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ORDINANCE NO. 2007- 56

AN ORDINANCE OF ESCAMBIA COUNTY, FLORIDA, PROVIDING FOR PURPOSE AND INTENT; PROVIDING FOR ECONOMIC DEVELOPMENT INCENTIVES TO INDUCE PRIVATE BUSINESS ENTERPRISES TO LOCATE OR EXPAND THEIR BUSINESSES IN ESCAMBIA COUNTY, FLORIDA; PROVIDING FOR INCENTIVE ELIGIBILITY CRITERIA; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners has determined that in order to maintain a stable economy, fortify the tax base, and provide a better standard of living for the residents of this county, Escambia County needs to attract business enterprises to the area; and

WHEREAS, as a border county, Escambia County not only competes with its sister counties in the panhandle, but also competes with the economic incentives offered by the State of Alabama to induce business enterprises to locate within our borders; and

WHEREAS, the existing incentives such as EDATE and the Florida Qualified Target Industry Tax Refund Program have not significantly increased the number of new business enterprises or the expansion of existing business enterprises providing quality jobs in the County; and

WHEREAS, the Board of County Commissioners believes that economic development is critical to the future of the County; and

WHEREAS, in order to foster economic development in Escambia County, the Board of County Commissioners must develop an Economic Development Incentive Program to induce desirable business enterprises to locate or expand in Escambia County.

Verified By: D. H. H. H.
Date: 10/10/2007

NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ESCAMBIA COUNTY, FLORIDA:

Section 1. Short Title.

This ordinance shall be known and may be referred to as the "Escambia County Economic Development Incentive Ordinance."

Section 2. Authority and Public Purpose.

This ordinance is enacted pursuant to the authority granted to the Board of County Commissioners under Article VIII, Section 1(f) of the Florida Constitution, Section 125.01(1)(w), Florida Statutes, and Section 125.045 (2) and (3), Florida Statutes. The Board of County Commissioners (BCC) finds that attracting and retaining business enterprises in Escambia County constitutes a public purpose that justifies the use of public funds achieve the County's economic development goals.

Section 3. Goal and Intent.

The goal of this ordinance is to maintain a stable economy, fortify the tax base and provide a better standard of living for county residents by attracting, retaining and fostering the expansion of business enterprises that provide above-average salaries, benefits and employment opportunities to county residents. It is the intent of this ordinance to establish a mechanism to accomplish this goal.

Section 4. Target Business Enterprises.

The incentives offered through this ordinance are intended to attract and retain business enterprises engaged in the following types of activities:

- A. Information technology – software and product development to support simulation healthcare, accounting, digital arts and media, building systems, and construction systems;

- B. Building systems – materials technologies, construction research and design, modular construction technologies and design, and security systems and technology;
- C. Healthcare/medical devices/life sciences – medical products design and manufacturing, focused on orthopedics and human performance;
- D. Aerospace – maintenance, repair, and overhaul (MROs) for civilian and defense contracting; avionics (electronic components for aviation), flight training (actual as well as simulation software);
- E. Business and professional services – financial services, government services/contractors, engineering, and design services, software programming, internet services (Lambda), data processing services, systems integration and design;
- F. Logistics/distribution – trucking/warehousing, logistics planning services, import/export trade houses;
- G. Renewable energy technology – research, development, design, production and other associated services;
- H. Other similar industry groups, uses, or activities not listed in the above categories with the characteristics of preferred business enterprises for Escambia County described in this ordinance.

Section 5. Characteristics of Preferred Business Enterprises for Escambia County.

The following are characteristics of preferred business enterprises:

- A. Provision of paid health insurance, retirement plans, and tuition reimbursement;
- B. Pollution prevention and waste reduction;
- C. Commitment to community evidenced by promoting volunteerism and financial support of local charities or events;
- D. Willingness to locate or expand in County Community Redevelopment areas, Enterprise Zones or Brownfield Areas and designated rural areas;
- E. Hiring from the local population.

Section 6. Economic Incentives.

Economic incentives to target business enterprises shall be in the form of rebates of ad valorem property taxes, development fees, franchise fees, telecommunication taxes, gasoline taxes, and any other available unrestricted general fund revenues that have been paid to the County. Only those business enterprises meeting the eligibility criteria described below shall be considered for a rebate. Rebates shall be calculated based on the following criteria:

- A. Rebates. Eligible business enterprises shall be entitled to apply for rebates based upon the number of full-time jobs created and the average wage of the jobs. The baseline rebate level that corresponds to a maximum per job rebate is set forth in Table 1, below, may be increased with bonus points as described in Table 2, below. To determine the

maximum total rebate award, the maximum per job award shall be multiplied by the total number of jobs.

- B. Award Matrix. The Award Matrix shall make Award Level One (1) equal to 100% of the average annual wage for Escambia County. Each subsequent award level (2 through 15) shall be increased at increments equal to 4.71% of the average annual wage for Escambia County. The "Wage Specific Award Matrix" shall be revised at the beginning of each year.
- C. Fiscal Year. All calculations shall be based on the County's fiscal year.

Section 7. Payment of Rebates.

Rebates will be paid in accordance with the following criteria:

- A. Rebates may be awarded for ad valorem property taxes, development fees, franchise fees, telecommunications taxes, gasoline taxes or any other available unrestricted general fund revenues that were paid to the County for the year that the business enterprise created the jobs giving rise to the rebate. Nothing herein shall be construed to obligate Escambia County to approve the maximum rebate. The Board of County Commissioners shall have sole discretion to approve each rebate application and the amount of the rebate. Approval of any rebate shall be subject to lawfully available and budgeted funds.
- B. Rebates will be paid over a five year period in equal installments.
- C. Rebates can cascade. For example, if a business enterprise creates 100 jobs, it may apply for and receive a rebate that will be paid from year one

through year five. If during year one the business enterprise creates an additional 50 jobs (total 150), a rebate for the additional 50 jobs may be paid from year two through six if qualified. If instead during year two the business enterprise downsizes to a total of 75 jobs, it will continue to receive payments on the original rebate for year one through year five, but no further rebates will be awarded until it increases the number of jobs to more than 100.

- D. At the end of year five, a rebate may be awarded to the extent of any unreimbursed ad valorem property taxes, development fees, franchise fees, telecommunications taxes, gasoline taxes or any other available unrestricted general fund revenues that were paid to the County in years one through five. However, the total rebate paid to a business enterprise in years one through five shall not exceed the total of all ad valorem property taxes, development fees, telecommunications taxes, gasoline taxes, or any other available general unrestricted general funds that were paid to the County during that period.

Section 8. Eligibility Criteria.

The following criteria must be satisfied by all applicants for rebate awards:

- A. Minimum average wage. New full-time jobs must pay at least the average annual wage shown in Table 1. Benefits shall not be counted as part of the wage.

- B. Business enterprises must create or maintain in Escambia County a minimum of ten full-time jobs during the year for which the rebate is sought.
- C. Eligible business enterprises must have commenced operations with an established payroll for permanent, full-time jobs during the first year for which a rebate is sought. Business enterprises engaged in construction and other actions in anticipation of commencing operations, but which have not yet commenced operations and established a payroll for permanent, full-time jobs, shall not be eligible. Business enterprises shall not be eligible for a rebate during any year in which it ceases operations in Escambia County.
- D. Eligible business enterprises must provide health insurance and retirement benefits for employees holding full-time jobs.
- E. Eligible business enterprises must generate at least fifty-one percent (51%) of their gross revenues from outside Escambia County.

Section 9. Severability.

If any section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by any Court of competent jurisdiction, then the holding shall in no way affect the validity of the remaining portions of this Ordinance.

Section 10. Inclusion in the Code.

It is the intention of the Board of County Commissioners that the provisions of this ordinance shall become and be made a part of the Escambia County Code; and that the sections of this Ordinance may be renumbered or relettered and the word "ordinance" may be changed to "section", "article", or such other appropriate word or phrase in order to accomplish such intentions.

Section 11. Effective Date.

This Ordinance shall become effective upon filing with the Department of State.

DONE AND ENACTED THIS 4th DAY OF October 2007.

BOARD OF COUNTY COMMISSIONERS
ESCAMBIA COUNTY, FLORIDA

BY: *K W White*
Kevin W. White, Chairman

ATTEST: ERNIE LEE MAGAHA
Clerk to the Circuit Court

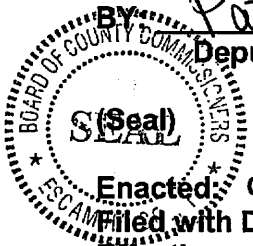
Date Executed

October 9, 2007

This document approved as to form and legal sufficiency.

By *Johel*
Title Asst. County Atty
Date Oct. 5, 2007

Patricia M. Cotton
Deputy Clerk



Enacted: October 4, 2007
Filed with Department of State: October 12, 2007
Effective: October 12, 2007

Table 1

**ESCAMBIA COUNTY ECONOMIC INCENTIVE PROGRAM
WAGE SPECIFIC REBATE AWARD MATRIX
County Fiscal Year 2007**

Award Level	Annual Avg. Wage	Avg. Hourly Wage (\$)	Max Award Per Job (\$)
1	31,500.00	15.14	0.00
2	32,983.68	15.86	1,000.00
3	34,537.25	16.60	1,307.69
4	36,164.00	17.39	1,615.38
5	37,867.36	18.21	1,923.07
6	39,650.96	19.06	2,230.76
7	41,518.56	19.96	2,538.45
8	43,474.13	20.90	2,846.14
9	45,521.81	21.89	3,153.83
10	47,665.94	22.92	3,461.52
11	49,911.06	24.00	3,769.21
12	52,261.92	25.13	4,076.90
13	54,723.52	26.31	4,384.59
14	57,301.05	27.55	4,692.28
15	60,000.00	28.85	5,000.00

Table 2

Bonus Condition	Increase #Award Levels
Business pays for employees' health insurance for new or retained jobs	3
Business pays for a portion of all employees' retirement for new or retained jobs	2
Business offers tuition reimbursement to employees for new or retained jobs	1
Business integrates pollution prevention and waste reduction with their technology and production processes	2
Business demonstrates significant corporate citizenship supported by a history of promoting volunteerism and financial participation in local charities or events	1
Business locates or expands in a Brownfields Community Block Grant Target Area; Florida Enterprise Zone authorized under Florida Statutes, Chapter 290; or a Community Redevelopment Area authorized under Florida Statutes, Chapter 163, Part III	5
Minorities and/or women comprise at least 20% of all employees	1
Percentage of new jobs locally advertised and provided to Escambia County residents:	
Less than 25%	0
25%-50%	1
51% or more	2
More than 75%	3