

5018

Replacement

Meeting Date
<b>October 4, 2016</b>



AGENDA	
Section	Public Hearing
Item No.	IV C

**AGENDA REPORT**  
**BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS**

SUBJECT:	Economic Development Tax Exemption Ordinance PROJECT ZEUS
DEPT/OFFICE:	Management & Community Services Group / County Manager's Office

**Requested Action:**

It is requested that the Board of County Commissioners consider adopting an Economic Development Ad Valorem Exemption Ordinance for Project Zeus.

**Summary Explanation & Background:**

PROJECT ZEUS is a medical services and management company considering refurbishing an existing 63,000+SF building in Cape Canaveral, Fl. The company plans to create 150 new jobs over three (3) years with an average wage of \$66,000 and invest \$4,500,000 in new capital expenditure.

# of New Jobs	Date jobs will be created
70	12/31/2017
30	12/31/2018
50	12/31/2019

PROJECT ZEUS meets the eligibility criteria as defined by Florida Statutes under Chapter 196.012(16) (a) 1. As a new business expanding in Brevard County.

"A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations: manufacturers, processes, compounds, fabricates or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant".

**The EDC has made a recommendation that PROJECT ZEUS be provided an abatement Of 100% for ten (10) years.**

**The Property Appraiser has conducted an analysis of the tax abatement application and estimates that at 100% the amount of the annual tax abatement will be approximately \$ 20,685.74.**

**Fiscal Impact: 2016-2017** No fiscal impact until company moves into and builds out facility

**Fiscal Impact: 2017-2018** Fiscal Impact will be the amount of ad valorem taxes exempted.

Clerk to the Board instruction:

Exhibits Attached: Ordinance, legal ad, Executive Summary, application, Economic Impact Analysis

<b>Contract /Agreement (If attached):</b>		<b>Reviewed by County Attorney</b>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Assistant County Manager	Department Director / Extension					
Stockton Whitten		Assistant County Manager						



## FLORIDA DEPARTMENT *of* STATE

**RICK SCOTT**  
Governor

**KEN DETZNER**  
Secretary of State

October 5, 2016

Honorable Scott Ellis  
Clerk  
Board of County Commissioners  
Brevard County  
Post Office Box 999  
Titusville, Florida 32781-0999

Attention: Ms. Deborah Thomas, Administrative Assistant

Dear Mr. Ellis:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your electronic copy of Brevard County Ordinance No. 2016-21, which was filed in this office on October 5, 2016.

Sincerely,

Ernest L. Reddick  
Program Administrator

ELR/lb

**ORDINANCE NO. 2016- 21**

**AN ORDINANCE GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM EXEMPTION TO PROJECT ZEUS. SPECIFYING THE ITEMS EXEMPTED; PROVIDING THE EXPIRATION DATE OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF CHAPTER 196.1995(16) F.S.; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROJECT ZEUS; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, economic development and the creation of jobs are a priority of the Brevard County Board of County Commissioners; and

WHEREAS, the Brevard County citizens voted to provide economic incentives to new and expanding businesses in the November 2014 general election; and

WHEREAS, Project Zeus, has requested that the Board of County Commissioners exempt ad valorem taxes for real property used in its new business or expansion of an existing business as well as tangible personal property at 8600 Astronaut Blvd, Cape Canaveral, Fl.

WHEREAS, the Economic Development Commission of Florida's Space Coast has recommended approval of the exemption for Project Zeus, and

WHEREAS, the Property Appraiser has provided the Board of County Commissioners with its report as required by Chapter 196.1995(16) F.S.; and

WHEREAS, it has been determined that Project Zeus, meets the requirements of Chapter 196.012(14) or (15) F.S., for new business or an expansion of an existing business in Brevard County; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA as follows:

Section 1. Chapter 102 entitled "Taxation"; Article IV entitled "Ad Valorem Property Taxation", of the Code of Ordinances of Brevard County, Florida shall be amended to include a new section 102-2\_\_ as follows:

- (a) An Economic Development Ad Valorem Tax Exemption is hereby granted to Project Zeus (hereafter referred to as "the Company"), for:
1. 100 percent a) of the assessed value of all improvements to real property made by or for the use of a new business as determined by the Property Appraiser for the first year after substantial completion of those improvements; and b) of the assessed value of all tangible personal property of such new business in place during that first year, or
  2. 100 percent a) of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business in the first year of assessment after substantial completion of those improvements and b) of the assessed value of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business during that first year.

- (b) The total amount of revenue available to the County from ad valorem tax sources for the current fiscal year is \$ 201,341,291.88; \$ 149,013.00 is lost to the County for the current fiscal year by virtue of exemptions currently in effect from previous years.
- (c) The tax exemption hereby granted shall be for a term of ten (10) years commencing with the first year the new or expanded facility and tangible personal property are added to the assessment roll,.
- (d) In accordance with the findings of the Board of County Commissioners and the Property Appraiser, the property hereby exempted from ad valorem tax exemption meets the definition of either a new business or expansion of an existing business, as defined by Chapter 196.0125(14) or (15), Florida Statutes.
- (e) The Company shall submit to the County Manager at the beginning of each year an annual report providing evidence of continued compliance with the definition of an expansion of an existing business for each of the ten (10) years during which the Company is eligible to receive ad valorem tax exemption. If the annual report is not received, or if the annual report indicates the Company, no longer meets the criteria of section 196.012(14) or (15), Florida Statutes, the County Manager shall make a report to the Board of County Commissioners for consideration of revocation of this Ordinance granting the tax exemption.
- (f) If the County Manager or designee receives written notice that the company qualifying for an ad valorem tax abatement under the authority of this ordinance has decided not to undertake or complete the new business or expansion of an existing business , including improvements to real property or acquisition of taxable tangible personal property, or has not timely provided the number of jobs qualifying the new business or expansion of an existing business for the ad valorem tax exemption granted under this section, the exemption granted shall be void, shall not take effect and shall not be implemented. If such a notice is received, the foregoing provision shall be self-executing and no further action of the Board of County Commissioners will be required to void the granted exemption. Upon the County's receipt of any such notice, the county manager or designee shall forward the notice to the Property Appraiser along with a copy of this subsection of the ordinance.
- (g) If, upon discovery of the Company's failure to qualify for the ad valorem tax exemption granted by this ordinance, the Board of County Commissioners may revoke this Ordinance, and the company shall reimburse those County ad valorem taxes abated in favor of the Company for that period of time that it was determined that the Company no longer met the criteria of section 196.012 (14) or (15), F.S., which ever was applicable to the exemption granted by this ordinance.

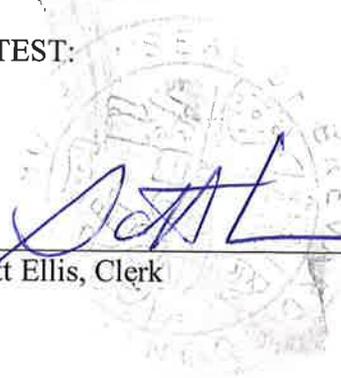
**Section 2. Severability** - If any provision of this Ordinance is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**Section 3. Effective Date** - This Ordinance shall become effective immediately upon filing as provided by law. A certified copy of the Ordinance shall be filed with the Office of the Secretary of State, State of Florida within ten days of enactment.

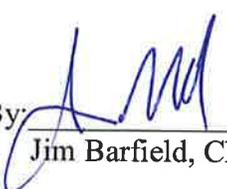
DONE, ORDERED AND ADOPTED in Regular Session this 4th day of October, 2016

ATTEST:

BOARD OF COUNTY COMMISSIONERS  
OF BREVARD COUNTY, FLORIDA



  
\_\_\_\_\_  
Scott Ellis, Clerk

By:   
\_\_\_\_\_  
Jim Barfield, Chairman

As approved by the Board on 10/4/16



September 28, 2016

Mr. Stockton Whitten  
County Manager  
Brevard County  
2725 Judge Fran Jamieson Way, Building C  
Viera, FL 32940 USA

Dear Mr. Whitten:

The Ad Valorem Tax Abatement Council convened September 28, 2016 to review an application submitted by Project Zeus.

The following Council members were in attendance: Thomas Brandon, Brandon Development Enterprises Inc; Robbie Fritz, HUB International Florida; Don Gust, All Service Graphics; Dan Henn, City of Rockledge; Neal Johnson, EverBank; Todd Morley, City of Cape Canaveral; Travis Proctor, Artemis Inc; Julie Song, FL Business & Manufacturing Solutions, Inc.

Guest(s): Wayne Price, Florida Today

EDC staff members in attendance included: Greg Weiner, Senior Director Business Development; Julie Roslin, Manager, Business Development; Jennifer Hashagen, Manager, Business Development; Cammie Goode, Business Development Specialist.

Project Zeus plans to create 150 new jobs over 3 years, with an average wage of \$66,000 and a total capital investment of \$4,500,000.

# of New Jobs	Date jobs will be created
70	12/31/2017
30	12/31/2018
50	12/31/2019

**TOTAL 150**

The Ad Valorem Tax Abatement Council made the recommendation of 100 percent abatement for 10 years for Project Zeus.

The Council consulted the EDC's Economic Impact Analysis and the guidelines attached to Brevard County Ordinance No. 96-41.

Should you have any questions, please feel free to contact me.

Sincerely,

Gregory J. Weiner  
Senior Director, Business Development



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972  
Tammy.Rowe@brevardclerk.us

September 21, 2016

**M E M O R A N D U M**

**TO:** Stockton Whitten, County Manager

**RE:** Item VI.E.1., Resolution for Ad Valorem Tax Abatement-Project Zeus

The Board of County Commissioners, in regular session on September 20, 2016, adopted Resolution No. 16-154, for an Ad Valorem Tax abatement for Project Zeus. Enclosed is one Certified Copy of the Resolution.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/kp

Encl. (1)

cc Budget  
Finance

RESOLUTION 2016-154

WHEREAS, economic development and the creation and retention of value added jobs is a priority of the Brevard County Board of County Commissioners; and

WHEREAS, the citizens of Brevard County voted to provide economic incentives to qualified new and expanding businesses in the November 2004 general election; and

WHEREAS, **Project Zeus** has requested that the Brevard County Commissioners exempt ad valorem taxes for its new construction and tangible personal property at **8600 Astronaut Blvd, Cape Canaveral FL; and**

WHEREAS, **Project Zeus** meets the requirements of Chapter 196.012 F.S. as a business planning to expand in Brevard County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA as follows:

The Board of County Commissioners requests that the Brevard County Property Appraiser conduct the required analysis and provide the Board with a report as required by Chapter 196.1995(8) F.S.; and

The Board of County Commissioners requests that the Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of the Company and provide the Board with its recommendation as to extent and length of tax abatement; and

The Board of County Commissioners intends to hold a public hearing to consider adopting an ordinance exempting **Project Zeus** from select County ad valorem taxes.

DONE, ORDERED AND ADOPTED in Regular Session this 20<sup>th</sup> day of September, 2016.

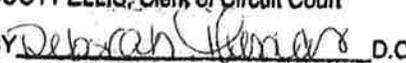
ATTEST:

  
\_\_\_\_\_  
Scott Ellis, Clerk

BOARD OF COUNTY COMMISSIONERS  
OF BREVARD COUNTY, FLORIDA

By:   
\_\_\_\_\_  
Jim Barfield, Chairman

As approved by the Board on 9/20/16

STATE OF FLORIDA  
COUNTY OF BREVARD  
This is to certify that the foregoing  
is a true and current copy of Resolution  
no 2016-154 witness my hand  
and official seal this 20 day of  
September 2016  
SCOTT ELLIS, Clerk of Circuit Court  
BY  D.C.



# AD VALOREM TAX ABATEMENT

PROJECT ZEUS – Application Package

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DATE                    September 28, 2016

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TO:                      AVT Council Members

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FROM:                  Jennifer Hashagen  
                              Manager, Business Development

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RE:                      Company Considering Expanding in Brevard County

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The Economic Development Commission of Florida's Space Coast is managing a business expansion project for Project Zeus.

Project Zeus plans to create 150 new jobs over the next 3 years, with an average wage of \$66,000 and a total capital investment of \$4,500,000.

The EDC is seeking to leverage the Brevard County Ad Valorem Tax Abatement program to help the client offset the cost of renovating a facility and purchasing new equipment.

Enclosed please find the following:

- AVT Program Guidelines
- Executive Summary
- Completed AVT application
- Completed AVT supplemental application
- Economic impact analysis

If you should have any questions regarding any of the enclosed documentation or on the company's business expansion, please feel free to contact me.

**SUPPLEMENTAL APPLICATION**

**BREVARD COUNTY ECONOMIC DEVELOPMENT  
AD VALOREM TAX EXEMPTION PROGRAM**

APPLICANT NAME: Project Zeus

**NOTICE:** This supplement is to be used by the applicant to provide additional information required by Economic Development Ad Valorem Tax Abatement Ordinance, Chapter 102, Division 3, Sections 181-191, Brevard County Code; and to provide other information requested by the Board of County Commissioners and the entities who will review the application.

Any business seeking an exemption shall file an application with the County before the business has made the decision to locate a new business in the County or before the business has made the decision to expand an existing in the County. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to final County Economic Development Tax Abatement approval (and not made contingent upon County approval) may constitute grounds for disapproval. Projects, which clearly do not require inducement, will not be approved.

1. Length of exemption requested is total of 10 years (length of exemption approved is sole discretion of County Commission and commences on the adoption date of the ordinance granting the exemption).
2. Property Owner Name: Astronaut Properties LLC  
Address: 2210 South Atlantic Ave. Cocoa Beach, Fla. 32931  
Telephone No. (321) 784-2318 FAX No. (321) 868-0038
3. Authorized Agent: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone Number: ( ) \_\_\_\_\_ Fax No. ( ) \_\_\_\_\_
4. Type of industry or business: Medical Management Company and Medical Services
5. Brief description of product and expansion plans (The applicant is to provide an executive summary of its business plan):  
The Company is evaluating consolidation of operations in Florida or Virginia. See attached Executive Summary.
6. Anticipated number of new employees (The applicant is to provide a breakdown of jobs to be created by category and planned salary to be paid by position): approximately 150
7. Percent Increase in overall employment: over 21%
8. Expected number of new employees who will reside in Brevard County: over 90%
9. Percentage of existing employees who have resided in the County for more than two years: estimated at over 90%
10. Anticipated average wage of employees: \$66,000
11. Anticipated average annual payroll: \$9.9 million for 150 new jobs
12. Anticipated new capital investment as a result of expansion or relocation of business:  
New construction value: \$4,000,000  
New personal property value: approximately \$500,000
13. Environmental impact of business. (Identify the number and type of environmental permits required as a result of this project: e.g. air, soil and water pollution, water and sewer, dredge and fill, storm water, industrial wastewater; provide a brief narrative statement of the company's environmental impacts): No environmental impact anticipated. The Company does not generate hazardous waste or bio waste
14. Anticipated volume of business or production: Company expects to grow 30% from 2015 to 2016 and expects double digit growth in the next five years. The Company has a compound annual growth rate of 15% over the past ten years.
15. The relocation or expansion would not occur without the exemption: Yes [ ] No [X]
16. Source of supplies (local or otherwise):  
% source of supplies County: less than 15% (Brevard County)  
% source of supplies Florida: less than 20%  
% source of supplies out-of-state: greater than 80%
17. Business is/will be located in a community redevelopment area: Yes [ X ] No [ ]

Name of area: Cape Canaveral, Florida redevelopment area

**SIGNATURES:**

I hereby confirm the information provided by Project Zeus to the Economic Development Commission of Florida's Space Coast and the Board of County Commissioners for the purpose of calculating the economic impact and benefit of the proposed tax abatement is true, accurate and complete. I further confirm that Project Zeus is not in violation of any federal, state or local law, or regulation governing environmental matters. I hereby acknowledge and agree upon approval of the Economic Development Ad Valorem Tax Abatement Ordinance by the Brevard County Board of County Commissioners that Project Zeus will provide CareerSource Brevard its job openings to be posted on www.employflorida.com and agrees to consider for employment candidates referred by Brevard Workforce.

DATE: September 9, 2016  
SIGNED: [Signature]  
TITLE: Chief Financial Officer  
(Applicant)

SIGNED: [Signature]  
(Preparer)  
\_\_\_\_\_  
(Preparer's Address)  
\_\_\_\_\_  
(Preparer's Telephone Number)

**ECONOMIC DEVELOPMENT COMMISSION (EDC) USE ONLY**

**EDC Economic Impact Analysis:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EDC's Recommendation:**

The Economic Development Commission of Florida's Space Coast hereby certifies that it has proof, to the satisfaction of the EDC, that the applicant meets the criteria of a new business or for an expansion of an existing business as defined in Section 184, Chapter 102, Brevard County Code. Furthermore, the EDC has conducted an economic impact analysis, applying acceptable multipliers as defined by the State Department of Commerce, which concludes that the applicant does hereby meet the economic benefit test; and, therefore, the EDC recommends to the Brevard County Commission that the applicant receive an ad valorem tax exemption for 100% percent of its eligible taxes and for a period of 10 years.

DATE: 9/28/2016 SIGNED: [Signature]  
(EDC President)

**COUNTY USE ONLY**

**County Manager's Recommendation:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE: \_\_\_\_\_ SIGNED: \_\_\_\_\_  
(County Manager)

**BREVARD COUNTY**  
**ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION**  
 Chapter 196, Florida Statutes

To be filed with the Board of County Commissioners, the governing board of the municipality, or both, no later than March 1 of the year the exemption is desired to take effect.

1. Business name: Project Zeus  
 Mailing address: \_\_\_\_\_
2. Name of person in charge of business \_\_\_\_\_  
 Telephone No.: \_\_\_\_\_ FAX No.: \_\_\_\_\_
3. Location of business (legal description and street address) of property for which this report is filed:  
8600 Astronaut Blvd, Cape Canaveral, FL; Part Of Govt Lots 3,4 IN SE 1/4 Lying Nely Of St Rd 401 As Des IN Ord 941 Pg 372
4. Date business opened at this facility TBD \_\_\_\_\_
5. a. Description of the improvements to real property for which this exemption is requested:  
\$4 million renovation to existing facility
- b. Date of commencement of construction of improvements: TBD \_\_\_\_\_
6. a. Description of the tangible personal property for which this exemption is requested and date when property was purchased:

APPRaiser's ONLY	Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of			Taxpayer's Estimate of Fair Market Value	USE
					Condition	of	of		
	Office Equipment		TBD	\$500,000 estimate	N			\$500,000	.92 = 460,000

- b. Average value of inventory on hand: Less than \$100,000 of medical supplies and medical equipment. Note excludes medical equipment purchased for US Government clients and held by the Company as government property.
- c. Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.
7. Do you desire exemption as a "New Business" [ ] or as an "Expansion of an Existing Business" [ X ]
8. Describe the type or nature of your business : Medical Management services.
9. Trade level (check as many as apply):

Wholesale [ ] Manufacturing [ ] Professional [ X ] Service [ X ] Office [ ] Other [ ]

10. a. Number of full time employees employed in Florida: 250

(DR 418)

b. If an expansion of an existing business:

(1) Net increase in employment 150 or 50% \_\_\_\_\_ %  
(2) Increase in productive output resulting from this expansion not applicable \_\_\_\_\_ %

11. Sales factor for the facility requesting exemption:

Total sales in Florida from this facility - one (1) location only \$35 Million (CY 2016 estimate) divided by  
Total sales everywhere from this facility - one (1) location only \$180 million CY2016 estimate = 19.4%

12. For office space owned and used by a corporation newly domiciled in Florida:

a. Date of incorporation in Florida \_\_\_\_\_  
b. Number of full-time employees at this location \_\_\_\_\_

13. If requesting an exemption due to location in a slum or blighted area, please furnish such additional information as required by the Commission, City Commission, or Property Appraiser.

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

DATE: September 9, 2016

Signed: [Signature]  
(Preparer)

SIGNED: [Signature]  
(Taxpayer)

\_\_\_\_\_  
(Preparer's Address)

TITLE: Chief Financial Officer

\_\_\_\_\_  
(Preparer's Telephone Number)

PROPERTY APPRAISER'S USE ONLY

i. Total revenue available to the County or municipality for the current fiscal year from ad valorem tax sources: 201,341,291.88

ii. Revenue lost to the County or municipality for the current fiscal year by virtue of exemptions previously granted under this section: 149,013.00

iii. the Estimate of the revenue which will be lost to the County during the current fiscal year if the exemption applied for were granted had property for which the exemption is requested otherwise been subject to taxation: 20,685.74

IV. Estimate of the taxable value lost to the County or municipality if the exemption applied for were granted:  
Improvements to real property 3,400,000 Personal Property 460,000

V. I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a New Business [ ], an Expansion of an Existing Business [ X ], or Neither [ ].

VI. Last year for which exemption may be applied: Dependent upon the number of years granted by the BOCC

DATE: 9-29-16

SIGNED: [Signature]  
(Property Appraiser)

RETURN TO BE FILED NOT LATER THAN MARCH 1

## **Project Zeus**

### **Ad Valorem Tax Abatement Executive Summary**

Project Zeus is a unique Medical Management Company that has been in business since the 1970s. Project Zeus opened their Florida office in the 90s starting with only 3 employees in a 500 sq. ft. office. Today the company has over 1,000 employees operating in multiple locations around the world.

Project Zeus has grown its business from less than \$1 million in revenue to over \$140 million in revenue in 2015, and from less than 10 customers to over 100 customers serviced today. The demand of these customers, in addition to the anticipated business from new customers, has created the need for the company to expand its operation and hire new employees.

Project Zeus is considering consolidating their VA and FL operations in either location. Should the company move forward with a Cape Canaveral location, they would add 150 new employees to the Space Coast which would include relocating 70 positions from their VA. location. Project Zeus's current FL facility does not have room to accommodate the company's growth. As such, the company is considering relocating to 8600 Astronaut Blvd, a 63,000+ SF facility and investing up to \$4.5M in capital improvements.

The Ad Valorem Tax Abatement program would be of great benefit to the company's growth and expansion efforts by allowing Project Zeus to better leverage its capital to increase efficiency, improve our cost structure and enhance our competitive posture. It will enable us to keep Florida business in Florida, as well as expand our presence in Florida.

Beyond this proposed expansion the company expects to continue on its current growth curve. Current projections are for annual sales to be greater than \$200 Million and employment reaching 850 permanent full-time employees by the end of 2018. Our current and future growth will continue to provide a positive and lasting impact on the Space Coast economy. We are eagerly anticipating the Commission's assistance with our expansion efforts through the approval of the Ad Valorem Tax Abatement Program.

Job Title / Description	Number of Jobs	Wage (excludes Fringe Benefits should we add?)	Anticipated Hire Timeline (by year)
HQ Staff Program Management (PM/APM) functions	10	\$75,000 per year	2017-2018
HQ Staff: Compliance, Internal Audit, Accounting, Payroll, HR	10	\$60,000 per year	2017-2018
Medical Professionals (Doctors, Nurses, EMTP's etc.	30	\$102,500 per year	2017-2019
Client Service Administrators (CSA)	50	\$33,500 per year	2017-2019
Licensed Clinical Care Specialists	25	\$85,000 per year	2018-2019
Information Technology, Applications Development and Informatics/Data Scientists	10	\$90,000 per year	2018-2019
Provider and Medical Staffing Recruiting	10	\$55,000 per year	2017 - 2018
International deployment support staff (Vetting / MRPT Clearance processing)	5	\$45,000 per year	2018 - 2019
<b>Total</b>	<b>150</b>	<b>Estimated Avg Annual Salary ~ \$66,000 per year. \$9.9M estimated Economic Benefit (excluding multiplier)</b>	<b>2017-2019</b>

**Project Zeus**  
**Brevard County, FL**  
**09/12/16**

**Overview:**

New Job Commitment:	150	Capital Investment:	\$4,500,000
Average Annual Wage:	\$66,000		

**Economic impact from job creation:**

<u>Jobs</u>	<u>Net New Wage</u>	<u>Contribution to GDP</u>
150 (Direct)	\$9,900,000 (Direct)	\$10,244,343 (Direct)
61 (Indirect)	\$2,366,862 (Indirect)	\$3,302,477 (Indirect)
68 (Induced)	\$2,459,483 (Induced)	\$4,447,277 (Induced)
<b>279 TOTAL</b>	<b>\$14,726,345 TOTAL</b>	<b>\$17,994,097 TOTAL</b>

- For every employment position created by Project Zeus approximately 0.86 additional jobs will be developed to support the operation of the facility.
- For every payroll dollar paid to Project Zeus approximately \$0.49 will be generated for consumer spending.

**County Tax Impact**

<b>Years 1-10</b>	<b>Annual Taxes on Construction</b>	
Projected Tax Assessed	\$	41,851.20
Potential Abatement (at 100%)	\$	17,148.80
Net New Revenue to County	\$	24,702.40
	<b>Annual Taxes on Personal Property</b>	
Projected Tax Assessed	\$	5,231.40
Potential Abatement (at 100%)	\$	2,143.60
Net New Revenue to County	\$	3,087.80
<b>Total New Revenue to County</b>	<b>\$</b>	<b>27,790.20</b>

**Years 11+ :** Company will be assessed for 100% of tax liability

Tax Millage Code – 26G0	NAICS – 541612	IMPLAN Sector – 454
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*Analysis based on information supplied by Project Zeus - September 2016*

*Economic impact calculations furnished by EDC Research Office, using IMPLAN Professional 3.1 (www.IMPLAN.com).*

*Abatement & millage numbers are estimates; all final numbers determined solely by the Brevard County Property Appraiser's Office.*

copy

Replacement

AGENDA	
Section	Public Hearing
Item No.	IV C



Meeting Date
October 4, 2016

**AGENDA REPORT**  
**BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS**

SUBJECT:	Economic Development Tax Exemption Ordinance PROJECT ZEUS
DEPT/OFFICE:	Management & Community Services Group / County Manager's Office

**Requested Action:**

It is requested that the Board of County Commissioners consider adopting an Economic Development Ad Valorem Exemption Ordinance for Project Zeus.

**Summary Explanation & Background:**

PROJECT ZEUS is a medical services and management company considering refurbishing an existing 63,000+SF building in Cape Canaveral, Fl. The company plans to create 150 new jobs over three (3) years with an average wage of \$66,000 and invest \$4,500,000 in new capital expenditure.

# of New Jobs	Date jobs will be created
70	12/31/2017
30	12/31/2018
50	12/31/2019

PROJECT ZEUS meets the eligibility criteria as defined by Florida Statutes under Chapter 196.012(16) (a) 1. As a new business expanding in Brevard County.

"A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations: manufacturers, processes, compounds, fabricates or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant".

**The EDC has made a recommendation that PROJECT ZEUS be provided an abatement Of 100% for ten (10) years.**

**The Property Appraiser has conducted an analysis of the tax abatement application and estimates that at 100% the amount of the annual tax abatement will be approximately \$ 20,685.74.**

**Fiscal Impact: 2016-2017** No fiscal impact until company moves into and builds out facility

**Fiscal Impact: 2017-2018** Fiscal Impact will be the amount of ad valorem taxes exempted.

Clerk to the Board instruction:

Exhibits Attached: Ordinance, legal ad, Executive Summary, application, Economic Impact Analysis

<b>Contract /Agreement (If attached):</b>		<b>Reviewed by County Attorney</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	PR <input type="checkbox"/>
County Manager	Assistant County Manager	Department Director / Extension			
Stockton Whitten	Assistant County Manager				

ORDINANCE NO. 2016-\_\_\_\_\_

**AN ORDINANCE GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM EXEMPTION TO PROJECT ZEUS. SPECIFYING THE ITEMS EXEMPTED; PROVIDING THE EXPIRATION DATE OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF CHAPTER 196.1995(16) F.S.; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROJECT ZEUS; PROVIDING AN EFFECTIVE DATE.**

WHEREAS, economic development and the creation of jobs are a priority of the Brevard County Board of County Commissioners; and

WHEREAS, the Brevard County citizens voted to provide economic incentives to new and expanding businesses in the November 2014 general election; and

WHEREAS, Project Zeus, has requested that the Board of County Commissioners exempt ad valorem taxes for real property used in its new business or expansion of an existing business as well as tangible personal property at 8600 Astronaut Blvd, Cape Canaveral, Fl.

WHEREAS, the Economic Development Commission of Florida's Space Coast has recommended approval of the exemption for Project Zeus, and

WHEREAS, the Property Appraiser has provided the Board of County Commissioners with its report as required by Chapter 196.1995(16) F.S.; and

WHEREAS, it has been determined that Project Zeus, meets the requirements of Chapter 196.012(14) or (15) F.S., for new business or an expansion of an existing business in Brevard County; and

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA as follows:

Section 1. Chapter 102 entitled "Taxation"; Article IV entitled "Ad Valorem Property Taxation", of the Code of Ordinances of Brevard County, Florida shall be amended to include a new section 102-2\_\_ as follows:

- (a) An Economic Development Ad Valorem Tax Exemption is hereby granted to Project Zeus (hereafter referred to as "the Company"), for:
1. 100 percent a) of the assessed value of all improvements to real property made by or for the use of a new business as determined by the Property Appraiser for the first year after substantial completion of those improvements; and b) of the assessed value of all tangible personal property of such new business in place during that first year, or
  2. 100 percent a) of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business in the first year of assessment after substantial completion of those improvements and b) of the assessed value of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business during that first year.

- (b) The total amount of revenue available to the County from ad valorem tax sources for the current fiscal year is \$ 201,341,291.88; \$ 149,013.00 is lost to the County for the current fiscal year by virtue of exemptions currently in effect from previous years.
- (c) The tax exemption hereby granted shall be for a term of ten (10) years commencing with the first year the new or expanded facility and tangible personal property are added to the assessment roll,.
- (d) In accordance with the findings of the Board of County Commissioners and the Property Appraiser, the property hereby exempted from ad valorem tax exemption meets the definition of either a new business or expansion of an existing business, as defined by Chapter 196.0125(14) or (15), Florida Statutes.
- (e) The Company shall submit to the County Manager at the beginning of each year an annual report providing evidence of continued compliance with the definition of an expansion of an existing business for each of the ten (10) years during which the Company is eligible to receive ad valorem tax exemption. If the annual report is not received, or if the annual report indicates the Company, no longer meets the criteria of section 196.012(14) or (15), Florida Statutes, the County Manager shall make a report to the Board of County Commissioners for consideration of revocation of this Ordinance granting the tax exemption.
- (f) If the County Manager or designee receives written notice that the company qualifying for an ad valorem tax abatement under the authority of this ordinance has decided not to undertake or complete the new business or expansion of an existing business, including improvements to real property or acquisition of taxable tangible personal property, or has not timely provided the number of jobs qualifying the new business or expansion of an existing business for the ad valorem tax exemption granted under this section, the exemption granted shall be void, shall not take effect and shall not be implemented. If such a notice is received, the foregoing provision shall be self-executing and no further action of the Board of County Commissioners will be required to void the granted exemption. Upon the County's receipt of any such notice, the county manager or designee shall forward the notice to the Property Appraiser along with a copy of this subsection of the ordinance.
- (g) If, upon discovery of the Company's failure to qualify for the ad valorem tax exemption granted by this ordinance, the Board of County Commissioners may revoke this Ordinance, and the company shall reimburse those County ad valorem taxes abated in favor of the Company for that period of time that it was determined that the Company no longer met the criteria of section 196.012 (14) or (15), F.S., which ever was applicable to the exemption granted by this ordinance.

Section 2. Severability - If any provision of this Ordinance is held to be illegal or invalid, the other provisions shall remain in full force and effect.

Section 3. Effective Date - This Ordinance shall become effective immediately upon filing as provided by law. A certified copy of the Ordinance shall be filed with the Office of the Secretary of State, State of Florida within ten days of enactment.



September 28, 2016

Mr. Stockton Whitten  
County Manager  
Brevard County  
2725 Judge Fran Jamieson Way, Building C  
Viera, FL 32940 USA

Dear Mr. Whitten:

The Ad Valorem Tax Abatement Council convened September 28, 2016 to review an application submitted by Project Zeus.

The following Council members were in attendance: Thomas Brandon, Brandon Development Enterprises Inc; Robbie Fritz, HUB International Florida; Don Gust, All Service Graphics; Dan Henn, City of Rockledge; Neal Johnson, EverBank; Todd Morley, City of Cape Canaveral; Travis Proctor, Artemis Inc; Julie Song, FL Business & Manufacturing Solutions, Inc.

Guest(s): Wayne Price, Florida Today

EDC staff members in attendance included: Greg Weiner, Senior Director Business Development; Julie Roslin, Manager, Business Development; Jennifer Hashagen, Manager, Business Development; Cammie Goode, Business Development Specialist.

Project Zeus plans to create 150 new jobs over 3 years, with an average wage of \$66,000 and a total capital investment of \$4,500,000.

# of New Jobs	Date jobs will be created
70	12/31/2017
30	12/31/2018
50	12/31/2019

**TOTAL 150**

The Ad Valorem Tax Abatement Council made the recommendation of 100 percent abatement for 10 years for Project Zeus.

The Council consulted the EDC's Economic Impact Analysis and the guidelines attached to Brevard County Ordinance No. 96-41.

Should you have any questions, please feel free to contact me.

Sincerely,

Gregory J. Weiner  
Senior Director, Business Development



Tammy Rowe, Clerk to the Board, 400 South Street • P. O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972  
Tammy.Rowe@brevardclerk.us

September 21, 2016

**M E M O R A N D U M**

**TO:** Stockton Whitten, County Manager

**RE:** Item VI.E.1., Resolution for Ad Valorem Tax Abatement-Project Zeus

The Board of County Commissioners, in regular session on September 20, 2016, adopted Resolution No. 16-154, for an Ad Valorem Tax abatement for Project Zeus. Enclosed is one Certified Copy of the Resolution.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

*Tammy Rowe*

Tammy Rowe, Deputy Clerk

/kp

Encl. (1)

cc Budget  
Finance

RESOLUTION 2016-154

WHEREAS, economic development and the creation and retention of value added jobs is a priority of the Brevard County Board of County Commissioners; and

WHEREAS, the citizens of Brevard County voted to provide economic incentives to qualified new and expanding businesses in the November 2004 general election; and

WHEREAS, **Project Zeus** has requested that the Brevard County Commissioners exempt ad valorem taxes for its new construction and tangible personal property at **8600 Astronaut Blvd, Cape Canaveral FL; and**

WHEREAS, **Project Zeus** meets the requirements of Chapter 196.012 F.S. as a business planning to expand in Brevard County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BREVARD COUNTY, FLORIDA as follows:

The Board of County Commissioners requests that the Brevard County Property Appraiser conduct the required analysis and provide the Board with a report as required by Chapter 196.1995(8) F.S.; and

The Board of County Commissioners requests that the Economic Development Commission of Florida's Space Coast conduct an economic impact analysis of the Company and provide the Board with its recommendation as to extent and length of tax abatement; and

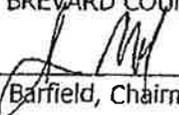
The Board of County Commissioners intends to hold a public hearing to consider adopting an ordinance exempting **Project Zeus** from select County ad valorem taxes.

DONE, ORDERED AND ADOPTED in Regular Session this 20<sup>th</sup> day of September, 2016.

ATTEST:

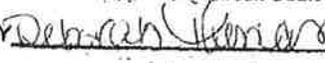
  
\_\_\_\_\_  
Scott Ellis, Clerk

BOARD OF COUNTY COMMISSIONERS  
OF BREVARD COUNTY, FLORIDA

By:   
\_\_\_\_\_  
Jim Barfield, Chairman

As approved by the Board on 9/20/16

STATE OF FLORIDA  
COUNTY OF BREVARD  
This is to certify that the foregoing  
is a true and current copy of Resolution  
no 2016-154 witness my hand  
and official seal this 20 day of  
September 2016  
SCOTT ELLIS, Clerk of Circuit Court

BY:   
\_\_\_\_\_  
D.C.



# AD VALOREM TAX ABATEMENT

PROJECT ZEUS – Application Package

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DATE                    September 28, 2016

---

TO:                     AVT Council Members

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FROM:                 Jennifer Hashagen  
                              Manager, Business Development

---

RE:                     Company Considering Expanding in Brevard County

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The Economic Development Commission of Florida's Space Coast is managing a business expansion project for Project Zeus.

Project Zeus plans to create 150 new jobs over the next 3 years, with an average wage of \$66,000 and a total capital investment of \$4,500,000.

The EDC is seeking to leverage the Brevard County Ad Valorem Tax Abatement program to help the client offset the cost of renovating a facility and purchasing new equipment.

Enclosed please find the following:

- AVT Program Guidelines
- Executive Summary
- Completed AVT application
- Completed AVT supplemental application
- Economic impact analysis

If you should have any questions regarding any of the enclosed documentation or on the company's business expansion, please feel free to contact me.

**SUPPLEMENTAL APPLICATION**

**BREVARD COUNTY ECONOMIC DEVELOPMENT  
AD VALOREM TAX EXEMPTION PROGRAM**

APPLICANT NAME: Project Zeus

**NOTICE:** This supplement is to be used by the applicant to provide additional information required by Economic Development Ad Valorem Tax Abatement Ordinance, Chapter 102, Division 3, Sections 181-184, Brevard County Code; and to provide other information requested by the Board of County Commissioners and the entities who will review the application.

Any business seeking an exemption shall file an application with the County before the business has made the decision to locate a new business in the County or before the business has made the decision to expand an existing in the County. Any business decisions, such as announcements, leasing of space or hiring of employees, made prior to final County Economic Development Tax Abatement approval (and not made contingent upon County approval) may constitute grounds for disapproval. Projects, which clearly do not require inducement, will not be approved.

1. Length of exemption requested is total of 10 years (length of exemption approved is sole discretion of County Commission and commences on the adoption date of the ordinance granting the exemption).
2. Property Owner Name: Astronaut Properties LLC  
Address: 2210 South Atlantic Ave. Cocoa Beach, Fla. 32931  
Telephone No. (321) 784-2318 FAX No. (321) 868-0038
3. Authorized Agent: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone Number: ( ) \_\_\_\_\_ Fax No. ( ) \_\_\_\_\_
4. Type of industry or business: Medical Management Company and Medical Services
5. Brief description of product and expansion plans (The applicant is to provide an executive summary of its business plan):  
The Company is evaluating consolidation of operations in Florida or Virginia. See attached Executive Summary.
6. Anticipated number of new employees (The applicant is to provide a breakdown of jobs to be created by category and planned salary to be paid by position): approximately 150
7. Percent increase in overall employment: over 21%
8. Expected number of new employees who will reside in Brevard County: over 90%
9. Percentage of existing employees who have resided in the County for more than two years: estimated at over 90%
10. Anticipated average wage of employees: \$66,000
11. Anticipated average annual payroll: \$9.9 million for 150 new jobs
12. Anticipated new capital investment as a result of expansion or relocation of business  
New construction value: \$4,000,000  
New personal property value: approximately \$500,000
13. Environmental impact of business. (Identify the number and type of environmental permits required as a result of this project: e.g. air, soil and water pollution, water and sewer, dredge and fill, storm water, industrial wastewater; provide a brief narrative statement of the company's environmental impacts): No environmental impact anticipated. The Company does not generate hazardous waste or bio waste
14. Anticipated volume of business or production: Company expects to grow 30% from 2015 to 2016 and expects double digit growth in the next five years. The Company has a compound annual growth rate of 15% over the past ten years.
15. The relocation or expansion would not occur without the exemption: Yes [ ] No [ X ]
16. Source of supplies (local or otherwise)  
% source of supplies County: less than 15% (Brevard County)  
% source of supplies Florida: less than 20%  
% source of supplies out-of-state: greater than 80%
17. Business is/will be located in a community redevelopment area: Yes [ X ] No [ ]

Name of area: Cape Canaveral, Florida redevelopment area

**SIGNATURES:**

I hereby confirm the information provided by Project Zeus to the Economic Development Commission of Florida's Space Coast and the Board of County Commissioners for the purpose of calculating the economic impact and benefit of the proposed tax abatement is true, accurate and complete. I further confirm that Project Zeus is not in violation of any federal, state or local law, or regulation governing environmental matters. I hereby acknowledge and agree upon approval of the Economic Development Ad Valorem Tax Abatement Ordinance by the Brevard County Board of County Commissioners that Project Zeus will provide CareerSource Brevard its job openings to be posted on www.employflorida.com and agrees to consider for employment candidates referred by Brevard Workforce.

DATE: September 9, 2016  
SIGNED: [Signature]  
TITLE: Chief Financial Officer

SIGNED: [Signature]  
(Preparer)  
\_\_\_\_\_  
(Preparer's Address)  
\_\_\_\_\_  
(Preparer's Telephone Number)

**ECONOMIC DEVELOPMENT COMMISSION (EDC) USE ONLY**

**EDC Economic Impact Analysis:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EDC's Recommendation:**

The Economic Development Commission of Florida's Space Coast hereby certifies that it has proof, to the satisfaction of the EDC, that the applicant meets the criteria of a new business or for an expansion of an existing business as defined in Section 184, Chapter 102, Brevard County Code. Furthermore, the EDC has conducted an economic impact analysis, applying acceptable multipliers as defined by the State Department of Commerce, which concludes that the applicant does hereby meet the economic benefit test; and, therefore, the EDC recommends to the Brevard County Commission that the applicant receive an ad valorem tax exemption for 100% percent of its eligible taxes and for a period of 10 years.

DATE: 9/23/2016 SIGNED: [Signature]  
(EDC President)

**COUNTY USE ONLY**

**County Manager's Recommendation:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE: \_\_\_\_\_ SIGNED: \_\_\_\_\_  
(County Manager)

**BREVARD COUNTY**  
**ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION**  
 Chapter 196, Florida Statutes

To be filed with the Board of County Commissioners, the governing board of the municipality, or both, no later than March 1 of the year the exemption is desired to take effect.

1. Business name: Prolect Zeus  
 Mailing address: \_\_\_\_\_
2. Name of person in charge of business: \_\_\_\_\_  
 Telephone No.: \_\_\_\_\_ FAX No.: \_\_\_\_\_
3. Location of business (legal description and street address) of property for which this report is filed:  
8600 Astronaut Blvd, Cape Canaveral, FL; Part Of Govt Lots 3.4 IN SE 1/4 Lying Nely Of St Rd 401 As Des IN Ord 941 Pg 372
4. Date business opened at this facility TBD
5. a. Description of the improvements to real property for which this exemption is requested:  
\$4 million renovation to existing facility
- b. Date of commencement of construction of improvements: TBD
6. a. Description of the tangible personal property for which this exemption is requested and date when property was purchased:

APPRaiser's ONLY	Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of			USE
					Condition	Estimate of	Fair Market Value	
	Office Equipment		TBD	\$500,000 estimate	N e w		\$500,000	.92 = 460,000

- b. Average value of inventory on hand: Less than \$100,000 of medical supplies and medical equipment. Note excludes medical equipment purchased for US Government clients and held by the Company as government property.
- c. Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.
7. Do you desire exemption as a "New Business" [ ] or as an "Expansion of an Existing Business" [ X ]
8. Describe the type or nature of your business : Medical Management services
9. Trade level (check as many as apply):

Wholesale [ ] Manufacturing [ ] Professional [ X ] Service [ X ] Office [ ] Other [ ]

10. a. Number of full time employees employed in Florida: 250

(DR 418)

b. If an expansion of an existing business:

(1) Net increase in employment 150 or 50% \_\_\_\_\_ %  
(2) Increase in productive output resulting from this expansion not applicable \_\_\_\_\_ %

11. Sales factor for the facility requesting exemption:

Total sales in Florida from this facility - one (1) location only \$35 Million (CY 2016 estimate) divided by  
Total sales everywhere from this facility - one (1) location only \$180 million CY2016 estimate = 19.4%

12. For office space owned and used by a corporation newly domiciled in Florida:

a. Date of incorporation in Florida \_\_\_\_\_  
b. Number of full-time employees at this location \_\_\_\_\_

13. If requesting an exemption due to location in a sump or bilgited area, please furnish such additional information as required by the County Commission, City Commission, or Property Appraiser.

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

DATE: September 9, 2016  
SIGNED: [Signature]  
(Taxpayer)  
TITLE: Chief Financial Officer

Signed: [Signature]  
(Preparer)  
\_\_\_\_\_  
(Preparer's Address)  
\_\_\_\_\_  
(Preparer's Telephone Number)

PROPERTY APPRAISER'S USE ONLY

- i. Total revenue available to the County or municipality for the current fiscal year from ad valorem tax sources: 201,341,291.88
- ii. Revenue lost to the County or municipality for the current fiscal year by virtue of exemptions previously granted under this section: 149,013.00
- iii. Estimate of the revenue which will be lost to the County during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise been subject to taxation: 20,685.74
- iv. Estimate of the taxable value lost to the County or municipality if the exemption applied for were granted:  
Improvements to real property 3,400,000 Personal Property 460,000

v. I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a New Business [ ], an Expansion of an Existing Business [ X ], or Neither [ ].

vi. Last year for which exemption may be applied: Dependent upon the number of years granted by the BOCC

DATE: 9-29-16

SIGNED: [Signature]  
(Property Appraiser)

RETURN TO BE FILED NOT LATER THAN MARCH 1

## **Project Zeus**

### **Ad Valorem Tax Abatement Executive Summary**

Project Zeus is a unique Medical Management Company that has been in business since the 1970s. Project Zeus opened their Florida office in the 90s starting with only 3 employees in a 500 sq. ft. office. Today the company has over 1,000 employees operating in multiple locations around the world.

Project Zeus has grown its business from less than \$1 million in revenue to over \$140 million in revenue in 2015, and from less than 10 customers to over 100 customers serviced today. The demand of these customers, in addition to the anticipated business from new customers, has created the need for the company to expand its operation and hire new employees.

Project Zeus is considering consolidating their VA and FL operations in either location. Should the company move forward with a Cape Canaveral location, they would add 150 new employees to the Space Coast which would include relocating 70 positions from their VA. location. Project Zeus's current FL facility does not have room to accommodate the company's growth. As such, the company is considering relocating to 8600 Astronaut Blvd, a 63,000+ SF facility and investing up to \$4.5M in capital improvements.

The Ad Valorem Tax Abatement program would be of great benefit to the company's growth and expansion efforts by allowing Project Zeus to better leverage its capital to increase efficiency, improve our cost structure and enhance our competitive posture. It will enable us to keep Florida business in Florida, as well as expand our presence in Florida.

Beyond this proposed expansion the company expects to continue on its current growth curve. Current projections are for annual sales to be greater than \$200 Million and employment reaching 850 permanent full-time employees by the end of 2018. Our current and future growth will continue to provide a positive and lasting impact on the Space Coast economy. We are eagerly anticipating the Commission's assistance with our expansion efforts through the approval of the Ad Valorem Tax Abatement Program.



Job Title / Description	Number of Jobs	Wage (excludes Fringe Benefits should we add?)	Anticipated Hire Timeline (by year)
HQ Staff Program Management (PM/APM) functions	10	\$75,000 per year	2017-2018
HQ Staff: Compliance, Internal Audit, Accounting, Payroll, HR	10	\$60,000 per year	2017-2018
Medical Professionals (Doctors, Nurses, EMTP's etc.	30	\$102,500 per year	2017-2019
Client Service Administrators (CSA)	50	\$33,500 per year	2017-2019
Licensed Clinical Care Specialists	25	\$85,000 per year	2018-2019
Information Technology, Applications Development and Informatics/Data Scientists	10	\$90,000 per year	2018-2019
Provider and Medical Staffing Recruiting	10	\$55,000 per year	2017 - 2018
International deployment support staff (Vetting / MRPT Clearance processing)	5	\$45,000 per year	2018 - 2019
<b>Total</b>	<b>150</b>	Estimated Avg Annual Salary ~ \$66,000 per year. \$9.9M estimated Economic Benefit (excluding multiplier)	<b>2017-2019</b>



# ECONOMIC IMPACT ANALYSIS

## Project Zeus Brevard County, FL 09/12/16

### Overview:

New Job Commitment:	150	Capital Investment:	\$4,500,000
Average Annual Wage:	\$66,000		

### Economic impact from job creation:

Jobs	Net New Wage	Contribution to GDP
150 (Direct)	\$9,900,000 (Direct)	\$10,244,343 (Direct)
61 (Indirect)	\$2,366,862 (Indirect)	\$3,302,477 (Indirect)
68 (Induced)	\$2,459,483 (Induced)	\$4,447,277 (Induced)
<b>279 TOTAL</b>	<b>\$14,726,345 TOTAL</b>	<b>\$17,994,097 TOTAL</b>

- For every employment position created by Project Zeus approximately 0.86 additional jobs will be developed to support the operation of the facility.
- For every payroll dollar paid to Project Zeus approximately \$0.49 will be generated for consumer spending.

### County Tax Impact

Years 1-10	Annual Taxes on Construction	
Projected Tax Assessed	\$	41,851.20
Potential Abatement (at 100%)	\$	17,148.80
Net New Revenue to County	\$	24,702.40
	Annual Taxes on Personal Property	
Projected Tax Assessed	\$	5,231.40
Potential Abatement (at 100%)	\$	2,143.60
Net New Revenue to County	\$	3,087.80
<b>Total New Revenue to County</b>	<b>\$</b>	<b>27,790.20</b>

**Years 11+ :** Company will be assessed for 100% of tax liability

Tax Millage Code – 26G0	NAICS – 541612	IMPLAN Sector – 454
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*Analysis based on information supplied by Project Zeus- September 2016*

*Economic impact calculations furnished by EDC Research Office, using IMPLAN Professional 3.1 (www.IMPLAN.com).*

*Abatement & millage numbers are estimates; all final numbers determined solely by the Brevard County Property Appraiser's Office.*

Meeting Date  
**October 4, 2016**



AGENDA	
Section	Public Hearing
Item No.	IV.C

**AGENDA REPORT**  
 BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	Economic Development Tax Exemption Ordinance PROJECT ZEUS
DEPT/OFFICE:	Management & Community Services Group / County Manager's Office

**Requested Action:**  
 It is requested that the Board of County Commissioners consider adopting an Economic Development Ad Valorem Exemption Ordinance for Project Zeus.

**Summary Explanation & Background:**  
 PROJECT ZEUS is a medical services and management company considering refurbishing an existing 63,000+SF building in Cape Canaveral, Fl. The company plans to create 150 new jobs over three (3) years with an average wage of \$66,000 and invest \$4,500,000 in new capital expenditure.

# of New Jobs	Date jobs will be created
70	12/31/2017
30	12/31/2018
50	12/31/2019

PROJECT ZEUS meets the eligibility criteria as defined by Florida Statutes under Chapter 196.012(16) (a) 1. As a new business expanding in Brevard County.  
 "A business or organization establishing 10 or more new jobs to employ 10 or more full-time employees in this state, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations: manufacturers, processes, compounds, fabricates or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant".

**The EDC has made a recommendation that PROJECT ZEUS be provided an abatement Of \_\_\_\_% for \_\_\_\_ ( ) years.**  
**The Property Appraiser has conducted an analysis of the tax abatement application and estimates that at \_\_\_\_\_% the amount of the annual tax abatement will be approximately \$ \_\_\_\_\_**

**Fiscal Impact: 2016-2017** No fiscal impact until company moves into and builds out facility  
**Fiscal Impact: 2017-2018** Fiscal Impact will be the amount of ad valorem taxes exempted.

**Clerk to the Board instruction:**  
 Exhibits Attached: Ordinance, legal ad, Executive Summary, application, Economic Impact Analysis

<b>Contract /Agreement (If attached):</b>		<b>Reviewed by County Attorney</b>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Assistant County Manager				Department Director / Extension		
Stockton Whitten		Assistant County Manager						