



**BOARD OF COUNTY  
COMMISSIONERS  
INDIAN RIVER COUNTY, FLORIDA  
COMMISSION AGENDA**

**SPECIAL CALL MEETING  
MONDAY, APRIL 28, 2008 – 9:00 A.M.**

**County Commission Chamber  
Indian River County Administration Complex  
1801 27<sup>th</sup> Street, Building A  
Vero Beach, Florida, 32960-3388  
www.ircgov.com**

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**COUNTY COMMISSIONERS**

<b>Sandra L. Bowden, Chairman</b>	<b>District 5</b>	<b>Joseph A. Baird, County Administrator</b>
<b>Wesley S. Davis, Vice Chairman</b>	<b>District 1</b>	<b>William G. Collins II, County Attorney</b>
<b>Joseph E. Flescher</b>	<b>District 2</b>	<b>Jeffrey K. Barton, Clerk to the Board</b>
<b>Peter D. O'Bryan</b>	<b>District 4</b>	
<b>Gary C. Wheeler</b>	<b>District 3</b>	

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- |           |  | <b><u>PAGE</u></b>                          |
|-----------|--|---|
| <b>1.</b> | <b><u>CALL TO ORDER</u></b>  | <b><u>9:00 A.M.</u></b>                     |
| <b>2.</b> | <b><u>INVOCATION</u></b>   | Commissioner Wesley S. Davis, Vice Chairman |
| <b>3.</b> | <b><u>PLEDGE OF ALLEGIANCE</u></b>   | William G. Collins II, County Attorney      |
| <b>4.</b> | <b><u>COUNTY ADMINISTRATOR MATTERS</u></b>   |   |
|           | <b>A.</b> Closing Fund Agreement with Piper Aircraft, Inc.<br>(memorandum dated April 23, 2008)                | 1-52  |
| <b>5.</b> | <b><u>DEPARTMENTAL MATTERS</u></b>   |   |
|           | <b>A.</b> <b><u>Office of Management and Budget</u></b>  |   |
|           | <b>1.</b> Piper Retention Agreement<br>Miscellaneous Budget Amendment 010<br>(memorandum dated April 23, 2008) | 53-55                                       |

6. **ADJOURNMENT**

**PAGE**

Anyone who may wish to appeal any decision which may be made at this meeting will need to ensure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal will be based.

Anyone who needs a special accommodation for this meeting may contact the County's Americans with Disabilities Act (ADA) Coordinator at (772) 226-1223 (TDD # 772-770-5215) at least 48 hours in advance of meeting.

The full agenda is available on line at the Indian River County Website at [www.ircgov.com](http://www.ircgov.com) The full agenda is also available for review in the Board of County Commission Office, the Indian River County Main Library, the IRC Courthouse Law Library, and the North County Library.

***Commission Meeting may be broadcast live by Comcast Cable Channel 27  
Rebroadcasts continuously with the following proposed schedule:  
Wednesday at 9:00 a.m. until 5:00 p.m.,  
Thursday at 1:00 p.m. through Friday Morning,  
and Saturday at 12:00 Noon to 5:00 p.m.***



Office of the  
**INDIAN RIVER COUNTY  
ADMINISTRATOR**

Joseph A. Baird, County Administrator  
Michael C. Zito, Assistant County Administrator

**MEMORANDUM**

**TO:** Members of the Board of County Commissioners  
**FROM:** Joseph A. Baird  
County Administrator  
**DATE:** April 23, 2008  
**SUBJECT:** Closing Fund Agreement with Piper Aircraft, Inc.

On October 2, 2007, the Board of County Commission agreed to supplement the state's \$20 million incentive package to Piper Aircraft, Inc. with \$16 million, to be paid at \$2 million per year, over a period of eight (8) years. This was amended on November 20, 2007, to offer two other options: \$4 million per year for three years or \$6 million in two payments (one in 2008 and one in 2010).

In front of you today is an agreement which mirrors the contractual provisions of Piper Aircraft Inc.'s agreement with Florida's Office of Tourism and Economic Development. The proposed payment schedule is as follows: \$4 million upon approval, \$4 million in December, 2008, and \$4 million in December 2009.

Attached is the agreement for the Board of County Commission approval.

APPROVED AGENDA ITEM

BY: Joseph A. Baird  
FOR: April 28, 2008

Indian River Co	Approved	Date
Administrator		4-24-08

**INDIAN RIVER COUNTY, FLORIDA**  
**CLOSING FUND AGREEMENT**

**AGREEMENT**

**THIS AGREEMENT** is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between Indian River County, a political subdivision of the State of Florida, hereinafter referred to as "County" and Piper Aircraft, Inc., its successors and permitted assigns, hereinafter referred to as the "Closing Fund Awardee," pursuant to Section 125.045, Florida Statutes.

County has determined that the Closing Fund Awardee is a reputable and loyal Florida business and has met all of the requirements necessary to become certified by the State of Florida Executive Office of the Governor's Office of Tourism, Trade and Economic Development ("OTTED") to participate in OTTED's Quick Action Closing Fund (Closing Fund) and that all statutorily required reviews and approvals have been obtained pursuant to Section 288.1088, Florida Statutes, and the provisions of Chapter 2007-72, Section 6, Line 2758, Laws of Florida. The Closing Fund Awardee and OTTED have entered into that certain Quick Action Closing Fund Agreement dated as of \_\_\_\_\_, 2008 (the "OTTED Closing Final Agreement").

This Agreement supersedes any and all prior agreements and applications submitted by the Closing Fund Awardee. In the event of an inconsistency between this Agreement and any applications or other attachments, this Agreement shall prevail.

This Agreement is neither a general obligation of the County, nor is it backed by the full faith and credit of the County. Payment of \$12,000,000 of Closing Fund Awards have been budgeted and appropriated by the Board of County Commissioners of the County.

In consideration for the mutual promises and agreements contained herein, and other valuable and good consideration, County and the Closing Fund Awardee agree as follow:

**1.0 PARTIES:** The parties and their respective addresses for purposes of this Agreement are as follows:

**JOSEPH A. BAIRD  
COUNTY ADMINISTRATOR  
INDIAN RIVER COUNTY  
1801 27<sup>TH</sup> STREET  
VERO BEACH, FLORIDA 32960-3388  
FAX NUMBER: (772) 978-1822**

**PIPER AIRCRAFT, INC.  
2926 PIPER DRIVE  
VERO BEACH, FLORIDA 32960  
FAX NUMBER: (772) 978-6562**

**2.0 ADMINISTRATORS:**

The County's Closing Fund Agreement administrator is:

Joseph Baird, County Administrator

The Closing Fund Awardee Agreement administrator is:

Michael Kelley, Chief Financial Officer or his successor.

All approvals and notifications referenced in this Agreement must be obtained in writing from the parties' agreement administrators or their duly authorized designees.

**3.0 TERM:** The term for purposes of performance and compliance (the "Performance Term") of this Agreement shall commence upon the date of execution of this Agreement, and

continue through January 31, 2016, or the end of the month following the last performance measurement date, whichever is later, unless terminated prior to that time as provided for in this Agreement. The Report/Audit Term of this Agreement shall extend five (5) years after the last performance measurement date for reporting, record-keeping, and audit-related obligations. The record-keeping and audit-related obligations (Paragraphs 7.0(g) and 20.0) of the Closing Fund Awardee shall survive any termination or expiration of this Agreement.

#### 4.0 CLOSING FUND AWARDEE DESCRIPTION:

(a) The Closing Fund Awardee is Piper Aircraft, Inc.. It is identified for unemployment compensation purposes under the unit name of Piper Aircraft, Inc.; account number 002437840.

(b) The Closing Fund Awardee understands and agrees that the requirements in Paragraphs 7.0, 9.0, 10.0, and 20.0 of this Agreement pertain only to the Project described in Paragraph 5.0(a) of this Agreement for the business unit described in Paragraph 4.0(a) of this Agreement.

#### 5.0 PROJECT DESCRIPTION AND AWARD CONDITIONS:

(a) **Project Description.** This Project (as such term is used herein) will include the retention and expansion of the Closing Fund Awardee's facilities and operations in Vero Beach, Indian River County, Florida, as described in "Exhibit A," including the design, development, and production and/or assembly of the new PiperJet or alternate aircraft projects that deploy new technology resulting in the job levels and capital investment contemplated by this Agreement.

(b) **Award Conditions for Release of Award Funds.** The County has budgeted and appropriated \$12,000,000 in Fiscal Year 2007/2008 to be held by the County in a restricted reserve account in the general fund of the County when the following have occurred:

(1) Execution of this Closing Fund Agreement between County and the Closing Fund Awardee, no later than June 30, 2008,

(2) Announcement by the Closing Fund Awardee that Vero Beach, Indian River County, Florida has been selected as the location for the design, development, and production and assembly of the new PiperJet; that Piper Aircraft, Inc. is committed to remain and undertake the Project at the current Vero Beach campus, to make a substantial capital investment in the facilities and the technology, equipment, and tooling at that location; and to undertake all product development related to the new PiperJet, or alternate aircraft projects resulting in the job levels and capital investment at the Vero Beach, Indian River County, Florida facility contemplated by this Agreement, except such work which cannot reasonably be conducted in Indian River County. The Closing Fund Awardee shall provide documentation confirming this decision and these commitments by its Board of Directors and the announcement referenced above.

(3) Execution of an affidavit stating that Piper Aircraft, Inc. has confirmed orders for at least 75 PiperJets and has accepted deposits totaling \$5 million, supported by documentation in sufficient detail for audit purposes, and

(4) Retention of at least 963 full-time equivalent jobs at the Vero Beach, Indian River County, Florida facility, and documentation of these jobs reasonably acceptable to County.

Conditions (b)(2) thru (4) must be met and reasonable supporting documentation submitted to County for verification of the aforementioned conditions prior to September 1, 2008. Verification must be complete to County satisfaction prior to the disbursement of any payments to the County restricted reserve account or the Closing Fund Awardee.

(c) **Award Conditions for First Payment.** The "Award Conditions" for the first payment of \$4,000,000 from the County restricted reserve account shall be met when the following have occurred:

(1) Satisfaction of the conditions required for funds to be released by the State pursuant to the OTTED Closing Fund Agreement and placed in escrow with Enterprise Florida, Inc., specified in Paragraph 5.0 (b) of the OTTED Closing Fund Agreement and as specified in Paragraph 5.0(b) hereof,

(2) Certification of investments of at least \$15 million in product development at the Indian River County facility since January 1, 2007,

(3) Written commitment to invest an additional \$5 million in product development by December 31, 2008,

(4) Written commitment to invest \$10,666,667 in capital expenditures for equipment, tooling, and facilities and infrastructure improvements from April 10, 2007 through December 31, 2008, and

(5) Creation of at least 51, net, new, full-time equivalent jobs, in addition to the 963 full-time equivalent retained jobs, for a total of at least 1,014 full-time equivalent jobs at the Closing Fund Awardee facility in Indian River County, Florida by December 31, 2007, and supporting documentation reasonably acceptable to County.

(d) **Award Conditions for Second Payment.** The "Award Conditions" for the second payment of \$4,000,000 to the Closing Fund Awardee from the County restricted reserve account, shall be met when the following have occurred:

(1) Completion of the investment of at least \$10,666,667 in tooling, equipment, and facilities and infrastructure improvements at the Indian River County facility since April 10, 2007, documented by contracts, invoices, canceled checks, and other appropriate records,

(2) Creation of an additional 152 net new FTE jobs for a total of at least 1,166 FTE jobs at the Closing Fund Awardee facility in Indian River County, Florida, paying an average annual wage of at least \$46,500, excluding benefits, Satisfaction of these conditions must be supported by documentation reasonably acceptable to County,

(3) Public announcement concerning the proof of concept for the PiperJet or alternate aircraft projects resulting in the job levels and capital investment at the Vero Beach, Indian River County, Florida facility contemplated by this agreement, except such work which cannot reasonably be conducted in Indian River County, and

(4) Statement of the Closing Fund Awardee's commitment to invest \$10,666,667, in addition to the investment specified in Paragraph 5.0(d)(1), in tooling, equipment, or facilities and infrastructure improvements at the Indian River County facility, which investment is anticipated to be made by December 31, 2009.

The conditions specified in Paragraphs (d)(1) thru (4) of this Paragraph 5.0 must be met and supporting documentation submitted to County for verification by December 31, 2011.

(e) **Award Conditions for Third Payment.** The "Award Conditions" for the third payment of \$4,000,000 to the Closing Fund Awardee from the County restricted reserve account, shall be met when the following have occurred:

(1) Documentation of cumulative investment totaling at least \$21,333,334 in tooling, equipment, and facilities and infrastructure improvements at the Indian River County facilities, since April 10, 2007,

(2) Documentation of total investment of \$20 million in product development in Indian River County, since January 1, 2007. Such product development investment in the county is expected to eventually reach over \$40 million, and

(3) Maintenance of the job level specified in Paragraph 5.0(d)(2) and the creation of an additional 19 FTE jobs for a cumulative total of at least 1,185 FTE jobs at the project site by December 31, 2009, paying an average annual wage of at least \$46,500, excluding benefits, supported by documentation reasonably acceptable to County.

The conditions specified in Paragraphs (e)(1) thru (3) of this Paragraph 5.0 must be met and supporting documentation submitted to County for verification by December 31, 2013.

(f) **Performance Conditions.** In order to avoid sanctions specified herein, the Closing Fund Awardee must meet the following Performance Conditions:

(1) Meet the job creation and retention requirements in Paragraph 5.0(d)(2) by December 31, 2008,

(2) Meet the job creation and retention requirements in Paragraph 5.0(e)(3) by December 31, 2009,

(3) Maintenance of the job level specified in Paragraph 5.0(e)(3), and the creation of an additional 232 net new full-time-equivalent jobs by December 31, 2012, for a total of at least 1,417 full-time equivalent jobs, and the maintenance of that employment level for at least an additional three years,

(4) Payment of average annual wages for the jobs specified in Paragraphs 5.0(f)(1)-(3) above of at least \$46,500, excluding benefits,

(5) Capital investment in tooling, equipment, and facility and infrastructure improvements at the Vero Beach facility since April 10, 2007, of a total of at least \$32 million by December 31, 2010 and an additional \$13 million, for a cumulative total of at least \$45 million, by December 31, 2013, and maintenance of that investment in Indian River County through at least December 31, 2015, or later date if the extension authorized in Paragraph 5.0(g) is elected. Documentation of this investment, in sufficient detail to provide an audit trail, must be presented to County, or its agent, by April 30 of each year following a year for which there is a capital investment performance requirement. The maintenance requirement for this capital investment in Indian River County shall not prohibit the disposition of assets no longer used or useful for the Project, nor shall the assets be used by the Closing Fund Awardee at a location outside Indian River County.

(6) Submission of a report by April 30 of the year following each December 31 performance date, providing information on the cumulative investment in

product development, undertaken in Indian River County and other contributions the Project has made, to the Indian River County economy, and

(7) Reaffirmation by the Closing Fund Awardee's Board of Directors of its commitments to undertake all research, design, development, and engineering work related to the Project, except those which cannot reasonably be performed in Indian River County, at the facilities in Indian River County.

(g) **Extension Option.** The Closing Fund Awardee may make a one time election to extend the job creation and investment Measurement Dates specified in Paragraph 5.0 (c), (d), (e), and (f) by one or two years. This election must be communicated to County in writing. Exercising this option shall result in a one year, or two year, extension of the terms of each of the performance requirements, sanctions, and the terms of the agreement. If a two year extension is exercised an additional year of interest may be levied on any penalties that accrue to the Closing Fund Awardee after the initial extended performance date.

(h) **Matrix.** These Award Conditions, as outlined in Paragraphs 5.0 (a), (b), (c), (d), and (e) and Performance Conditions outlined in paragraph 5.0 (f) above, are summarized in a matrix format in Exhibit C to this Agreement.

6.0 **NOTICES:** All notices pertaining to this Agreement are in effect upon receipt by a party, shall be in writing and shall be transmitted either by United States Post Office, return receipt requested; or, overnight express mail delivery. E-mail, personal hand delivery and facsimile transmission may be used if the notice is also transmitted by one of the preceding forms of delivery. The addresses set forth above for the respective parties shall be the places where notices shall be sent, unless prior written notice of change of address is given.

**7.0 DUTIES OF THE CLOSING FUND AWARDEE:** The Closing Fund Awardee agrees that to qualify and remain qualified for the Closing Fund Award payments authorized herein without sanctions, the Closing Fund Awardee must:

(a) Undertake the Project and meet all of the Award Conditions as specified in Paragraphs 5.0(b), (c), (d), and (e), and the Performance Conditions in Paragraph 5.0(f) of this Agreement, as applicable.

(b) Submit its requests for the Closing Fund Award payments authorized in Paragraph 9.0 of this Agreement in letter format and clearly state that it certifies accomplishment of each of the Award Conditions in Paragraphs 5.0(b), (c), (d), and (e) of this Agreement applicable to the payment requested have been met or that any required sanction has been paid or may be deducted from the requested payment, and provide supporting documentation reasonably acceptable to County and appropriate affidavits where required.

(c) Submit annual certification of its employment and annual average wages paid using a Qualified Target Industry Tax Refund (QTI) Claim application form, or alternate equivalent documentation reasonably acceptable to County, every State of Florida fiscal year by January 31 of said year for the performance as of the prior December 31. The QTI claim application, or alternate equivalent documentation of performance, must be submitted annually through January 31, 2016, or one or two years later if a one- or two-year extension authorized by Paragraph 5.0(g) is elected.

(d) For each investment performance date specified in Paragraph 5.0 (f)(5), certify and submit documentation demonstrating that at least 80 percent of the total capital investment performance requirement specified in Paragraph 5.0(f)(5) has been made in tooling,

equipment, and facility and infrastructure improvements at the Indian River County facilities as of the dates specified in that paragraph (or that any required sanction has been paid), and that those capital investments continue to be located in Vero Beach, Indian River County, Florida as of December 31, 2015, or later year if the extension authorized in Paragraph 5.0 (f) is elected. This provision shall not prevent the Closing Fund Awardee from disposing of any assets no longer useful to the Project, so long as the Closing Fund Awardee does not remove that equipment from Indian River County for the purpose of operating in another location. Such certification and documentation must be submitted by April 30 of the year following each of the relevant investment performance dates.

(e) Certify and submit documentation to support the fulfillment or substantiation of the certifications specified in Paragraphs 5.0(b), (c), (d), (e), and (f).

(f) Notify County in writing of any material developments that impact the implementation or operation of this Agreement or the Project. Such material developments will include, but not be limited to, announcements with regard to the Project, cancellation of the Project, major announcements with respect to the new Piper Jet or other aircraft, layoffs, or majority change in ownership of the Closing Fund Awardee.

(g) Maintain personnel and financial records and reports related to the jobs, wages, cumulative capital investment, and product development activities and expenditures related to the Project and to decisions of the Board of Directors associated with their commitments to the location of design, development, and production and/or assembly of the PiperJet or other aspects of the Project.

**8.0 LIABILITY AND INDEMNIFICATION:** County will not assume any liability for the acts, omissions to act, or negligence of the Closing Fund Awardee, its agents, servants, or employees; nor will the Closing Fund Awardee exclude liability for its own acts, omissions to act, or negligence to County for actions under this Agreement nor will the Closing Fund Awardee assume liability for County's actions nor shall County exclude its liability to the Closing Fund Awardee. In addition, the Closing Fund Awardee agrees that County shall not be responsible for any injury or property damage resulting from any activities conducted by the Closing Fund Awardee under this Agreement. County will not hold the officers, board members, and shareholders of the Closing Fund Awardee personally liable for any act or omission of the Closing Fund Awardee.

To the extent permitted by law, the Closing Fund Awardee agrees to indemnify and hold County harmless from and against any and all claims or demands for damages resulting from personal injury, including death or damage to property, arising out of any activities performed under this Agreement and will investigate all claims at its own expense. However, neither County nor any agency or subdivision of the State of Florida waives any defense of sovereign immunity or increases the limits of its liability upon entering into this contractual relationship. Indemnification by the Closing Fund Awardee applies only to liability to the extent sovereign immunity is not available.

**9.0 DUTIES OF COUNTY:** County agrees that the Closing Fund Awardee will be eligible to receive payments totaling up to TWELVE MILLION DOLLARS (\$12,000,000) from the County, contingent upon meeting the requirements established in Paragraphs 5.0(b), (c), (d), and (e) of this Agreement. The payments will be made within 30 days of verification by

County, that the Closing Fund Awardee has met the conditions specified in Paragraphs 5.0(b), (c), (d), and (e) of this Agreement, as applicable (or has paid any sanctions for failure to meet such requirements). County will act expeditiously in verifying that the Closing Fund Awardee has met the conditions referenced above.

#### **10.0 TERMINATION AND SANCTIONS:**

(a) This Agreement may be terminated by County only if (i) there is a decision by the Closing Fund Awardee not to proceed with the Project in Indian River County, (ii) the Closing Fund Awardee defaults in the payment of any sanction provided for in this Agreement for more than 30 business days after written notice of such default is given to it (or within 30 business days of a final determination of the amount owed if the sanction is disputed or appealed), (iii) during the Performance Term of this Agreement the Closing Fund Awardee is convicted of a crime material to this Agreement (that is, specifically and directly related to the performance of this Agreement) (and such conviction, if appealed, is upheld) and the board of directors of the Closing Fund Awardee has not taken all reasonable steps within its reasonable control to prevent a recurrence of such crime, (iv) during the Performance Term of this Agreement the Closing Fund Awardee is found to be in violation of a provision of the Florida Administrative Code or the Code of Federal Regulations material to this Agreement (that is, specifically and directly related to the performance of this Agreement) resulting in material sanctions against the Closing Fund Awardee (and such found violation, if appealed, is upheld) and the board of directors of the Closing Fund Awardee has not taken all reasonable steps within its reasonable control to prevent a recurrence of such violation, or (v) an event has occurred which results in the termination of the OTTED Closing Fund Agreement.

(b) A termination will result in the loss of eligibility for receipt of the Closing Fund Award payments previously authorized, but not paid. If any of the Closing Fund Award payments have been made to the Closing Fund Awardee, the Closing Fund Awardee may be required to repay a prorated portion of the grant amount paid, and any relevant penalties and interest, as outlined below in paragraphs (d), (e), (f), and (g) of this section.

(c) Notwithstanding Paragraphs (a) and (b) above, in the event that County fails to pay the Closing Fund Awardee a Closing Fund Award payment, to which the Closing Fund Awardee is entitled under this Agreement, as a result of insufficient County funds or for any reason whatsoever, the Closing Fund Awardee shall have the right, in addition to any other remedies available hereunder or under applicable law, to terminate this Agreement and may retain any Closing Fund Award payments that is not subject to conditions/sanctions under Paragraphs (d), (e), (f), or (g) of this Section that was previously paid to the Closing Fund Awardee under this Agreement.

(d) In any year in which the actual number of jobs for a job creation or job maintenance phase scheduled in Paragraph 5.0(f) of this Agreement falls below 80 percent of the number of jobs so scheduled, the Closing Fund Awardee shall repay an amount equal to one-seventh of the Closing Fund Award payments received plus interest on the amount repaid. If in any year the actual number of jobs is at least 80 percent of the jobs scheduled in Paragraph 5.0(f) of this Agreement, but less than the number of jobs required in that Section, the Closing Fund Awardee shall repay a pro rated share of one-seventh of the Closing Fund Award payments received plus interest, as determined in Paragraph 10.0(g), on the amount repaid (for example, if the actual number of jobs is ninety (90) percent of the scheduled jobs, then the

Closing Fund Awardee would be obligated to repay ten (10) percent of one -seventh of the Closing Fund Award payments received plus interest, as determined in Paragraph 10.0(g) of this Agreement).

(e) In any year the average wage falls below the average wage-required by Paragraph 5.0(f)(4) of this Agreement, the Closing Fund Awardee shall repay one -seventh of the Closing Fund payments received plus interest, as determined in Paragraph 10.0(g) of this Agreement, on the amount repaid.

(f) If the Closing Fund Awardee's capital investments have not reached 80 percent of the investment level scheduled in Paragraphs 5.0(f) of this Agreement by the dates specified in Paragraph 5.0(f) of this Agreement, the Closing Fund Awardee shall repay a prorated share of the Closing Fund Award payments received, plus interest, as determined in Paragraph 10.0(g) of this Agreement, on the amount repaid.

(g) The interest rate shall be determined by the annualized average interest rate earned by the County on funds invested by the County (schedule to be provided by the County) at the end of the performance period for which the condition was not met, which interest shall apply to the year for which the applicable shortfall occurred. Additional interest may be imposed for any period for which the required performance report is over due, or during which period the Closing Fund Awardee, after being notified by County in writing of any inadequacies in the performance report and/or the supporting documentation and being provided a 60 day period to cure any such inadequacies, has failed to correct the specified inadequacies. The annualized average interest rate earned on funds invested by the County as of January 2008 was 4.59 percent.

(h) In no year shall the amount required to be repaid exceed the largest of the individual amounts determined in Paragraphs 10.0 (d), (e), or (f), and total cumulative sanction repayments over all years shall never exceed the value of the total award paid, plus interest. For example, if the Closing Fund Awardee fails to meet the 80% tests both in Paragraphs 10.0(d) and (e), the sanction would be one-seventh of the award payments received, not two-sevenths.

(i) The Closing Fund Awardee shall have 60 days to cure any alleged breach of this Agreement; provided, however, that nothing herein shall extend any date required to meet a Performance Condition as set forth in Paragraph 5.0(f). Any required repayment, interest and/or penalty, is due to County within sixty (60) days of receipt of written notice from County, after which additional interest at the rate determined in Paragraph 10.0(g) of this Agreement, shall begin to accrue on the repayment amount due, including any interest on that amount, as determined in Paragraphs 10.0 (d), (e), (f), or (g). However, such repayment and interest shall not be due, nor any additional interest accrue on the repayment and interest due, until any appeal of County's decision shall have been completed in accordance with Section 16.0 hereof.

(j) County, or its designated agent, may, with reasonable notice, visit the Closing Fund Awardee's Indian River County facilities to visually verify the fact that the capital investment has been made and that ongoing manufacturing operations continue. In no event will the County request more than 3 site visits per calendar year.

(k) Except as otherwise specified herein, this Agreement shall not be terminable by the parties and County shall have no right to withhold award payments except for failure of Award Conditions and no right to require repayment of awards except for the sanctions described in this Paragraph 10.0.

**11.0 INDEPENDENT CAPACITY OF THE CLOSING FUND AWARDEE:** The parties agree that the Closing Fund Awardee, its officers, directors, agents, and employees, in performance of this Agreement, will act in the capacity of an independent contractor and not as an officer, employee, or agent of the County. The Closing Fund Awardee is not entitled to accrue any benefits of County employment, including retirement benefits and any other rights or privileges connected with employment. The Closing Fund Awardee agrees to take such steps as may be necessary to ensure that each subcontractor of the Closing Fund Awardee will be deemed to be an independent contractor and will not be considered or permitted to be an agent of the County.

The Closing Fund Awardee has no authority to, and shall not pledge the County's credit or make County a guarantor of payment or surety for any contract, debt, obligation, judgment lien, or any form of indebtedness.

**12.0 LEGAL REQUIREMENTS:**

(a) This Agreement is executed and entered into in the State of Florida, and will be construed, performed, and enforced in all respects in strict conformity with local, state, and federal laws, rules, and regulations. Both parties agree to abide by all applicable laws in the performance of this Agreement. Each party will perform its obligations in accordance with the terms and conditions of this Agreement. Any and all litigation arising under this Agreement shall be brought in the appropriate Circuit Court in Indian River County, Florida, applying Florida law.

(b) If any term or provision of this Agreement is found to be illegal and unenforceable, the remainder of this Agreement will remain in full force and effect and such term or provision will be deemed stricken.

**13.0 PUBLIC ENTITY CRIMES:** The Closing Fund Awardee affirms that it is aware of the provisions of Section 287.133(2)(a), Florida Statutes, and that at no time has the Closing Fund Awardee been convicted of a Public Entity Crime .

**14.0 UNAUTHORIZED ALIENS:** County and the Closing Fund Awardee recognize that employment of unauthorized aliens, by any contractor or subcontractor, of the Closing Fund Awardee, is unlawful as described by Section 274A(e) of the Immigration and Nationalization Act. The Closing Fund Awardee agrees to comply at all times with the applicable laws regarding the employment of unauthorized aliens. The Closing Fund Awardee shall provide in its Project subcontracts that its subcontractors shall comply with all laws relating to the employment of unauthorized aliens.

**15.0 NON-DISCRIMINATION:** The Closing Fund Awardee will not discriminate against any employee employed in the performance of this agreement, or against any applicant for Project employment because of age, ethnicity, race, religious belief, disability, national origin, or sex. The Closing Fund Awardee shall use its reasonable best efforts to provide a harassment-free workplace, with any allegation of harassment given priority attention and action by management. The Closing Fund Awardee shall insert a similar provision in all subcontracts for services covered by this Agreement.

The Closing Fund Awardee affirms that it is aware of the provisions of Section 287.134(2)(a), Florida Statutes, and that at no time has the Closing Fund Awardee been placed on the Discriminatory Vendor List.

**16.0 DISPUTE RESOLUTION:** In the event County, or County's agent, believes that the Closing Fund Awardee may not have satisfied an Award or Performance Condition; may be subject to sanctions; or may have committed a breach of this Agreement, County, or County's agent, shall discuss the issue with the Closing Fund Awardee's contract administrator, listed in Paragraph 2.0 of this Agreement. If this discussion, and any additional information or documentation provided by the Closing Fund Awardee, fails to resolve the issue to the Closing Fund Awardee's satisfaction, County or County's designee, will provide the Closing Fund Awardee with written notice thereof, and the Awardee shall have up to sixty (60) days to provide additional information or clarification or to cure such failure, violation or breach. During such 60-day period County and/or its agent will work with the Closing Fund Awardee and attempt to settle the issue through informal consultation and negotiation in good faith and a spirit of mutual cooperation. At the conclusion of that period, if the issue has not been resolved, County shall issue its formal decision and the Closing Fund Awardee shall have 20 days from the receipt of formal notification of the decision to file a claim with the Circuit Court in and for Indian River County. Failure to file a claim within such time shall constitute a waiver of all rights by the Closing Fund Awardee to appeal such decision.

**17.0 ATTORNEY FEES:** Neither party shall be liable to pay attorney fees, interest, or cost of collection.

**18.0 TRAVEL:** There shall be no reimbursement of travel expenses exceeding the all-inclusive funds allocated in this Closing Fund Agreement.

**19.0 PRESERVATION OF REMEDIES:** No delay or omission to exercise any right, power, or remedy accruing to either party upon breach or default by either party under this Agreement, will impair any such right, power or remedy of either party; nor will such delay or omission be construed as a waiver of any breach or default or any similar breach or default.

**20.0 ACCOUNTING AND AUDITS:** The Closing Fund Awardee agrees:

(a) To maintain books, records, documents and other evidence (excluding email) according to generally accepted accounting principles ("GAAP"), procedures, and practices that sufficiently and properly reflect all costs of any nature expended in the performance of this Agreement, and retain said copies for a period of five (5) years after termination or the conclusion of this Agreement. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) years, the records shall be retained until completion of the action and resolution of all issues which arise from it.

(b) To comply with Exhibit B to the OTTED Closing Fund Agreement and other auditing and reporting requirements of the OTTED Agreement. The Closing Fund Awardee shall provide the County annually the single audit required by Florida Statutes Section 215.97. The Closing Fund Awardee shall also deliver to the County at the same time as it delivers to OTTED a copy of the documentation required by Sections 5.0 and 7.0, which shall not vest audit rights in the County. The County, in the person of the county administrator or his or her designee, shall have the right to not more than three meetings each

year with the CFO of the Closing Fund Awardee or his or her designee to clarify the single audit report and/or the Sections 5.0 and 7.0 documentation. Notwithstanding anything to the contrary contained in this Agreement, the right to receive the single audit and the Sections 5.0 and 7.0 documentation, the site visit rights under Section 10.0(j) and the meeting rights granted by this Subsection 20.0(b) shall be the only auditing, reporting, or monitoring rights of the County. Information provided to the County shall be held confidential as authorized in Sections 288.075, 288.1067 and 288.9520, Florida Statutes, and any other applicable statutes.

(c) To include the aforementioned audit and record keeping requirements and the provisions contained in "Exhibit B" to the OTTED Closing Fund Agreement in contracts and sub-contracts entered into by the Closing Fund Awardee with any party for work required in the performance of this Agreement.

**21.0 PUBLIC RECORDS:** The Closing Fund Awardee must allow public access to all public records made or received by the Closing Fund Awardee in conjunction with the Closing Fund Award and this Agreement to the extent required by Chapter 119, Florida Statutes, except materials that relate to methods of manufacture or production, potential trade secrets, potentially patentable material, actual trade secrets, business transactions, financial and proprietary information, board minutes, legal and legal-related documents, all documents referenced in Paragraph 7.0(g) above and agreements or proposals to receive funding that are received, generated, ascertained, or discovered by County, as exempted in Sections 288.9520, 288.075, and 288.1067, Florida Statutes, or other sections of the Florida Statutes. Refusal of the

Closing Fund Awardee to allow access to records as provided in this Paragraph shall constitute grounds for unilateral cancellation of this Agreement.

The Closing Fund Awardee must make publicly available, upon request, the following information: the name of the business, the amount of the Closing Fund Award payment, the number of actual new full-time equivalent jobs created, and the amount of capital investment completed.

**22.0 NON-ASSIGNMENT:** Neither party may assign, sublicense or otherwise transfer its rights, duties, or obligations under this Agreement without providing prompt written notice to the other party. If the Closing Fund Awardee assigns this Agreement in connection with a sale of all or substantially all of its assets or the assets of the Piper Jet division or other major division, it may require the assignee to assume all of its obligations hereunder in writing, in which case the Closing Fund Awardee shall be released from such obligations provided the assuming party has financial resources equal to or greater than the original Closing Fund Awardee. A sale and leaseback of any portion of the Project shall not impair any rights of the Closing Fund Awardee to receive or maintain Awards.

**23.0 FORCE MAJEURE.** Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including, but not limit to Acts of God, Government restrictions, terrorism, insurrections and/or any other cause beyond the reasonable control of the party whose performance is affected.

**24.0 ENTIRE AGREEMENT:** This instrument embodies the entire agreement of the parties. There are no provisions, terms, condition, or obligations other than those contained in

this agreement; and this agreement supersedes all previous communication, representation, or agreement, either verbal or written, between the parties. No amendment will be effective unless reduced to writing and signed by an authorized officer of the Closing Fund Awardee and the authorized agent of County.

**26.0 DUPLICATE ORIGINALS:** This Agreement is executed in duplicate originals.

IN WITNESS WHEREOF, County and the Closing Fund Awardee have caused this agreement to be executed and delivered by their duly authorized representatives.

**INDIAN RIVER COUNTY, FLORIDA**

**PIPER AIRCRAFT, INC.**

\_\_\_\_\_  
**AUTHORIZED SIGNATURE**      **Date**

\_\_\_\_\_  
**AUTHORIZED SIGNATURE**      **Date**

\_\_\_\_\_  
**TITLE:**      **Chairman**

\_\_\_\_\_  
**TITLE:**

**ATTEST:**

\_\_\_\_\_

\_\_\_\_\_  
**CLERK:**

\_\_\_\_\_  
**WITNESSES:**

**List of Exhibits:**

**Exhibit A: Reserved**

**Exhibit B: Criteria for Measurement of Achievement of Terms for New Full-time Equivalent Jobs and Average Annual Wage (where applicable)**

**Exhibit C: Award and Performance Conditions Matrix**



# EXHIBIT A

# GENERAL PROJECT OVERVIEW

Piper Aircraft, Inc.  
Name of Business

Project Osprey  
Project Title or Code Name (1-5 word description)

<b>FOR EFI USE ONLY</b>		
Date Received	Date Revised	Date Completed
EFI Project Number		

Contact Enterprise Florida to discuss your project and application **before** submitting a formal proposal. The completed and signed application must be filed with:






The Atrium Building, Suite 201 • 325 John Knox Road  
Tallahassee, Florida 32303  
Phone: 850.298.6620 • Fax: 850.298.6659  
<http://www.eflora.com/>

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

### 1. BUSINESS INFORMATION

- A. Name of Business Unit: Piper Aircraft, Inc.
- B. Mailing Address: 2926 Piper Drive  
*Street Address*
- Vero Beach MA 32960  
*City State Zip Code*
- C. Name of Parent Company: American Capital Strategies, Ltd.
- D. Primary Business Unit Contact: Michael Kelley  
Title: Chief Financial Officer  
Mailing Address: 2926 Piper Drive  
*Street Address*
- Vero Beach FL 32960  
*City State Zip Code*
- Telephone: (772) 299-2361 Fax: (772) 978-6562  
Email: mike.kelley@piper.com Website: www.piper.com
- E. Business Unit's Federal Employer Identification Number: 
- F. Business Unit's Unemployment Compensation Number: 
- G. Business Unit's Florida Sales Tax Registration Number: 
- H. Is the business unit minority owned?  
Yes  No  If yes, explain: \_\_\_\_\_
- I. What is the business unit's tax year (ex: Jan 1 to Dec 31): Jan 1 to December 31

### 2. PROJECT OVERVIEW

- A. Which of the following best describes this business unit<sup>1</sup>:  
 New business unit to Florida  
 Existing Florida business creating and / or retaining jobs<sup>2,3</sup>  
963 If an expansion, how many jobs are currently in the expanding business unit?
- B. How many individuals are employed at all Florida locations? 963
- C. Are any jobs being transferred from other Florida locations<sup>4</sup>?  
963 jobs would stay in Vero Beach or would move to one of the two cities outside of
- Yes  No  If yes, how many jobs and from where? \_\_\_\_\_

<sup>1</sup> Must be a separate business unit or reporting unit of a business unit that is or will be registered with the State of Florida for unemployment compensation purposes.

<sup>2</sup> A QTI Tax Refund award cannot be granted for existing Florida jobs.

<sup>3</sup> Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

<sup>4</sup> Incentives may not be used in connection with a project that involves the relocation of jobs from one Florida community to another except in certain circumstances as described in statute.

## GENERAL PROJECT OVERVIEW

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Florida being considered at this time.

Why are these jobs moving and why is it justified in light of the statutory language governing the applicable incentive program(s)?

Piper Aircraft is engaged in the design and development of the new PiperJet. As the Company prepares to introduce an innovative product line and make a substantial investment in technology, equipment, and tooling, executives are evaluating the long-term suitability of the current location in Vero Beach, an analysis that requires the serious examination of several alternative locations. The ultimate location decision will be based on careful, detailed analysis of various factors, including operating costs, business climate, quality of airport facilities, labor quality and availability, taxation, quality of local educational institutions, and other location factors.

PLEASE NOTE: The existing job figure above is the base number of jobs at the company when discussions with Enterprise Florida began and the application was first filed in April 9, 2007. Since that time, Piper has added 51 full-time jobs. (This figure does not include independent contractors, many of whom are highly-paid professionals with valuable engineering expertise). For the Closing Grant contract, the company seeks to use the 963 as the starting employment number.

**D. Give a full description of this project, including the primary business activities / functions:**

Piper Aircraft is a leading general aviation manufacturer that builds aircraft for every aviation mission, from trainers and high-performance aircraft for personal and business use, to turbine-powered business aircraft. Recently, the Company announced plans to expand into the jet market. Deliveries of the new jet are expected in 2010.

The planned launch of the PiperJet is the catalyst for an examination of the optimal location for the Company's headquarters and manufacturing operations in the long term. The Company is evaluating the suitability of its existing Vero Beach facility and conducting a nationwide search for locations that may provide more cost-effective and productive.

At this time, the Company is considering three locations for its international headquarters and manufacturing operations: Vero Beach, FL; Okalahoma City, OK; and Albuquerque, NM.

**E. What is the project's Targeted Industry(ies)<sup>5</sup>:** Aviation & Aerospace  
Manufacturing

**F. Break down the project's primary function(s) and the corresponding wages:**

Business Unit Activities	NAICS Code	Project Function <small>(total = 100%)</small>	Annualized Wage (\$)
Aircraft Manufacturing	336411	100%	Piper's current annualized average

<sup>5</sup> Refer to the QTI Target Industry list.

## GENERAL PROJECT OVERVIEW

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		wage is \$45,900, excluding benefits
--	--	--------------------------------------

**G. What is the project's proposed location address:**

The Company is considering several locations: The existing site at Vero Beach Aiprort, Will Rogers World Airport in Oklahoma City, and Double Eagle II Airport in Albuquerque, NM.

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**What is the project's current location address (if different):**

see address on page 1

Street Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**H. Is the project location within a current or proposed Brownfield site / area?**

Yes  No  If yes, attach a copy of the official document designating the Brownfield area.

**Is the project location in an Enterprise Zone?**

Yes  No  If yes, which zone? Indian River County/Vero Beach

**Is the project location in a designated Rural area?**

Yes  No  If yes, which Rural area? \_\_\_\_\_

**I. Which of the following describes the applicant's operations (select all that apply):**

- Multi-state business enterprise
- Multinational business enterprise
- Florida business enterprise (eligible for Brownfield Redevelopment Bonus incentive only)

**J. Which of the following describes this business unit (select all that apply):**

- Regional headquarters office
- National headquarters office
- International headquarters office
- This is not a dedicated headquarters office

**K. What is the estimated percentage of gross receipts or final sales resulting from this project that will be made outside of Florida (if sales is not a reasonable measure, use another basis for measure and provide explanation below): Piper's sales in Florida are \$25 million and outside Florida are \$175 million.**

87.5% of sales are outside FL Explain, if necessary: Piper sells aircraft through a national and international network of dealers.

### 3. JOB AND WAGE OVERVIEW

**A. How many jobs<sup>6</sup> are expected to be created as part of this project?**

See exhibit A

**B. If an existing business unit, how many jobs are expected to be retained as part of this project? (jobs in jeopardy of leaving Florida should only be included here; these jobs are not eligible for QTI)**

963

<sup>6</sup> A "full time equivalent job" means at least 35 hours of paid work per week.

## GENERAL PROJECT OVERVIEW

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- C. What is the anticipated annualized average wage (excluding benefits) of the new to Florida jobs created as part of this project?** (Cash payments to the employees such as performance bonuses and overtime should be included. The wage reported here is only an estimate of the average wage to be paid and will not be used in the certification, agreement, and claim evaluation process.)

See exhibit A

- D. What is the annualized average value of benefits associated with each new job created as part of this project?**

See exhibit A

- E. What benefits are included in this value?** (health insurance, 401(k) contributions, vacation and sick leave, etc.)

We are working to quantify the total value of benefits to be provided to new employees, who will receive the full range of benefits now provided by the Company, including:

- Health insurance: Blue Cross/Blue Shield of Florida (Plan 708)
- Dental benefits
- Life Insurance with MetLife
- Short- and long-term disability benefits
- 401K Plan through MassMutual

### 4. CAPITAL INVESTMENT OVERVIEW

- A. Describe the capital investment in real and personal property** (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment. Do not include the value of land purchased for construction of a new building):  
**PLEASE SEE EXHIBIT B**

- B. Will this facility be:**

- Leased space with renovations or build out
- Land purchase and construction of a new building
- Purchase of existing building(s) with renovations
- Addition to existing building(s) (already owned)
- Other (please describe in 4A above) SEE EXHIBIT B.**

- C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project:** (attach separate schedule if investment will be made over more than three years)

**PLEASE SEE EXHIBIT B**

	Year 1	Year 2	Year 3
Land	\$	\$	\$
Construction / Renovations			
Manufacturing Equipment			
R&D Equipment*			
Other Equipment (computer equipment, office furniture, etc.)			
<b>Total Capital Investment</b>			

- D. What is the estimated square footage of the new or expanded facility?**

The current facility is 715,000 s.f. At this time,

## GENERAL PROJECT OVERVIEW

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- the company plans to adapt existing facilities for PiperJet production.
- E. When is the final location decision anticipated (date)? November 2007  
At this time, the company plans to adapt existing facilities for PiperJet production. However, if demand for the PiperJet or other products exceeds current assumptions, the Company may expand existing buildings or add one or more new buildings.
- F. What is the anticipated date construction will begin? June 2010 for launch of new jet
- G. What is the anticipated date operations will commence?

### 5. COMPETITIVE LANDSCAPE

- A. What role will the incentive(s) play in the business unit's decision to locate, expand, or remain in Florida?  
This location decision will be made by Piper's Board of Directors, with recommendations from Piper's executive team. The Board will weigh business costs and other location factors critical to the successful development and manufacture of high-quality aircraft. Piper's ability to manage operating costs and achieve tax certainty will enable the Company to direct resources to research and development, production and other investments that impact competitiveness. Business incentives will play a major role in assisting the Company in managing costs and reaching its business objectives for expanding its existing product base and the development and production of the PiperJet.
- B. What other cities, states, or countries are being considered for this project?  
Oklahoma City, OK and Albuquerque, NM.
- C. What advantages or incentives offered by these locations do you consider important in your decision?  
*Incentives*  
The Company is actively engaged in serious negotiations with state and local officials in other locations. We have received revised offers of benefits from New Mexico and Oklahoma. Each jurisdiction is able to direct substantial resources to recruit a Project of this scope and economic impact.
- Incentives proposed include: contributed land; subsidized facility development and below-market lease rates, low-cost financing; significant grants for job creation and capital investment; workforce recruitment assistance and significant training grants; infrastructure grants; property tax abatements and exemptions; direct equity investments and substantial utility rate discounts. Revised offers have included additional grant funding for research and development, as well as offers of free or highly subsidized temporary space to facilitate a transition from Vero Beach.

## GENERAL PROJECT OVERVIEW

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The Company and its consultants are in close communication with officials in the other states to discuss the project and a potential move in detail and to continue to refine and customize the offers of incentives based on the Company's unique needs. The incentives we consider most compelling are:

- Offers of free land and facility – These benefits would provide a new, state-of-the-art facility, which would enhance competitiveness and reduce operating cost.
- Cash grants for job creation in excess of \$25 million and climbing.
- Potential equity investment and/or 0% financing to assist in R&D investment.
- Assistance with relocation costs for equipment and people.
- Substantial training grants and payment of 50% of production employees' wages during the first 6 months of employment, up to 1,040 hours.

### *Other Advantages*

The other locations under consideration pose several advantages for the Company:

- Larger base of production/manufacturing workers and engineers from which to recruit.
- Greater number of colleges and universities with aviation-related programs, from vocational-level and community college, through master's and Ph.D.
- No threat of hurricanes or other destructive storms.
- Potential to save more than \$2 million in property insurance annually.
- Closer proximity to commercial airports.
- Lower utility costs (rates more than 50% lower).

---

### **D. Indicate any additional internal or external competitive issues impacting this project's location decision?**

Piper's plan to develop the PiperJet is the catalyst for a critical look at the Company's facility needs and the best location for growth in the long term. As described in this application, we are evaluating several locations which are suitable for their weather, airport facilities and business climates and are conducting further due diligence on facility development costs and labor cost and quality. We have found that competing locations are far more competitive than Florida in terms of utility costs, real estate costs, business incentives, property insurance, and weather patterns.

---

## **6. ECONOMIC IMPACT AND CORPORATE RESPONSIBILITY**

### **A. Provide a brief synopsis of the special impacts the project is expected to stimulate in the community, the state, and the regional economy. Include the impact on indicators such as unemployment rate, poverty rate, and per capita income.**

Recently, the Indian River County Chamber of Commerce commissioned an updated economic impact study by the Washington Economic Group, which estimates Piper's annual economic impact on the Indian River County region at \$518 million per year. Enterprise Florida has received copies of this study.

## GENERAL PROJECT OVERVIEW

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Piper Aircraft offers engineering, manufacturing and production employment, with opportunities to enhance skills and advance in one's career. The relocation of this Company from Vero Beach would pose a significant, negative, long-term impact to the local economy.

---

**B. Provide a summary of past activities in Florida and in other states particularly as they relate to environmental or growth management impacts.** For example, what kind of corporate citizen has the applicant been? Also list awards or commendations.

*Environmental Impacts*

Piper Aircraft, Inc. has been performing groundwater remediation under a 1997 Consent Decree with the U.S. Department of Justice and the EPA to reduce the concentration of Trichloroethylene (TCE) on Piper's property in Vero Beach. Two, circulation cell technology, vacuum-vaporized wells (UVB pump and treat units) installed during 1998 continue to operate on the site. These UVB pump and treat wells, along with natural attenuation, continue to reduce solvent concentrations and have also been effective in maintaining hydraulic control of the solvent plume. In an effort to accelerate remediation efforts, Piper has proposed a phased approach of injection of bioremediation product developed by Regenesis Inc., Plano, Texas. On April 17, 2007 EPA and FDEP completed a review of the NPL Site Bioremediation Pilot Study Proposal and concurred with the proposed project. Phase 1 of this pilot study was completed in July 2007 and tested bore water/soil samples for preliminary evaluation of the vertical contamination of chlorinated solvents. Phase 2 of this pilot study will allow for accelerated bioremediation utilizing the Regenesis product. It is anticipated that the injection phase of this project will commence late 2007 or early 2008.

*Corporate Citizenship*

Piper is a strong corporate citizen, active in a number of areas, including the United Way, which presented the Company a Torchbearer Award in 2006. The Company is a major participant in the American Cancer Society Relay for Life.

Piper sponsors four scholarships for local high school students at \$1,000 per year, renewable up to 4 years and participates with the local school district to provide space, mentors and work assignments for about 35 "at risk" students. Their classroom space is at Piper, where the students have employee mentors and learn work skills while working part-time. Also in support of education, Piper underwrites the Regional Science Fair.

Piper provides over 6,000 s.f. of office space and utilities on the Piper campus free of charge to the Education Foundation of Indian River County and the Indian River County Boys & Girls Club.

The Company is also actively involved in numerous sponsorship programs (DARE, placing newspapers in classrooms, local little league teams, Project Graduation, etc.)

Piper also participates in the local Chamber of Commerce and Workforce Development activities.

## GENERAL PROJECT OVERVIEW

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- C. List and explain any criminal or civil fines or penalties or ongoing investigations that have been imposed upon the company, its executives, or its affiliates and any recent bankruptcy proceedings of the applicant or its parent company.**

Not applicable.

---

- D. Provide any additional information you wish to be considered as part of this incentive application or items that may provide supplementary background information on your project or company.**

### **The Innovative PiperJet**

The PiperJet is a revolutionary new aircraft, and will be built using state-of-the-art design and manufacturing processes. Key features and capabilities include:

- Cruising speed of up to 360 knots
- Maximum operating altitude of 35,000 feet
- Range of 1,300 nautical miles and full-fuel payload of 800 pounds
- Navigation, situational awareness and system information will be delivered through next-generation technologies
- Advanced avionics and guidance systems
- High-speed, natural-laminar flow wing enhanced fuel economic and performance
- Advanced metal bonding allows improved strength and manufacturing integrity
- Innovative development and design process incorporates all stakeholders in the process: designers and manufacturing engineers, sales and marketing professionals, customers, customer service specialists, suppliers, vendors, and dealers.

### **Piper's Heritage**

Piper's rich legacy is born of 70 years of unparalleled history, with more than 144,000 aircraft brought to market and more than 160 models certified. Approximately 90,000 of those aircraft are still flying and being serviced and supported on every continent by Piper's 65 service centers, 40 dealers and 2,500 field personnel. Piper is the only general aviation manufacturer to build and offer aircraft for every general aviation mission, from trainers and high-performance aircraft for personal and business use, to turbine-powered business aircraft and now, the PiperJet.

Piper has been headquartered in Vero Beach since the 1950s.

---

## **7. CONFIDENTIALITY**

- A. You may request that your project information (including information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records for a 12 month period, with an additional 12 month extension available upon request for projects still under consideration.**

Please indicate your confidentiality preference: (Does not apply to SDST sales tax

## GENERAL PROJECT OVERVIEW

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exemption applicants)

Yes  
No

**\*\*\*Be sure to attach the proper incentive attachment sheet(s)\*\*\***

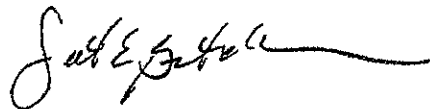
## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

### 8. SIGNATURES

Application Completed By:

To the best of my knowledge, the information included in this application is accurate.



Signature



Signature (Authorized Company Officer)  
REQUIRED

Scot Butcher

Michael Kelley

Name

Name

Vice President

CFO

Title

Title

Duff & Phelps, LLC

Piper Aircraft, Inc

Company

Company

225 Franklin St. Boston, MA 02110

Address, if different than mailing address

Address, if different than mailing address

617-378-9406

(772) 299-2361

Phone Number

Phone Number

617-507-5899

(772) 978-6562

Fax Number

Fax Number

scot.butcher@duffandphelps.com

Michael.Kelley@piper.com

Email Address

Email Address

10/08/07

Oct 8, 2007

Date

Date

Name of contact person, if different than above

Phone Number

Address

Email Address

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

### Exhibit A – Jobs and Wages

#### *Retained Jobs*

When Piper began discussions with Enterprise Florida, the Company employed 963 full-time employees in Vero Beach. The Company submits 963 as the number of jobs to be retained.

#### *New Jobs*

The Company has prepared the following schedule of employment over a nine-year period. The table shows the estimated number of jobs to be added in each calendar year and the anticipated total number of jobs at the end of each calendar year. Year 1 is 2007. (The Company has added 51 jobs during this site selection process, and those jobs are reported below for Year 1).

During the design, development and production of the PiperJet, employment is expected to fluctuate according to the stage of the product development cycle. This expansion and contraction in headcount is typical in aviation manufacturing.

<b>Year</b>	<b>Estimated # Full-Time Employees at end of Calendar Year</b>	<b>Change in Employment from Previous Year (Estimated)</b>
Year 1 (2007)	1,014	+51
Year 2 (2008)	1,091	+77
Year 3 (2009)	1,102	+11
Year 4 (2010)	1,064	-38
Year 5 (2011)	1,012	-52
Year 6 (2012)	1,368	+356
Year 7 (2013)	1,354	-14
Year 8 (2014)	1,328	-26
Year 9 (2015)	1,309	-19

At the year of peak employment in 2012, Piper's estimated full-time headcount is 405 net jobs above the starting, base employment level of 963. At the conclusion of this timeline in 2015, the estimated number of net new jobs from the project start is 346. These figures do not include full-time equivalent positions held by independent contractors and paid directly by the company (see below.)

#### *Independent Contractors*

In addition to the full-time employees outlined above, Piper currently employs 125 independent contractors in a variety of roles. The table below shows the number of independent contractors in a variety of departments when discussions with enterprise Florida began (a total of 62) and the number in these roles today (a total of 125). The

## GENERAL PROJECT OVERVIEW

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number of independent contractors at work at Piper has increased by 63 positions since the start of the project.

The practice of working with independent contractors is common in the aviation industry during research and development of a new product. Engineers and designers with highly specialized expertise are hired for the product development phase of the project. Independent contractors are paid directly by Piper or by an agency and live in the community for one to three years. Many are leaders in their fields and are highly compensated for their expertise. For example, those in engineering roles earn approximately \$200,000.

Department/Role	# Independent Contractors at Start of Project	Current # of Independent Contractors
Engineering Programs	37	76
Indirect Manufacturing	5	11
Sustaining Engineering	2	17
Administration	5	7
Sales & Marketing	12	2
Direct Manufacturing	1	12
<b>Total</b>	<b>62</b>	<b>125</b>

### *Average Wages and Value of Benefits – Current*

At this time, Piper’s annual payroll (with overtime included but without benefits) is \$46.5 million. That results in an average wage of \$45,900.

With benefits, Piper’s payroll is \$59.1 million, for average compensation (wages plus benefits) of \$58,200 per employee. The value of benefits is \$12,400 per employee.

### *Average Wages and Value of Benefits – Projected for New Jobs*

As shown above, Piper’s estimated annual employment will fluctuate over the next several years, and estimated average wages will fluctuate as well. The chart below shows estimated average wages, with and without benefits, for the period from 2007 through 2015.

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

Year	Estimated Average Wages (without benefits)	Estimated Average Wages With Benefits	Estimated Value of Benefits
Year 1 (2007)	\$45,900	\$58,200	\$12,300
Year 2 (2008)	\$45,600	\$58,000	\$12,400
Year 3 (2009)	\$46,000	\$58,400	\$12,400
Year 4 (2010)	\$46,600	\$59,200	\$12,600
Year 5 (2011)	\$46,700	\$59,400	\$12,700
Year 6 (2012)	\$45,000	\$57,200	\$12,200
Year 7 (2013)	\$45,100	\$57,300	\$12,200
Year 8 (2014)	\$45,300	\$57,600	\$12,300
Year 9 (2015)	\$45,300	\$57,500	\$12,200

### *Gross Payroll*

The company's estimated payroll is shown below. Numbers are in millions.

Year	Estimated Payroll Without Benefits	Estimated Payroll With Benefits
Year 1 (2007)	\$46.5	\$59.1
Year 2 (2008)	49.8	63.2
Year 3 (2009)	50.7	64.4
Year 4 (2010)	49.6	63.0
Year 5 (2011)	47.3	60.1
Year 6 (2012)	62.0	78.2
Year 7 (2013)	61.0	77.6
Year 8 (2014)	60.2	76.5
Year 9 (2015)	59.3	75.3

### *Payroll Commitment*

It is difficult to predict with certainty the company's employment needs. Piper has provided estimates of employment and payroll based on current assumptions of market demand for the PiperJet and other products. Several factors, including the progress of R&D efforts, improvements to production processes, market demand, economic conditions, Federal Aviation Administration actions, and much more may impact the actual demand for full-time employees.

Piper can commit to an increasing gross payroll (assuming no disasters such as terrorism or a weather-related event).

## GENERAL PROJECT OVERVIEW

To add text outside of the gray fields or click the statutory reference link, de-select the "Protect Form" (lock) button on the Forms toolbar.

### Exhibit B – Investment in Real and Personal Property

Piper will invest in repairs and improvements its existing facilities, maintain equipment and tooling for its current product lines, and make significant investments in new, highly sophisticated and unique tooling and other equipment for the PiperJet. (At this time, the company plans to adapt and improve existing facilities to construct the new PiperJet, and the schedule above reflects that assumption. However, if demand for the jet and other models, including the new Piper matrix, exceeds current estimates, it may be necessary to expand facilities and construct one or more new buildings on the Piper campus.)

In addition, the company will capitalize the costs of jet development.

Investment is summarized in the following schedule. Investment is in millions and totals \$149.9 million.

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>Total</u>
Facility Improvements - Jet				1500	1000	1000	1500	1500	6500
Normal Facility									
Repairs/Investments	3000	3000	500	500	500	800	800	800	9900
Tooling - Jet	6500	10500	800	1500	3000	3000	3000	3000	31300
IT, Equipment, Machinery	3000	3000	4500	4500	4500	4700	5000	5000	34200
<b>Total</b>	<b>\$ 12,500.00</b>	<b>\$ 16,500.00</b>	<b>\$ 5,800.00</b>	<b>\$ 8,000.00</b>	<b>\$ 9,000.00</b>	<b>\$ 9,500.00</b>	<b>\$ 10,300.00</b>	<b>\$ 10,300.00</b>	<b>\$ 81,900.00</b>
<b>Memo - Jet Development Costs</b>									
	<b>\$ 15,000.00</b>	<b>\$ 19,500.00</b>	<b>\$ 22,000.00</b>	<b>\$ 11,500.00</b>					<b>\$ 68,000.00</b>

The jet development costs shown include three flying prototypes and soft tooling, in addition to personnel costs for design. The jet development costs exclude \$15.1 million already invested in 2006 and 2007.

# EXHIBIT B

## EXHIBIT B

Piper Aircraft, Inc.

### Criteria for Measurement of Achievement of Terms for New Full-time Equivalent Jobs, Average Annual Wage (where applicable)

Annual certification, as authorized in Section 7.0(c) of this Agreement, must be made in a **letter format clearly certifying the applicable requirements set in 5.0(c)**, which shall include the following information and documentation. (For Closing Fund Awardees certified as a QTI Business, submittal of the required QTI Claim Application and relevant documentation is required.) Section I of this Exhibit explains how the Annual Certification Period, used in the calculation of full-time equivalent jobs, average annual wages and the Base Period for those jobs, is determined. Sections II, III, and IV explain the method that will to be used to determine the number of **full-time equivalent jobs** working on the project and the **average annual wage** of those project jobs, and the **documentation required** for jobs and wages.

Although it is not necessary to submit copies of all documentation to support information included in Annual Certifications (information such as project jobs and related wages/salaries), the Closing Fund Awardee must maintain all related forms and supporting documentation and make these materials available to OTTED as required in Sections 7.0(f) and 19.0 of this Agreement.

#### Section I. REFUND AND BASE PERIODS

- A. Annual Certification Period -- The Annual Certification Period, for purposes of this Agreement, is the period from the month the previous certification was submitted until the effective date of the current certification. For the first certification, the Annual Certification Period is defined as the period from October 1 to December 31 of the year the first new jobs are scheduled to be measured as specified in Paragraph 5.0(b) of this Agreement.

For subsequent years the Annual Certification Period is January 1 to December 31 of the current certification year. (See Sections II and III for more detailed discussion of the method that will be use to evaluate jobs and wages for these periods.)

- B. Base Period -- The Base Period will be used to calculate the net new jobs. The Base Period will be the 12 months preceding the effective date of the Letter of

Certification, or, if applicable, the Preservation of Inducement, unless otherwise specified within this agreement.

## Section II. PROJECT JOBS DETERMINATION

The following definitions and procedures must be used in determining and reporting the number of full-time equivalent jobs dedicated to the project.

### A. Job Definitions:

1. Full-time equivalent jobs -- A "full-time equivalent job" for purposes of this Agreement shall include full-time jobs and full-time equivalent jobs (based on a 35 hour work week). "Full-time equivalent jobs" shall be counted using the same methodology whether the work is being performed by an employee of the Closing Fund Awardee, or of a "Qualified Contract Employee," as defined herein.

In tabulating hours worked, any paid leave an employee, or "Qualified Contract Employee" takes during a pay period, such as vacation or sick leave, may be counted as hours worked. "Qualified Contract Employees" include (a) employees of employee leasing companies, specialized contractors, and joint venture partners or licensees operating under agreement with the Closing Fund Awardee that are performing functions or services of the Closing Fund Awardee at the Project facility, or at other project sites located within the same Florida county (subject to normal business travel), only to the extent dedicated to the operation of the Project; and (b) personnel engaged directly by the Closing Fund Awardee as independent contractors to which the Closing Fund Awardee issues an IRS Form 1099. In addition, Qualified Contract Employees shall be subject to the following additional limitations. Such employees shall:

- a. perform ongoing services or functions for the Closing Fund Awardee that might otherwise be performed by traditional employees, but which the Closing Fund Awardee has elected to procure through employment of contract employees due to the specialized nature of the expertise required or other business purpose;
- b. not perform services or functions limited to term of less than six months;
- c. not constitute more than Thirty Percent (30%) of the total New Full-time Equivalent Jobs claimed by the Closing Fund Awardee in its annual QTI Tax Refund Claim application, or alternate equivalent documentation acceptable to County.

The total number of full-time equivalent jobs may include **both direct and support jobs** for this Project. Direct jobs -- For purposes of this Agreement, "direct jobs" may include operational or production and related workers assigned directly to the Closing Fund project.

2. Support jobs -- For purposes of this Agreement, "support jobs" include non-production, support or overhead workers, such as legal, administrative and clerical, working at the Closing Fund-approved business unit. The concept for support jobs is generally only relevant for businesses working on defense or other government contracts or sub-contracts.
3. New Full-time Equivalent Job -- Full-time equivalent jobs may be counted as new full-time equivalent jobs only if they result in a net increase in full-time equivalent jobs at the Closing Fund business over the average full-time equivalent jobs for the base period, unless otherwise specified in this Agreement. In no case may jobs or job functions be counted as new, full-time equivalent project jobs if they are moved from a related business in Florida (including a business related by virtue of a merger, purchase, or any form of acquisition) to the Closing Fund Awardee, from another Florida location of the Closing Fund Awardee to the project location, or from any other Florida business unit. In addition, no temporary construction jobs involved with the construction of facilities for the project nor any jobs which have been previously included in any approved application for annual certification or claims under Sections 288.104, 288.1045 288.106 or 288.1088, Florida Statutes, may be included in full-time equivalent project jobs.
5. Full-time equivalent direct project jobs -- Full-time equivalent **direct** jobs for the project may be counted as (a) all direct employees working full time (at least 35 hours a week) on the project, such as production or related work, assigned to and working exclusively on the project described in this Agreement or (b) the total of the hours of direct production or related work assigned to the project divided by 35.
6. Full-time equivalent support project jobs -- Full-time equivalent support jobs may be counted for the project if they are (a) exclusively assigned to and working at least 35 hours a week on the project described in this Agreement or (b) they may be estimated by multiplying the **total number of all full-time "support jobs"** at the business by the **ratio** of the number of "**full-time direct**" project jobs to the total of **all "full-time direct" jobs** at the business.

B. Full-Time Equivalent Jobs Calculation:

The following method, or a method approved by County which will yield comparable results, should be used to determine full-time-equivalent employment for each period.

1. **Total full-time equivalent project jobs for the Base Period and Annual Certification Period** – For each week in the period, the number of full-time equivalent project **support** jobs (as defined above) may be added to the number of full-time equivalent **direct** project jobs (as defined above) to obtain total **full-time equivalent project employment for each pay period**.
2. **Average full-time equivalent project jobs for the Base Period and Annual Certification Period** – Add the project full-time equivalent employment for all pay periods and divide by the number of pay periods to determine the average full-time equivalent project employment for the period. This is the full-time equivalent project jobs that should be reported as annual certification.
3. **Net New Job Calculation** – To qualify for the annual certification, the difference between Annual Certification Period and the Base Period, the net increase in jobs, must be at least as great as the number of full-time equivalent net new jobs specified in Section 5.0(c)(1) of this Agreement for the Annual Certification Period.

If the job creation schedule in the Agreement specifies an increase in net new jobs as a result of a new employment phase since the previous Annual Certification Period, the actual average employment for the new Annual Certification Period will be **evaluated against** an adjusted employment requirement. This **adjusted employment requirement** is obtained by averaging the required full time equivalent employment specified for the previous employment phase for the first nine months of the year and the new employment phase for last three months of the year. That is, the Closing Fund Awardee will be expected to maintain the employment established for the first phase of the project throughout the year, but will only be evaluated against the additional jobs for the new phase for the final 3 months of the year. Averages are used rather than a strict month-to-month comparison because it is understood that there are month-to-month fluctuations in employment due to turnover and other reasons beyond the control of the business.

**Example:** If the Closing Fund project involved the expansion of an existing Florida business with a base full time equivalent employment of 200 and the business had agreed to create 50 net new jobs by December 31 of the first year and an additional 65 net new jobs by December 31 of second year, the annual certification would be evaluated as follows:

1. The evaluation for the first year would compare average employment for period October 1 through December 31 of year 1 against a required number of jobs of 250 (the 200 base jobs, plus the 50 net new jobs scheduled in the agreement).
2. The second year evaluation would compare the average of actual employment for the period October 1 through December 31 against the 315 cumulative jobs scheduled for that phase. In addition, to be sure that the jobs for the previous phase were maintained throughout the year, the average of actual full time equivalent jobs for the period January 1 through December 31 of the second year would be compared to an adjusted job requirement obtained by averaging the scheduled employment for the previous employment phase for nine months and the new employment phase for three months. In this example the adjusted job requirement for the second year would be an average of 250 for nine months and 315 for three months or  $((9*250+3*315)/12) = 266$ .

Once the final phase of a project is reached, the evolution of the remaining certification will be based on a simple comparison of the actual full time equivalent employment against the maintenance of the cumulative full time equivalent employment specified for the final phase.

Worksheets, hard copy and/or electronic format (MS Excel format preferred), showing these calculations should be submitted with the certification. All hard copies of worksheets should be signed.

### **Section III. AVERAGE ANNUAL WAGE DETERMINATION**

- A. Definition – In calculating the project's average annual wage for the Annual Certification Period (the average wage is not required for the Base Period), the following payments may be included for all project jobs as determined in Section II of this Exhibit:

Wages

Salaries

Commissions

Bonuses

Drawing Accounts (advances to employees against future earnings)

Prizes and Awards (if given by employer for employment)

Vacation Pay

Payment to Employees of Difference Between Regular Pay and Jury Pay

Payments to Employees Temporarily Absent While in Military Service

Wages Earned Before Death but Paid After Death

Dismissal Pay  
Sick Pay (not made under a plan or system)  
Supplemental Payments (difference between workers' compensation and employee's salary).

Other benefits may only be included in the wage calculation **IF**, as a business policy, the employee has the option of accepting the value of the benefits in the form of cash payments, or can convert the benefit to cash within 12 months of receipt of the benefit.

**B. Calculation of the Average Annual Wage per Full-Time Equivalent Job:**

The average annual wage for the Annual Certification Period must be determined in a manner consistent with the following procedure:

1. Total project wages for certification period -- Actual wages, salaries and other payments (as listed in Paragraph A above) for **all full-time equivalent direct project jobs** (as defined in Section II-A. of this Exhibit) for each pay period during the certification period are **added to an estimate of support project wages** (as determined in Paragraph 2 of this section).
2. Support project wages for certification period -- The total of wages, salaries and other payments (as listed in Paragraph A) for all **support** jobs at the business (as defined in Section II-A.) times the **ratio** of the number of "full-time direct" project jobs to the total of all "full-time direct" jobs at the business, calculated in Section II-A.3. of this Exhibit.
  - a. If the Closing Fund Awardee defined in this agreement meets the conditions outlined in Section IV-A. below, the Closing Fund Awardee may simply sum the quarterly payroll figures reported for unemployment compensation purposes and divide by the average number of employees (presumed to be full time equivalent employees if the conditions specified in Section IV-A. exist). If the number of quarters is less than four, this number should be multiplied by the inverse of the ratio of the number of quarters in the Annual Certification Period to four. If any of the quarters in the period has fewer than three months of employment, that quarter's payroll data should first be adjusted by multiplying the reported payroll for that period by the inverse of the ratio of the number of months for which employment data is reported to three.  
(1)

3. Annualized project wages – Since the first Annual Certification Period is less than 12 months and some employees may work for less than 12 months during any Annual Certification Period, it is sometimes necessary to annualize the average wage for the Closing Fund Awardee or the wages of individual employees used to calculate the average annual wage. One of the following methods should be used for that purpose:
  - a. If the Closing Fund Awardee does not meet the conditions outlined in Section IV-A, the Closing Fund Awardee must submit the information indicated in Section IV-B and calculate the average wage by annualizing the actual wages paid to all Closing Fund Awardee employees during the Annual Certification Period and summing those figures to obtain a total annualize payroll for the period and dividing by the average number of employees for that Annual Certification Period.
  - b. Worksheets, hard copy and/or electronic format (MS Excel format preferred), showing these calculations should be submitted with the claim. All hard copies of worksheets should be signed.

(2) Section IV. EMPLOYMENT AND WAGE DOCUMENTATION

Documentation to support both **base period** jobs and **refund period** jobs should include the following information:

- A. If the Closing Fund Awardee is registered as a separate business unit or worksite, for unemployment compensation purposes, and the employment information reported reflects the number of full-time-equivalent employees at the business unit or worksite, the Closing Fund Awardee may simply submit a copy of the forms that have been submitted for unemployment compensation purposes (the forms are due to the unemployment compensation agency on the fifteenth of the month following the end of each quarter) with the applicable certification documents. The reports submitted should cover the Base Period defined in Section 5.0(1)(a) of this agreement, and the twelve months preceding the December 31 certification date.
- B. If the Closing Fund Awardee is not registered as a separate business or reporting unit, or if there is substantial part-time employment or employee turnover during pay periods, then in addition to the information listed in Section IV-A above for the Closing Fund Awardee, or the business unit of which the Closing Fund Awardee is a part, the Closing Fund Awardee must submit a list of all employees at the business unit or reporting unit, identifying those employees working at the Closing Fund business during the Base Period **and** for the twelve months preceding the December 31 annual certification date.

If an employee was not employed for a full 12 month period, the list should include the date employment began and/or ended. The list should also identify the employee's position, title, or job description. If the employee is paid by the hour, the list should include the number of hours the employee actually worked during each pay period during the Base Period and during the 12 months preceding the December 31 annual certification date.

This information should be supplied in both the signed hard copy and electronic format. (See also wage and salary information referenced in Section III-B3. that needs to be included in this list.) In addition, the Closing Fund Awardee should clearly explain, as a part of the Closing Fund submission, how the information they are submitting may be different from the information submitted for unemployment compensation purposes. For example, it might be the case that the business has a number of part time workers and therefore the unemployment compensation information overstates the number of full-time equivalent employees and understates the average wage. Or, it may be the case that the Closing Fund business is a part of a larger or statewide reporting unit and the Closing Fund Awardee cannot be identified within the information submitted for unemployment compensation purposes. A situation such as this should be clearly explained in the documentation.

## **Section V. INVESTMENT**

Investment must be documented on a spreadsheet that lists the items, vendors, payment dates, amount of payments, and check numbers or unique identification of other means of payment and is accompanied with copies of canceled checks (or documentation of other forms of payment) for each item. Please submit a signed hard copy as well as an electronic version of the spreadsheet (MS Excel format preferred).

Exhibit C

Section	Transfer to EFI Section 5.0(b)	Payment Phases			Performance								
		1st Payment Section 5.0(c)	2nd Payment Section 5.0(d)	3rd Payment Section 5.0(e)	12/31/2007	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012	12/31/2013	12/31/2014	12/31/2015
Section	Amount	\$4,000,000	\$4,000,000	\$4,000,000									
5.0(b)(1)	Execute CF Agreement	X											
5.0(b)(2)	Announce Decision	X											
5.0(b)(3)	Affidavit Aircraft Orders	X											
5.0(b)(4)	Retain 963 FTE	X	X		963	963	963	963	963	963	963	963	963
5.0(c)(2)	Certify \$15 M Prod. Dev. Commit \$5 M to add Prod. Dev.	X											
5.0(c)(3)	by 12/31/2008	X											
5.0(c)(4)	Commit invest \$10.6M	X											
5.0(d)(5)	Create 51 new FTE by 12/31/2007	X	X		51	51	51	51	51	51	51	51	51
5.0(c)(6)	Cert. local agreement in negotiation	X											
5.0(d)(1)	Invest \$10.6 M capital		X										
5.0(d)(2)	Create additional 152 jobs by 12/31/2008		X										
5.0(d)(2)	Average wage \$46,500		X										
5.0(d)(3)	Public intro proof of concept		X										
5.0(d)(4)	Commit additional invest \$10.6 M by 12/31/09		X										
5.0(d)(5)	Execute Agreement with Indian River County		X										
	Submit by 12/31/11		X										
5.0(e)(1)	Document \$21.3 M invest. in tooling and equipment by 4/10/07			X									
5.0(e)(2)	Document \$20 M invest. in Prod. Dev since 1/1/07			X									
5.0(e)(3)	Retain 19 FTE by 12/31/09			X									

**Exhibit C**

Section	Amount	Transfer to EFI Section 5.0(b)	Payment Phases			Performance								
			1st Payment Section 5.0(c)	2nd Payment Section 5.0(d)	3rd Payment Section 5.0(e)	12/31/2007	12/31/2008	12/31/2009	12/31/2010	12/31/2011	12/31/2012	12/31/2013	12/31/2014	12/31/2015
5.0(f)	Add 152 FTE for a total of 1,185 by 12/31/2008	\$12,000,000	\$4,000,000	\$4,000,000	\$4,000,000		X	X	X	X	X	X	X	X
5.0(g)	Add 9 FTE to a total of 1,194 by 12/31/09							X	X	X	X	X	X	X
5.0(h)	Maintain 1185 FTE stand- ard 232 by 12/31/2012								X	X	232	232	232	232
5.0(i)	Payment to 663 specified in 5.0(f)(3) of at least \$49,500, exclusive of cumulative capillary \$32 M by 12/31/2010 and an additional \$13 M by 12/31/13 maintain that \$45M thru 12/31/15						X	X	X	X	X	X	X	X
5.0(j)	Final cumulative Prod/Dev Recommitment													
<b>Total FTE Performance</b>					1014	1166	1185	1185	1185	1417	1417	1417	1417	1417
Potential Penalties			Based on \$12 M		NP	Based on \$4 M	Based on \$6 M	Based on \$12 M	Based on \$12 M	Based on \$12 M	Based on \$12 M	Based on \$12 M	Based on \$12 M	Based on \$12 M

Indian River County  
Interoffice Memorandum  
Office of Management & Budget

To: Members of the Board  
of County Commissioners

From: Jason E. Brown  
Director, Office of Management & Budget

Date: April 23, 2008

Subject: Piper Retention Agreement  
Miscellaneous Budget Amendment 010



Background Information

Section 5.0(b) of the closing fund agreement states, "The County has budgeted and appropriated \$12,000,000 in Fiscal Year 2007/2008" for incentive payments to Piper. In order to fulfill this requirement, a budget amendment is being proposed concurrently with the approval of the closing fund agreement. This budget amendment will serve as the appropriation of all three (3) of the proposed \$4 million dollar payments, though some payments are expected to occur in future fiscal years. Funding will be provided by cash forward from the General Fund and M.S.T.U. Fund in the amounts of \$7.2 million (60%) and \$4.8 million (40%), respectively.

Staff Recommendation

Staff recommends that the Board of Commissioners approve the attached budget resolution amending the fiscal year 2007/08 budget.



Attachments

Budget Resolution

APPROVED AGENDA ITEM:

BY: Joseph A. Baird  
Joseph A. Baird  
County Administrator

FOR: April 28, 2008

Indian River County	Approved	Date
Administrator		4/24/08
Legal	WJ	4/23/08
Budget		4/23/08
Department		
Risk Management		

RESOLUTION NO. 2008-\_\_\_\_\_

A RESOLUTION OF INDIAN RIVER COUNTY, FLORIDA,  
AMENDING THE FISCAL YEAR 2007-2008 BUDGET.

WHEREAS, certain appropriation and expenditure amendments to the adopted Fiscal Year 2007-2008 Budget are to be made by resolution pursuant to section 129.06(2), Florida Statutes; and

WHEREAS, the Board of County Commissioners of Indian River County desires to amend the fiscal year 2007-2008 budget, as more specifically set forth in Exhibit "A" attached hereto and by this reference made a part hereof,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF INDIAN RIVER COUNTY, FLORIDA, that the Fiscal Year 2007-2008 Budget be and hereby is amended as set forth in Exhibit "A" upon adoption of this Resolution.

This Resolution was moved for adoption by Commissioner \_\_\_\_\_, and the motion was seconded by Commissioner \_\_\_\_\_, and, upon being put to a vote, the vote was as follows:

Chairman Sandra L. Bowden	_____
Vice Chairman Wesley S. Davis	_____
Commissioner Joseph E. Flescher	_____
Commissioner Peter D. O'Bryan	_____
Commissioner Gary C. Wheeler	_____

The Chairman thereupon declared this Resolution duly passed and adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

Attest: J. K. Barton, Clerk

INDIAN RIVER COUNTY, FLORIDA  
Board of County Commissioners

By \_\_\_\_\_  
Deputy Clerk

By \_\_\_\_\_  
Sandra L. Bowden, Chairman

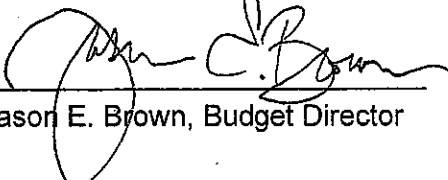
APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY

BY Wesley S. Davis  
COUNTY ATTORNEY

## Exhibit "A"

Resolution No. 2008-

Budget Office Approval:

  
 Jason E. Brown, Budget Director

Budget Amendment: 010

Entry Number	Fund/ Department/ Account Name	Account Number	Increase	Decrease
<b>1.</b>	<b>Revenues</b>			
	General Fund/ Cash Forward – October 1	001039-389040	\$7,200,000	\$0
	Municipal Services Taxing Unit/ Cash Forward – October 1	004039-389040	\$4,800,000	\$0
	<b>Expenses</b>			
	General Fund/ Agencies/ Piper Retention Incentive	00111059-083002	\$7,200,000	\$0
	Municipal Services Taxing Unit/ Piper Retention Incentive	00411059-083002	\$4,800,000	\$0