

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 01/23/2017

Contract/Lease Control #: C17-2515-BCC

Bid #: N/A

Contract/Lease Type: CONTRACT

Award To/Lessee: Project Hook II

Owner/Lessor: OKALOOSA COUNTY

Effective Date: Dec 20, 2016

Term: Upon Expiration of the Exemption Period

Description of Contract/Lease: Adoption of an Ordinance Granting AD Valorem Tax

Department: BCC

Department Monitor: HOFSTAD

Monitor's Telephone #: 850-651-7515

Monitor's FAX # or E-mail: jhofstad@co.okaloosa.fl.us

Closed: _____

cc: Finance Department Contracts & Grants Office



PH #2

BOARD OF COUNTY COMMISSIONERS AGENDA REQUEST

DATE: December 20, 2016
TO: Honorable Chairman and Members of the Board
FROM: Nathan Sparks, President, EDC
SUBJECT: Public Hearing - Adoption of an Ordinance Granting Ad Valorem Tax Exemption

STATEMENT OF ISSUE: The Economic Development Council of Okaloosa County has been working with an entity known as Project Hook II for the purpose of expanding its existing operations with the County. Staff requests that the board adopt an Ordinance approving an ad valorem tax exemption for Project Hook II and authorize the Chairman to sign resolution.

BACKGROUND AND ANALYSIS: Under the Florida Constitution and Florida Statutes, the County has the authority to grant property tax exemptions provided that the voters have authorized those actions. On August 26, 2014, the voters granted that authority to Okaloosa County.

The Economic Development Council of Okaloosa County has received an Economic Development Ad Valorem Tax Exemption Supplemental Application for a business called, for confidentiality purposes, Project Hook II. Project Hook II is an operation located in another state that is looking to relocate their company into Okaloosa County. This company manufactures a product that serves both civil and military aircraft. Furthermore, their product is used internationally. The company will outsource parts of the manufacturing process to sub suppliers in close proximity to the potential new location. A decision date for this project will occur by the end of the 4th Quarter in 2016.

Project Hook II is considering capital investment of \$2.315M, with \$1.31M being new equipment and \$40K in new-to-Florida equipment over the next three years. The company would create 25 new jobs with an average wage of \$65K to \$70K (172%+ of the average wage in Okaloosa County).

Furthermore, it should be noted that both facilities that the company is currently considering are located in a designated Brownfield area, which is a targeted redevelopment area. To grant the ad valorem tax exemption, the Board needs to adopt an Ordinance approving Project Hook II. Additionally, the Board is be asked to enter into an Economic Development Ad Valorem Tax Exemption Performance Agreement for Project Hook II.

OPTIONS: Approve/Disapprove.

RECOMMENDATION: Approve the adoption of an Ordinance granting an ad valorem tax exemption for Project Hook II and authorize the Chairman to enter into the Economic Development Ad Valorem Tax Exemption Performance Agreement for Project Hook II and sign resolution.

Project Hook I

For Public Review Online	After project announces or by 12/3/2017
Resolution	Put signed coded Resolution with sealed packet
Ordinance	Put signed coded Ordinance with sealed packet
Performance Agreement (CODED)	Performance Agreement (NOT CODED)
629 Anchors Street - Supplemental Application (CODED)	629 Anchors Street - Supplemental Application (NOT CODED)
654 Anchors Street - Supplemental Application (CODED)	654 Anchors Street - Supplemental Application (NOT CODED)
629 Anchors Street - DR-418 (CODED)	629 Anchors Street - DR-418 (NOT CODED)
654 Anchors Street - DR-418 (CODED)	654 Anchors Street - DR-418 (NOT CODED)
Property Appraiser's Calculations	Property Appraiser's Calculations
	Confidentiality Request

Items highlighted need signatures from Board

LEGAL ADVERTISING PROOF & INVOICE

Please review carefully for errors and return with either approval or changes. Thank you.

Customer	BOARD OF COUNTY COMMISSIONERS 1250 N EGLIN PARKWAY, SUITE 100 SHALIMAR, FL 32579	Date	11/18/2016	File/Case No.	
File/Case		Account No.	2031115	Start Date	12/6/2016
Description	DN16033 NOTC PROJECT HOOK II	Order No.	34363553	End Date	12/6/2016
		Reference No.	34794097		
		(Statement customers only - appears on monthly statement)		Amount Due	\$182.85
				(If ad below has been approved for publication)	

Legal # DN16033

NOTICE OF INTENTION TO ADOPT ORDINANCE

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Okaloosa County, Florida, on December 20, 2016 at 6:30 P.M. or soon thereafter, at the County Commission Meeting Room located at the Okaloosa County Administrative Building located at 1250 N. Eglin Parkway, Shalimar, Florida 32579 will hold a public hearing to consider adopting an ordinance, the title and substance of said proposed ordinance being:

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA, GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION TO PROJECT HOOK II; PROVIDING ENACTMENT AUTHORITY; PROVIDING THE AMOUNT OF THE EXEMPTION; PROVIDING THE TERM OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF SECTION 196.012,

FLORIDA STATUTES; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROVIDING SEVERABILITY; PROVIDING FOR INCLUSION IN THE COUNTY CODE OF ORDINANCES; PROVIDING AN EFFECTIVE DATE.

The proposed ordinance may be inspected by the public at the Offices of the County Commission located at Suite 100, Okaloosa County Administrative Building, 1250 N. Eglin Parkway, Shalimar, Florida 32579 and at Suite 302, 302 N. Wilson Street, Crestview, Florida 32536. Those offices can be contacted by telephone at 850-651-7105.

If any person decides to appeal any decision made with respect to any matter considered at these hearings, such person will need a record of the proceeding and may need to ensure that a verbatim record of the proceeding is made which record includes the testimony and evidence upon which the appeal is to be based.

Okaloosa County adheres to the Americans With Disabilities Act and will make reasonable modifications for

access to these hearings upon request. Requests may be made to the County Commission Offices at the above address, and must be made at least 48 hours in advance of the hearings in order to provide the requested service.

12/06/2016

Please return this portion with remittance. Include your account number on your check to ensure proper credit. Thank you for your business.

Customer	BOARD OF COUNTY COMMISSIONERS 1250 N EGLIN PARKWAY, SUITE 100 SHALIMAR, FL 32579	Date	11/18/2016	File/Case No.	
File/Case		Account No.	2031115	Start Date	12/6/2016
Description	DN16033 NOTC PROJECT HOOK II	Order No.	34363553	End Date	12/6/2016
		Reference No.	34794097		
		(Statement customers only - appears on monthly statement)		Amount Due	\$182.85
				(If ad below has been approved for publication)	

Daily News

Published Daily

Fort Walton Beach, Florida

Distributed in Okaloosa, Santa Rosa & Walton Counties

STATE OF FLORIDA
COUNTY OF OKALOOSA

Before the undersigned authorized personally appeared Dawn M. Barnes, who on oath says that she is an employee of Halifax Media Group, owner of the Northwest Florida Daily News, a daily newspaper published at Fort Walton Beach, in Okaloosa County, Florida; that the attached copy of advertisement, being a

Legal # DN16033

NOTICE OF INTENT

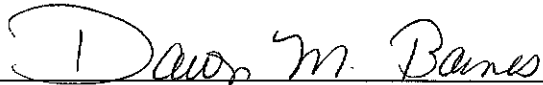
in the matter of

PROJECT HOOK II

in the Okaloosa County Court, was published in said newspaper in the issues of

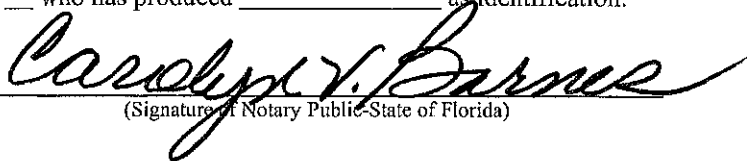
12/06/2016

Affiant further says that the said Northwest Florida Daily News is a newspaper published at Fort Walton Beach, in said Okaloosa County, Florida, and that the said newspaper has heretofore been continuously published in said Okaloosa County, Florida, each day, and has been entered as periodicals matter at the post office in Fort Walton Beach, in said Okaloosa County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

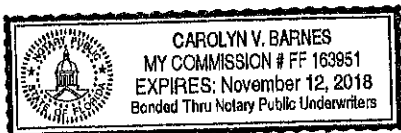


(Signature of Applicant)

Sworn to and subscribed before me this day of December 6, 2016, by Dawn M. Barnes, X who is personally known to me or who has produced as identification.



(Signature of Notary Public-State of Florida)



Notary Public

Legal # DN16033

NOTICE OF INTENTION TO ADOPT ORDINANCE

NOTICE IS HEREBY GIVEN that the Board of County Commissioners of Okaloosa County, Florida, on December 20, 2016 at 6:30 P.M. or soon thereafter, at the County Commission Meeting Room located at the Okaloosa County Administrative Building located at 1250 N. Eglin Parkway, Shalimar, Florida 32579 will hold a public hearing to consider adopting an ordinance,

the title and substance of said proposed ordinance being:

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA, GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION TO PROJECT HOOK II; PROVIDING ENACTMENT AUTHORITY; PROVIDING THE AMOUNT OF THE EXEMPTION; PROVIDING THE TERM OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF SECTION 196.012, FLORIDA STATUTES; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROVIDING SEVERABILITY; PROVIDING FOR INCLUSION IN THE COUNTY CODE OF ORDINANCES; PROVIDING AN EFFECTIVE DATE.

The proposed ordinance may be inspected by the public at the Offices of the County Commission located at Suite 100, Okaloosa County Administrative Building, 1250 N. Eglin Parkway, Shalimar, Florida 32579 and at Suite 302, 302 N. Wilson Street, Crestview, Florida 32536. Those offices can be contacted by telephone at 850-651-7105.

If any person decides to appeal any decision made with respect to any matter considered at these hearings, such person will need a record of the proceeding and may need to ensure that a verbatim record of the proceeding is made which record includes the testimony and evidence upon which the appeal is to be based.

Okaloosa County adheres to the Americans With Disabilities Act and will make reasonable modifications for access to these hearings upon request. Requests may be made to the County Commission Offices at the above address, and must be made at least 48 hours in advance of the hearings in order to provide the requested service.

12/06/2016

Mary L. Carson

From: Charles Powell <cpowell@co.okaloosa.fl.us>
Sent: Wednesday, January 18, 2017 11:51 AM
To: Mary L. Carson
Subject: RE: Public Hearing - Adoption on an Ordinance Granting Ad Valorem Tax

Yes, we will assign a contract number and you can provide C&G with the original copy. Thanks

Respectfully,

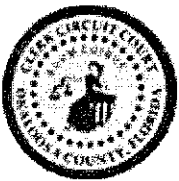
Charles Powell
Contract & Lease Coordinator
Okaloosa County Purchasing Department
5479A Old Bethel Road
Crestview, Florida 32536
Voice: 850-689-5960
Fax: 850-689-5970
cpowell@co.okaloosa.fl.us

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: Mary L. Carson [mailto:mcarson@okaloosaclerk.com]
Sent: Wednesday, January 18, 2017 10:51 AM
To: Charles Powell <cpowell@co.okaloosa.fl.us>
Subject: RE: Public Hearing - Adoption on an Ordinance Granting Ad Valorem Tax

Will a contract number be assigned to the file? I'm trying to determine if I need to provide C&G with the original copy.

Thank you for your assistance,



Mary L. Carson
Clerk to BCC, Okaloosa County Clerk of Courts
Tel: (850) 689-5000 x 3412 | Fax: (850) 689-5882
mcarson@okaloosaclerk.com | www.okaloosaclerk.com
302 N. Wilson Street, Suite 203 | Crestview, FL 32536



PLEASE NOTE: Florida has a very broad public records law. Email communications to or from Okaloosa County Clerk of Court employees are considered public records and are available to the public and media upon request. Your e-mail communications, including your email address, are subject to public disclosure. This email is intended for the addressee(s) indicated above only. If you have received this email in error, please delete it immediately.

From: Charles Powell [<mailto:cpowell@co.okaloosa.fl.us>]
Sent: Wednesday, January 18, 2017 10:42 AM
To: Mary L. Carson <mcarson@okaloosaclerk.com>
Subject: RE: Public Hearing - Adoption on an Ordinance Granting Ad Valorem Tax

Hi Mary,

Yes, we will need this document and make a file for it.

Respectfully,

Charles Powell
Contract & Lease Coordinator
Okaloosa County Purchasing Department
5479A Old Bethel Road
Crestview, Florida 32536
Voice: 850-689-5960
Fax: 850-689-5970
cpowell@co.okaloosa.fl.us

Please note: Due to Florida's very broad public records laws, most written communications to or from County employees regarding County business are public records, available to the public and media upon request. Therefore, this written e-mail communication, including your e-mail address, may be subject to public disclosure.

From: Mary L. Carson [<mailto:mcarson@okaloosaclerk.com>]
Sent: Wednesday, January 18, 2017 10:34 AM
To: Charles Powell <cpowell@co.okaloosa.fl.us>
Subject: FW: Public Hearing - Adoption on an Ordinance Granting Ad Valorem Tax

Good Morning Charles

Have you received any feedback from legal on this one yet?

Thanks,



Mary L. Carson
Clerk to BCC, Okaloosa County Clerk of Courts
Tel: (850) 689-5000 x 3412 | Fax: (850) 689-5882
mcarson@okaloosaclerk.com | www.okaloosaclerk.com
302 N. Wilson Street, Suite 203 | Crestview, FL 32536



PLEASE NOTE: Florida has a very broad public records law. Email communications to or from Okaloosa County Clerk of Court employees are considered public records and are available to the public and media upon request. Your e-mail communications, including your email address, are subject to public disclosure. This email is intended for the addressee(s) indicated above only. If you have received this email in error, please delete it immediately.

From: Mary L. Carson
Sent: Monday, January 09, 2017 9:27 AM

Mary L. Carson

From: Mary L. Carson
Sent: Monday, January 09, 2017 9:18 AM
To: 'Charles Powell'
Subject: Agenda Item Assistance

Good Morning Charles

I've tried sending you an electronic copy of the agenda item I spoke with you about last week but the file is apparently too large to send. Request you please take a look at the item in OnBase: Public Hearing: Adoption of an Ordinance granting Ad Valorem Tax Exemption from the December 20th meeting. There is no coordination sheet so I am trying to verify where a contract number will be assigned; if it needs to be processed through your office. Project Proud is one that was approved last year.

Thank you in advance,

PROJECT HOOK II

For Public Review Online

- ✓ Resolution
 - *Needs signatures*
- ✓ Ordinance
 - *Needs signatures*
- ✓ Performance Agreement (CODED)
 - *Needs signatures and information added*
- ✓ 629 Anchors Street - Supplemental Application (CODED)
- ✓ 654 Anchors Street - Supplemental Application (CODED)
- ✓ 629 Anchors Street - DR-418 (CODED)
- ✓ 654 Anchors Street - DR-418 (CODED)
- ✓ Property Appraiser's Calculations

RESOLUTION NO: 16-217

A RESOLUTION BY THE GOVERNING BOARD OF OKALOOSA COUNTY, FLORIDA, RECOMMENDING PROJECT HOOK II, BE APPROVED AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO S.288.106, FLORIDA STATUTES; AFFIRMING THIS IS A MANUFACTURING PROJECT; PROVIDING FOR LOCAL FINANCIAL SUPPORT IN THE FORM OF AD VALOREM TAX EXEMPTION FOR THE QUALIFIED TARGET INDUSTRY TAX REFUND WITH HIGH-IMPACT SECTOR AND HIGH-WAGE BONUS; PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNING BOARD OF OKALOOSA COUNTY, FLORIDA, as follows:

WHEREAS, the business under consideration is a manufacturing business, specifically, Project Hook II;
and

WHEREAS, Project Hook II is an operation located in another state that is looking to relocate their company into Okaloosa County, FL. This company manufactures a product that serves both civil and military aircraft. Furthermore, their product is used internationally and the company will outsource parts of the manufacturing process to sub suppliers in close proximity to the potential new location; and

WHEREAS, Project Hook II intends to locate in one of two potential locations in the Fort Walton Beach Commerce and Technology Park, specifically 629 Anchors or 654 Anchors. Project Hook II is considering capital investment of \$2,315,000, with \$1,310,000 being new equipment and \$40,000 in new-to-Florida equipment over the next three years. The company would create 25 new jobs; and

WHEREAS, Project Hook II has been identified as a Target Industry Business and, moreover, falls within one of the high-impact sectors, designated under section 288.108, Florida Statutes specifically Transportation Equipment Manufacturing, and is eligible to apply for the Qualified Target Industry Tax Refund with High-Impact Sector Bonus; and

WHEREAS, Project Hook II has committed to pay an average annual wage of \$65,000, which is approximately 172% of the average wage in Okaloosa County, and is eligible for the 150% high wage bonus; and

WHEREAS, Okaloosa County hereby acknowledges that local financial support of 20% of the total tax refund is required under the provisions of section 288.106, Florida Statutes, governing the State's Qualified Target Industry Tax Refund Program;

WHEREAS, the City of Fort Walton Beach has agreed to participate in the provision of local financial support by committing \$37,115, which is more than 20 percent of the total required QTI local financial support. This amount will be made available in accordance with the guidelines set forth by the Department of Economic Community with the stipulation that these funds are intended to represent local financial support pursuant to section 288.106, Florida Statutes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA:

Section 1. The Board of County Commissioners does hereby recommend that Project Hook II be approved as a Qualified Target Industry Business pursuant to section 288.106, Florida Statutes.

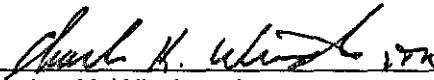
Section 2. The Board determines that the necessary local financial support for the Qualified Target Industry Tax Refund with High-Impact Sector Bonus and High-Wage Bonus exists for Project Hook II in the amount of \$22,069, which includes \$4,000 for the Qualified Target Industry Tax Refund and \$2,000 for the High-Impact Sector Refund. When combined with the City of Fort Walton Beach's exemption will then equal 20% of the total tax refund requested, and will be provided in the form of ad valorem tax exemptions granted to Project Hook II, pursuant to section 196.1995, Florida Statutes. Such exemption from ad valorem tax exemptions shall be provided over a ten year period in the following amounts:

- 2018 - \$995
- 2019 - \$3,097
- 2020 - \$3,161
- 2021 - \$2,886
- 2022 - \$2,572
- 2023 - \$2,325
- 2024 - \$2,097
- 2025 - \$1,836
- 2026 - \$1,620
- 2027 - \$1,481

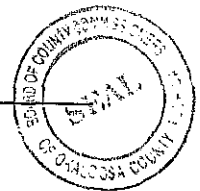
Section 3. This resolution shall take effect immediately upon its adoption.

DULY ADOPTED BY THE GOVERNING BOARD OF OKALOOSA COUNTY, FLORIDA, this 20th day of December, 2016.

OKALOOSA COUNTY
BOARD OF COUNTY COMMISSIONERS
OKALOOSA, FLORIDA

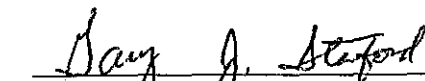


Charles K. Windes, Jr.
Chairman



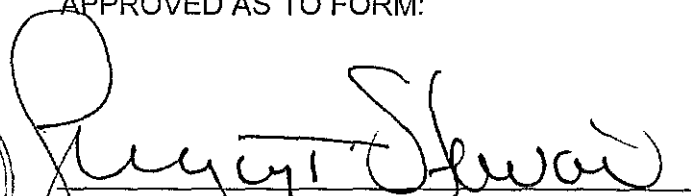
ATTEST:

APPROVED AS TO FORM:



J. D. Peacock, II, Clerk





Gregory T. Stewart
County Attorney

ORDINANCE NO. 16-25

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA, GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION TO PROJECT HOOK II; PROVIDING ENACTMENT AUTHORITY; PROVIDING THE AMOUNT OF THE EXEMPTION; PROVIDING THE TERM OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF SECTION 196.012, FLORIDA STATUTES; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROVIDING SEVERABILITY; PROVIDING FOR INCLUSION IN THE COUNTY CODE OF ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, economic development and the creation of jobs within Okaloosa County are a priority of the Board of County Commissioners of Okaloosa County (the "Board"); and

WHEREAS, on August 26, 2014, pursuant to section 196.1995, Florida Statutes, the voters of Okaloosa County authorized the Board to grant property tax exemptions to new businesses and expansion of existing businesses for economic development purposes ("Economic Development Ad Valorem Tax Exemption"); and

WHEREAS, Project Hook II (the "Company") has submitted an application to the County for an Economic Development Ad Valorem Tax Exemption; and

WHEREAS, the Okaloosa County Economic Development Council (the "EDC") has recommended approval of the Economic Development Ad Valorem Tax Exemption for the Company; and

WHEREAS, the Property Appraiser has provided the Board with its report as required by section 196.1995(9), Florida Statutes; and

WHEREAS, the Company has executed an Economic Development Ad Valorem Tax Exemption Performance Agreement (the "Agreement") which sets forth the performance and reporting requirements for the Economic Development Ad Valorem Tax Exemption, a copy of which is attached to this Ordinance as Exhibit "A"; and

WHEREAS, based upon the review of the information, it has been determined that the Company meets the requirements of section 196.012(15), Florida Statutes; and

WHEREAS, section 196.1995(11), Florida Statutes, requires that any action of the Board granting an Ad Valorem Tax Exemption to a new or expanding business be established by an ordinance.

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

Section 1. RECITALS. The Recitals set forth above are incorporated as part of this Ordinance.

Section 2. ENACTMENT AUTHORITY.

Pursuant to Article VII, Section 3 of the Constitution of the State of Florida, and section 196.1995, Florida Statutes, the County is empowered to grant Economic Development Ad Valorem Tax Exemptions after the electors of the County, voting on the question in a referendum, authorize such exemptions. In a referendum held on August 26, 2014, the voters of Okaloosa County authorized the Board to grant Economic Development Ad Valorem Tax Exemptions to new businesses and expansions of existing businesses for economic development purposes.

Section 3. GRANT OF ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION.

A. This Economic Development Ad Valorem Tax Exemption is hereby granted to the Company for its potential new business location at 629 Anchors Street or 654 Anchors Street, (the "Property") for its new construction and tangible personal property added or increased on or after the date of this Ordinance. No exemption shall be granted on the land upon which the improvements are made. Such Economic Development Ad Valorem Tax Exemption shall only be applicable to County taxes.

B. The total amount of revenue available to the County from ad valorem tax sources, revenue lost to the County for the current Tax Year by virtue of economic development Ad Valorem Tax Exemptions previously granted, and the amount of estimated revenue which will be lost because of the exemption hereby granted are in accordance with Paragraphs I, II, III and IV of the Property Appraiser's findings on the Application for Economic Development Tax Exemption, which is included as an exhibit to the Agreement attached as Exhibit "A" to this Ordinance.

C. The Economic Development Ad Valorem Tax Exemption hereby granted to the Company for the Property and shall be for a term of 10 years commencing with the taxes for the year 2018 and ending with the taxes for the year 2027 (the "Exemption Period"). The Ad

Valorem Tax Exemption shall be applied against Tangible Personal Property Tax for the Property in a total amount over the Exemption Period of \$22,069, as more fully set forth on the Application for Economic Development Tax Exemption, which is included as an exhibit to the Agreement attached as Exhibit "A" to this Ordinance. Such exemption shall only be applied against new tangible personal property added or increased after the date of this Ordinance through the Exemption Period.

D. In accordance with the findings of the Board and the Property Appraiser, the Property hereby exempted meets the definition of a new or expanded business, as defined by section 196.012, Florida Statutes.

E. For Tax Year 2018 and all remaining years thereafter for which the Company is entitled to an Economic Development Ad Valorem Tax Exemption, such Exemption shall be granted from the payment of the taxes due by the Company on the new tangible personal property tax on the Property added or increased after the date of this Ordinance through the Exemption Period.

Section 4. SEVERABILITY.

In the event any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, it is the intent of the Board that such invalidity shall not affect any other provisions of the Ordinance which may be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are declared severable.

Section 5. INCLUSION IN THE OKALOOSA COUNTY CODE OF ORDINANCES.

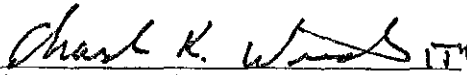
The provisions of this Ordinance shall become and be made a part of the Okaloosa County Code of Ordinances. The sections of the Ordinance may be renumbered or relettered to accomplish such, and the word "Ordinance" may be changed to "Section", "Article", or other appropriate word.

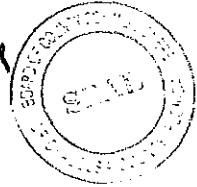
Section 5. EFFECTIVE DATE.

A certified copy of this Ordinance shall be filed with the Department of State by the Clerk of the Board within ten (10) days after enactment by the Board and shall take effect upon its filing with the Department of State as provided by law.


PASSED AND DULY ENACTED by the Board of County Commissioners of Okaloosa County, Florida in regular session, this 20th day Dec., 2016.

OKALOOSA COUNTY
BOARD OF COUNTY COMMISSIONERS


Charles K. Windes, Jr.
Chairman

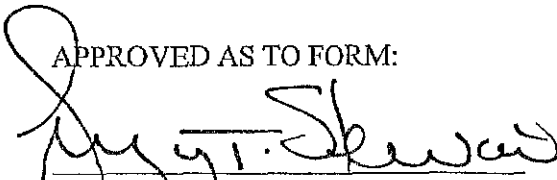


ATTEST:


J.D. Peacock, II
Clerk of Court



APPROVED AS TO FORM:


Gregory B. Stewart
County Attorney

**ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION
PERFORMANCE AGREEMENT BETWEEN OKALOOSA COUNTY AND
PROJECT HOOK II**

This Economic Development Ad Valorem Tax Exemption Performance Agreement (the "Agreement"), made and entered into this 21st day of December, 2016, by and between Okaloosa County, Florida, a political subdivision of the State of Florida (the "County") and Project Hook II (the "Company").

WITNESSETH:

WHEREAS, Article VII, Section 3 of the Florida Constitution and Section 196.1995, Florida Statutes, authorize the County to grant Economic Development Ad Valorem Tax Exemptions to New Businesses and Expansions of Existing Businesses, as defined in Sections 196.012(14) and (15), Florida Statutes, subject to voter approval (the "EDATE Exemption"); and

WHEREAS, on August 26, 2014, Okaloosa County electors approved a referendum authorizing such exemptions; and

WHEREAS, pursuant to Section 196.1995(8), Florida Statutes, the Company submitted an application consisting of the EDATE Supplemental Application and the DR 418 Form (the "Application") requesting an EDATE Exemption, a copy of which is attached hereto and incorporated as part of this Agreement as Exhibit "A"; and

WHEREAS, as a condition of the EDATE Exemption being granted, the Company is required to enter into an Agreement with the County to ensure that it satisfies all requirements associated with the creation of jobs in the County, the fulfillment of other representations made in applying for the EDATE Exemption, and the granting of the EDATE Exemption by the County.

NOW THEREFORE, in consideration of the above and the mutual covenants contained herein, the parties agree as follows:

SECTION 1: INCORPORATION. The above recitals are incorporated as essential terms of this Agreement. All capitalized terms used in this Agreement and not defined herein shall have the same meanings as ascribed to them in Section 196.012, Florida Statutes.

SECTION 2: EXEMPTION. Subject to the terms and conditions of this Agreement, the County agrees to provide the Company with the EDATE Exemption as set forth in the Exemption Ordinance.

SECTION 3: BUSINESS MAINTENANCE AND CONTINUING PERFORMANCE CONDITIONS. The Company, pursuant to its representation contained within the Application, and in consideration for the County granting the EDATE Exemption, agrees to: [INCLUDE PROVISIONS THAT APPLY]

A. FACILITY CONSTRUCTION EXPANSION (Initial applicable provisions):

The Company shall construct the following facilities, which shall be completed in accordance with the Application:

- _____ 1. Construct a new facility consisting of _____ square feet of _____ space; and/or
- _____ 2. Expand an existing facility by adding an area consisting of _____ square feet of _____ space.

B. FINANCIAL INVESTMENT(Initial applicable provisions):

Through January 1, 2020, in accordance with the Application, the Company will invest a minimum of two million, three hundred and fifteen thousand Dollars (\$2,315,000) in the:

- _____ 1. Construction of a new facility for the operation of its business within Okaloosa County, including the purchase of new equipment; and/or
- X 2. Expansion of an existing facility for its operations, located within Okaloosa County, including the purchase of new equipment.

- C. **JOB CREATION:** Create at least 25 full-time equivalent jobs paying an average annual wage equal to or in excess of 110% of the average annual wage for Okaloosa County during each of the tax years for which the EDATE Exemption is sought. In determining compliance with the job creation requirements of this Agreement, the Company shall demonstrate that it has created the requisite number of jobs as of January 1 of each Tax Year of the Exemption Period, as set forth in the Application.

- D. **LOCAL EFFORT:** The Company shall use its best efforts to hire employees residing within Okaloosa County and to use local suppliers for its goods and services.

SECTION 4: ANNUAL FILING. Pursuant to Section 196.1995, Florida Statutes, the Company shall:

- A. Notify the County and the Economic Development Council of Okaloosa County (the "EDC"), in writing within ten (10) business days as to any changes in ownership of the Company.

- B. Submit an annual report and certification statement (the "Annual Report") to the Economic Development Council of Okaloosa County and Okaloosa County on or before February 15 of each Tax Year of the Exemption Period, which shall be defined as Ten (10) tax years commencing with Tax Year 2018 through Tax Year 2027.
 - 1. The Annual Report shall verify that (1) the information provided in the Application has not changed, or (2) in the event the information has changed, that the Annual Report shall set forth the changes in detail and any supporting documentation that may be necessary. The Business Maintenance and Continuing Performance Conditions contained in Section 3 may not be altered by the Annual Report.

2. The Annual Report shall certify and provide documentation that demonstrates the Company's compliance with the Business Maintenance and Continuing Performance Conditions as set forth in Section 3 of this Agreement. The Annual Report shall contain a certification that the information contained therein is true and correct to the best of the certifier's knowledge and belief. The certification statement (example attached herein) shall be signed by an individual with authority to execute the Annual Report on behalf of the Company and shall be sworn to before a Notary Public of the State of Florida. The documentation provided shall demonstrate compliance with each of the requirements of this Agreement. Documentation establishing compliance with any job creation requirements shall set forth the number of jobs created and the average annual wages for these positions. The documentation shall also establish that the required number of jobs created were in existence as of January 1 of each Tax Year within the Exemption Period, all in accordance the Application.
3. The County and EDC shall review the submitted Annual Report and upon determination that all applicable submittals have been included, will then forward a copy to the Office of Property Appraiser (the "Property Appraiser") for their review and processing. The Submittal to the Property Appraiser shall be accomplished by March 1 of each Tax Year during the Exemption Period, unless special circumstances exist.
4. The County and the EDC shall have the authority to make on-site inspections, as they deemed necessary, however, they shall be under no obligation to do so. Further, the representatives of the Property Appraiser shall be given access to the site as they deem necessary for the performance of their functions.
5. The parties acknowledge and agree that nothing contained in this Agreement shall require the Company to provide the County or the EDC with any confidential, personal or otherwise sensitive employee information.

6. No EDATE Exemption shall be granted for any Tax Year within the Exemption Period unless it is determined that the Company is in full compliance with the Business Maintenance and Continuing Performance Conditions as set forth in Section 3 of this Agreement.

SECTION 5: COMPLIANCE WITH EDATE EXEMPTION ORDINANCE.

In conjunction with the execution of this Agreement, the County will adopt an Exemption Ordinance. The Company shall comply with all terms and conditions set forth in the Exemption Ordinance, as well as any policies, procedures and guidelines adopted by the County related to the EDATE Exemption. The Company shall be provided copies of any such policy, procedures and guidelines.

SECTION 6: ADMINISTRATION OF PERFORMANCE

REQUIREMENTS. The Company's compliance with this Agreement shall be annually reviewed to determine that it has satisfied the Business Maintenance and Continuing Performance Conditions set forth in Section 3 of this Agreement.

- A. In the event the Company fails to satisfy the Business Maintenance and Continuing Performance Conditions set forth in Section 3 of this Agreement or fails to comply with the Exemption Ordinance, then it shall not be entitled to an EDATE Exemption for that Tax Year. The failure to satisfy the Business Maintenance and Continuing Performance Conditions for a Tax Year within the Exemption Period shall not preclude the Company from qualifying for an EDATE Exemption under this Agreement for a subsequent Tax Year. However, the Company must continue to be in full compliance with all of the requirements of the Business Maintenance and Continuing Performance Conditions set forth in Section 3 of this Agreement for that particular Tax Year.
- B. If it is determined that for any Tax Year within the Exemption Period, that the Company received an exemption to which it was not entitled, then the County shall be entitled to seek payment of the taxes for that Tax Year along with attorney's fees, costs and interest at the maximum rate allowed by law.
- C. This section shall survive termination of this Agreement.

SECTION 7: ASSIGNMENT. The rights and privileges granted pursuant to the Exemption and this Agreement are not assignable or transferable in any manner without the written consent of the County and the amendment of the Ordinance.

SECTION 8: BINDING EFFECT, REPRESENTATIONS AND WARRANTIES.

- A. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors, notwithstanding changes in corporate or other governance.
- B. The Company represents and warrants to the County that as of the date hereof and throughout the term of this Agreement:
 - 1. The Company is a for profit corporation, duly organized under the laws of the State of Florida or authorized to do business in Florida, maintains a place of business within the State of Florida, and is validly existing and is doing business in the State of Florida as PROJECT HOOK II.
 - 2. The Company has the power and authority to own its properties and assets and to carry on its business as now being conducted and has the power and authority to execute and perform this Agreement.
 - 3. This Agreement: (a) is the lawful, valid and binding agreement of the Company in its corporate name enforceable against the Company in accordance with its terms; (b) does not violate any order of any court or other agency of government binding on the Company, the charter documents of the Company or any provision of any indenture, agreement or other instrument to which the Company is a party; and (c) does not conflict with, result in a breach of, or constitute an event of default, or an event which, with notice or lapse of time, or both, would constitute an event of default, under any material indenture, agreement or other instrument to which the Company in its corporate name is a party;

4. The Company has not received written notice of any action having been filed against the Company that challenges the validity of this Agreement or the Company's right and power to enter into and perform this Agreement; and
5. The signatory hereto has the authority to execute this Agreement and to bind the Company to the terms and conditions set forth herein.

SECTION 9: TERM AND TERMINATION. This Agreement shall be effective upon its full execution. Unless terminated for cause in accordance with applicable law, this Agreement shall terminate upon expiration of the Exemption Period.

SECTION 10: ADDITIONAL PROVISIONS.

- A. **VALIDITY.** After consultation with their respective legal counsel, the County and the Company each represents and warrants to the other its respective authority and power under Florida law to enter into this Agreement, acknowledges the validity and enforceability of this Agreement, and waives any future right of defense based on claim of illegality, invalidity or unenforceability of any nature.
- B. **AMENDMENTS.** This Agreement may be amended, in writing, by the mutual consent of the parties.
- C. **INDEMNIFICATION.** To the fullest extent permitted by law, the Company shall indemnify and hold harmless the County and the EDC, its officers and employees from liabilities, damages, losses, and costs including but not limited to reasonable attorney fees, to the extent caused by the negligence, recklessness, or intentional wrongful conduct of the Company and other persons employed or utilized by the Company in the performance of this Agreement.

- D. **ENTIRE AGREEMENT.** This Agreement constitutes the entire understanding between the parties with respect to the transaction contemplated herein and supersedes all prior written or oral negotiations, commitments or writings. All future modifications to this agreement shall be in writing signed by both parties.
- E. **ATTORNEYS FEES.** If any legal action is brought by either party relating to this Agreement, the prevailing party will be entitled to reimbursement by the other party of its reasonable attorneys' fees and costs.
- F. **GOVERNING LAW AND VENUE.** This Agreement shall be interpreted in accordance with the laws of the State of Florida without regard to its principles of conflicts of laws. Venue for any legal proceedings arising out of this Agreement shall be in Okaloosa County, Florida.
- G. **NOTICES.** Any notices required under this Agreement shall be in writing and be addressed to the parties as shown below. Notices shall be delivered by certified or registered first class mail or by commercial courier service and shall be deemed to have been given or made as of the date received.

NOTICES:

AS TO THE COUNTY:

John Hofstad
County Administrator

AS TO THE ECONOMIC DEVELOPMENT COUNCIL OF OKALOOSA
COUNTY:

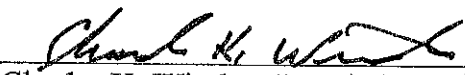
Nathan Sparks
Executive Director

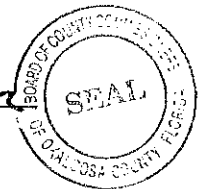
AS TO COMPANY:

Project Hook II
Attn: Confidential – *Original on file*
Confidential – *Original on file*

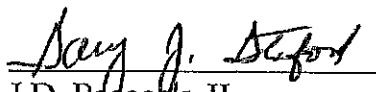
IN WITNESS WHEREOF, the parties hereto have caused this document to
be executed on the day and year first hereinabove written.

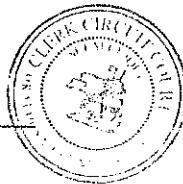
OKALOOSA COUNTY
BOARD OF COUNTY COMMISSIONERS


Charles K. Windes, Jr., Chairman

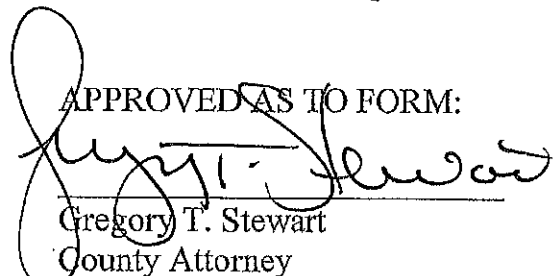


ATTEST:


J.D. Peacock, II
Clerk of Court & Comptroller



APPROVED AS TO FORM:


Gregory T. Stewart
County Attorney

Project Hook II

Confidential
President

Date: 11/4/2016

Witnesses:

N. Sparks

Signature

Nathan Sparks

Print Name

Caroline McCoy

Signature

Caroline McCoy

Print Name

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION
Chapter 196.1995, Florida Statutes

DR-418
R. 12/99

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

1 Business name <i>Confidential at this time</i>		Mailing address <i>Confidential at this time</i>	
2 Please give name and telephone number of owner or person in charge of this business.			
Name <i>Confidential at this time</i>		Telephone number <i>Confidential at this time</i>	
3 Exact Location (Legal Description and Street Address) of Property for which this return is filed 629 Anchors Street, Fort Walton Beach, FL 36248			4 Date you began, or will begin, business at this facility 01/01/2017
5 Description of the improvements to real property for which this exemption is requested N/A			Date of commencement of construction of improvements N/A
6 Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased			APPRAISER'S USE ONLY
Class or Item		Age	Date of Purchase
			Original Cost
			Cond*
			Fair Market Rent
			Cond*
Servers		2	09/02/13 \$ 4,500 good \$ 0 \$
Desktops		2	09/02/13 \$ 10,500 good \$ 0 \$
Assembly tools		2	09/02/13 \$ 12,000 avg \$ 0 \$
Forklift		1	1/10/14 \$ 12,000 avg \$ 0 \$
Contd. on Attachment A.			\$ \$ 0 \$
			\$ \$ 0 \$
			\$ \$ 0 \$
			\$ \$ 0 \$
			\$ \$ 0 \$
			\$ \$ 0 \$
			\$ \$ 0 \$
Average value of inventory on hand: \$39,000		*Condition: good, avg (average), or poor	
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 <input checked="" type="checkbox"/> new business or <input type="checkbox"/> expansion of an existing business		9 Trade levels (check as many as apply)	
8 Describe type or nature of your business Aircraft Arresting Systems and spare parts for such systems		<input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input checked="" type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input checked="" type="checkbox"/> Office <input type="checkbox"/> Other, specify:	
10 Number of full-time employees to be employed in Florida			
If an expansion of an existing business:		Net increase in employment N/A	0 % increase in productive output resulting from this expansion N/A 0 %
11 Sales factor for the facility requesting exemption:			
Total sales in Florida from this facility-one (1) location only \$0		divided by	Total sales everywhere from this facility-one (1) location only \$0 = %
12 For office space owned and used by a corporation newly domiciled in Florida		Date of incorporation in Florida N/A	Number of full-time employees at this location
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	10/12/2016	Signature, preparer	<i>Confidential at this time</i>
Signature, taxpayer	<i>Confidential at this time</i>	Preparer's address	<i>Confidential at this time</i>
Title	President	Preparer's telephone number	<i>Confidential at this time</i>
Property Appraiser's Use Only			
I	Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources	\$ 0	
II	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section	\$ 0	
III	Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted and the property for which the exemption is requested would otherwise have been subject to taxation	\$ 0	
IV	Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted		
	Improvements to real property \$ 0	Personal property \$ 59,184	
V	I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (10), Florida Statutes, as a		
	<input checked="" type="checkbox"/> new business <input type="checkbox"/> expansion of an existing business <input type="checkbox"/> neither		
VI	Last year for which exemption may be applied	2017	

Application to be filed not later than March 1

11/7/16 *Mark Buslee for Pete Smith*
Signature, Property Appraiser

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION
ATTACHMENT A

Class or Item	Age	Purchase	Original cost	Condition
Desktops		1/1/2017	\$ 7,500	
Office furniture		1/1/2017	\$ 10,000	
Servers		1/1/2017	\$ 7,500	
Assembly tools		1/1/2017	\$ 10,000	
<i>confidential</i> Machine		11/1/2017	\$ 100,000	
Construction/Renovations		1/1/2017	\$ 100,000	
Testing equipment		1/1/2017	\$ 195,000	
Desktops		1/1/2018	\$ 15,000	
Office furniture		1/1/2018	\$ 10,000	
Testing equipment		7/1/2018	\$ 110,000	
<i>confidential</i> Machine		7/1/2018	\$ 500,000	
Construction/Renovations		7/1/2018	\$ 100,000	
Assembly tools		7/1/2018	\$ 50,000	
Desktops		6/1/2019	\$ 25,000	
Office furniture		7/1/2019	\$ 25,000	
Assembly tools		7/1/2019	\$ 50,000	

Economic Development Ad Valorem Tax Exemption Supplemental Application

NOTICE: This supplement application is to be used by the Applicant to provide additional information for review by the governing bodies in Okaloosa County and the entities involved with the process. The Department of Revenue DR-418 form must accompany this application for formal review by the Okaloosa County Property Appraiser's office. Access the DR-418 at <http://dor.myflorida.com/dor/property/forms/current/dr418.pdf>

1. BUSINESS INFORMATION

- A. Legal name of the Applicant: *Confidential at this time*
- B. Confidentiality Request in place: Yes No
 If yes, project name? *Project Hook II*
- C. Business Address: *Confidential at this time*
 City *Confidential at this time* State/Province *Confidential at this time* Zip Code .
- D. Type of Business *Manufacturing and Global Headquarters*

2. PROJECT OVERVIEW

- A. Which of the following best describes the Applicant:
 New business to Florida
 Existing Florida business creating and/or retaining jobs
- B. What is the decision making timeframe of the Project? *2017*
- C. Please provide the address of the proposed permanent location of the project: *629 Anchors St.*
 City *Fort Walton Beach* State/Province *Florida* Zip Code *32548*
- D. Within city or town limits? Yes No If yes, which city/town? *Fort Walton Beach*

3. JOB AND WAGE OVERVIEW

- A. How many, new to Okaloosa, Full-Time Equivalent Jobs are projected to be created as part of *25* this Project?
- B. What is the projected annualized average wage (excluding benefits) of the new Full-Time Equivalent jobs created as part of this Project? *\$65-70K*
- C. What is the projected annualized average cost to the Applicant of benefits for each new job created as part of this Project? *\$5K*
 Provide the job creation schedule to which you commit. If your job creation schedule extends past 3 years, please feel free to add additional rows.

Phase	Number of net new full-time equivalent jobs created	Date by which jobs will be created
I	10	12/31/2017
II	5	12/31/2018
III	10	12/31/2019
Total	25	

4. CAPITAL INVESTMENT OVERVIEW

- A. Describe the capital investment in connection with the Project in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment.):
*The company intends to purchase an existing building after leasing it for two years. The company will invest approximately \$200K on renovations to the building before it is purchased. Total capital investment (not including what might be brought from *Confidential*) is estimated at \$2.315 Million. Alternatively if no suitable lease available a buy is an alternative. The company will bring existing network of computers and servers, tools and equipment, estimated value of \$40,000 which would be new to Florida equipment.*
- B. Identify whether the Project will be located in a/an:
 Leased space with renovations or build out
 Newly constructed building(s) on newly acquired land
 Newly constructed building(s) on previously acquired land
 Newly acquired existing building(s) with renovations
 Addition to previously acquired existing building(s)
 Other (please describe in 4A above)
- C. New construction value: *\$TBD*

Please contact the Economic Development Council of Okaloosa County prior to completing this application. The Economic Development Council must formally present these documents to the respective governing bodies with a completed/signed DR-418 and exemption schedule from the Property Appraiser.

Economic Development Ad Valorem Tax Exemption Supplemental Application

- D. What year will renovations or construction for this project end? 2018
 E. Value of new equipment or machinery: \$1,115,000
 F. What year will the last piece of equipment be purchased? 2019

SIGNATURES

The undersigned person hereby affirms that he or she has been duly authorized and empowered to verify, execute and deliver this Application, that he or she has read this Application (including all attachments hereto) and he or she has knowledge of all of the facts stated herein, and that this Application, and all information submitted in connection herewith, is complete and accurate and contains no misstatements, misrepresentations, or omissions of material facts, to the best of his or her knowledge and belief.

Confidential at this time	10/17/2016
Signature	Date
Confidential at this time	Confidential at this time
Name	Phone Number
President	Confidential at this time
Title	E-mail Address
Confidential at this time	
Company	

ANNUAL RENEWAL PROCESS CONTACT INFORMATION

Please identify the contact information for the EDATE Annual Renewal Process (individual responsible for renewal process)

Confidential at this time	President
Name	Title
Confidential at this time	Confidential at this time
Phone Number	E-Mail Address
TBD	
Mailing Address	

Please be sure to attach the proper incentive attachment sheet(DR-418)

Please contact the Economic Development Council of Okaloosa County prior to completing this application. The Economic Development Council must formally present these documents to the respective governing bodies with a completed/signed DR-418 and exemption schedule from the Property Appraiser.

**ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION
ATTACHMENT A**

Class or Item	Age	Purchase	Original cost	Condition
Desktops		1/1/2017	\$ 7,500	
Office furniture		1/1/2017	\$ 10,000	
Servers		1/1/2017	\$ 7,500	
Assembly tools		1/1/2017	\$ 10,000	
<i>confidential</i> Machine		11/1/2017	\$ 100,000	
Construction/Renovations		1/1/2017	\$ 100,000	
Testing equipment		1/1/2017	\$ 195,000	
Desktops		1/1/2018	\$ 15,000	
Office furniture		1/1/2018	\$ 10,000	
Testing equipment		7/1/2018	\$ 110,000	
<i>confidential</i> Machine		7/1/2018	\$ 500,000	
Construction/Renovations		7/1/2018	\$ 100,000	
Assembly tools		7/1/2018	\$ 50,000	
Desktops		6/1/2019	\$ 25,000	
Office furniture		7/1/2019	\$ 25,000	
Assembly tools		7/1/2019	\$ 50,000	

Economic Development Ad Valorem Tax Exemption Supplemental Application

NOTICE: This supplement application is to be used by the Applicant to provide additional information for review by the governing bodies in Okaloosa County and the entities involved with the process. The Department of Revenue DR-418 form must accompany this application for formal review by the Okaloosa County Property Appraiser's office. Access the DR-418 at <http://dor.myflorida.com/dor/property/forms/current/dr418.pdf>

1. BUSINESS INFORMATION

- A. Legal name of the Applicant: *Confidential at this time*
- B. Confidentiality Request in place: Yes No
 If yes, project name? *Project Hook II*
- C. Business Address: *Confidential at this time*
 City *Confidential* State/Province *Confidential* Zip Code *Confidential*
- D. Type of Business *Manufacturing and Global Headquarters*

2. PROJECT OVERVIEW

- A. Which of the following best describes the Applicant:
 New business to Florida
 Existing Florida business creating and/or retaining jobs
- B. What is the decision making timeframe of the Project? *2017*
- C. Please provide the address of the proposed permanent location of the project: *654 Anchors St.*
 City *Fort Walton Beach* State/Province *Florida* Zip Code *32548*
- D. Within city or town limits? Yes No If yes, which city/town? *Fort Walton Beach*

3. JOB AND WAGE OVERVIEW

- A. How many, new to Okaloosa, Full-Time Equivalent Jobs are projected to be created as part of *25* this Project?
- B. What is the projected annualized average wage (excluding benefits) of the new Full-Time Equivalent Jobs created as part of this Project? *\$65-70K*
- C. What is the projected annualized average cost to the Applicant of benefits for each new job created as part of this Project? *\$5K*
- Provide the job creation schedule to which you commit. If your job creation schedule extends past 3 years, please feel free to add additional rows.

Phase	Number of net new full-time equivalent jobs created	Date by which jobs will be created
I	10	12/31/2017
II	5	12/31/2018
III	10	12/31/2019
Total	25	

4. CAPITAL INVESTMENT OVERVIEW

- A. Describe the capital investment in connection with the Project in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment.):
The company intends to purchase an existing building after leasing it for two years. The company will invest approximately \$200K on renovations to the building before it is purchased. Total capital investment (not including what might be brought from Alabama) is estimated at \$2.315 Million. Alternatively if no suitable lease available a buy is an alternative. The company will bring existing network of computers and servers, tools and equipment, estimated value of \$40,000 which would be new to Florida equipment.
- B. Identify whether the Project will be located in a/an:
 Leased space with renovations or build out
 Newly constructed building(s) on newly acquired land
 Newly constructed building(s) on previously acquired land
 Newly acquired existing building(s) with renovations
 Addition to previously acquired existing building(s)
 Other (please describe in 4A above)
- C. New construction value: *\$TBD*

Please contact the Economic Development Council of Okaloosa County prior to completing this application. The Economic Development Council must formally present these documents to the respective governing bodies with a completed signed DR-418 and exemption schedule from the Property Appraiser.

Economic Development Ad Valorem Tax Exemption Supplemental Application

- D. What year will renovations or construction for this project end? 2018
- E. Value of new equipment or machinery: \$1,115,000
- F. What year will the last piece of equipment be purchased? 2019

SIGNATURES	
The undersigned person hereby affirms that he or she has been duly authorized and empowered to verify, execute and deliver this Application, that he or she has read this Application (including all attachments hereto) and he or she has knowledge of all of the facts stated herein, and that this Application, and all information submitted in connection herewith, is complete and accurate and contains no misstatements, misrepresentations, or omissions of material facts, to the best of his or her knowledge and belief.	
<i>Confidential at this time</i>	10/17/2016
<u>Signature</u>	<u>Date</u>
<i>Confidential at this time</i>	<i>Confidential at this time</i>
<u>Name</u>	<u>Phone Number</u>
President	<i>Confidential at this time</i>
<u>Title</u>	<u>E-mail Address</u>
<i>Confidential at this time</i>	
<u>Company</u>	

ANNUAL RENEWAL PROCESS CONTACT INFORMATION	
Please identify the contact information for the EDATF Annual Renewal Process (individual responsible for renewal process)	
<i>Confidential at this time</i>	President
<u>Name</u>	<u>Title</u>
<i>Confidential at this time</i>	<i>Confidential at this time</i>
<u>Phone Number</u>	<u>E-Mail Address</u>
TBD	
<u>Mailing Address</u>	

Please be sure to attach the proper incentive attachment sheet(DR-418)

Please contact the Economic Development Council of Okaloosa County prior to completing this application. The Economic Development Council must formally present these documents to the respective governing bodies with a completed signed DR-418 and exemption schedule from the Property Appraiser.

Exhibit A

Project Hook II /County City Abatements (10-Year Duration)
2018 Tax Start Year

Property Appraiser "Exhibit A"

	Abatable Tax Amounts by Year										Total
	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9	Yr. 10	
Tangible Personal Property Taxes-County	995	3,097	3,161	2,886	2,572	2,325	2,097	1,836	1,620	1,481	22,069
Tangible Personal Property Taxes-FWB	1,673	5,209	5,315	4,854	4,325	3,910	3,526	3,087	2,725	2,490	37,115

Tangible Personal Property-County Portion

Total Asmt Per Year	Abatable Tax Amount/Year	Cumulative Tax Amounts												
		Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9	Yr. 10			
2018 Taxable Value	290,041	995	995											
2019 Taxable Value	902,836	3,097	4,093											
2020 Taxable Value	921,256	3,161	7,253											
2021 Taxable Value	841,329	2,886	10,140											
2022 Taxable Value	749,568	2,572	12,711											
2023 Taxable Value	677,626	2,325	15,036											
2024 Taxable Value	611,178	2,097	17,133											
2025 Taxable Value	535,040	1,836	18,968											
2026 Taxable Value	472,228	1,620	20,589											
2027 Taxable Value	431,636	1,481	22,069											22,069
		22,069	995	4,093	7,253	10,140	12,711	15,036	17,133	18,968	20,589	22,069	22,069	

Tangible Personal Property-City of FWB Portion

Total Asmt Per Year	Abatable Tax Amount/Year	Cumulative Tax Amounts												
		Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9	Yr. 10			
2018 Taxable Value	290,041	1,673	1,673											
2019 Taxable Value	902,836	5,209	6,883											
2020 Taxable Value	921,256	5,315	12,198											
2021 Taxable Value	841,329	4,854	17,052											
2022 Taxable Value	749,568	4,325	21,377											
2023 Taxable Value	677,626	3,910	25,287											
2024 Taxable Value	611,178	3,526	28,813											
2025 Taxable Value	535,040	3,087	31,900											
2026 Taxable Value	472,228	2,725	34,625											
2027 Taxable Value	431,636	2,490	37,115											37,115
		37,115	1,673	6,883	12,198	17,052	21,377	25,287	28,813	31,900	34,625	37,115	37,115	

2016 Millage Rates Applied (County Portion: 3.4308/City of FWB: 5.7697)
Assumes No Change to Millage Rate or TPP Index Rates