Paid	8/21/2012	Scheduled Fiscal Year	2010-11

The DISTI Corporation	Aviation/Aerospace	Orange County	
Maximum QTI Award	$120,000	Contract Job Requirement	30
State QTI Payment	$12,000.00	Jobs Due	15
Local Financial Support	$3,000.00	Confirmed Performance	27
Date Paid	1/12/2013	Scheduled Fiscal Year	2012-13

The Newport Group, Inc.	Financial / Professional Services	Seminole County

Maximum QTI Award	$300,000	Contract Job Requirement	60
State QTI Payment	$26,000.00	Jobs Due	60
Local Financial Support	$6,500.00	Confirmed Performance	101
Date Paid	11/14/2012	Scheduled Fiscal Year	2012-13
Torrey Pines Institute for Molecular Studies	Life Sciences	St. Lucie County	
Maximum IIF Award	$24,728,000	Contract Job Requirement	189
State IIF Payment	$1,500,000	Jobs Due	120
Date Paid	2/5/2013	Confirmed Performance	110
To date, Torrey Pines has received $20,500,000 in IIF payments.			
Total Quality Logisitics, LLC	Manufacturing	Hillsborough County	
Maximum QTI Award	$468,000	Contract Job Requirement	156
State QTI Payment	$6,316.93	Jobs Due	36
Local Financial Support	$1,579.23	Confirmed Performance	47
Date Paid	9/14/2012	Scheduled Fiscal Year	2011-12
Triad Isotopes, Inc.	HQ	Orange County	
Maximum QTI Award	$240,000	Contract Job Requirement	30
State QTI Payment	$48,000.00	Jobs Due	30
Local Financial Support	$12,000.00	Confirmed Performance	93
Date Paid	4/8/2013	Scheduled Fiscal Year	2012-13
Triumph Aerostructures, LLC	Strategic Challenges	Martin County	
Maximum QTI Award	$300,000	Contract Job Requirement	100
State QTI Payment	$39,000.00	Jobs Due	65
Local Financial Support	$9,750.00	Confirmed Performance	66
Date Paid	4/26/2013	Scheduled Fiscal Year	2012-13
Universal Insurance Managers, Inc.	Strategic Challenges	Sarasota County	
Maximum QTI Award	$210,000	Contract Job Requirement	70
State QTI Payment	$27,688.32	Jobs Due	57
Local Financial Support	$6,922.08	Confirmed Performance	49
Date Paid	5/3/2013	Scheduled Fiscal Year	2012-13
Xorail, Inc.	Manufacturing	Duval County	
Maximum QTI Award	$165,000	Contract Job Requirement	55
State QTI Payment	$21,000.00	Jobs Due	35
Local Financial Support	$5,250.00	Confirmed Performance	56
Date Paid	6/5/2013	Scheduled Fiscal Year	2012-13

FLORIDA EXPORT FINANCE CORPORATION

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CREATED AND FUNDED BY THE STATE OF FLORIDA

Annual Report

2012

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FLORIDA EXPORT FINANCE CORPORATION

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ANNUAL REPORT

January 1, 2012 - December 31, 2012

The 1993 Legislature enacted the "Florida Export Finance Corporation Act by S.S. 288.770-288.778, Florida Statutes, which required the FEFC annual report to be sent to the Governor, the President of the Florida Senate, the Speaker of the Florida House of Representatives, the Senate Minority Leader, the House Minority Leader, and Enterprise Florida, Inc. Subsequently the Legislature amended the act to require the report to be sent only to Enterprise Florida, Inc. to be included in the Enterprise Florida annual report.

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PRESIDENT'S MESSAGE

Florida depends on international business for the vitality of its economy more than any other state. Many of Florida's business and government leaders are aware that international trade is the largest segment of our economy and has out paced the growth of any other sector by a wide margin. That we are so dependent on international trade should not be surprising given Florida's geographic location and multi ethnic population. One aspect of international trade is exporting, and exports have been increasing for the past several years.

We rely on small business to make those exports far more than any other state. Most of the small business exporters in Florida are trading intermediaries. By a wide margin over any state Florida depends on these intermediaries to make our export business move forward, and almost all trading intermediaries are small businesses. These are the entities that bear the largest burden in any economic decline. The benefits to small business from increased exports over the past several years has lagged that of our state's larger companies; however, there is evidence that many small exporters are experiencing increased demand.

The expenses and time required to obtain an export order are huge but the largest impediment is the ability, more properly described as the inability, of the small exporter to obtain adequate financing to allow fulfillment of that export order. This impediment is particularly true for an intermediary exporter who generally has a small asset base of inventory or receivables on which traditional financing can be based. Access to capital is the number one key to success for all small businesses.

Florida's banking community is large and provides enormous amounts of funding for international trade. Banking is a highly regulated industry with those regulations designed first and foremost to protect the ordinary citizen who deposits money in the bank, and secondly to protect the shareholders of the bank. This is proper, but it automatically forces banks to lend to the highest level of loan repayment expectations. In general, small business does not fall into this expectation category. Nor does the financing of export sales. Nor does the financing of an intermediary. There is no misperception here as history shows this to be true. However, exports produce a benefit to our society far greater than domestic sales and cannot be ignored simply because they have a higher risk. Nor can small business, because it is the backbone of our country and, even more so, our state. The multitude of new regulations that have been implemented since the events of "9-11" have increased the difficulty for all exporting companies but more for small business. The lending slow down affected everyone and has created a lack of assistance for small exporters. Again, access to capital is the number one key to success for all small business.

Since our inception more than 100 lenders have agreed to cooperate with the FEFC in various ways to provide assistance to exporters. Many of these lenders had not previously been involved in export trade finance. In the past, lender support for small exporters has grown as they recognize the huge business potential vested in this market. The consolidation which has and is still taking place among banks does not seem to have either helped or hindered trade finance overall, except in the case of small business where it hurts. It is very clear that the larger a bank is the larger it wants its customers to be.

Many years ago the federal government gave recognition to the importance of exports by creating the Export-Import Bank of the United States, and to small business by creating the Small Business

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Administration (the FEFC has partnership agreements with both). Both Ex-Im Bank and SBA have continued to improve their efforts to make their assistance programs available to small exporters but are clearly affected by increasing regulations and the economic slowdown which now seems to be turning around.

Florida's government - cities, counties, and state - know this importance and have done many things to help small business and to increase Florida exports. However, it is a never-ending process of improvements and continuing support that will and can enhance Florida's economy through small business and exports. Florida needs more manufacturers. Our ratio of trading intermediaries to manufacturers is very heavily weighted to intermediaries. This ratio in the business of Florida's exports is almost exactly inverse to California's. Our exporting structure and the vast amount of port volume are heavily dependent on manufactured products flowing through from other states and even other countries. Florida is more in the business of exporting other states' products than those from Florida simply because of our lack of manufacturing. Economic development designed to enlarge our existing small business manufacturers, and to bring more manufacturers into Florida, would in years to come benefit the state as much or more than anything Florida is now doing. The Florida Chamber of Commerce, The Florida Manufacturers Association, and The Florida Finance Network all are attempting measures to improve small manufacturers' access to capital. The State Government needs to embrace this need.

For a number of years the preceding, with appropriate and periodic updates, has been the cornerstone of FEFC's message. During most of that time the business of exporting continually grew and lenders continually increased their commitment to trade finance. This trend stopped in 2008 when both actual exports and bank support decreased for the small exporters. Today the increase in exports has far outpaced any increase by lenders to assist small business.

2008 saw a downturn of small business exports and 2009 was much worse and 2010 was even worse for small business. Overall exports increased starting in 2010. Small exporters are the first to feel a slowdown and the last to recover. An increasing number of foreign buyers are defaulting on payments to their Florida suppliers. This has created problems for many Florida banks and many have reduced their level of trade finance, especially to small business. Even with new efforts by all Federal and State entities offering support to exporters, both large and small, the business of almost all small individual entities declined. Our guarantee level rose from the prior year due to a new incentive with additional funding from the State of Florida. 2012 was a recovery year but lending to small business including manufacturers has not improved.

The Florida Export Finance Corporation has dedicated itself to provide all Florida small business with an opportunity of ensuring that no valid export order is lost due to the lack of financing. The key words are all small business - manufacturer, agriculture, service, or intermediary. A further key is that every export sale, no matter what its size, is beneficial to Florida. Small becomes large only step by step with each sale. The goal of the FEFC is to help small business grow, not just to make loans. This goal is achieved by offering consulting services and structuring advice to achieve stability and long term growth in addition to financial assistance.

J. Stephen Fancher, President & CEO

2-28-13
Date

THE FLORIDA EXPORT FINANCE CORPORATION

STATEMENT OF POLICY

Florida Statute 288.770, effective July 1, 1993, created and funded the Florida Export Finance Corporation (FEFC) as a not for profit corporation with an economic development mandate to expand employment and income opportunities for Florida residents.

Fulfillment of the mandate is to be accomplished by increased exports of goods and services resulting from informational, technical, and financial assistance given by FEFC to small and medium sized Florida domiciled businesses. No specific Florida content is required for the exported items but preference is given to Florida value-added transactions.

Information and technical assistance to business is offered and the FEFC will cooperate and work with other organizations to enhance the ability of Florida exporters to increase their sales and their access to programs designed to assist them. However, financial assistance is the primary service offered by the FEFC. FEFC financial assistance is available to small and medium sized companies registered to do business in the State of Florida; with less than 250 employees and less than a $6,000,000 net worth; only for export transactions; only for goods and services being shipped from Florida; and only when the inability to obtain financing elsewhere is demonstrated.

FEFC financial assistance is in the form of a loan guarantee generally for short term transactions. The FEFC may have guarantees outstanding at any one time not greater than five times the FEFC Fund amount at such time.

In order to make full use of its leveraging authority FEFC financial assistance to exporters is in the form of guarantees given to commercial lenders who make loans to exporters to support a verified foreign order. The exporter may apply directly to the FEFC for a loan guarantee or, a lender may apply on behalf of an exporter. The maximum amount FEFC will consider guaranteeing is $500,000 and the FEFC guarantee may not exceed 90% of the loan value. The loan is to be secured by the foreign receivable generated by the sale. Ex-Im Bank or other acceptable foreign risk insurance should be obtained where possible.

The FEFC does not make grants nor will it issue loan guarantees unless they can be secured in a manner which assures a high probability of repayment. The FEFC paperwork will be the minimum necessary and its fees and rates will be as low as possible. FEFC loan guarantees will require the lender to follow all customary and prudent lending practices.

The FEFC will consider guarantees to exporters only when commercial lenders have turned down an exporter's loan request. This could occur, even if an exporter is creditworthy, when a transaction is too small or too short term to produce a profit for the lender. If the need of the exporter is post-shipment related, i.e., offering payment terms to the foreign buyer, FEFC with assist the exporter in applying for coverage under a foreign risk insurance policy which mitigates the risk of an exporter loan default due to non payment by a foreign buyer. Many exporters will also need pre-shipment loans, i.e., purchasing the materials required to fill the order of a foreign buyer.

The agreement of lenders to accept the FEFC guarantee is dependent on many factors. The question of safety is paramount and is reflected by FEFC's credit policy, the risk mitigation arrangements which the FEFC has, and the size of the FEFC Fund. Where possible FEFC will use the risk mitigation programs of Ex-Im Bank or other acceptable means. FEFC's credit policy and procedures have been formulated by FEFC's Board of Directors to evolve based on FEFC's delineated market and acting as an economic development entity. These individuals all have extensive experience in commercial lending, export sales, and trade finance representing and blending the expertise of lenders and exporters, both large and small.

FEFC's Board of Directors recognizes the wide gap between the financing needs of small and medium sized exporters and the conservative approach required of conventional lenders, especially when it concerns trading companies who by many lending definitions are viewed as being undercapitalized with insufficient collateral. The bridging of this financial "gap" and the mandate to assist and nurture the growth of qualified Florida exporters is the guiding principle of FEFC's Board of Directors. Application of FEFC's credit policy and procedures will always consider this factor.

The FEFC accounts and records are maintained by the Corporation with audits by independent auditors and regular reviews by the State of Florida. The FEFC Fund is under the full control of FEFC's Board of Directors and is separate from any other funds. Additional funding may be appropriated each year by the State of Florida or from other sources, both public and private. The Corporation's administrative expenses are allocated from the FEFC Fund in accordance with an operating budget approved by the Board of Directors. All fees, interest income, investment income, or any other income is deposited directly to the FEFC Fund. Investments are made under rules established in Florida Statutes and in accordance with policy established by FEFC's Board of Directors.

The policy of the Board of Directors is to operate the FEFC in a sound and prudent manner which will accomplish the purposes and requirements of the Corporation as set forth in Florida Statutes while safeguarding and increasing its assets. The Board has established a credit committee, an audit and examination committee, an asset and liability committee, a management review committee, and an executive committee. Each committee has specific responsibilities concerning establishing and overseeing policies and procedures of the Corporation.

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YEAR 2012 FACT SHEET

*July 5, 1992	- Business Plan presented to and approved by Governor's Office
*July 1, 1993	- Enabling Statute FS 288.770/8
*August 16, 1993	- First employee
*November 5, 1993	- Programs/Policies approved by Board and Governor's Office
*February 2, 1994	- Began accepting Loan and Loan Guarantee applications
*November 1, 1994	- Became member of Ex-Im Bank City/State Program
*May 1, 1995	- Signed Co-Guarantee Agreement with SBA
*December 1, 1995	- Ex-Im Bank Umbrella Insurance Policy activated
*July 1, 1996	- Increased Capital Grant by State
*September 18, 1996	- Ex-Im Bank Delegated Authority received
*July 1, 1997	- State Grants Self-Sufficiency Capital
*December 31, 1998	- Achieved Self-Sufficiency
*July 1, 2010	- Additional capital of $4.9 million granted by the State
*February 1, 2012	- Additional capital of $2.09 million granted by the SSBCI

Note: figures are cumulative from inception except where noted		12/31/12
Medium term (over 1yr.) loans commitments arranged on behalf of small Florida exporters		$1,797,665,000
Export value of Political and Credit Risk Insurance arranged to support sales of small Florida exporters		$ 248,800,000
Export value covered by FEFC loan guarantee commitments for small Florida exporters		$ 393,731,000
Total value assisted (100% small business/ approx. 72% minority and women owned)		$2,440,196,000
Total for 2012 activities		$ 48,970,000
Total Grants received (1993/2012) $12,590,000 Capital - $1,000,000 Operating Expenses		$ 13,590,000
Net Worth of FEFC - 12/31/12		$ 9,578,658
Total number of seminars -	382	
FEFC seminar attendance - Exporters	13,074	
- Bankers	2,498	

FEFC Status - Non stock not for profit corporation with IRS 501(c)3 status
13 Member Board of Directors (3 Government/10 Private Sector)
Loan Defaults – 25 ($3,710,991 Net Loss)

Legislative Mandate - To increase job opportunities and income for residents of Florida by providing financial, technical, and consulting assistance to small and medium sized Florida companies in support of their export sales.

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To Financial Professionals:

All of us who offer financial services to businesses in the State of Florida know the unique nature of our market. Many of your clients could be defined as small businesses, and many of those export goods and services to foreign markets. Indeed, small businesses are the major engine of employment, economic growth, and exporting in our State.

Despite their importance to our economy, far too often they lack access to the financing they need. This is especially true of small business which need financing for their export transactions. The Florida Export Finance Corporation (FEFC) was created by the State of Florida as a not-for-profit corporation, with a mandate to expand employment and income opportunities by supporting the export of goods and services from the State.

The FEFC offers information, technical and consulting assistance to exporters throughout the State of Florida. Financial assistance, though, is our chief service. The FEFC will guarantee a lender's revolving line up to a maximum of $500,000. Applicants for a loan guarantee must be exporters based in Florida who have been turned down by at least one potential lender.

The FEFC is a member of the City/State program of the Export-Import Bank of the United States and offers Florida exporters access to U.S. Government export assistance programs offered by the Ex-Im Bank and the SBA. Services include packaging for the loan, insurance and guarantee programs offered by these agencies.

This pamphlet reviews our general services. We ask that you bring to your client's attention the many opportunities available to them to enhance their success as exporters. One call or visit to our offices is all that is necessary to learn about these opportunities. Applications are available on the Internet or upon request.

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EXPORT FINANCE ASSISTANCE FOR FLORIDA COMPANIES

A major hurdle for many businesses seeking to take advantage of the opportunities offered by expanding foreign markets is access to affordable working capital. The State of Florida, working in partnership with the federal government and the State's lending community has lowered this hurdle for small and medium-sized businesses.

FLORIDA EXPORT FINANCE CORPORATION

Access up to $500,000 in loan guarantees is available to Florida's small and medium-sized businesses through the Florida Export Finance Corporation (FEFC). The FEFC was created by the State in 1993 as a not for profit corporation with a mandate to expand employment and income opportunities to Florida residents by increased exports of goods and services resulting from assistance given by the FEFC to Florida companies. Information, technical, and consulting assistance is offered. However, financial assistance is the primary service offered by the FEFC. Guarantees are transaction specific but normally issued as a revolving line of credit. This program, operating in partnership with Florida's lending community, is designed to assist the State's smaller exporters by giving them improved access to affordable working capital.

FEFC FEATURES:

- Loan guarantees for the lesser of 90% of the loan or $500,000.
- No minimum size.
- May be used to support loan or standby letter of credit.
- Available for pre-export working capital and/or post-export receivables financing.
- Maximum term for pre or post-export is 180 days, combination is 360 days.
- Reduced turn-around time for approval.
- Flexible collateral requirements.

FEFC PROGRAM CRITERIA

- Shipment must be from Florida.
- Products do not have to be made in Florida.
- Must be a small/medium sized Florida company.
- Must have received a turndown from conventional lender or apply jointly with a lender.

FEFC PROGRAM FEES:

- $250 application fee.
- A facility fee based on maximum allowable outstanding at any one time.

EXPORT-IMPORT BANK OF THE UNITED STATES AND SMALL BUSINESS ADMINISTRATION CITY/STATE PROGRAM

The FEFC is a member of the City/State program and offers Florida exporters access to export assistance programs offered by the Ex-Im Bank and the SBA. Services include packaging for Ex-Im Bank and SBA export working capital guarantees, and other loan, insurance and guarantee programs offered by these agencies.

FEFC PACKAGING, CREDIT INSURANCE, AND CO-GUARANTEE PROGRAMS

Financing assistance provided by the City/State Program focuses on the packaging and expedited processing of applications. The FEFC will assist exporters and lenders in arranging loans exceeding the FEFC limit in order to

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complete an export sale of any size including Ex-Im Bank product and project loans and SBA loans. The FEFC will assist exporters and lenders in obtaining credit insurance to mitigate foreign risk.

REFERRAL SERVICES

FEFC staff maintains up-to-date knowledge of exporter assistance programs offered by these federal agencies, as well as working relationships with their staffs. This combination allows us to recommend the best match between an exporter's financial need and available assistance and provide quick access to that assistance.

Products offered by Ex-Im Bank include:

- working capital guarantees/ medium-term guarantees/direct project guarantees/foreign credit insurance

SBA also offers working capital guarantees in support of export sales.

The export working capital guarantee programs of Ex-Im Bank and SBA are organized in a complimentary fashion. These programs are collectively referred to as the Export Working Capital Program. This program offers:

EWCP FEATURES:

- Guarantees to support specific transactions or a revolving line
- No minimum or maximum amount (though the amount requested will determine which agency will make the guarantee)

EWCP ELIGIBILITY CRITERIA:

- Exporter must have been in business at least one year
- Exporter must be able to demonstrate financial strength to support loan
- Export transaction must involve a country approved by Ex-Im Bank's Country Limitation Schedule
- Exporting company must have business operations in Florida.

Though the EWCP is operated jointly by the two agencies, certain features of the program are unique to each agency. The financing needs of the exporter, the nature of their business and the products being exported will determine which of the agencies will make the guarantee.

The most important of the defining criteria is the amount of financing being requested:

Ex-Im Bank
Guarantee requests exceeding $1,000,000
(Up to 90% of loan)

UNIQUE EX-IM BANK FEATURES

- Maximum term of financing is 1 year
- Exporter must be profitable
- No military sales
- Export product must exceed 50% U.S. origin
- Preliminary commitment for 6 months
- Master Agreements with community banks thru FEFC

SBA
Guarantee requests below $1,000,000
(Up to 90% of loan)

UNIQUE SBA FEATURES:

- Exporter must be a small business as defined by SBA
- Maximum term of financing is 3 years
- Military sales are allowed
- No. U.S. content requirement
- Preliminary commitment for 60 days

PLEASE CALL THE FEFC OFFICE FOR FURTHER INFORMATION ON PROGRAM LIMITATIONS & CRITERIA

Florida Export Finance Corporation

A NOT FOR PROFIT CORPORATION
CREATED AND FUNDED BY THE STATE OF FLORIDA

President & CEO: J. Stephen Fancher

BOARD OF DIRECTORS

	Represents		
1.	NW Florida: Region 1	Todd G. Kocourek, President & CEO Florida First Capital Finance Corp. P. O. Box 4166 Tallahassee, FL 32315-4166 850/222-5198 FAX 850/222-7284	10/13
2.	NE Florida: Region 2	Cathy Hagan University of North Florida Small Business Development Center 12000 Alumni Drive Jacksonville, FL 32224 904/620-2478 FAX	07/15
3.	Central Florida: Region 3 National Bank	David Matos, Vice President TD Bank 1560 Orange Avenue Suite 300 Winter Park, FL 32789 407/6223513 PH 407/4085816 CELL	07/14
4.	West Central Florida: Region 4	Salvatore M. Pontillo 3521 Autumn Glen Dr. Valrico, FL 33594 813/505-2157	04/15
5.	SW Florida: Region 5	Penny S. Phillippi, Executive Director Collier County Redevelopment Agency 2210 Immokalee Drive Immokalee, FL 34142 Cel: 239/285-7635	06/13
6.	South Florida: Region 6	Adolfo D. Martinez, Managing Partner ADM Financial LLC 9230 S.W. 36th Street Miami, FL 33165 305/798-3392 FAX 305/207-3425	04/15
7.	Insurance:	Art Warner, Vice President ARI Global Insurance 19106 Two River Lane Boca Raton, FL 33498 561/ 353-1170 FAX 561/353-1172	01/15

8.	Foreign Bank:	Efrain Lopez Gateway Commerce Finance 340 SE 1st Street Delray Beach, FL 33483 561/734-2706 Fx: 561/734-2708 Cell: 954/682-6201	03/15
9.	State Bank:	Ignacio Hernandez, Senior Vice President Ocean Bank 780 NW 42nd Avenue Suite 401 Miami, FL 33126 305/5695435 PH 305/9653670 CELL	06/14
10.	Small/medium exporter:	Daniel M. Schwartz, Director Hencorp 777 Brickell Avenue, Ste 1010 Miami, FL 33131 305/4169110	07/14
11.	Secretary of State:	Ken Detzner	
	Designee:	Jennifer Kennedy, Deputy Secretary Florida Department of State R. A. Gray Building 500 S. Bronough Tallahassee, FL 32399-0250 850/245-6525 FAX 850/245-6125	
12.	Chief Financial Officer:	Jeff Atwater, CFO	
	Designee:	Maria J. Boue, President Paris Trading, Inc. 5313 Collins Avenue, Ste. 1005 Miami Beach, FL 33140 786/281-9764 Fax 305/866-3068	
13.	Enterprise Florida CEO:	Gray Swoope	
	Designee:	Manny Mencia, Vice President Enterprise Florida International Trade 201 Alhambra Circle #610 Coral Gables, FL 33134 305/808-3660 FAX 305/808-3586	

CHAIR - SAL PONTILLO
VICE CHAIR - TODD KOCOUREK
TREASURER - ADOLFO MARTINEZ
SECRETARY - DANIEL SCHWARTZ

Revised: 1/1/13

12:23 PM
02/28/13
Cash Basis

FLORIDA EXPORT FINANCE CORPORATION
Balance Sheet
As of December 31, 2012

	Dec 31, 12
ASSETS	
Current Assets	
Checking/Savings	
DEPOSIT	105,669.91
FEFC/SPIA - see notes	8,629,690.98
OPERATING ACCT	22,652.69
Total Checking/Savings	8,758,013.58
Other Current Assets	
LOANS - see notes	827,516.12
SECURITY DEPOSIT	2,713.50
Total Other Current Assets	830,229.62
Total Current Assets	9,588,243.20
TOTAL ASSETS	**9,588,243.20**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
CUSTOMER DEPOSIT	9,585.54
Total Other Current Liabilities	9,585.54
Total Current Liabilities	9,585.54
Total Liabilities	9,585.54
Equity	
OPENING CAPITAL	100,000.00
PAID IN CAPITAL	12,490,000.00
RETAINED EARNINGS	-1,234,410.45
Net Income	-1,776,931.89
Total Equity	9,578,657.66
TOTAL LIABILITIES & EQUITY	**9,588,243.20**

12:21 PM
02/28/13
Cash Basis

FLORIDA EXPORT FINANCE CORPORATION
Profit & Loss
January through December 2012

	Jan - Dec 12
Ordinary Income/Expense	
Income	
APP FEES	7,500.00
GUAR FEES	231,250.01
INVESTMENT INCOME	202,656.37
REIMB EXP	24,056.10
SERVICE FEES	350.00
Total Income	465,812.48
Gross Profit	465,812.48
Expense	
BANK CHARGES	617.95
BOARD	2,856.95
DUES	2,865.00
EMPLOYEE BENEFITS	95,267.62
EQ PURCHASE	5,321.75
EQUIP RENT	4,946.46
INSURANCE	9,631.46
INTEREST PAID	9,701.12
MISC EXPENSES	939.35
OFFICE SUPP/PRINTING	7,529.10
PAYROLL	339,300.12
PAYROLL TAXES	25,107.64
POSTAGE	1,628.12
PROFESSIONAL FEES	17,150.00
RENT	44,340.60
REPAIR & MAINT	997.50
TAXES	25.00
TELEPHONE	7,397.39
TRAVEL	8,547.90
UTILITIES	1,872.69
Total Expense	586,043.72
Net Ordinary Income	-120,231.24
Other Income/Expense	
Other Income	
RECOVERIES	129,482.71
Total Other Income	129,482.71
Other Expense	
CLAIMS	1,786,183.36
Total Other Expense	1,786,183.36
Net Other Income	-1,656,700.65
Net Income	**-1,776,931.89**

FLORIDA EXPORT FINANCE CORPORATION

Profit & Loss Prev Year Comparison

January through December 2012

	Jan - Dec 12	Jan - Dec 11	$ Change	% Change
Ordinary Income/Expense				
Income				
APP FEES	7,500.00	10,000.00	-2,500.00	-25.0%
GUAR FEES	231,250.01	165,076.98	66,173.03	40.1%
INVESTMENT INCOME	202,656.37	150,067.16	52,589.21	35.0%
REIMB EXP	24,056.10	24,170.00	-113.90	-0.5%
SERVICE FEES	350.00	80.00	270.00	337.5%
Total Income	465,812.48	349,394.14	116,418.34	33.3%
Gross Profit	465,812.48	349,394.14	116,418.34	33.3%
Expense				
BANK CHARGES	617.95	311.84	306.11	98.2%
BOARD	2,856.95	3,380.93	-523.98	-15.5%
CREDIT REPORTS	0.00	145.00	-145.00	-100.0%
DUES	2,865.00	4,215.00	-1,350.00	-32.0%
EMPLOYEE BENEFITS	95,267.62	112,872.43	-17,604.81	-15.6%
EQ PURCHASE	5,321.75	0.00	5,321.75	100.0%
EQUIP RENT	4,946.46	4,043.76	902.70	22.3%
INSURANCE	9,631.46	9,328.04	303.42	3.3%
INTEREST PAID	9,701.12	27,024.12	-17,323.00	-64.1%
MISC EXPENSES	939.35	1,684.63	-745.28	-44.2%
OFFICE SUPP/PRINTING	7,529.10	7,802.88	-273.78	-3.5%
PAYROLL	339,300.12	343,900.12	-4,600.00	-1.3%
PAYROLL TAXES	25,107.64	25,144.56	-36.92	-0.2%
POSTAGE	1,628.12	1,716.50	-88.38	-5.2%
PROFESSIONAL FEES	17,150.00	18,100.38	-950.38	-5.3%
RENT	44,340.60	49,412.93	-5,072.33	-10.3%
REPAIR & MAINT	997.50	603.61	393.89	65.3%
TAXES	25.00	25.00	0.00	0.0%
TELEPHONE	7,397.39	6,916.49	480.90	7.0%
TRAVEL	8,547.90	7,151.07	1,396.83	19.5%
UTILITIES	1,872.69	2,201.33	-328.64	-14.9%
Total Expense	586,043.72	625,980.62	-39,936.90	-6.4%
Net Ordinary Income	-120,231.24	-276,586.48	156,355.24	56.5%
Other Income/Expense				
Other Income				
RECOVERIES	129,482.71	18,369.86	111,112.85	604.9%
Total Other Income	129,482.71	18,369.86	111,112.85	604.9%
Other Expense				
CLAIMS	1,786,183.36	181,165.55	1,605,017.81	885.9%
Total Other Expense	1,786,183.36	181,165.55	1,605,017.81	885.9%
Net Other Income	-1,656,700.65	-162,795.69	-1,493,904.96	-917.7%
Net Income	**-1,776,931.89**	**-439,382.17**	**-1,337,549.72**	**-304.4%**

NOTES TO FEFC FINANCIAL STATEMENTS

12/31/12

1. The FEFC is a 501(c)3 Not For Profit Corporation utilizing modified cash accounting.

2. Florida Statutes establish the FEFC **Guarantee Account** as the net worth of the FEFC. This amount is available to pay any claims against FEFC loan guarantee commitments.

3. Florida Statutes authorize the FEFC to have outstanding loan guarantee commitments (contingent liabilities) of five times the balance of the Guarantee Account, and allow the FEFC Board of Directors to reduce this leveraging ratio at its discretion. The leveraged amount is the FEFC **Guarantee Authority**.

4. The FEFC **Guarantee Fund** was established by the FEFC, within the Guarantee Account, and represents grants specifically directed by the board to support FEFC loan and loan guarantee commitments. The FEFC uses the Guarantee Fund as a conservative base for establishing the Guarantee Authority.

5.

	Guarantee Account	Guarantee Fund	Guarantee Authority
12/31/12	$9,578,658	$8,629,691	$43,148,455
Outstanding		3,240,000	16,200,000
Available		5,389,691	26,948,455

A) Guarantee Account - Net worth of the FEFC at any point in time.

B) Guarantee Fund - Guarantee Account less retained earnings and other capital not specifically designated for loan and loan guarantee commitments.

C) Guarantee Authority - Five times the Guarantee Fund. (See note 5D)

D) Outstanding - Existing FEFC guarantee commitments (contingent liabilities) at full value against the Guarantee Authority and at 20% of such value against the Guarantee Fund. FEFC loans are applied at full value against both the Guarantee Authority and the Guarantee Fund. (See Note 6)

E) Available - Guarantee Authority/Fund less Outstanding's.

F) At 12/31/12 loans and loan guarantee commitments outstanding equal 1.69 times the Guarantee Account, 1.88 times the Guarantee Fund, and 37.5% of the Guarantee Authority.

6. All outstanding loans ($827,516) were originally guarantees, which were converted to loans by FEFC as a result of paying the lender claims. All loans are performing marginally and if all were considered as total losses and eliminated from the Balance Sheet FEFC's resulting net worth would be $8,750,725.

7. Capital includes $2,090,000 received in 2012 from the Federal Government under the State Small Business Credit Initiative Program and usable only to support guarantees designated as SSBCI.

INCOME STATEMENT

TWELVE MONTHS ENDING ON DATE SHOWN

	12/31/93	12/31/94	12/31/95	12/31/96	12/31/97	12/31/98	12/31/99	12/31/00	12/31/01	12/31/02
Income	$ 6,389	$174,950	$407,997	$432,654	$564.150	$681,845	$489,603	$539,123	$697,994	$399,537
Expenses	29,566	162,824	232,073	289,522	335,362	497,265	418,072	477,443	570,335	764,003
Profit (Loss)	(23,177)	12,126	175,924	143,132	228,778	184,580	71,531	91,680	127,689	(364,466)
	12/31/03	**12/31/04**	**12/31/05**	**12/31/06**	**12/31/07**	**12/31/08**	**12/31/09**	**12/31/10**	**12/31/11**	**12/31/12**
Income	$728,196	$266,870	$535,702	$833,310	$925,082	$585,981	$250,037	$378,257	$367,764	$595,295
Expenses	502,043	471,708	386,735	463,160	861,906	1,125,819	1,515,546	619,325	807,146	2,372,227
Profit (Loss)	226,153	(204,838)	148,967	370,150	63,176	(539,837)	(1,265,509)	(241,068)	(439,382)	(1,776,932)

Cumulative
$9,860,737
12,872,080
(3,011,343)

BALANCE SHEET

As of date shown

	12/31/93	12/31/94	12/31/95	12/31/96	12/31/97	12/31/98	12/31/99
Capital	$1,000,000	$1,000,000	$1,000,000	$2,500,000	$4,800,000	$5,600,000	$5,600,000
Retained Earnings	(23,177)	(11,053)	164,841	308,007	536,795	721,375	792,906
Net Worth	975,823	988,949	1,164,874	2,808,007	5,336,795	6,321,375	6,392,906

	12/31/00	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05	12/31/06
Capital	$5,600,000	$5,600,000	$5,600,000	$5,600,000	$5,600,000	$5,600,000	$5,600,000
Retained Earnings	884,586	1,012,245	647,779	873,931	669,094	818,061	1,188,210
Net Worth	6,484,586	6,612,245	6,247,779	6,473,931	6,269,094	6,418,061	6,788,510

	12/31/07	12/31/08	12/31/09	12/31/10	12/31/11	12/31/12
Capital	$5,600,000	$5,600,000	$5,600,000	$6,825,000	$10,500,000	$12,590,000
Retained Earnings	1,251,386	711,549	(553,960)	(795,028)	(1,234,410)	(3,011,342)
Net Worth	6,851,386	6,311,549	5,046,040	6,029,972	9,265,590	9,578,658

Spoke

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/15/14
Meeting Date

Topic ______ Bill Number ______ *(if applicable)*

Name Gray Swoope Amendment Barcode ______ *(if applicable)*

Job Title Pres/CEO EFI / FL Sec of Comm

Address 325 John Knox Rd Phone 850-298-6630
Street

Tallahassee FL 32303 E-mail ______
City *State* *Zip*

Speaking: ☐ For ☐ Against ☑ Information

Representing ______

Appearing at request of Chair: ☑ Yes ☐ No Lobbyist registered with Legislature: ☐ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting. S-001 (10/20/11)

THE FLORIDA SENATE

APPEARANCE RECORD

Spoke

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/15/14
Meeting Date

Topic: Annual Incentives Report

Bill Number: ________ *(if applicable)*

Name: Cissy Proctor

Amendment Barcode: ________ *(if applicable)*

Job Title: Division Director

Address: 107 E. Madison St.
Street

Tallahassee, FL 32399
City *State* *Zip*

Phone: 850 717 8960

E-mail: ________

Speaking: ☐ For ☐ Against ☒ Information

Representing: DEO

Appearing at request of Chair: ☒ Yes ☐ No

Lobbyist registered with Legislature: ☐ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

Spoke

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1-15-14
Meeting Date

Topic Incentives - Economic Development Bill Number ______ *(if applicable)*

Name Crystal Sircy Amendment Barcode ______ *(if applicable)*

Job Title SVP Business Dev

Address 800 N Magnolia Ave Phone 850 445 6551
Street

Orlando FL E-mail csircy@eflorida.com
City *State* *Zip*

Speaking: ☐ For ☐ Against ☒ Information

Representing Enterprise Florida

Appearing at request of Chair: ☒ Yes ☐ No Lobbyist registered with Legislature: ☐ Yes ☒ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting. S-001 (10/20/11)

<u>Testimony to the Florida Senate Subcommittee on</u>
<u>Transportation, Tourism, and Economic Development</u>

Jesse Panuccio
Executive Director
Florida Department of Economic Opportunity

January 15, 2014

- Good morning, Chairman Gardiner and members of the Committee.

- This morning, I'd like to provide the Committee with as comprehensive an update as possible about Project Connect. The rollout of the new computer system has not gone as we'd hoped or as was promised by the vendor, and no one is more disappointed and frustrated about that than the hardworking staff at DEO, many of whom have dedicated their entire careers to workforce programs in Florida.

- DEO is focused on getting remaining system issues fixed as soon as possible. Every claimant is important to us and we are taking every possible measure to serve them. Both before launch and on an ongoing basis, we have introduced system workarounds, added overtime hours, and significantly increased staff. DEO regrets any inconvenience to claimants during a time of financial hardship and we will not rest until every claim is properly handled.

- Indeed, I'd be remiss if I did not point out that the frontline staff at DEO has been working very hard since before launch to serve the citizens of Florida. They are working overtime, focusing on customer service, and dealing with a very difficult and stressful situation. I'd like to take a moment to publicly thank them for their hard work and poise these past several months.

- On the technical front, we continue to press Deloitte to bring every programming resource to bear to address remaining issues. We will continue to hold Deloitte accountable until they have delivered on the contract.

Background

- Let me begin by providing some necessary background about the reemployment system and Project Connect.

- Between 2006 and 2008, as unemployment began to rise, it became evident that the existing computer system, which had been designed in the 1970s and was based on 1970s computer technology, was antiquated and presented serious risk of failure. Three different consultants (Gartner, IBM, North Highland) came to that conclusion, announcing in various reports that the system was "nearing end-of-life," the system "struggles to support real-time decision making and efficient business process operations," and that "the impact of a UC system failure would be catastrophic to the citizens of Florida who are dependent on the unemployment payments they receive."

- A North Highland feasibility study mandated by the Legislature concluded that a modernization project would be an "excellent investment" and predicted it would cost $68.3 million and take four years to develop and implement.

- In response, the Legislature enacted section 443.1113, Florida Statues, which required AWI (now DEO) to implement a modernized unemployment compensation computer system. The Legislature has appropriated over $60 million in federal administrative funding for the project.

- In November of 2010, after a competitive procurement process and evaluation, AWI selected Deloitte as the vendor to negotiate with to design, build, and implement the Connect system. A contract was signed in March 2011.

- In the spring of 2012, DEO determined that Deloitte was not on track to timely meet its contract deliverables. DEO demanded that Deloitte compensate for this by agreeing to altered contract terms, including financial restitution of $4.5 million, extended contract term and completion dates, and revised contract deliverables. Deloitte also deployed a new team to manage the design and implementation of Connect.

- The system launched on October 15, 2013.

<u>Go-live and First Two Weeks</u>

- I last testified about this topic to a Senate committee on November 4, 2013. At that time I was able to report that after a "rock[y]" first two weeks, "on the whole the system [wa]s properly processing the substantial majority of claims" and the two most significant front-end defects—"PIN problems and the unavailability of a link for certain claim weeks"—had been fixed. I noted that, likely due to these fixes, "calls to DEO ha[d] decreased dramatically in the last week."

- I also noted that "delays [were] still possible" for a number of reasons, one of which being that "we know that some technical problems are causing our adjudication and appeals units to process cases less quickly than they otherwise might." At the time, a plan was in place to address those issues and we expected them to stabilize before the end of the year.

November and December

- Let me turn, then, to what has occurred since I last testified in the Senate. It remains true today that the majority of claims are still being processed without incident, but Deloitte's stabilization of the adjudication function and other systems did not occur as we had expected.

- The contract with Deloitte was structured such that one month after go-live, DEO had to certify that implementation was successful—namely, that there are no "open medium or high impact issues." If this implementation phase gate was met, DEO would owe Deloitte an installment payment of approximately $3 million. If the implementation phase gate was not met, DEO was entitled to withhold payment and assess liquidated damages of $15,000 per business day until all issues were resolved.

- On November 15, DEO was not in a position to make that certification, as Deloitte had failed to deliver a fully functional system.

- Rather than impose liquidated damages at that time, DEO negotiated a better deal with Deloitte. In return for moving the phase gate to December 20, the company agreed to $1.5 million in financial restitution and to focus work on a list of 102 high-impact issues DEO had identified.

- During this period from November 4 to December 20, progress was made and Deloitte was able to resolve many of the defects on the November 15 list. But on December 20, DEO's bottom-line conclusion was that overall system functionality and the base code still had not stabilized to a satisfactory level. More than twenty high-impact issues from the November 15 list still remained and, during the preceding month, DEO had identified additional high-impact issues that had previously been latent.

- Accordingly, on December 20, DEO sent a letter to Deloitte informing the company that DEO would withhold the $3 million installment payment and begin assessing the liquidated damages. The letter stressed that "it is simply imperative that Deloitte devote every available resource, and every expert at its disposal, to getting the remaining defects fixed, and fixed now." The letter contained a list of currently known defects that prevent DEO from passing Deloitte through the implementation phase gate.

Status Today

- Let me now try to provide an overview of the known technical issues that Deloitte needs to address as soon as possible. DEO has already provided Committee staff with the complete list and it is available on our website, as are most documents associated with this project.

- As I have said, the system has improved over time and Deloitte has made progress in many areas. But there are still enough defects across the application that DEO cannot certify full functionality and lack of high- and medium-impact issues.

- For example, within Claims, some claimants are still finding incorrect benefit weeks displayed or are not finding correct reports of payment summaries.

- Within Reporting, financial and federal reports are not consistent or accurate.

- Within Benefit Payment Control, the Treasury Offset Program (through which we recover overpayments and fraud-induced payments) is not fully functional.

- Within Adjudication, some issues remain flagged as "pending" or "in-progress" even after they have been adjudicated. Also, the process for assigning work to staff is still not functioning properly in all instances.

- Within Central Intake, Connect is not accurately reading bar codes on documents, which causes a decrease in productivity.

- Again, these are just examples and the full list of defects is available to the Committee and the public.

DEO Response

- So that provides the Committee with an update of where we are from a system functionality and legal standpoint. Now please allow me take a few minutes to address what DEO is doing about it.

- On the technical side, as I've already mentioned, DEO is holding Deloitte accountable and pushing very hard for the company to bring all resources to bear to address remaining issues quickly. Deloitte has agreed to increase programming staff here in Tallahassee and is working a plan to fix known defects. DEO will continue to withhold payment and impose daily fines until all high- and medium-impact issues are resolved.

- We have also recently retained an additional vendor—Capgemini—to serve in an owner's representative capacity. Capgemini will provide an independent technical evaluation of the health of the programming code and also help DEO evaluate additional technical steps that should be taken. Capgemini has significant experience in this area, having successfully deployed modernized unemployment or related computer systems in several states. Let me stress, at this time, Capgemini is not a replacement vendor; it is working on a limited engagement in an owner's representative capacity to provide an independent assessment of the state of the technical system.

- We have also been in regular contact with the U.S. Department of Labor to keep it apprised of the status of Connect. We have asked USDOL for input and advice when appropriate and we will soon welcome a technical assistance team here in Florida to help confer on possible workarounds for those claimants still experiencing delays.

- *Outside* of technical fixes, DEO has also taken several aggressive steps to help serve claimants more quickly. Let me again stress that DEO's primary focus is on serving claimants, so we are not simply waiting for Deloitte to deliver on its contract. We have taken numerous steps outside the system to alleviate burdens on claimants.

    - First, we increased staff prior to launch of the system from 970 to 1, 200. Between launch and December 20, we added about 200 more staff. And since December 20, we have been executing a plan to add 80 agents to our Contact Center and 250 adjudicators.

    - Second, we have significantly increased staff hours. The Contact Center is now open seven days per week, from 7am to 8pm on weekdays, from 8:30am to 4pm on Saturday, and from 9am to 4pm on Sunday. Our adjudicators are also working extended hours to process the increase in the active caseload.

    - Third, in the adjudication unit, we are working the oldest issues first whenever possible. This will ensure that those who have been waiting the longest have access to our resources first.

    - Fourth, whenever possible, we have found ways to work around the system to push adjudications through. For example, because the system was, for a long time, unable to automatically assign work to adjudicators, our supervisors have used manual, mass assignments of work. We have also employed manual overrides of adjudication flags when it was clear that a technical error caused the adjudication hold.

- Fifth, we have proactively alerted claimant populations when technical fixes have solved problems they were experiencing. We have done this through emails and robocalls.

<u>Trends</u>

- Last, please allow me to address some trends that we are seeing. Before I turn to those, however, let me add a significant caveat. As I've already mentioned, one of the problems we have with the system is that it is not providing timely or reliable reports on the claimant population. Thus, the statistics I'm about to report are based on Deloitte's best estimates and reporting at this time, but I cannot tell you they are all 100% reliable.

- Claims

    - To date, 1.3 million claims have been filed and $355 million in benefits have been paid.

    - As of last week, on average, 73.4% of daily continued claims submitted have been paid within the week submitted. This percentage is close to pre-Connect levels.

- Adjudication

  - Adjudication is a normal part of the claims process. Some claims have flags placed on them for a variety of reasons and they need to be adjudicated. For example, if there is a dispute over whether a claimant is laid off or quit, that issue goes to adjudication. This process takes time, sometimes weeks, even when the system is working properly. That is true for every unemployment system across the country. Just prior to Connect's launch, our best estimate is that the active caseload for adjudication was 48,000 individuals. These cases came over as the active caseload when we converted from Legacy to Connect.

  - The technical problems with the adjudication functionality in Connect have caused productivity delays, which in turn has increased the wait time for adjudication and thus increased the active caseload.

  - As things now stand, it appears the active caseload today is about 60,000, although this has been a very difficult number to determine accurately. While the active caseload has been much higher than that at times since launch, recent efforts have helped reduce it to that number. This is an encouraging trend.

  - And, of course, as we add staff and technical fixes take hold, those statistics should continue to improve.

  - Indeed, one positive trend to report is that prior to December 20, DEO staff was making approximately 2,500 determinations per day. Since that time, DEO staff is exceeding 4,000 determinations per day.

- This increased productivity is a combination of the effects of extra staff resources and improving technical function.

- Call center
  - As for Contact Center trends, let me first note that calls are a symptom of system problems. The Contact Center provides an indicator of system health—both through volume of calls and what they are hearing from claimants.
  - When I testified in the Senate on November 4, I noted that call volume had come down significantly since the launch date. Indeed, while we had 1.3 million total calls and 118,00 unique calls the first week, we had 357,000 total calls and 78,000 unique calls the week of November 4.
  - Between November 4 and December 20, unfortunately, we saw the numbers plateau. We averaged around 75,000 unique calls per week.
  - Since December 20, we have seen unique calls drop, and even approach pre-Connect levels, but I think it's too early to draw conclusions. The decline could be due to improvements to the system, to the holidays, to the end of federal Emergency Unemployment Compensation, or to some combination of these causes. I should also note that the average call is taking longer than the average call in the Legacy system, so we are able to answer a smaller percentage of calls.

- On the other hand, there appears to be one encouraging trend—namely, what the calls are about. Calls concerning technical defects have fallen, and the number one reason for a call is to check on adjudication status. Thus, as we continue to work down the active adjudication caseload, call volume should decrease.

- Also, as part of its engagement, Capgemini is deploying a call center consultant to examine our processes and suggest changes that will increase efficiency. I am hoping this will result in long-term solutions for the Contact Center.

- With that, let me close by reiterating that DEO's number one priority is finding solutions for those claimants who have experienced delays. Every claimant is important to us and every proper claim will be paid. We have put in place staffing plans to help alleviate burdens and they are already having a positive impact. We are holding Deloitte accountable, and we will continue to do so until full functionality is achieved.

- I thank the Committee for taking the time to hear this update and I welcome any questions.

Spoke

THE FLORIDA SENATE

APPEARANCE RECORD

(Deliver BOTH copies of this form to the Senator or Senate Professional Staff conducting the meeting)

1/15/14
Meeting Date

Topic: CONNECT

Bill Number: ______ *(if applicable)*

Name: JESSE PANUCCIO

Amendment Barcode: ______ *(if applicable)*

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Speaking: ☐ For ☐ Against ☒ Information

Representing: DEO

Appearing at request of Chair: ☒ Yes ☐ No

Lobbyist registered with Legislature: ☒ Yes ☐ No

While it is a Senate tradition to encourage public testimony, time may not permit all persons wishing to speak to be heard at this meeting. Those who do speak may be asked to limit their remarks so that as many persons as possible can be heard.

This form is part of the public record for this meeting.

S-001 (10/20/11)

CourtSmart Tag Report

Room: EL 110 **Case:** **Type:**
Caption: Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development **Judge:**

Started: 1/15/2014 10:03:41 AM
Ends: 1/15/2014 12:00:01 PM Length: 01:56:21

10:03:41 AM
10:03:41 AM
10:03:43 AM Sen. Gardiner (Chair)
10:06:02 AM TAB 1 - Update by the FL Housing Finance Corp. on the implementation of the Nat'l Mortgage Settlement Funding
10:12:16 AM Steve Auger, Executive Director, Florida Housing Finance Corporation
10:15:43 AM Sen. Gardiner
10:16:21 AM S. Auger
10:19:23 AM Sen. Gardiner
10:20:13 AM S. Auger
10:22:11 AM Sen. Gardiner
10:22:35 AM Sen. Stargel
10:23:43 AM Sen. Margolis
10:24:39 AM S. Auger
10:25:22 AM Sen. Gardiner
10:25:30 AM Sen. Margolis
10:25:40 AM Sen. Gardiner
10:25:48 AM S. Auger
10:26:35 AM Sen. Gibson
10:27:08 AM Sen. Gardiner
10:27:32 AM S. Auger
10:27:37 AM Sen. Gardiner
10:28:19 AM Sen. Gibson
10:28:54 AM S. Auger
10:31:32 AM Sen. Sobel
10:32:31 AM S. Auger
10:33:38 AM Sen. Sobel
10:33:52 AM S. Auger
10:34:01 AM Sen. Gibson
10:35:08 AM Sen. Brandes
10:35:29 AM S. Auger
10:36:04 AM Sen. Brandes
10:36:15 AM S. Auger
10:38:59 AM Sen. Brandes
10:39:10 AM S. Auger
10:39:25 AM Sen. Brandes
10:39:51 AM S. Auger
10:40:46 AM Sen. Brandes
10:41:16 AM S. Auger
10:41:55 AM Sen. Gardiner
10:42:12 AM S. Auger
10:42:26 AM Barney Smith, Chairman, Board of Directors, Florida Housing Finance Corporation
10:45:41 AM Sen. Thompson
10:46:07 AM S. Auger
10:46:21 AM Sen. Gardiner
10:46:55 AM Sen. Thompson
10:47:04 AM Sen. Gardiner
10:47:10 AM Sen. Sobel
10:47:31 AM Sen. Gardiner
10:47:41 AM S. Auger
10:49:03 AM Sen. Sobel
10:49:15 AM S.Auger

10:49:22 AM Sen. Gardiner
10:49:35 AM Gray Swoope, CEO/Pres EFI/ FL Sec. of Comm.
10:49:39 AM Sen. Gardiner
10:49:45 AM G. Swoope
10:51:55 AM TAB 2 - Presentation by Enterprise Florida, Inc. on the annual incentives report
10:57:22 AM Cissy Proctor, DEO Director or Strategic Business Development Update on Project Connect Implementation issues by the Department of Economic Issues by the Dept. of Economic Opportunity,
11:04:32 AM
11:08:50 AM
11:10:22 AM Sen. Gardiner
11:10:40 AM Crystal Sirsy, SVP Business Dev., Enterprise Florida
11:12:08 AM Sen. Gardiner
11:12:16 AM Sen. Sobel
11:12:48 AM G. Swoope
11:14:18 AM Sen. Sobel
11:15:27 AM G. Swoope
11:15:56 AM Sen. Sobel
11:16:36 AM G. Swoope
11:18:48 AM Sen. Gardiner
11:19:19 AM Sen. Margolis
11:20:06 AM Barney Smith
11:20:30 AM Sen. Margolis
11:20:39 AM Barney Smith
11:20:49 AM Sen. Margolis
11:21:10 AM Sen. Ring
11:22:12 AM Sen. Thompson
11:22:38 AM Barney Smith
11:22:59 AM Sen. Thompson
11:23:12 AM B. Smith
11:24:33 AM Sen. Gibson
11:24:46 AM B. Smith
11:25:36 AM Sen. Gardiner
11:25:58 AM G. Swoope
11:26:43 AM Sen. Gardiner
11:27:35 AM TAB 3 - Update on Project Connect implementation issues by the Dept. of Economic Opportunity
11:27:43 AM Jesse Panuccio, Executive Director, Dept. of Economic Opportunity
11:47:26 AM Sen. Gardiner
11:47:49 AM J. Panuccio
11:48:38 AM Sen. Gardiner
11:49:07 AM J. Panuccio
11:49:16 AM Sen. Ring
11:49:44 AM J. Panuccio
11:50:02 AM Sen. Ring
11:52:00 AM Sen. Sobel
11:52:16 AM J. Panuccio
11:52:51 AM Sen. Sobel
11:53:13 AM J. Panuccio
11:54:40 AM Sen. Lee
11:56:34 AM J. Panuccio
11:57:22 AM Sen. Thompson
11:57:58 AM J. Panuccio
11:59:10 AM Sen. Latvala
12:00:01 PM Meeting Adjourned