

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date:	October 16, 2012	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Department:	Department of Economic Sustainability		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) Rescind the Job Growth Incentive (JGI) Grant Agreement with Digital Risk, LLC (R2012-0855) in the amount of \$75,000;

B) Rescind Resolution 2012-0207 approving the Qualified Target Industry Tax Refund with High-Impact Sector Bonus up to \$75,000;

C) Adopt a Resolution by the Board of County Commissioners of Palm Beach County, Florida, recommending Digital Risk, LLC be approved as a Qualified Target Industry (QTI) business pursuant to s.288.108, Florida Statutes; providing for local financial support for the QTI Tax Refund with High-Impact Sector Bonus; approving up to \$300,000; and providing for an effective date;

D) Approve a Job Growth Incentive (JGI) Grant Agreement with Digital Risk, LLC up to \$300,000 over a three (3) year period; and



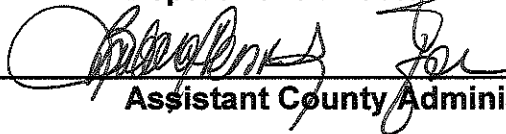

E) Approve a Budget Transfer of \$225,000 from the General Fund Contingency Reserves to the Department of Economic Sustainability JGI Program and a Budget Amendment of \$225,000 to the Economic Development Fund to recognize and appropriate the transfer of funds from the General Fund Contingency Reserves.

Summary: On June 5, 2012, the Board of County Commissioners approved a JGI Grant Agreement (R2012-0855) in the amount of \$75,000 to Digital Risk, LLC (DRLLC) to create and retain 150 jobs and authorized the transfer of \$75,000 from General Fund Contingency Reserves. DRLLC is a business and financial services firm that specializes in providing mortgage underwriting services to mortgage originators, lenders, insurers, conduits, investors and servicers. DRLLC is increasing its job creation goal from 150 jobs to 600 jobs thereby necessitating the termination of the June 5, 2012 Agreement and the approval of a new Agreement to reflect an increase in the grant amount by \$225,000 in recognition of the additional job creation. The proposed Agreement establishes a job creation goal of 600 jobs of which the first 150 jobs will be created by December 31, 2014, and the remaining jobs to be created by 2018; with an average wage of \$48,048, excluding benefits. The company will be paid \$500 per job as jobs are created. The Agreement requires DRLLC to post an irrevocable letter of credit in the full amount of the incentive which will be used as collateral should DRLLC fail to meet its contractual obligations. The company has been offered a total of \$3 Million in State incentives which require a \$600,000 local match. Of this amount, the City of Boca Raton will provide \$300,000 and the County will provide a total of \$300,000. Palm Beach County's economic development incentive will be payable over a period of three (3) years with a maximum of \$100,000 payable per year. Approval of the recommended Agreement will transfer an additional \$225,000 to increase the allocated budget to \$300,000. **This funding is projected to have a five (5) year Economic Sustainability Impact of \$509 Million. Funding will come from the General Fund Contingency Reserves.** (DES Administration) District 4 (DW)

Background and Justification: (Continued on Page 3)

Attachments:

1. Resolution R2012-0207
2. Resolution
3. JGI Grant Agreement with Digital Risk, LLC
4. Budget Transfer
5. Budget Amendment

Recommended By:		
	Department Director	Date
Approved By:		
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures					
Grant Expenditures	\$100,000	\$100,000	\$100,000		
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$100,000	\$100,000	\$100,000		

# ADDITIONAL FTE POSITIONS (Cumulative)	-0-	-0-	-0-		
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Is Item Included In Current Budget? Yes _____ No X

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of this item will allocate up to \$300,000 to DRLLC under the Job Growth Incentive Grant which includes the \$75,000 already approved by the BCC on June 5, 2012. This funding can carry forward, but will not exceed \$300,000. This is a performance based contract where DRLLC will be eligible to receive \$500 per job created.

C. Departmental Fiscal Review:

Shairette Major 10-3-12
Shairette Major, Fiscal Manager I

10/3/12

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

John Hul 10/5/12
OFMB

Dr. J. Jacobson 10/11/12
Contract Development and Control

B. Legal Sufficiency:

[Signature] 10/11/12
Senior Assistant County Attorney

C. Other Department Review:

Department Director

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT)

Background and Justification: (Continued from Page 1)

DRLLC is a business and financial services firm that specializes in providing mortgage underwriting services to mortgage originators, lenders, insurers, conduits, investors and servicers. The company has approximately 1,000 employees in other areas of Florida, and has offices in New York, Texas and Colorado. DRLLC intends to lease 25,000 sq.ft. of space for its offices in Boca Raton. The QACF requires a 20% local government match.

JOB GROWTH INCENTIVE GRANT AGREEMENT

THIS AGREEMENT, dated as of this ____ day of _____, 20____, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (hereinafter the "COUNTY") and **DIGITAL RISK, LLC**, a Delaware Limited Liability Company, whose Federal I.D. Number is 20-3183379 (hereinafter the "COMPANY").

PART I RECITALS

WHEREAS, it is the policy of the COUNTY to encourage and stimulate economic growth in Palm Beach County by either attracting new businesses to Palm Beach County or by assisting local expanding businesses within Palm Beach County that would otherwise expand elsewhere; and

WHEREAS, the creation of new full time employment opportunities for residents of Palm Beach County and the tax revenues resulting from business relocation or expansion within Palm Beach County is beneficial to the local economy; and

WHEREAS, the State of Florida has determined that counties may expend funds to attract and retain business enterprises, and that the use of public funds toward the achievement of such economic development goals constitutes a public purpose; and

WHEREAS, the COUNTY has determined that offering a Job Growth Incentive (JGI) Grant Program encourages either existing businesses to remain and/or expand, or new businesses to establish a facility in Palm Beach County and thereby create employment opportunities for the residents of Palm Beach County; and

WHEREAS, the average annual wage for the COMPANY'S newly created and/or relocated jobs will meet or exceed the average salary level in Palm Beach County or the applicable industry average wage; and

WHEREAS, the COUNTY finds and declares that it is in the public interest to award a JGI Grant to the COMPANY pursuant to the terms of this Agreement.

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

PART II DEFINITIONS

1. Definitions: The below terms as used in this Agreement shall mean:

- A. **New Job:** Shall include an employee in a full time job working a minimum of 2,080 hours annually (inclusive of vacation, holidays, sick leave, and other paid activities), a Full Time Equivalent Job or a Relocated Employee. Each New Job shall also:
- (1) Add to Palm Beach County's total job base;
 - (2) Add incrementally to the COMPANY'S Palm Beach County payroll;
 - (3) Result in a net increase in the number of the COMPANY'S Palm Beach County employees; and
 - (4) Involve only an employee working on-site at the COMPANY'S Palm Beach County facility at the address shown in Exhibit "A" attached hereto and made a part hereof.

- B. Full Time Equivalent Job: Shall mean any two or more part-time employees whose sum total work hours, inclusive of vacation and holidays, equals 2,080 hours annually. Notwithstanding the foregoing, the 2,080 hours annually shall be determined pursuant to the job requirement of the employee, and not the actual number of hours clocked at work, allowing for vacation, holiday and sick leave.
- C. Relocated Employee: Is an employee in a full time job working a minimum of 2,080 hours annually (inclusive of vacation and holidays), or a Full Time Equivalent Job that is identified on the COMPANY'S payroll who transferred to the COMPANY'S facility in Palm Beach County from a COMPANY facility in a location other than one located in a county adjacent to the borders of Palm Beach County.

PART III WHOLLY OWNED SUBSIDIARIES

1. Establishment of Wholly Owned Subsidiaries: The COMPANY may create or purchase a wholly owned subsidiary in connection with activities undertaken by the COMPANY pursuant to this Agreement. All wholly owned subsidiaries, thus created or purchased, shall be under the full control of the COMPANY, and the COMPANY shall oblige all such wholly owned subsidiaries to comply with the requirements of this Agreement as provided for herein.

2. Notification of Wholly Owned Subsidiaries: The COMPANY shall, within thirty (30) days of its creation or purchase of a wholly owned subsidiary in connection with this Agreement, notify the COUNTY in writing of such wholly owned subsidiary by divulging to the COUNTY the name of such entity and the location of the entity's facilities, and the COMPANY shall provide the COUNTY, to the COUNTY'S satisfaction, documentation evidencing the COMPANY'S full control of such wholly owned subsidiary.

PART IV JOB CREATION REQUIREMENTS AND BENCHMARKS

1. Performance Period: The Performance Period shall commence on May 14, 2012, and shall end on December 31, 2022. The COMPANY and any wholly owned subsidiary of COMPANY desires to create and maintain six hundred (600) New Jobs. Any jobs created by the COMPANY before or after the Performance Period shall not be counted as part of the aforesaid number of New Jobs. Provided, however, that the first one hundred fifty (150) jobs shall be created by December 31, 2014, and the remaining four hundred fifty (450) jobs by 2018.

The average annual salary of the aforesaid New Jobs shall be equal to or greater than FORTY-EIGHT THOUSAND AND FORTY-EIGHT DOLLARS (\$48,048), excluding benefits.

2. Maintenance Period: The COMPANY and any wholly owned subsidiary of COMPANY shall maintain all New Jobs during the Maintenance Period. The Maintenance Period shall commence on the date the New Job was created and shall remain for a period of four (4) years.

The average annual salary of the New Jobs maintained by the COMPANY during the Maintenance Period shall be equal to or greater than FORTY-EIGHT THOUSAND AND FORTY-EIGHT DOLLARS (\$48,048), excluding benefits.

3. Acceptance of Jobs Created by Subsidiary: Notwithstanding that COUNTY is allowing COMPANY and the wholly owned subsidiary of COMPANY to create and maintain said jobs, COMPANY agrees that this Agreement is solely between COMPANY and COUNTY and COUNTY has the right, in its sole and absolute discretion to reject or accept any or all jobs created by COMPANY'S wholly owned subsidiary.

PART V
GRANT AMOUNT AND GRANT DISBURSEMENTS

1. Grant Amount: The COMPANY shall be eligible to receive from the COUNTY payments of up to FIVE HUNDRED DOLLARS (\$500) for each of the actual number of New Jobs created. The total amount the COMPANY can receive for New Jobs is THREE HUNDRED THOUSAND DOLLARS (\$300,000) (hereafter "Grant") which shall be payable in accord with the terms of this Agreement.

2. Grant Disbursements: The COUNTY shall, upon receipt of an annual written request from the COMPANY, disburse Grant funds as follows:

Based on the number of New Jobs reported by COMPANY on the Annual Job Creation and Maintenance Report that is required to be filed with the County under Part VII.2., the COUNTY shall disburse Grant funds to COMPANY within sixty (60) days of receipt of the Job Creation and Maintenance Report. The maximum annual amount that COUNTY would be obligated to disburse with respect to an annual Job Creation and Maintenance Report is ONE HUNDRED THOUSAND DOLLARS (\$100,000) being carried forward to the next year until the maximum amount of \$300,000 has been exhausted.

The COMPANY agrees that it shall be limited to one (1) disbursement per calendar year.

As a prerequisite to making the initial disbursement of Grant funds, the COUNTY shall have received the Letter of Credit required herein.

As a prerequisite to making all disbursements of Grant funds, the COUNTY shall have determined that the COMPANY is in compliance with the terms of this Agreement, including, but not limited to, the COMPANY'S submission of the Job Creation and Maintenance Reports required herein.

PART VI
ADVERTISING, RECRUITING AND JOB INFORMATION

1. Job Advertising: In addition to the COMPANY'S normal advertisement of job positions, COMPANY shall undertake advertising of the job openings in Palm Beach County to provide sufficient notice to Palm Beach County's residents concerning the availability of COMPANY'S new positions. The advertising regarding the new jobs at COMPANY'S facility in Palm Beach County must be county-wide, include Hispanic and Minority news venues, and not limited to a single advertisement. The COMPANY shall provide the COUNTY proof of all advertisements made in accord with this Subpart within thirty (30) days of the date of advertising.

2. Job Availability: The COMPANY shall mail the job description for each New Job it recruits to the following:

- A. Workforce Alliance, Inc.
1951 N. Military Trail, Suite D
West Palm Beach, FL 33409-4794
Attention: Executive Director
- B. The Glades Workforce Development Center
557 SW 16 Street
Belle Glade, FL 33430
Attention: Chairperson

3. Low-income Residents: The COMPANY shall, to the greatest extent feasible, provide low-income residents opportunities for training and employment at the COMPANY.

4. Resident Preference: The COMPANY shall, to the greatest extent feasible, without risk of violating any laws, develop and implement hiring policies that provide Palm Beach County residents preference in the hiring process.

5. Local Businesses: The COMPANY shall to the extent feasible award contracts in connection with this Agreement to eligible business concerns located in or owned in substantial part by persons residing in Palm Beach County.

6. Transportation To And From Job Location: The COMPANY shall provide the following information to employees it hires by posting such information on its web site or by providing in written form:

- A. The bus stop location closest to COMPANY'S office;
- B. The name and location of Tri-Rail train station closest to COMPANY'S office;
- C. Information about COMPANY'S car pool program (if one exists); and
- D. Directions to COMPANY'S office from Interstate 95.

PART VII AUDITS AND REPORTS

1. Annual Job Creation and Maintenance Reports: The COMPANY shall provide the COUNTY'S Department of Economic Sustainability with an Annual Job Creation and Maintenance Report, satisfactory to the COUNTY in its sole discretion, acting reasonably, verifying the COMPANY'S compliance with the requirements of PART IV of this Agreement. Such Job Creation and Maintenance Report shall comply with the following:

- A. Identify each job created and the date it was created.
- B. Identify each job created and the duration of its maintenance period to date.
- C. Report on the average annual salary for New Jobs that were created and maintained.
- D. Report on the number of Palm Beach County residents hired to date.
- E. Include copies of all job advertisements published in accord with the requirements of Part VI of this Agreement since the submission of the last Job Creation and Maintenance Report.
- F. The Annual Job Creation and Maintenance Report shall be submitted to the COUNTY'S Department of Economic Sustainability in conjunction with each annual disbursement of Grant funds and the receipt of said report by the COUNTY shall be a prerequisite to the COUNTY making any disbursements hereunder.

2. Final Job Creation and Maintenance Performance Audit: The COMPANY shall provide the COUNTY'S Department of Economic Sustainability an independent written Final Job Creation and Maintenance Performance Audit (hereinafter Audit), satisfactory to the COUNTY in its sole discretion, acting reasonably, verifying the COMPANY'S compliance with the requirements of PART IV of this Agreement. Such Audit, which shall be prepared at the COMPANY'S sole cost and expense, shall comply with the following:

- A. The Audit shall be conducted and prepared by an independent Certified Public Accountant (CPA) according to standards established by the American Institute of Certified Public Accountants and shall be submitted on the CPA's letterhead.
- B. The CPA shall "examine" the COMPANY'S records, statements, and schedules and those of all wholly owned subsidiaries created or purchased by the

COMPANY in connection with this Agreement, to verify the accuracy of the number of New Jobs created and maintained as required in Part IV of this Agreement, and to verify the average annual salary for these New Jobs. The CPA shall express a written "opinion" in the Audit regarding the number of New Jobs created in compliance with this Agreement and the average annualized salary for these New Jobs.

- C. The CPA's report shall include examining evidence supporting the COMPANY'S schedules of New Jobs and the average annualized salary of the New Jobs and those of the wholly owned subsidiaries stated immediately above.
- D. The CPA's report must provide the average annual salary for the below categories:
 - (1) All New Jobs: Identify the average annual salary of all New Jobs including all exempt and non-exempt employees and all officers and senior corporate executives that are included in the number of New Jobs to be created as required by this Agreement.
 - (2) Low and Mid Echelon New Jobs Only: Identify the average annual salary of all New Jobs as stated above, excluding from these calculations the average annual salary of all officers and senior corporate executives.
- E. The accuracy of the number, hire dates and average annual salaries of all New Jobs as represented by the COMPANY shall be verified in the independent Audit by the CPA to the COUNTY'S satisfaction.
- F. The Audit may be performed in conjunction with other auditing services.
- G. A report by an independent CPA that is a "review or agreed-upon procedures report" on the COMPANY'S representations shall not be deemed to meet the Audit requirements of this Agreement.
- H. The Audit shall be submitted to the COUNTY'S Department of Economic Sustainability within ninety (90) days of the end of the Performance Period.

PART VIII LETTER OF CREDIT

1. Provision of Letter of Credit: The COMPANY shall provide the COUNTY a clean, irrevocable Letter of Credit in a form acceptable to the COUNTY in its sole discretion, acting reasonably, which Letter of Credit shall be provided in accordance with the COUNTY'S PPM: CW-F-055. The Letter of Credit, which shall be for the Grant amount indicated in this Agreement, shall be provided to the COUNTY as a precondition to the COUNTY making the first disbursement of Grant funds contemplated herein.

2. Term of Letter of Credit: The Letter of Credit shall remain in effect until the COUNTY has received the Final Job Creation and Maintenance Performance Audit and verified that the COMPANY has complied with the Job Creation and Maintenance requirements, or as indicated in Subpart 3 below.

3. Release of Letter of Credit: Upon the COUNTY'S determination that the COMPANY has satisfactorily complied with the terms of this Agreement, the COUNTY shall notify the financial institution that issued the Letter of Credit and the COMPANY that the Letter of Credit is considered released. Such release of the Letter of Credit by the County may occur on a date earlier than the end date specified in Subpart 2 above, provided that the COUNTY has, on such earlier date, determined that the COMPANY has complied with the terms of this Agreement.

PART IX GENERAL CONDITIONS

1. Obligation and Annual Appropriation: The COUNTY'S obligation to pay under this Agreement is contingent upon annual appropriation for its purpose by the COUNTY. To the extent the annual appropriation amount is reduced, the corresponding obligation of the COMPANY shall be similarly and proportionately reduced.

2. Employee Bona Fide: The COMPANY warrants that neither it, nor any of its wholly owned subsidiaries, have employed or retained any company or person, other than a bona fide employee working solely for the COMPANY, or its wholly owned subsidiaries, to solicit or secure this Grant and that neither have paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the COMPANY, or its wholly owned subsidiaries, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award of the Grant or the making of this Agreement.

3. Non-Discrimination: The COMPANY warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity and expression. Upon receipt of evidence of such discrimination, the COUNTY shall have the right to terminate this Agreement.

4. Workers' Compensation and Employer's Liability: The COMPANY shall maintain Workers' Compensation Insurance & Employers Liability in accord with Florida Statutes Chapter 440 for all jobs set forth in this Agreement. Coverage shall be provided on a primary basis.

5. Convicted Vendor List: As provided in F.S. 287.132-133, by entering into this Agreement or performing any work in furtherance hereof, the COMPANY certifies that it, and its affiliates who will perform hereunder, have not been placed on the Convicted Vendor List maintained by the State of Florida Department of Management Services within thirty-six (36) months immediately preceding the date of execution of this Agreement by the COUNTY. This notice is required by F.S. 287.133(3) (a).

6. Successors and Assigns: The COUNTY and the COMPANY each binds itself and its partners, wholly owned subsidiaries, successors, executors, administrators and assigns to the other party and to the partners, wholly owned subsidiaries, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. Except as above, neither the COUNTY nor the COMPANY shall assign, sublet, convey or transfer its interest in this Agreement without the prior written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the COUNTY, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the COUNTY and the COMPANY. In the event that the COUNTY determines that the COMPANY is in violation of this paragraph, the COUNTY shall have the right to terminate this Agreement and to seek restitution of the funds paid by the COUNTY to the COMPANY.

7. Name or Location Change: In the event the COMPANY implements a change to the name of the COMPANY or the location of the COMPANY within or outside Palm Beach County, the COMPANY shall immediately provide the COUNTY written notice regarding this change to the name and/or location of the COMPANY upon such change becoming official.

8. Material Change of Circumstances: The COMPANY shall immediately notify the COUNTY of any material change of circumstances for the COMPANY'S business operations in Palm Beach County. For the purposes hereof, material change of circumstance shall include, but not be limited to, the failure of the COMPANY to diligently and actively pursue fulfillment of the terms hereof, the sale or transfer of COMPANYS assets for the benefit of creditors, the suspension, closing or cessation of operation of the COMPANY, voluntary or involuntary bankruptcy or an assignment for the benefit of the COMPANY'S creditors. In the event of a material change of circumstances, the COUNTY shall have the right to terminate this Agreement, whereupon the COUNTY shall have no further obligation to the COMPANY under this Agreement.

9. Entire Agreement Between Parties: The COUNTY and the COMPANY agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

10. Waiver: If the COUNTY shall waive any provisions of the Agreement, or shall fail to enforce any of the conditions or provisions of this Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and the COUNTY shall thereafter have the right to insist upon the enforcement of such conditions or provisions.

11. Invalid or Unenforceable Terms: If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.

12. Performance Time And Liability: The parties expressly agree that time is of the essence in this Agreement and the failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of the other party without liability, in addition to any other rights or remedies, relieve the other party of any obligation to accept such performance.

13. Defaults: The occurrence of any one or more of the following events shall constitute a Default hereunder:

- A. Vacating, abandoning, or closing the COMPANY'S business.
- B. Relocating the COMPANY'S existing business in Palm Beach County outside Palm Beach County.
- C. Failure of the COMPANY to submit an acceptable Letter of Credit to the COUNTY and to maintain the Letter of Credit in effect for the period set forth in this Agreement.
- D. Failure of the COMPANY to create the number of New Jobs as required in this Agreement.
- E. Failure of the COMPANY to maintain the required number of New Jobs for the entire Maintenance Period.
- F. Failure of the COMPANY to submit to the COUNTY the Annual Job Creation and Maintenance Report and/or the Audit as required in this Agreement.
- G. Failure of the COMPANY to observe or perform any of the terms, covenants, conditions, obligations, or provisions of this Agreement to be observed or performed by the COMPANY where such failure continues for a period of thirty (30) days after written notice thereof from the COUNTY to the COMPANY; provided, however, that if the nature of COMPANY'S default is such that more than thirty (30) days are reasonably required for its cure, then COMPANY shall not be deemed to be in default if the COMPANY commenced such cure within said thirty (30) day period and thereafter diligently pursues such cure to completion.
- H. The making by the COMPANY of any general assignment, or general arrangement for the benefit of creditors.
- I. The filing by or against COMPANY of a petition to have the COMPANY adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against COMPANY, the same is dismissed within sixty (60) days).

- J. The appointment of a trustee or receiver to take possession of substantially all of COMPANY'S assets where possession is not restored to COMPANY within thirty (30) days.
- K. The attachment, execution or other judicial seizure of substantially all of COMPANY'S assets located within Palm Beach County where such seizure is not discharged within thirty (30) days.
- L. The discovery by the COUNTY that any financial statement relating to this Agreement given to the COUNTY was materially false.

14. Remedies: In the event of a Default by the COMPANY, the COUNTY may at any time thereafter, terminate this Agreement. In such event, the COUNTY shall be entitled to recover immediately upon demand from the COMPANY or any party joining in or consenting to this Agreement, all sums paid by the COUNTY to the COMPANY, or to the State of Florida, as applicable, pursuant to this Agreement.

15. Law And Remedy: This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement shall be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

16. Regulations: The COMPANY shall comply with all laws, ordinances and regulations applicable to the services contemplated herein, to include conflict of interest and collusion. The COMPANY is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may affect the services offered.

17. Headings: The headings of the sections, paragraphs, divisions, subdivisions, part and subparts of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.

18. Number and Gender: Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.

19. Access To Records: Upon ten (10) business days notice and at any time during normal business hours and as often as the COUNTY deems necessary, there shall be made available by the COMPANY to the COUNTY for examination, all its records with respect to all matters covered by this Agreement. The COUNTY reserves the right to require copies of such records and/or to conduct an inspection of the COMPANY'S records regarding performance measures with respect to matters covered by this Agreement at any time for any period covered by this Agreement.

20. Office Of The Inspector General: Palm Beach County has established the Office of Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed COUNTY contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the COMPANY, and its wholly owned subsidiaries, its officers, agents, employees, and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with Inspector General or interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 – 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

21. Indemnification And Hold Harmless: The COMPANY agrees to protect, defend, reimburse, indemnify and hold the COUNTY, its agents, its employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages, including attorney's fees, and causes of action of every kind and character against and from the COUNTY which

arise out of this Agreement. The COMPANY recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of good and valuable consideration provided by the COUNTY in support of this clause in accordance with the laws of the State of Florida. This Paragraph shall survive the termination of the Agreement.

22. Notices: All notices from the COMPANY to the COUNTY and the COUNTY to COMPANY required or permitted by any provision of this Agreement shall be in writing and sent by registered or certified mail and addressed as follows:

TO COUNTY: Board of County Commissioners
c/o Palm Beach County Attorney's Office
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Dawn Wynn, Assistant County Attorney

TO COMPANY: Digital Risk, LLC
2301 Maitland Center Parkway, Suite 165
Maitland, FL 32751
Attn: Mr. Peter R. Kassabov

Such addresses may be changed by written notice to the other party.

23. Counterparts: This Agreement, consisting of eleven (11) enumerated pages which include the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.

PART X REQUIREMENTS APPLICABLE TO WHOLLY OWNED SUBSIDIARIES

In addition to instances where the requirements of this Agreement are expressly set forth to be applicable to wholly owned subsidiaries of the COMPANY, the requirements of the below listed Parts and Subparts shall also apply to all such wholly owned subsidiaries:

- A. PART IV: Subparts 1, 2 and 3.
- B. PART VI: Subparts 1, 2, 3, 4, 5 and 6.
- C. PART IX: Subparts 3, 4, 5, 7, 8, 16, 19 and 21.

IN WITNESS WHEREOF, the COMPANY and the COUNTY have caused this Agreement to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

Witnesses:

DIGITAL RISK, LLC,
A Delaware Limited Liability Company

Name: _____

By: _____
Peter R. Kassabov, Managing Member

Signature: _____

Name: _____

By: _____
Jeffery C. Taylor, Managing Member

Signature: _____

By: _____
Edward A. Santos, Managing Member

STATE OF FLORIDA)
COUNTY OF PALM BEACH) ss

The foregoing instrument was acknowledged before me this ____ day of, _____, 20____, by Peter R. Kassabov, Jeffery C. Taylor, and Edward A. Santos, who are personally known to me, or who produced _____ as identification and who did/did not take an oath.

Signature: _____

(NOTARY SEAL ABOVE)

Notary Name: _____
Notary Public - State of Florida

(COUNTY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**

BOARD OF COUNTY COMMISSIONERS

ATTEST: Sharon R. Bock,
Clerk & Comptroller

By: _____
Chair
Board of County Commissioners

By: _____
Deputy Clerk

Document No.: _____

Approved as to Form and
Legal Sufficiency

Approved as to Terms and Conditions
Department of Economic Sustainability

By: _____
Dawn Wynn
Assistant County Attorney

By: _____
Journey Beard, Director
Contract Development and Quality Control

EXHIBIT "A"

**JOB GROWTH INCENTIVE GRANT AGREEMENT
BETWEEN PALM BEACH COUNTY AND
DIGITAL RISK, LLC**

COMPANY IDENTIFICATION AND INFORMATION

QACF application date: December 16, 2011

Company Name: DIGITAL RISK, LLC

Existing Headquarters: Maitland, Florida

Address of the company's
facility in Palm Beach County: 5201 Congress Avenue, Boca Raton, FL 33487

Products/services to be
provided from the company's
facility in Palm Beach County: The company, Digital Risk, LLC, is a business and financial services firm that specializes in providing mortgage underwriting services to mortgage originators, lenders, insurers, conduits, investors and servicers. The company has approximately 1,000 employees in other areas of Florida, and has offices in New York, Texas and Colorado.

DIGITAL RISK, LLC

Registered with the Division of Corporations, Florida Department of State, to conduct business operations within the State of Florida

Business Type: Delaware Limited Liability Company

State of Florida Status: Active

State of Florida Filing Date: 10/14/2005

Federal ID Number: 20-3183379

RESOLUTION NUMBER 2012- 0207

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING DIGITAL RISK, LLC BE APPROVED AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO s.288.106, FLORIDA STATUTES; PROVIDING FOR LOCAL FINANCIAL SUPPORT FOR THE QUALIFIED TARGET INDUSTRY TAX REFUND WITH HIGH-IMPACT SECTOR BONUS; APPROVING UP TO \$75,000; AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AS FOLLOWS:

WHEREAS, Digital Risk, LLC is a business and financial services firm specializing in mortgage underwriting services with approximately 1000 employees in the State of Florida; and

WHEREAS, Digital Risk, LLC's proposed project will involve a new location in Boca Raton, Florida leasing 25,000 sq. ft. of new office space; and

WHEREAS, Digital Risk, LLC will create in Palm Beach County 150 full-time jobs at an average annual wage of \$48,048 excluding benefits which is 17.5% greater than the average wage in Florida; and

WHEREAS, Digital Risk, LLC, a for-profit corporation, has filed a Qualified Target Industry (QTI) Tax Refund Program application with Enterprise Florida, Inc. to seek State tax refunds, and for which the QTI Program requires that the local government, provide a 20% local match; and

WHEREAS, Digital Risk, LLC has been identified as a Target Industry Business and, moreover, falls within one of the high-impact sectors designated under Florida Statute 288.108, specifically *Financial Services*, and is therefore eligible to apply for the Qualified Target Industry Tax Refund with a High-Impact Sector Bonus of up to \$750,000, pursuant to s.288.106; and

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

WHEREAS, Palm Beach County has determined that they will provide one half of the required 20% local match totaling \$75,000 over a four year period; and

WHEREAS, Digital Risk, LLC is aware that in order to receive the award they must create 150 jobs at an annual average salary of \$48,048 within three (3) years of the effective date of the agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends Digital Risk, LLC be approved as a Qualified Target Industry Business pursuant to s. 288.106, Florida Statutes.

BE IT FURTHER RESOLVED, that the necessary local financial support for the Qualified Target Industry Tax Refund with High-Impact Sector Bonus exists in the amount of \$75,000 which equals one-half of the total match requested. This amount will be made available in accordance with the guidelines set forth by the Governor's Office of Tourism, Trade, and Economic Development with the stipulation that these funds are intended to represent local financial support pursuant to s.288.106, Florida Statutes.

BE IT FURTHER RESOLVED, that the Palm Beach County Board of County Commissioners has determined the basis of this project's average private sector wage commitment calculation shall be 17.5% greater than the State's average annual wage.

This resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner Marcus who moved its adoption. The motion was seconded by Commissioner Aaronson and, being put to a vote, the vote was as follows:

COMMISSIONER SHELLEY VANA, CHAIR	<u>Aye</u>
COMMISSIONER STEVEN L. ABRAMS, VICE CHAIRMAN	<u>Aye</u>
COMMISSIONER KAREN T. MARCUS	<u>Aye</u>
COMMISSIONER PAULETTE BURDICK	<u>Aye</u>
COMMISSIONER BURT AARONSON	<u>Aye</u>
COMMISSIONER JESS R. SANTAMARIA	<u>Aye</u>
COMMISSIONER PRISCILLA A. TAYLOR	<u>Aye</u>

The Chair thereupon declared the Resolution duly passed and adopted this 24th day of January, 2012.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

PALM BEACH COUNTY, FLORIDA, BY
ITS BOARD OF COUNTY COMMISSIONERS

By: [Signature]
County Attorney

ATTEST:
SHARON R. BOCK, CLERK & COMPTROLLER
By: [Signature]
Deputy Clerk

RESOLUTION NUMBER 2012-_____

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING DIGITAL RISK, LLC BE APPROVED AS A QUALIFIED TARGET INDUSTRY (QTI) BUSINESS PURSUANT TO S.288.108, FLORIDA STATUTES; PROVIDING FOR LOCAL FINANCIAL SUPPORT FOR THE QTI TAX REFUND WITH HIGH-IMPACT SECTOR BONUS; APPROVING UP TO \$300,000; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Digital Risk, LLC is a business and financial services firm specializing in mortgage underwriting services with approximately 1,000 employees in the State of Florida; and

WHEREAS, Digital Risk, LLC's proposed project will involve a new location in Boca Raton, Florida leasing 25,000 sq. ft. of new office space; and

WHEREAS, Digital Risk, LLC desires to create in Palm Beach County 600 full-time jobs at an average annual wage of \$48,048 excluding benefits which is 17.5% greater than the average wage in Florida; and

WHEREAS, Digital Risk, LLC, a for-profit corporation, has filed a QTI Tax Refund Program application with Enterprise Florida, Inc. to seek State tax refunds, and for which the QTI Program requires that the local government, provide a 20% local match; and

WHEREAS, Digital Risk, LLC has been identified as a Target Industry Business and, moreover, falls within one of the high-impact sectors designated under Florida Statute 288.108, specifically *Financial Services*, and is therefore eligible to apply for the QTI Tax Refund with a High-Impact Sector Bonus of up to \$750,000 pursuant to s.288.106; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby acknowledges that local financial support of 20% of the total tax refund is required under the provisions of s.288.108, Florida Statutes, governing the State's QTI Tax Refund Program; and

WHEREAS, Palm Beach County has determined that they will provide one half of the required 20% local match up to \$300,000; and

WHEREAS, the City of Boca Raton has determined that they will provide one half of the required 20% local match up to \$300,000; and

WHEREAS, Digital Risk, LLC will be required to maintain each job created under this Agreement for a period of four (4) years.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends Digital Risk, LLC be approved as a Qualified Target Industry Business pursuant to s. 288.108, Florida Statutes.

BE IT FURTHER RESOLVED, that the necessary local financial support for the Qualified Target Industry Tax Refund with High-Impact Sector Bonus exists in the amount of up to \$300,000 which equals one-half of the total match requested. This amount will be made available in accordance with the guidelines set forth by the Governor's Office of Tourism, Trade, and Economic Development with the stipulation that these funds are intended to represent local financial support pursuant to s.288.108, Florida Statutes.

BE IT FURTHER RESOLVED, that the Palm Beach County Board of County Commissioners has determined the basis of this project's average private sector wage commitment calculation shall be 17.5% greater than the State's average annual wage.

This resolution shall take effect immediately upon its adoption.

The foregoing Resolution was offered by Commissioner _____ who moved its adoption. The motion was seconded by Commissioner _____ and, being put to a vote, the vote was as follows:

COMMISSIONER SHELLEY VANA, CHAIR	_____
COMMISSIONER STEVEN L. ABRAMS, VICE CHAIRMAN	_____
COMMISSIONER KAREN T. MARCUS	_____
COMMISSIONER PAULETTE BURDICK	_____
COMMISSIONER BURT AARONSON	_____
COMMISSIONER JESS R. SANTAMARIA	_____
COMMISSIONER PRISCILLA A. TAYLOR	_____

The Chair thereupon declared the Resolution duly passed and adopted this ____ day of _____, 2012.

**PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS**

**APPROVED AS TO FORM AND
LEGAL SELF SUFFICIENCY**

**ATTEST: SHARON R. BOCK,
CLERK & COMPTROLLER**

By: _____
Dawn S. Wynn,
Senior Assistant County Attorney

By: _____
Deputy Clerk

**BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET TRANSFER**

Page 1 of 1 pages

BGEX 143-100212*0016

FUND 0001 General Fund

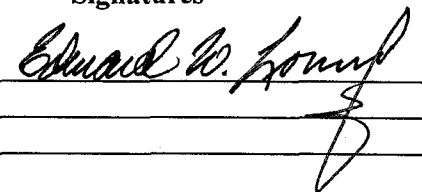
Use this form to provide budget for items not anticipated in the budget.

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/2/2012	REMAINING BALANCE
<u>EXPENDITURES</u>								
820-9100-9099	Tr To Economic Development Fd 1539	1,960,350	1,960,350	225,000		2,185,350	0	2,185,350
820-9900-9901	Contingency Reserves	20,000,000	20,000,000		225,000	19,775,000	0	
				225,000	225,000			
TOTALS								

Administration

INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval
OFMB Department - Posted

Signatures



Date

10/3/2012

By Board of County Commissioners
At Meeting of
October 16, 2012
Deputy Clerk to the
Board of County Commissioners

**BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA**

BGEX 143-100212*0017
BGRV 143-100212*0001

BUDGET AMENDMENT

FUND 1539 Economic Development Office

ACCT.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 10/2/2012	REMAINING BALANCE
<u>REVENUES</u>								
800-8000-8000	Tr Fr General Fund 0001	1,960,350	1,960,350	225,000	0	2,185,350		
Total Receipts and Balances		4,686,765	4,686,765	225,000	0	4,911,765		
<u>EXPENDITURES</u>								
143-1138-8201	Contributions-Non Gov't Agency	0	0	225,000	0	225,000	0	225,000
Total Appropriations & Expenditures		4,686,765	4,686,765	225,000	0	4,911,765		

DEPARTMENT OF ECONOMIC SUSTAINABILITY

INITIATING DEPARTMENT/DIVISION

**Administration/Budget Department Approval
OFMB Department - Posted**

Signatures & Dates

Edward W. Hornum 10/3/2012

By Board of County Commissioners

At Meeting of:

October 16, 2012

**Deputy Clerk to the
Board of County Commissioners**