

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

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Meeting Date:	April 16, 2019	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing
Submitted By:	Department of Housing and Economic Sustainability		
Submitted For:	Administration		

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**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve on preliminary reading and advertise for a public hearing on May 7, 2019 at 9:30 a.m.: an ordinance of the Board of County Commissioners of Palm Beach County, Florida, establishing an exemption from certain ad valorem taxation to encourage economic development in the County for Carrier Corporation, an existing business; providing for a finding that requirements have been met; providing for the amount of revenue available from ad valorem tax sources for the current fiscal year; providing for the amount of revenue lost by virtue of the economic development ad valorem tax exemptions currently in effect; providing for the estimated revenue lost attributable to the exemption granted to Carrier Corporation; providing for the period of time for which the exemption will remain in effect and the expiration date of the exemption; providing for annual reporting requirement; providing for applicability; providing for inclusion in the Code of Laws and Ordinances; providing for severability; providing for repeal of laws in conflict; and providing for an effective date.

**Summary:** This item seeks Board of County Commissioners (BCC) approval of an ad valorem tax exemption ordinance on preliminary reading and permission to advertise for a public hearing on May 7, 2019. On April 2, 2019 (Agenda Item 5C-2), the BCC approved Economic Development Incentive Agreement (Agreement) with Carrier Corporation (Company) for Project Knight providing a cash grant in an amount not to exceed \$70,000 over a six (6) year period and an Ad Valorem Tax Exemption in an amount not to exceed \$650,000 over a six (6) year period. The Company which is owned by United Technologies Corporation, serves customers in the commercial aerospace, defense, and building industries. The State of Florida approved a Qualified Target Industry (QTI) tax refund for the Company in the amount of \$700,000. Of this amount, \$560,000 is from the State of Florida and \$140,000 is a required match from local government entities, split equally between Palm Beach County (\$70,000) and the City of Palm Beach Gardens (\$70,000). The BCC approved an additional incentive in the form of an Ad Valorem Tax Exemption in an amount not to exceed \$650,000 based on the high average and median wages of the jobs to be created as well as the significant economic impact of this project and the Company's key role in the County's economic success and competitiveness. The Agreement requires the Company to make a minimum \$25 Million capital investment, create 100 new jobs over a three (3) year period at an annualized average wage of \$91,124 excluding benefits and a median wage of \$64,000 excluding benefits. The Company is required to maintain the new jobs for five (5) years from the date the Agreement becomes effective. This project is estimated to have a \$248 Million economic impact over a five year period. As required under Palm Beach County's Economic Development Ad Valorem Tax Exemption Program implemented by the BCC through adoption of Ordinance 2013-022, the Company has filed an application with the Property Appraiser's (PA) office, and the PA has issued a determination that the project meets the requirements under Florida Statute 196.012 for an Ad Valorem Tax Exemption (attached as Exhibit B to the proposed Ordinance). This Ordinance is being presented to the BCC as required by Florida Statute. The Ad Valorem Tax Exemption is for real property and tangible personal property improvements undertaken as the Company renovates and equips an existing facility in Palm Beach Gardens. Additionally, in Agenda Item 5C-2 the BCC is being requested to approve a similar ordinance for Project Diamond which is also being undertaken by the Company. Project Knight and Project Diamond are separate projects of the Company and there will be no duplication in the jobs created or maintained for each. District 1 (JB)

**Background and Policy Issues:** The County's Economic Development Ad Valorem Tax Exemption Program may be used as local participation for the State QTI program and is designed to motivate businesses by providing funding assistance to either relocate to or establish a facility in Palm Beach County, or to help an existing local business with an expansion project which creates full time jobs, increases the County's tax base, and strengthens and diversifies the local economy.

**Attachment(s):**

1. Proposed Ordinance for Economic Development Ad Valorem Tax Exemption for Carrier Corporation
2. Economic Development Incentive Grant Agreement with Carrier Corporation

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Recommended By: Jonathan Brown Department Director 4/2/19 Date

Approved By: Laurel Johnson Assistant County Administrator 4/15/19 Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2019	2020	2021	2022	2023
Grant Expenditures	\$5,775	\$11,550	\$17,500	\$17,500	\$11,725
Operating Costs					
External Revenues	\$108,333	\$108,333	\$108,333	\$108,333	\$108,333
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	\$114,108	\$119,883	\$125,833	\$125,833	\$120,058
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included In Current Budget? Yes X No       
 Does this Item include use of Federal funds? Yes      No X

Budget Account No.:

Fund      Dept      Unit      Object      Program Code/Period     

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

The source of the County's financial support is an ad valorem tax exemption of \$650,000 for a six (6) year period. The tax exemption calculation is based on a valuation assessment of \$17,310,033. When the current millage rate is applied, the PBC tax revenue which would be lost for 2019 is estimated to be \$82,768 if so approved by the Board of County Commissioners (Exhibit B).

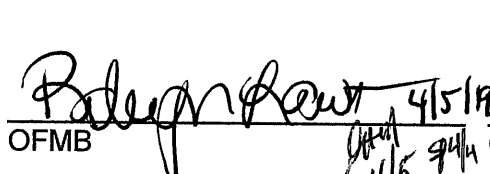

The source of funds for the cash grant portion of the Economic Development Incentive is from the general fund contingency reserve for the Economic Development Incentive program. The annual fiscal impact is not to exceed \$70,000 over a six year period. Therefore, in addition to the allocations above, FY 2024 = \$5,950 for cash grant and \$108,335 for tax exemption.

**C. Departmental Fiscal Review:**

  
 Beverly Reid, Division Manager

**III. REVIEW COMMENTS**

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

 4/15/19  
 OFMB 4/15/19  
 4/12/19  
 Contract Development and Control 4/12/19 JW

**B. Legal Sufficiency:**

 4/15/19  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

ORDINANCE NO. 2019-\_\_\_\_\_

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, ESTABLISHING AN EXEMPTION FROM CERTAIN AD VALOREM TAXATION TO ENCOURAGE ECONOMIC DEVELOPMENT IN THE COUNTY FOR **CARRIER CORPORATION**, AN EXISTING BUSINESS; PROVIDING FOR A FINDING THAT REQUIREMENTS HAVE BEEN MET; PROVIDING FOR THE AMOUNT OF REVENUE AVAILABLE FROM AD VALOREM TAX SOURCES FOR THE CURRENT FISCAL YEAR; PROVIDING FOR THE AMOUNT OF REVENUE LOST BY VIRTUE OF THE ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTIONS CURRENTLY IN EFFECT; PROVIDING FOR THE ESTIMATED REVENUE LOST ATTRIBUTABLE TO THE EXEMPTION GRANTED TO **CARRIER CORPORATION**; PROVIDING FOR THE PERIOD OF TIME FOR WHICH THE EXEMPTION WILL REMAIN IN EFFECT AND THE EXPIRATION DATE OF THE EXEMPTION; PROVIDING FOR ANNUAL REPORTING REQUIREMENT; PROVIDING FOR APPLICABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, Article VII, Section 3, of the Constitution of the State of Florida, and Section 196.1995, Florida Statutes, authorizes the granting of economic development ad valorem tax exemptions to new businesses and expansions of existing businesses upon the successful passage of a referendum; and

**WHEREAS**, a successful referendum was held on November 6, 2012, resulting in the enactment of Ordinance No. 2013-022, known as the "Economic Development Ad Valorem Tax Exemption Ordinance of Palm Beach County, Florida"; and

**WHEREAS**, such Ordinance establishes the requirements for exemption consideration, including the submission of an application; and

**WHEREAS**, **Carrier Corporation** has submitted an application for an exemption; and

**WHEREAS**, all affected and interested agencies representative of the business and general community have reviewed said application, and provided comments on the granting of same; and

**WHEREAS**, all statutory and Ordinance requirements have been satisfied.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA**, that:

**SECTION 1. Title**

This Ordinance shall be known as the "Economic Development Ad Valorem Tax Exemption Ordinance – **Carrier Corporation**."

**SECTION 2. Finding That Requirements Have Been Met**

The Board of County Commissioners of Palm Beach County, Florida, based on the application submitted by **Carrier Corporation**, and the report of the Property Appraiser, finds that **Carrier Corporation** has met all the requirements of Ordinance No. 2013-022, and meets the requirements of Section 196.012(15), Florida Statutes and that granting the exemption will result in an economic benefit to Palm Beach County.

**SECTION 3. Ad Valorem Tax Revenues**

The revenues available to Palm Beach County for the current fiscal year from ad valorem tax sources are **\$897,324,824 (operating)**. The revenues lost to Palm Beach County for the

1 current fiscal year by virtue of the ad valorem tax exemptions currently in effect are **\$256,124**.  
2 The estimated revenues to be lost for the current year by granting this exemption are **\$82,768**.

3 **SECTION 4. Term of Exemption; Expiration Date**

4 The Economic Development Ad Valorem Tax Exemption granted to **Carrier Corporation** for  
5 an existing business expansion shall be for a period of six (6) tax years commencing on  
6 January 1, 2019 and expiring on December 31, 2024. The ability to receive an exemption for  
7 the period granted is conditioned upon **Carrier Corporation's** ability to maintain the expanded  
8 existing business as defined in Ordinance No. 2013-022, throughout the six (6) year  
9 exemption period and in accordance with the terms of the Economic Development Incentive  
10 Agreement entered with Palm Beach County. **Carrier Corporation** shall submit an annual  
11 report to the Board of County Commissioners evidencing satisfaction of this condition along  
12 with a completed Annual Exemption Renewal Application (DR-418) in such forms as are  
13 attached hereto and made a part hereof as Exhibit "A." **Carrier Corporation** shall furnish any  
14 and all information as the Board of County Commissioners or its designee deems necessary  
15 for the purpose of determining continued performance of the imposed conditions. Should  
16 **Carrier Corporation** fail to satisfy the conditions set forth herein, the Board of County  
17 Commissioners may revoke the exemption and recover any taxes waived pursuant to Section  
18 9 of Ordinance No. 2013-022.

19 **SECTION 5. Grant of Exemption**

20 After consideration of the application submitted by **Carrier Corporation**, a copy of which is  
21 attached hereto and made a part hereof as Exhibit "B" which includes the report of the  
22 Property Appraiser, in accordance with the procedure set forth in Ordinance No. 2013-022,  
23 the Board of County Commissioners hereby grants and establishes an exemption from ad  
24 valorem taxation of one hundred percent (100%) of the assessed value of the net increase in  
25 qualifying tangible personal property acquired and added improvements to real property by  
26 **Carrier Corporation**, provided such net increase in qualifying tangible personal property and  
27 real property improvements facilitate **Carrier Corporation's** expansion of its existing business  
28 located at 13995 Pasteur Boulevard, Palm Beach Gardens, FL 33418. **Carrier Corporation**  
29 agrees to abide by the terms and conditions set forth in Ordinance No. 2013-022, and any and  
30 all amendments thereto, as well as any policies and procedures related to the Economic  
31 Development Ad Valorem Tax Exemption Program as may be adopted from time to time, and,  
32 in accordance with the terms of the Economic Development Incentive Agreement between  
33 Palm Beach County and **Carrier Corporation**. Failure to abide by same may result in a  
34 revocation of the exemption and the recovery of any taxes waived pursuant to Section 9 of  
35 Ordinance No. 2013-022, and pursuant to the terms and conditions of the Economic  
36 Development Incentive Agreement between Palm Beach County and **Carrier Corporation**.  
37 No exemption shall be granted on the land on which improvements for the expansion of the  
38 existing business are made by **Carrier Corporation**.

39 **SECTION 6. Applicability**

40 The exemption applies only to taxes levied by Palm Beach County. The exemption does not  
41 apply to taxes levied by a municipality, school district, or special taxing district, or to taxes  
42 levied for the payment of bonds or taxes authorized by a vote of the electors pursuant to  
43 Section 9 and Section 12, Article VII of the State Constitution.

44 **SECTION 7. Inclusion in the Code of Laws and Ordinances**

45 The provisions of this Ordinance shall become and be made a part of the Code of Laws and  
46 Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be

1 renumbered or relettered to accomplish such, and the word "Ordinance" may be changed to  
2 "section", "article", or any other appropriate word.

3 **SECTION 8. Severability**

4 If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any  
5 reason held by a Court to be unconstitutional, inoperative or void, such holding shall not affect  
6 the remainder of this Ordinance.

7 **SECTION 9. Repeal of Laws in Conflict**

8 All local ordinances in conflict with any provision of this Ordinance are hereby repealed to the  
9 extent of such conflict.

10 **SECTION 10. Effective Date**

11 The provisions of this Ordinance shall become effective upon filing with the Secretary of State.

12 **APPROVED AND ADOPTED** by the Board of County Commissioners of Palm Beach County,  
13 Florida on the \_\_\_\_\_ day of \_\_\_\_\_, 2019.

14 ATTEST:  
15 CLERK & COMPTROLLER PALM BEACH COUNTY, FLORIDA  
16 SHARON R. BOCK BY ITS BOARD OF COUNTY COMMISSIONERS  
17

18  
19 By: \_\_\_\_\_ By: \_\_\_\_\_  
20 Deputy Clerk Mack Bernard, Mayor  
21

22  
23 APPROVED AS TO TERMS APPROVED AS TO FORM  
24 AND CONDITIONS: AND LEGAL SUFFICIENCY:  
25

26  
27 By: \_\_\_\_\_ By: \_\_\_\_\_  
28 Sherry Howard, Deputy Director James Brako  
29 Department of Housing & Assistant County Attorney  
30 Economic Sustainability  
31

32  
33 **EFFECTIVE DATE:** Filed with the Department of State on the \_\_\_\_ day of \_\_\_\_\_, 2019.

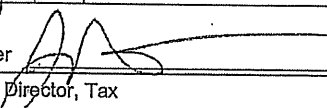
# EXHIBIT A

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

DR-418  
R. 12/99

COPY

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

1	Business name <b>Carrier Corporation (Project Knight)</b>	Mailing address c/o Tax Dept. - 8FS2			
2	Please give name and telephone number of owner or person in charge of this business. Name <b>Jason A. Williams</b>	8 Farm Springs Road, Farmington, CT 06032		Telephone number <b>860-728-6431</b>	
3	Exact Location (Legal Description and Street Address) of Property for which this return is filed <b>Pasteur Plat 1 TR B-1, 13995 Pasteur Blvd, Palm Beach Gardens, Florida 33418</b>			4	Date you began, or will begin, business at this facility <b>3/13/18</b>
5	Description of the Improvements to real property for which this exemption is requested <b>UTC Center for Intelligent Buildings</b>			Date of commencement of construction of Improvements <b>3/13/18</b>	
6	Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased				APPRaiser'S USE ONLY
	Class or Item	Age	Date of Purchase	Original Cost	Taxpayer's Estimate of Fair Market Rent Cond*    Cond*
	See Attached			\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
				\$	\$
Average value of inventory on hand:		*Condition: good, avg (average), or poor			
Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.					
7	Do you desire exemption as a <input checked="" type="checkbox"/> new business or <input type="checkbox"/> expansion of an existing business			9 Trade levels (check as many as apply)	
8	Describe type or nature of your business <b>Sales &amp; Services of HVAC Systems &amp; Parts</b>			<input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input checked="" type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other, specify:	
10	Number of full-time employees to be employed in Florida				
	If an expansion of an existing business: Net increase in employment		%	Increase in productive output resulting from this expansion	
11	Sales factor for the facility requesting exemption:				
	Total sales in Florida from this facility-one (1) location only	divided by	Total sales everywhere from this facility-one (1) location only	=	%
12	For office space owned and used by a corporation newly domiciled in Florida	Date of incorporation in Florida		Number of full-time employees at this location	
I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)					
Date <b>2/28/19</b>		Signature, preparer _____			
Signature, taxpayer 		Preparer's address _____			
Title <b>Associate Director, Tax</b>		Preparer's telephone number _____			
<b>Property Appraiser's Use Only</b>					
I	Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources				\$
II	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section				\$
III	Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted and the property for which the exemption is requested would otherwise have been subject to taxation				\$
IV	Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted				
	Improvements to real property \$		Personal property \$		
V	I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a <input type="checkbox"/> new business <input type="checkbox"/> expansion of an existing business <input type="checkbox"/> neither				
VI	Last year for which exemption may be applied <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>				

Application to be filed not later than March 1 \_\_\_\_\_ Date \_\_\_\_\_ Signature, Property Appraiser \_\_\_\_\_

## General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S. The expansion must be on the same or a collocated site of the business current operations.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both.

After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner-granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

## Statutory Definitions

### Section 196.011 Annual application required for exemption .—

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

### Section 196.012(15) and (16), Florida Statutes

(15) "New business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant;

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s.220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A new business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

(16) "Expansion of an existing business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible

personal property at a fixed location and which comprises an industrial or manufacturing plant; or

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site collocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone that increases operations on a site collocated with a commercial or industrial operation owned by the same business.

### Section 196.1995 Economic development ad valorem tax exemption.—

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

### Section 220.15(5), Florida Statutes.

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term "sales" means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer's business consists of leasing or renting real or tangible personal property; and

2. Royalty income is included in the term if a significant portion of the taxpayer's business consists of dealing in or with the production, exploration, or development of minerals.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower-member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trust, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;

2. Gross profits from trading in stocks, bonds, or other securities managed within this state;

3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;

4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;

5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer's agent to sell real or tangible personal property located in this state;

6. Rents from real or tangible personal property located in this state; or

7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an "includable corporation" under s. 1504(b) of the Internal Revenue code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.

Project Knight**EXHIBIT "A"  
APPLICATION****ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION  
Chapter 196.1995, Florida Statutes****COPY****NOTICE**Application is to be filed with the Board of County Commissioners no later than March 1 of the year the exemption is desired to take effect.An applicant applying for an exemption on Tangible Personal Property must fill out and submit the Florida Department of Revenue form DR-405 (Tangible Personal Property Tax Return). Refer to Item 12 below.

If insufficient space is provided for a response, attachments may be enclosed.

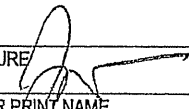
<b>1. BUSINESS NAME AND MAILING ADDRESS</b>	
Business applicant legal name: Carrier Corporation	
Business street address in Palm Beach County: 13995 Pasteur Boulevard, Palm Beach Gardens, FL 33418	
Business mailing address: c/o Tax Dept. - 8FS2, 8 Farm Springs Road, Farmington, CT 06032	
Telephone: 860-728-6431	Fax: 860-998-3548
<b>2. PROPERTY OWNER</b>	
Full legal name of owner of this business: Carrier Corporation	Title: Associate Director, Tax
Telephone: 860-728-6431	Fax: 860-998-3548
E-mail address: jason.williams@utc.com	
<b>3. PERSON IN CHARGE OF THIS BUSINESS / CONTACT</b>	
Name of employee to contact regarding this application: Jason A. Williams	Title: Associate Director, Tax
Telephone: 860-728-6431	Fax: 860-998-3548
E-mail address: jason.williams@utc.com	
<b>4. EXACT LOCATION</b>	
Legal description of property for which this application is filed: PASTEUR PLAT 1 TR B-1	
Property control numbers: 52-42-41-26-03-002-0000 (Real Estate)	
Street address of this property: 13995 Pasteur Boulevard, Palm Beach Gardens, FL 33418	
<b>5. COMMENCE OPERATIONS</b>	
Date you began, or will begin, business activities at this facility: March 13, 2018	
<b>6. NEW OR EXPANSION BUSINESS</b>	<b>7. REAL AND/OR TANGIBLE PERSONAL PROPERTY</b>
Do you desire exemption as: <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business	Do you desire exemption for: <input checked="" type="checkbox"/> Real Property <input checked="" type="checkbox"/> Tangible Personal Property
<b>8. TYPE OF BUSINESS</b>	
Describe the type or nature of your business: Sales & Services of HVAC Systems & Parts	
<b>9. TRADE LEVEL</b>	
Check as many as apply below. Identify industry cluster (if applicable): <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input checked="" type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other	



<p><b>LENGTH OF EXEMPTION</b></p> <p>10. Total number of years that applicant requests exemption: <u>6 Year Ad Valorem Exemption</u>                  (length of exemption approved is at sole discretion of County Commission and commences on effective date of ordinance granting exemption)</p>																						
<p><b>REAL PROPERTY</b></p> <p>11. Description of Improvements to real property for which exemption is requested:                      UTC Center for Intelligent Buildings                  Date of commencement of construction of improvements:     <u>March 13, 2018</u></p>																						
<p><b>TANGIBLE PERSONAL PROPERTY</b></p> <p>12. Provide a description of tangible personal property for which exemption is requested and date when property was, or is to be, purchased on the enclosed table DR-418 "Tangible Personal Property".     <u>See Attached</u>                  Any additional personal property not listed on the table DR-418 "Tangible Personal Property" for which an exemption is claimed must be provided on form DR-405 "Tangible Personal Property Tax Return".</p>																						
<p><b>INVENTORY</b></p> <p>13. Average value of inventory on hand: \$ <u>N/A</u></p>																						
<p><b>NEW JOBS</b></p> <p>14. The applicant must enclose current payroll roster as of January 1<sup>st</sup> of the year the exemption is being sought. Provide hire dates and job titles; omit employee names and social security numbers of employees.</p> <p>Current Jobs - <u>new business</u>. Total number of full-time jobs as of January 1<sup>st</sup>: [     ] ♦</p> <p>Current Jobs - <u>expansion</u> of an existing business. Total number of full-time jobs for four most recent years:</p> <table style="margin-left: 40px;"> <tr> <td>Year [     ]</td> <td>Jobs [     ]</td> <td>Year [     ]</td> <td>Jobs [     ]</td> </tr> <tr> <td>Year [     ]</td> <td>Jobs [     ]</td> <td>Year [     ]</td> <td>Jobs [     ]</td> </tr> </table>		Year [     ]	Jobs [     ]	Year [     ]	Jobs [     ]	Year [     ]	Jobs [     ]	Year [     ]	Jobs [     ]													
Year [     ]	Jobs [     ]	Year [     ]	Jobs [     ]																			
Year [     ]	Jobs [     ]	Year [     ]	Jobs [     ]																			
<p><b>New Jobs - new or expanding business.</b>                  Total number of jobs to be created and to be maintained:</p> <table style="margin-left: 40px;"> <tr> <td>[ 68 ]</td> <td>Full-time</td> <td>✓</td> </tr> <tr> <td>[     ]</td> <td>Equivalent (2,080 hours)</td> <td></td> </tr> <tr> <td>[     ]</td> <td>Seasonal</td> <td></td> </tr> <tr> <td>[ 68 ]</td> <td>TOTAL, NEW JOBS</td> <td>♦♦</td> </tr> </table>	[ 68 ]	Full-time	✓	[     ]	Equivalent (2,080 hours)		[     ]	Seasonal		[ 68 ]	TOTAL, NEW JOBS	♦♦	<p><b>Total Jobs - new or expanding business.</b></p> <table style="margin-left: 40px;"> <tr> <td>[     ]</td> <td>CURRENT JOBS</td> <td>♦</td> </tr> <tr> <td>[ 68 ]</td> <td>NEW JOBS</td> <td>♦♦</td> </tr> <tr> <td>[     ]</td> <td>TOTAL PAYROLL</td> <td></td> </tr> </table>	[     ]	CURRENT JOBS	♦	[ 68 ]	NEW JOBS	♦♦	[     ]	TOTAL PAYROLL	
[ 68 ]	Full-time	✓																				
[     ]	Equivalent (2,080 hours)																					
[     ]	Seasonal																					
[ 68 ]	TOTAL, NEW JOBS	♦♦																				
[     ]	CURRENT JOBS	♦																				
[ 68 ]	NEW JOBS	♦♦																				
[     ]	TOTAL PAYROLL																					
<p><b>Job Creation Timeframe</b> - Completion date by when all new full-time jobs will be filled:     <u>March 13, 2021 (3 years)</u></p> <p><b>Reside</b> - Estimated percentage of total employees who will reside in Palm Beach County:     <u>    </u> %</p>																						
<p><b>SALARY</b></p> <p>15. The average annual wage of employees at facility in Palm Beach County:</p> <table style="margin-left: 40px;"> <tr> <td>[ \$     ]</td> <td>current full-time employees</td> </tr> <tr> <td>[ \$ 149,792 ]</td> <td>new full-time jobs</td> </tr> <tr> <td>[ \$     ]</td> <td>new equivalent jobs (2,080 hours)</td> </tr> <tr> <td>[ \$     ]</td> <td>new seasonal jobs</td> </tr> </table>		[ \$     ]	current full-time employees	[ \$ 149,792 ]	new full-time jobs	[ \$     ]	new equivalent jobs (2,080 hours)	[ \$     ]	new seasonal jobs													
[ \$     ]	current full-time employees																					
[ \$ 149,792 ]	new full-time jobs																					
[ \$     ]	new equivalent jobs (2,080 hours)																					
[ \$     ]	new seasonal jobs																					
<p><b>CURRENT SALES</b></p> <p>16. Current sales factor for the facility requesting exemption:     <u>N/A</u></p> <table style="margin-left: 40px;"> <tr> <td>Total sales inside Palm Beach County [ \$     ]</td> <td>(     % )</td> </tr> <tr> <td>Total sales outside Palm Beach County [ \$     ]</td> <td>(     % )</td> </tr> <tr> <td>TOTAL [ \$     ]</td> <td>( 100.00 % )</td> </tr> </table> <p>To what extent are these same or similar products and/or services currently being produced or provided by other businesses in Palm Beach County:</p> <p><b>PROJECTED SALES</b>                  For an expanding business: Estimated percentage increase in productive output resulting from this expansion:     <u>    </u> %</p> <p>If there are any plans for new products and/or services involving the facility in Palm Beach County, provide a description:</p>		Total sales inside Palm Beach County [ \$     ]	(     % )	Total sales outside Palm Beach County [ \$     ]	(     % )	TOTAL [ \$     ]	( 100.00 % )															
Total sales inside Palm Beach County [ \$     ]	(     % )																					
Total sales outside Palm Beach County [ \$     ]	(     % )																					
TOTAL [ \$     ]	( 100.00 % )																					
<p><b>OFFICE SPACE AND INCORPORATION IN FLORIDA</b></p> <p>17. For office or facility space in Palm Beach County owned or leased and used by a corporation newly domiciled in Florida, the date of incorporation in Florida:     <u>N/A</u></p>																						

<b>INCENTIVE</b>	
18. Relocation or expansion would occur without the exemption: Yes [ ] No [X]	
<b>ENVIRONMENT</b>	
19. Environmental impact of new or expanding business project: Identify the number and type of environmental permits required as a result of this project; e.g., air, soil and water pollution, water and sewer provision, dredge and fill, RCRA industrial wastewater treatment. N/A	
<b>IMPACT FEES</b>	
20. Total amount of impact fees for the new or expanding business project: \$ N/A (attach copies of impact fee schedule and payments)	
<b>VIOLATIONS</b>	
21. Local expanding business is in violation of a federal, state, or local law or regulation governing environmental matters: Yes [ ] No [X] If answer is Yes, explain:	
<b>COST AND DEMAND FOR SERVICES</b>	
22. Identify sources of existing services and which existing services will need to be increased. Include costs for existing or increased services (provide attachments if necessary): N/A	
<b>SOURCE OF SUPPLIES</b>	
23. Identify in specific terms the source, type and volume of supplies (provide attachments if necessary): N/A	
<b>ENTERPRISE ZONE</b>	
24. Business is / will be located in an enterprise zone: Yes [ ] No [X] If yes, attach the following: (1) map identifying property inside zone; and (2) written confirmation from municipality that business project site is inside zone.  Map is enclosed: Yes [ ] No [ ] Written confirmation is enclosed: Yes [ ] No [ ]  Enterprise Zone name is:	
<b>COMMUNITY REDEVELOPMENT AGENCY</b>	
24. Business is / will be located in a CRA area: Yes [ ] No [X] If yes, attach a map to confirm property is inside CRA area.  Map is enclosed: Yes [ ] No [ ]  CRA name is:	

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1895, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct and complete to the best of my knowledge and belief, including any attached statements, schedules, etc. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

<b>TAXPAYER – Owner Name and Title</b> Carrier Corporation / Associate Director, Tax	<b>PREPARER / AUTHORIZED AGENT – Name and Address</b>
	Telephone
	Fax
	E-mail
<b>SIGNATURE</b> 	<b>SIGNATURE</b>
<b>TYPE OR PRINT NAME</b> Jason A. Williams	<b>TYPE OR PRINT NAME</b>
<b>DATE</b> 2/28/19	<b>DATE</b>

**Carrier Corporation - Project Knight**  
**Economic Development Ad Valorem Property Tax Exemption**  
**DR-418 Support: Description of assets**

<u>Asset Number</u>	<u>Cap. Date</u>	<u>Asset Description</u>	<u>Cost/Acquisition Value</u>	<u>Classification</u>
<b><u>TANGIBLE PERSONAL PROPERTY:</u></b>				
100019378	11/30/2018	CIB - ELECTRIC CAR CHARGING STATION	65,891	Personal
100019379	11/30/2018	CIB - FITNESS EQUIPMENT (bulk)	148,997	Personal
100019380	11/30/2018	CIB - TRASH COMPACTORS	80,545	Personal
100018840	3/31/2018	CIB - FURNITURE (BULK)	4,283,515	Personal
100018863	3/29/2018	CIB - CUSTOMER CARE CENTER	3,426,109	Personal
100018862	3/29/2018	CIB - CAFETERIA EQUIPMENT (MAIN BLDG)	775,358	Personal
100018842	3/31/2018	CIB - TECHNOLOGY/AV EQUIPMENT	5,345,733	Personal
100018119	5/31/2016	AXIS P3367-VE FIXED CELLULAR SOLAR CAMERA	12,912	Personal
10C-2	9/28/2018	Cafeteria Equipment - Eurest Rebate Aug Div	865,389	Personal
<b>TOTAL TANGIBLE PERSONAL PROPERTY</b>			<b>\$ 15,004,449</b>	
<b><u>REAL ESTATE:</u></b>				
100018841	3/31/2018	CIB - SOLAR/ELECTRICAL SYSTEM	1,283,834	Real
100018845	3/31/2018	CIB - SECURITY SYSTEMS	1,355,740	Real
100018846	3/31/2018	CIB - HVAC SYSTEMS	2,167,992	Real
100018847	3/31/2018	CIB - SITE/GARAGE LIGHTING	3,443,236	Real
<b>TOTAL REAL ESTATE</b>			<b>\$ 8,250,803</b>	
<b>GRAND TOTAL OF ALL PROPERTY</b>			<b>\$ 23,255,252</b>	

COPY

**EXHIBIT "A"**  
**TANGIBLE PERSONAL PROPERTY**  
**ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION**  
 CHAPTER 196.1995, FLORIDA STATUTES

6.a. Description of the tangible personal property for which this exemption is requested and date when property was, or is to be, purchased.

CLASS OR ITEM	AGE	DATE OF PURCHASE	ORIGINAL COST	TAXPAYER'S ESTIMATE OF CONDITION			TAXPAYER'S ESTIMATE OF FAIR MARKET VALUE	APPRAISER'S USE ONLY	
				G O O D	A V G	P O O R		CONDITION	
Real Estate - See Attached			\$8,250,803						
Various Personal Property - See Attached			\$15,004,449						

**EXHIBIT "A"**  
**ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION**  
**Chapter 196. 1995, Florida Statutes**

Business Name: <u>Carrier Corporation</u>
---

**PROPERTY APPRAISER'S USE ONLY**

I. Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources: \$ _____
II. Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: \$ _____
III. Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise had been subject to taxation: \$ _____
IV. Estimate of the taxable value lost to the county or municipality if the exemption applied for were granted:  Improvements to Real Property: \$ _____ Personal Property: \$ _____
V. I have determined that the property listed above meets the definition, as defined by Section 196.012 (15) or (16), Florida Statutes, as a  <input type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business <input type="checkbox"/> Neither
VI. Last year for which exemption may be applied: _____
DATE _____
SIGNATURE (Property Appraiser) _____

**APPLICATION TO BE FILED NOT LATER THAN MARCH 1<sup>st</sup>**

### General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S.,

The expansion must be on the same or a collocated site of the business current operations.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both.

After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

### Statutory Definitions

**Section 196.011 Annual application required for exemption.—**

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

**Section 196.012(15) and (16), Florida Statutes**

**(15) "New business" means:**

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant;

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s.220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A new business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

**(16) "Expansion of an existing business" means:**

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site collocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone that increases operations on a site collocated with a commercial or

industrial operation owned by the same business.

**Section 196.1995 Economic development ad valorem tax exemption.-**

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

**Section 220.15(5), Florida Statutes.**

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term "sales" means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer's business consists of leasing or renting real or tangible personal property; and 2. Royalty income is included in the term if a significant portion of the taxpayer's business consists of dealing in or with the production, exploration, or development of minerals.

(b) 1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trust, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;
2. Gross profits from trading in stocks, bonds, or other securities managed within this state;
3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;
4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;
5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer's agent to sell real or tangible personal property located in this state;
6. Rents from real or tangible personal property located in this state; or
7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an "includable corporation" under s. 1504(b) of the Internal Revenue code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.

Source: Florida Department of Revenue DR-418, R. 12/99  
[ <http://www.myflorida.com/dor/forms/2003/dr418r1299.pdf> ]

## PROGRAM CRITERIA \*

### ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM

Palm Beach County, Florida

1. Eligibility - The ability for an applicant to be eligible for an exemption under this Program is defined in Title XIV - Taxation and Finance, Chapter 196 - Exemption, Florida Statutes and applies to new business relocating to Palm Beach County and to expansions of existing businesses presently located in Palm Beach County.
2. Jobs & Improvements - New or expanded businesses must make a positive contribution to the economy of Palm Beach County in terms of new jobs and improvements to real and/or personal property.
3. Type of Business - It is within the sole discretion of the Board of County Commissioners to grant an exemption to those businesses that qualify under 196.012, Florida Statutes.  
  
Retail operations are ineligible for ad valorem tax exemptions, including a retail business presently in or locating to an enterprise zone.
4. Consideration - The Board of County Commissioners has complete discretion on whether to support or not to support granting an exemption. The Board of County Commissioners must take into account, as defined in 196.012 Florida Statutes, the following with respect to granting the exemption:  
  - (A) The total number of net new jobs to be created by the applicant;
  - (B) The average wage of the new job;
  - (C) The capital investment to be made by the applicant;
  - (D) The type of business or operation and whether it qualifies as a Target Industry as defined by the Board of County Commissioners;
  - (E) The environmental impact of the proposed business or operation;
  - (F) The extent to which the applicant intends to source its supplies and materials within Palm Beach County;
  - (G) Any other economic related characteristics or criteria deemed necessary by the Board of County Commissioners.
5. Expansion of an Existing Business - As primarily defined in Section 196.012(16), Florida Statutes,
6. New Business - As primarily defined in Section 196.012(15), Florida Statutes, a new business means.
7. Tax Roll - The exemptions shall not accrue to improvements to real property made by or for the use of new or expanding businesses when such improvements have been included on the tax rolls prior to the effective date of the ordinance specifically granting a business an exemption.
8. Assessed Value - Any exemption granted may apply up to one hundred (100%) percent of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to one hundred (100%) percent of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business, provided that the improvements to real property are made or the tangible personal property is added or increased on or after the effective date of the ordinance specifically granting a business an exemption.
9. Land - No exemption shall be granted for the land upon which new or expanded businesses are to be located.
10. Palm Beach County Taxes - The exemption applies only to taxes levied by Palm Beach County, where Palm Beach County is the taxing authority. The exemption does not apply to taxes levied by a municipality, school district, or water management district, or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors pursuant to Section 9 and Section 12, Article VII of the State Constitution.
11. Substantially Completed - The Property Appraiser does not use the Certificate of Occupancy (CO) date in deciding whether a new building, expansions or renovations are assessed for any given year. The Property Appraiser goes by whether it is "substantially completed," which is defined as: Improvements to real property shall be substantially completed when the improvement or some self-sufficient unit within it can be used for the purpose for which it was constructed.

COPY

Attachment # 1



12. Glades Area – Special consideration shall be given to new business/expansion of existing business in the Glades Area. This area is geographically defined as the Urban Service Area as delineated in the Palm Beach County Comprehensive Plan and includes the communities of Belle Glade, South Bay and Pahokee.
13. Formal Application Submittal – The formal exemption application, including the application fee, must be fully filled out, signed and submitted to the Palm Beach County Department of Economic Sustainability on or before March 1 of the year the exemption is desired. The submitted application must include the Exemption Application Form PB-418, the Application Addendum, the State of Florida Tangible Personal Property Tax Return Form DR-405, and other supplemental information. During the application review process, in the event that the applicant is requested by County staff to clarify and to provide additional data, the applicant will be required to provide such clarification and/or additional information in a timely manner.

NOTICE: The exemption program packet that includes an application can be obtained from:

PALM BEACH COUNTY DEPARTMENT OF ECONOMIC SUSTAINABILITY  
100 Australian Avenue, Suite 500, West Palm Beach, FL 33406  
(561) 233-3600 Fax: (561) 233-3651  
[www.pbcgov.com/DES/](http://www.pbcgov.com/DES/)

\* Program Criteria was approved by Board of County Commissioners on June 22, 2004, and Amended on December 18, 2012.

WATERMARK IN PAPER; HOLD UP TO A LIGHT TO VIEW

**UTC - CARRIER CORPORATION (PROPERTY TAX)**

PH: 860-728-6431  
8 FARM SPRINGS ROAD/C/O TAX DEPT. - 8FS2  
FARMINGTON CT 06032

EAGLE BANK  
11961 TECH ROAD  
SILVER SPRING, MD 20904

**NO. 72582159**

VOID 180 DAYS AFTER ISSUE      200268944    65-358/550

CHECK DATE	CHECK NUMBER	CHECK AMOUNT
02/20/2019	72582159	2,000.00

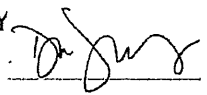
**PAY**

\*\*\* Two Thousand And 00/100-Dollars \*\*\*

**\$ \*\* 2,000.00 \*\***

**TO THE ORDER OF**

**PALM BEACH COUNTY DEPT OF ECONOMIC SUSTAINABILITY**  
100 AUSTRALIAN AVE, SUITE 500  
WEST PALM BEACH, FL 33406

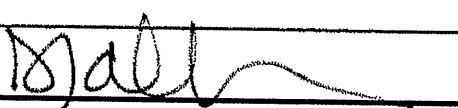


Account No: PROJECT KNIGHT ✓  
Invoice No: 2019 FL APP FEE - PROJ KNIGHT

VERIFY FOR AUTHENTICITY

⑈ 7 2 5 8 2 1 5 9 ⑈ ⑆ 0 5 5 0 0 3 5 8 6 ⑆ 2 0 0 2 6 8 9 4 4 ⑈

**EXHIBIT "B"**  
**ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION**  
 Chapter 196.1995, Florida Statutes

<b>Business Name:</b> Carrier Corporation (Project Knight)							
<b>PCN</b> 52-42-41-26-03-002-0000	<b>Tangible Account No.</b> 220885						
<b>Property Appraiser's Use Only</b>							
I. Total revenue available to the county or municipality for the current fiscal year from ad valorem sources: <u>\$897,324,824</u> \$187,665,967,526 x 0.0047815 (2018 millage)							
II. Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: <u>\$256,124</u> \$53,565,518 x 0.0047815 (2018 millage)							
III. Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted and the property for which the exemption is requested would otherwise have been subject to taxation: <u>\$82,768</u> \$17,310,033 x 0.0047815 (2018 millage)							
IV. Estimate of the taxable value lost to the county or municipality if the exemption applied for were granted: <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="text-align: right;">Improvements to Real Property:</td> <td style="text-align: right;"><b>\$5,525,210</b></td> </tr> <tr> <td style="text-align: right;">Personal Property:</td> <td style="text-align: right;">+ <b>\$11,784,823</b></td> </tr> <tr> <td style="text-align: center;"><b>TOTAL</b></td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;"><b>\$17,310,033</b></td> </tr> </table>		Improvements to Real Property:	<b>\$5,525,210</b>	Personal Property:	+ <b>\$11,784,823</b>	<b>TOTAL</b>	<b>\$17,310,033</b>
Improvements to Real Property:	<b>\$5,525,210</b>						
Personal Property:	+ <b>\$11,784,823</b>						
<b>TOTAL</b>	<b>\$17,310,033</b>						
V. I have determined that the property listed above meets the definition, as defined by Section 196.012 (15) or (16), Florida Statutes, as a  <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business <input type="checkbox"/> Neither							
VI. Last year for which exemption may be applied: <u>2024</u>							
DATE <u>Nov 27 2019</u>	SIGNATURE <u></u> Dorothy Jacks, CFA, AAS, Palm Beach County Property Appraiser						

**APPLICATION TO BE FILED NOT LATER THAN MARCH 1st**

## Economic Development Incentive 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"); **CARRIER CORPORATION**, a foreign for-profit corporation authorized to do business in the State of Florida, whose Federal I.D. Number is 06-0991716 and any QTI Affiliate (as defined herein)(hereinafter individually or collectively, 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 an Economic Development Incentive 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 COMPANY is expanding in Palm Beach County; will invest TWENTY-FIVE MILLION DOLLARS (\$25,000,000) to renovate and equip its existing facility in Palm Beach County; will create ONE HUNDRED (100) New Jobs as defined herein below over THREE (3) years at an Average Annual Wage of NINETY-ONE THOUSAND ONE HUNDRED TWENTY-FOUR DOLLARS (\$91,124), and Median Wage of SIXTY-FOUR THOUSAND DOLLARS (\$64,000); and will maintain the New Jobs for FIVE (5) years from date of creation; and

**WHEREAS**, the State of the Florida has approved a Qualified Target Industry (QTI) Tax Refund in the amount of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000), of which the State of Florida will provide FIVE HUNDRED SIXTY THOUSAND DOLLARS (\$560,000); and

**WHEREAS**, the local match requirement is ONE HUNDRED FORTY THOUSAND DOLLARS (\$140,000), of which the City of Palm Beach Gardens will provide SEVENTY THOUSAND DOLLARS (\$70,000) and Palm Beach County will provide SEVENTY THOUSAND DOLLARS (\$70,000); and

**WHEREAS**, the Board of County Commissioners on March 13, 2018, conceptually approved an Economic Development Incentive ("Incentive") in the form of a Cash Grant to COMPANY in an amount not to exceed SEVENTY THOUSAND DOLLARS over a period of SIX (6) years as a portion of the local match for a State QTI Tax Refund and in consideration of the capital investment, New Jobs created and maintained, Average Annual Wage, and Median Wage memorialized under this Agreement; and

**WHEREAS**, the Board of County Commissioners on March 13, 2018, conceptually approved an Economic Development Incentive ("Incentive") in the form of an Ad Valorem Tax Exemption to COMPANY in an amount not to exceed SIX HUNDRED FIFTY THOUSAND DOLLARS (\$650,000) over a period of SIX (6) years in consideration of the capital investment, New Jobs created and maintained, Average Annual Wage, and Median Wage memorialized under this Agreement; and

**WHEREAS**, the COUNTY finds and declares that it is in the public interest to award an Economic Development Incentive 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:** A “New Job” for the purposes of the Economic Development Incentive Agreement means a full-time salaried employee, or a full-time equivalent (an “FTE”) employee who works at least 35 paid hours per week, performing tasks directly related to the products or services of COMPANY.
    - (1) Result in a net increase in the number of the COMPANY’S Palm Beach County employees; and
    - (2) 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.
  - C. **Full Time Equivalent Job:** Shall mean any two or more part-time employees whose sum total work hours, inclusive of vacation, holidays, and sick leave, is at least 35 paid hours per week, performing tasks directly related to the products or services of the COMPANY. Notwithstanding the foregoing, the 35 paid hours per week shall be determined pursuant to the job requirement of the employee, and not the actual number of hours clocked at work, allowing for vacation, holidays, and sick leave.
  - D. **Relocated Employee:** Not Applicable
  - E. **Full Time Contract Employee:** Not Applicable.
  - F. **Average Annual Wage:** In calculating the Average Annual Wage for New Jobs during the applicable Performance Period, described in PART V herein, the following forms of compensation may be included for all New Jobs as defined above:
    - Wages
    - Salaries
    - Commissions
    - Bonuses
    - Advances given to an employee against future earnings
    - Vacation pay
    - Sick leave pay
    - Dismissal pay
    - Cash prizes and awards
    - Supplemental payments to make up the difference between regular pay and jury-duty pay or workers’ compensation benefits; and
    - Payments to employees on leave while serving in the military
  - G. **Median Wage:** Shall mean the annual wage that is the exact middle of all annual wages. It shall be determined by taking the middle annual wage on the list if an odd number of annual wages and if an even number, taking the higher of the middle numbers and considering it the median.
  - H. **QTI Affiliate:** Shall mean any entity that directly, or indirectly through one or more intermediaries, and has executed and delivered to the COUNTY a joinder in the form as attached in Exhibit “B”, controls or is controlled by or is under common control with the Company, where the term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means possession, direct or indirect, of the power to direct or cause the

direction of the management and policies of an entity, whether through the ownership of voting securities, by contract or otherwise; provided, however, that the term "QTI Affiliate" shall not include any Subsidiary.

### PART III QTI AFFILIATES AND WHOLLY OWNED SUBSIDIARIES

1. **Establishment of Wholly Owned Subsidiaries:** The COMPANY may create or purchase wholly owned subsidiaries in connection with activities undertaken by the COMPANY pursuant to this Agreement (i.e., to serve as an employer within the COUNTY). All such 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. **Establishment of QTI Affiliates:** For purposes of this agreement, QTI Affiliates of the COMPANY may perform the requirements of this Agreement; provided, however, that the inclusion of any QTI Affiliate after the Effective Date shall be subject to COUNTY's acknowledgement of the same, which may be withheld or delayed at COUNTY's sole discretion.
3. **Notification and Approval of Wholly Owned Subsidiaries:** The COMPANY shall notify the COUNTY in writing of its creation or purchase of a wholly owned subsidiary in connection with this Agreement (i.e., a wholly owned subsidiary that will serve as an employer within the COUNTY). Notice of such wholly owned subsidiaries shall include 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 subsidiaries. The inclusion of any wholly owned subsidiary after the Effective Date shall be subject to the COUNTY'S reasonable approval.
4. **Acceptance of Jobs Created by Subsidiaries:** Notwithstanding that COUNTY is allowing COMPANY and the wholly owned subsidiaries of COMPANY to create, maintain, and retain said jobs, COMPANY agrees that this Agreement is solely between COMPANY and COUNTY and COUNTY has the right, in its reasonable discretion to reject or accept, for credit under this Agreement, any or all New Jobs created by COMPANY'S wholly owned subsidiaries.

### PART IV COMPANY OBLIGATIONS

1. **New Job Creation:** The COMPANY shall create ONE HUNDRED (100) New Jobs within THREE (3) years of the New Job Creation Date, which is in accordance with Section 6.(b) of the State QTI Tax Refund Agreement.
2. **Existing Job Retention:** Not Applicable
3. **New Job Maintenance:** The COMPANY shall maintain the required New Jobs for a period of FIVE (5) years from the date each New Job was created ("Maintenance Period").
4. **Salaries:** The COMPANY shall pay an Average Annual Wage per annum equal to or greater than NINETY-ONE THOUSAND ONE HUNDRED TWENTY-FOUR DOLLARS (\$91,124), excluding benefits and also shall pay a Median Wage per annum for the New Jobs equal to or greater than SIXTY-FOUR THOUSAND DOLLARS (\$64,000), excluding benefits for each New Job created under this Agreement.
5. **Capital Investment:** The COMPANY shall make a minimum capital investment of TWENTY-FIVE MILLION DOLLARS (\$25,000,000) at the address shown on Exhibit A attached hereto and made a part hereof.
6. **Performance Security:** The COMPANY shall provide the COUNTY with a performance security ("Security") in the form of either a clean, irrevocable Letter

of Credit or a Cash Bond as described in PART VII herein.

7. **Advertising, Recruiting, and Job Information:** The COMPANY shall demonstrate compliance with Advertising, Recruiting, and Job Information requirements as described in PART VIII herein.
8. **Submission of Reports and Audits:** The COMPANY shall submit Job Creation and Maintenance Reports and a Final Job Creation and Maintenance Performance Audit as described in PART IX herein.
9. **Worker's Compensation and Employer's Liability:** The COMPANY shall demonstrate compliance with the Worker's Compensation and Employer's Liability requirement as described in PART X herein.

## PART V PERFORMANCE PERIOD

1. **Effective Date:** This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners and the execution by all parties, and shall become effective on the date it is approved by the Palm Beach County Board of County Commissioners (the "Effective Date").
2. **New Job Creation Date:** December 28, 2017, the date which New Jobs created under this agreement are eligible for consideration towards the COMPANY'S New Job Creation obligations.
3. **Capital Investment Date:** December 28, 2017, the date which Capital Investments made under this agreement are eligible for consideration towards the COMPANY'S capital investment obligations
4. **Expiration Date:** Unless earlier terminated according to the terms of this Agreement, this Agreement shall expire SIXTY-THREE (63) months after the creation of the one last New Job (the "Expiration Date") or upon the receipt of all incentives due to the COMPANY, whichever is later.
5. **Extension:** COMPANY may elect to exercise a one-time right under this Agreement to adjust certain performance periods thereunder by TWELVE (12) months by providing SIXTY (60) days written notice of such election to the COUNTY. Upon receipt of written notice, the County will agree that the equivalent performance periods in this Agreement shall also be adjusted by such TWELVE (12) month period. In the event the COMPANY exercises this one-time right, all Incentive amounts to be disbursed after the effective date of the exercise shall be reduced by FIVE percent (5%).

For example, the COMPANY may elect to adjust the requirement to create 100 New Jobs within 3 years of the New Job Creation Date by TWELVE (12) months. With the election, the new timeframe is 4 years of the New Job Creation Date and all Incentive amounts to be disbursed are reduced by FIVE percent (5%).

## PART VI INCENTIVES

1. **For Incentives Provided in the Form of a Cash Grant:** The maximum Incentive amount the COUNTY is obligated to provide in the form of a Cash Grant is \$70,000 over a 6 year period.
2. **For Incentives Provided in the Form of an Ad Valorem Tax Exemption:** The COMPANY, if eligible, will be granted an Ad Valorem Tax Exemption for 100% of the assessed value of all qualifying tangible personal property acquired and added improvements to real property for a total amount up to \$650,000 over a 6 year period, excluding land taxes levied by Palm Beach County, where Palm Beach County is the taxing authority. The exemption does not apply to taxes levied by a municipality, school district, or water management district, or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors.

**PART VII  
DISBURSEMENTS**

**1. For Incentives Provided in the Form of a Cash Grant:**

- A. Disbursements as Match to State Programs: The COUNTY shall, upon receipt of a written request from the State, disburse cash grant funds to the State according to the schedule established by the State. Payment of tax refunds for the State and local match are conditioned on and subject to pay amounts authorized in Section 288.106 Florida Statute.

As a prerequisite to disbursement of cash grant funds, the COUNTY shall have received the following:

- i. Documentation of Capital Investment: As described in PART IV, herein
- ii. Performance Security: The COMPANY shall provide the COUNTY with performance security ("Security") in the form of either a clean, irrevocable Letter of Credit or Cash Bond. All forms of Security shall be in compliance with COUNTY policies and acceptable to the COUNTY in its sole discretion, acting reasonably. The Security, equal to the full amount of the maximum Incentive to be awarded to the COMPANY under PART VI herein shall be provided to the COUNTY as a precondition to the COUNTY making any disbursements contemplated herein.  
  
The Security 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 requirements outlined in this Agreement, or as indicated below.  
  
Upon the COUNTY'S determination that the COMPANY has satisfactorily complied with the terms of this Agreement, the COUNTY shall notify the COMPANY that the Security can be released.
- iii. Written Request from the State Requesting Local Financial Support (LFS).
- iv. Job Availability: As described in PART VIII, herein.
- v. Local Businesses: As described in PART VIII, herein.
- vi. Job Creation and Maintenance Report: As described in PART IX, herein
- vii. Proof of Worker's Compensation and Employer's Liability: As described in PART X herein

**2. For Incentives Provided in the form of an Ad Valorem Tax Exemption:**

- A. Incentives as a Match to State Programs:
- i. The COMPANY shall be required to submit a Formal Application for Ad Valorem Tax Exemption on the application entitled Economic Development Ad Valorem Property Tax Exemption, Chapter 196.995, Florida Statutes Form 418 by March 1 in the year that the exemption is desired to take effect. This application will be reviewed by the Palm Beach County Property Appraiser for eligibility as outlined in the County's Ordinance No. 2013-022.
  - ii. Subsequent Years: The COMPANY shall be required to submit a Formal Renewal Application for Ad Valorem Tax Exemption on the application entitled Annual Exemption Renewal Application - Economic Development Ad Valorem Property Tax Exemption, Chapter 196.995, Florida Statutes Form 418 ("Renewal Application") by March 1 in



subsequent years the exemption is desired to remain in effect. This application will be reviewed by the Palm Beach County Property Appraiser for continued eligibility as outlined in the County's Ordinance No. 2013-022.

Should the COMPANY fail to submit Renewal Application to the Property Appraiser on or before March 1<sup>st</sup> of each year the exemption has been granted as required in the County's Ordinance No. 2013-22 and in accordance with Chapter 196.011(1)(a), Florida Statutes, the Property Appraiser may deny the exemption in accordance with Chapter 196.193(5), Florida Statutes.

Nothing herein shall prohibit the COMPANY from reapplying for an Ad Valorem Tax Exemption pursuant to State law.

iii. In addition, as a prerequisite to the provision of an Ad Valorem Tax Exemption, the COUNTY shall have received the following:

- a. Documentation of Capital Investment: As described in PART IV, herein
- b. Performance Security: The COMPANY shall provide the COUNTY with performance security ("Security") in the form of either a clean, irrevocable Letter of Credit or Cash Bond. All forms of Security shall be in compliance with COUNTY policies and acceptable to the COUNTY in its sole discretion, acting reasonably. The Security, equal to the full amount of the maximum Incentive to be awarded to the COMPANY under PART VI herein shall be provided to the COUNTY as a precondition to the COUNTY making any disbursements contemplated herein.

The Security 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 requirements outlined in this Agreement, or as indicated below.

Upon the COUNTY'S determination that the COMPANY has satisfactorily complied with the terms of this Agreement, the COUNTY shall notify the COMPANY that the Security can be released.

- c. Written request by the State
- d. Documented verification of efforts regarding Advertising, Recruiting and Job Information as: As described in PART VIII, herein.
- e. Job Creation and Maintenance Report: As described in PART IX, herein.
- f. Proof of Worker's Compensation and Employer's Liability: As described in PART X herein

## **PART VIII ADVERTISING, RECRUITING AND JOB INFORMATION**

1. Job Availability: The COMPANY shall coordinate with the following agencies regarding new job opportunities:

- A. CareerSource Palm Beach County  
3400 Belvedere Road  
West Palm Beach, FL 33406  
561-340-1060

B. West Career Center  
1085 S Main Street  
Belle Glade, FL 33430  
561-829-2040

Suggested documentation needed to demonstrate compliance with the Job Availability requirement includes, but is not necessarily limited to:

- Correspondence regarding job availability between COMPANY and CareerSource Palm Beach County
- Correspondence regarding job availability between COMPANY and West Career Center

2. **Local Businesses:** The COMPANY shall, without risk of violating any laws, make reasonable efforts to award contracts in connection with this Agreement to qualified eligible business concerns located in or owned in substantial part by persons residing in Palm Beach County.

Suggested documentation needed to demonstrate compliance with the Local Businesses requirement includes, but is not necessarily limited to:

- Invoices from local businesses
- Executed service contracts from local businesses

## PART IX AUDITS AND REPORTS

1. **For Incentives Provided in the Form of a Cash Grant and/or Ad Valorem Tax Exemption:** The following reports and audit are required:

A. **Job Creation and Maintenance Reports:** The COMPANY shall provide the COUNTY'S Department of Housing and Economic Sustainability with a 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 and PART VII of this Agreement. Such Job Creation and Maintenance Report shall comply with the following:

- i. The Reporting Period shall cover the January 1 – December 31 calendar year ("Reporting Period")
- ii. The Job Creation and Maintenance Report will be required upon receipt of a written request for Incentives has been received by the COUNTY as provided in PART VII herein
- iii. The first Job Creation and Maintenance Report submitted covering a full calendar year from January 1 through December 31 shall demonstrate compliance with the requirements of PART VII herein. The County, in its sole discretion and acting reasonably, may request compliance with PART VII as part of subsequent Job Creation and Maintenance Reports.
- iv. Identify each New Job created and the date it was created during the Reporting Period
- v. Identify each New Job created and the duration of its Maintenance Period to date for the Reporting Period
- vi. Not Applicable
- vii. Report on the Average Annual Wage for New Jobs that were created and maintained during the Reporting Period
- viii. Provide COUNTY with the calculations for the Median Wage paid per

annum during the Reporting Period

- ix. Report on the number of Palm Beach County residents hired to date
- x. Report on the capital investment made to date at the address shown on Exhibit A
- xi. Job Creation and Maintenance Report shall be submitted to the COUNTY'S Department of Housing and Economic Sustainability no later than January 31 of each calendar year immediately following the Reporting Period ("Due Date"). The COMPANY may request a thirty (30) day extension to the Due Date. The request must be in writing and delivered to the Department of Housing and Economic Sustainability (DHES) prior to the expiration of the Due Date.

B. Final Job Creation and Maintenance Performance Audit: The COMPANY shall provide the COUNTY'S Department of Housing and Economic Sustainability (DHES) a 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 and PART VII of this Agreement. Such Audit, which shall be prepared at the COMPANY'S sole cost and expense, shall comply with the following:

- i. 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.
- ii. 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 Wage and Median Wage for the 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 Annual Wage and Median Wage for these New Jobs.
- iii. The CPA's report shall include examining evidence supporting the COMPANY'S schedules of New Jobs and the Average Annual Wage and Median Wage of the New Jobs and those of the wholly owned subsidiaries stated immediately above.
- iv. The accuracy of the number, hire dates and Average Annual Wages and the Median Wage of all New Jobs as represented by the COMPANY shall be verified in the Audit by the CPA to the COUNTY'S satisfaction.
- v. The Audit may be performed in conjunction with other auditing services.
- vi. A report by a 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.
- vii. The Audit shall be submitted to DHES sixty-three (63) months after the final State of Florida QTI Tax Refund payment OR the Expiration Date, whichever is the latter.

## PART X GENERAL CONDITIONS

1. Obligation and Annual Appropriation: The COUNTY'S obligation to provide an

Economic Development Incentive 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. The COUNTY'S obligation to provide an Economic Development Incentive under this Agreement is also contingent upon the COMPANY having an active agreement, in good standing, with both the State and the City of Palm Beach Gardens, and termination of or default under either of those agreements may result in termination of this Agreement by the COUNTY.

2. **Non-Discrimination:** The COUNTY is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the COMPANY warrants and represents that throughout the term of the Agreement, including any renewals thereof, if applicable, 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 or expression, or genetic information. Failure to meet this requirement shall be considered a default of the Agreement.
3. **Worker's Compensation and Employer's Liability:** For positions located in Florida as part of this Agreement, COMPANY agrees to maintain Worker's Compensation Insurance & Employer's Liability in accordance with Florida Statute Chapter 440. The COMPANY shall maintain Workers' Compensation Insurance & Employers' Liability in accord with Florida Statute Chapter 440 for all jobs set forth in this Agreement.
4. **Convicted Vendor List:** As provided in F.S. 283.132-133, by entering into this Agreement or performing any work in furtherance hereof, the COMPANY certify that they, and their subsidiaries 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 Effective Date of this Agreement by the COUNTY. This notice is required by F.S. 283.133(3)(a).
5. **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 are in violation of this paragraph, the COUNTY shall have the right to terminate this Agreement.
6. **Name Change:** Within THIRTY (30) calendar days of the COMPANY changing the name of the COMPANY, the COMPANY shall provide the COUNTY written notice regarding this change to COMPANY'S names.
7. **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 COMPANY'S assets for the benefit of creditors, COMPANY'S relocation outside of Palm Beach County, 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.

8. **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. No provision of this Agreement is intended to, or shall be construed to create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the COUNTY and/or COMPANY.
9. **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.
10. **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.
11. **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.
12. **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 operations in Palm Beach County.
  - B. Relocating the COMPANY'S business operations in Palm Beach County outside Palm Beach County.
  - C. Failure of the COMPANY to submit an acceptable form of performance security to the COUNTY and to maintain the security 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. Not Applicable.
  - G. Failure of the COMPANY to make the capital investments required.
  - H. Failure of the COMPANY to submit to the COUNTY the Job Creation and Maintenance Report and/or the Audit as required in this Agreement.
  - I. 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 pursue such cure to completion.

- J. The making by the COMPANY of any general assignment, or general arrangement for the benefit of creditors.
- K. 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).
- L. 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 FORTY-FIVE (45) days.
- M. 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 FORTY-FIVE (45) days.
- N. The discovery by the COUNTY that any information relating to this Agreement given to the COUNTY was materially false.
- O. For Incentives provided in the Form of an Ad Valorem Tax Exemption: the failure to file the Renewal Application; provided, however, that the COMPANY shall still receive the benefit in a subsequent year, if the COMPANY files on a timely basis, notwithstanding that the COMPANY failed to file in a preceding year.

**13. Revocation and Remedies:** In the event of a Default by the COMPANY, the COUNTY shall at any time thereafter adopt an ordinance revoking the Incentive and terminating this Agreement. The effective date for revocation of the Incentive will be identified in the ordinance.

- A. 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 Economic Development Incentives provided by the COUNTY to the COMPANY, as applicable, pursuant to this Agreement. Except as set forth in PART X Subpart 12, Subsections I, J, K and O, COMPANY shall be granted SIXTY (60) days from notification of default to cure any deficiency that triggered said default.
- B. If the COMPANY fails to satisfy the New Job creation requirement but fulfills all other applicable requirements under this Agreement, the COMPANY shall forfeit a portion of the Economic Development Incentive amount due for the number of New Jobs created. The pro rata share shall be determined by dividing the total incentive award amount by the total number of New Jobs required to be created to establish the value of each New Job. The COMPANY will forfeit the value of each New Job not created. If the New Job creation requirement falls below EIGHTY PERCENT (80%), the COUNTY has the right, its sole discretion, to terminate this Agreement.
- C. For Incentives in the form of Cash Grant: In the event of a Default, and the COUNTY has not made any disbursements as provided in PART VII herein, the COUNTY, at its sole discretion may terminate this Agreement. The form of this termination shall be by a written notice, signed by the Director of the Department of Housing and Economic Sustainability, and sent by certified mail as provided in Section X Paragraph 21 herein.
- D. For Incentives in the Form of an Ad Valorem Tax Exemption: Upon revocation, the COUNTY shall immediately notify the Property Appraiser. For any year that taxes may have been exempted and the COUNTY finds that the COMPANY was not entitled to the exemption, such taxes may be

recovered and the Property Appraiser will assist the COUNTY to recover any taxes exempted. The COUNTY may recover taxes exempted throughout the term of the Agreement.

14. **Law and Remedy:** This Agreement shall be governed by the laws of the State of Florida. Unless otherwise agreed to in writing by the parties, any and all legal action necessary to enforce the Agreement shall be held in a court of competent jurisdiction located in Palm Beach County, Florida. 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.
15. **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.
16. **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.
17. **Number and Gender:** Whenever the singular or plural number, masculine or feminine or neutral gender is used herein, it shall equally include the others and shall apply jointly and severally.
18. **Access to Records:** Upon THIRTY (30) business days' written notice and at any time during normal business hours and as the COUNTY deems reasonably necessary, there shall be made available by the COMPANY to the COUNTY for examination, their records with respect to all requested matters covered by this Agreement. The COUNTY reserves the right 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. In making any request for records, the COUNTY shall construct the request as narrowly as possible so as to avoid any undue burden on the COMPANY.
19. **Office of The Inspector General:** COUNTY has established the Office of Inspector General in 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 their wholly owned subsidiaries, their 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 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.
20. **Indemnification and Hold Harmless:** The COMPANY agree 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 reasonable attorney's fees, and causes of action of every kind and character against and from the COUNTY which arise out of COMPANY'S or its officers, agents, and employees material failure to comply with any provision of this Agreement. The COMPANY recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily make this covenant and expressly acknowledge 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. The COMPANY'S liability under this Agreement is limited to

the value of the benefits actually received by the COMPANY. This Paragraph shall survive the termination of the Agreement.

21. **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: Department of Housing and Economic Sustainability  
100 Australian Avenue, 5<sup>th</sup> Floor  
West Palm Beach, FL 33406  
Attn: Sherry Howard, Deputy Director

With a copy to: Board of County Commissioners  
c/o Palm Beach County Attorney's Office  
301 N. Olive Avenue, Suite 601  
West Palm Beach, FL 33401  
Attn: James Brako, Assistant County Attorney

TO COMPANY: If by US Mail:

Registered Agent  
Carrier Corporation: The Corporation Trust Company  
1209 Orange Street  
Wilmington, DE 19801

With a Copy to: 13995 Pasteur Blvd  
Palm Beach Gardens, FL 33418  
Attn: General Counsel

Registered Agent  
UTC Fire & Security  
Americas Corporation: The Corporation Trust Company  
1209 Orange Street  
Wilmington, DE 19801

With a Copy to: 13995 Pasteur Blvd  
Palm Beach Gardens, FL 33418  
Attn: General Counsel

Registered Agent  
Walter Kidde Portable  
Equipment, Inc: The Corporation Trust Company  
1209 Orange Street  
Wilmington, DE 19801

With a Copy to: 1016 Corporate Park Drive  
Mebane, NC 27302  
Attn: Legal Department

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

22. **Third Party Beneficiaries:** No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the COUNTY and/or COMPANY.

23. **Public Records:** Notwithstanding anything contained herein, as provided under Section 119.070 I, F.S., if the COMPANY: (i) provides a service; and (ii) acts on behalf of the COUNTY as provided under Section 119.011(2) F.S., the COMPANY shall comply with the requirements of Section 119.0701, Florida Statutes, as it may be amended from time to time the COMPANY is specifically required to:



- A. Keep and maintain public records required by the COUNTY to perform services as provided under this Agreement.
- B. Upon request from the County's Custodian of Public Records, provide the COUNTY with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119 or as otherwise provided by law. The COMPANY further agrees that all fees, charges and expenses shall be determined in accordance with Palm Beach County PPM CW-F-002, Fees Associated with Public Records Requests, as it may be amended or replaced from time to time.
- C. Ensure that public records that are exempt, or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the Agreement, if the COMPANY does not transfer the records to the public agency.
- D. Upon completion of the Agreement the COMPANY shall transfer, at no cost to the COUNTY, all public records in possession of the COMPANY unless notified by COUNTY'S representative/liaison, on behalf of the County's Custodian of Public Records, to keep and maintain public records required by the COUNTY to perform the service. If the COMPANY transfers all public records to the COUNTY upon completion of the Agreement, the COMPANY shall destroy any duplicate public records that are exempt, or confidential and exempt from public records disclosure requirements. If the COMPANY keeps and maintains public records upon completion of the Agreement, the COMPANY shall meet all applicable requirements for retaining public records. All records stored electronically by the COMPANY must be provided to the COUNTY, upon request of the County's Custodian of Public Records, in a format that is compatible with the information technology systems of COUNTY, at no cost to the COUNTY.
- E. The parties agree to ensure that any confidential and exempt, or otherwise legally protected information shall not be disclosed except as authorized by law. This provision shall survive the expiration or earlier termination of this Agreement.

Failure of the COMPANY to comply with the requirements of this article shall be a material breach of this Agreement. COUNTY shall have the right to exercise any and all remedies available to it, including but not limited to, the right to terminate for cause. COMPANY acknowledges that it has familiarized itself with the requirements of Chapter 119, F.S., and other requirements of state law applicable to public records not specifically set forth herein.

**IF THE COMPANY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE COMPANY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT RECORDS REQUEST, PALM BEACH COUNTY PUBLIC AFFAIRS DEPARTMENT, 301 NORTH OLIVE AVENUE, WEST PALM BEACH, FL 33401, BY E-MAIL AT [RECORDSREQUEST@PBCGOV.ORG](mailto:RECORDSREQUEST@PBCGOV.ORG) OR BY TELEPHONE AT (561) 355-6680.**

- 24. **Counterparts:** This Agreement, including 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 XI REQUIREMENTS APPLICABLE TO WHOLLY OWNED QTI AFFILIATES**

In addition to instances where the requirements of this Agreement are expressly set forth to be applicable to wholly owned QTI Affiliates of the COMPANY, the

requirements of the below listed Parts and Subparts shall also apply to all such applicable wholly owned QTI Affiliates:

- A. PART IV: Subparts 1, 2, 3 and 4.
- B. PART VII: Subparts 1 and 2
- C. PART X: Subparts 2, 3, 4, 6, 7, 15, 18, 19, 20, 22 and 23.

**(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)**

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:

**CARRIER CORPORATION**

Witnesses:

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Witness Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Witness Name

By: \_\_\_\_\_  
Name:  
Title:

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_, who is personally known to me and who did not take an oath.

Signature: \_\_\_\_\_  
Notary Name: \_\_\_\_\_

(NOTARY SEAL ABOVE)

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: \_\_\_\_\_  
Mack Bernard, Mayor

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

Document No.: \_\_\_\_\_

Approved as to Form  
And Legal Sufficiency

Approved as to Terms and Conditions  
Department of Housing and Economic  
Sustainability

By: \_\_\_\_\_  
James Brako,  
Assistant County Attorney

By: \_\_\_\_\_  
Sherry Howard,  
Deputy Director

**EXHIBIT A**  
**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT BETWEEN**  
**PALM BEACH COUNTY AND CARRIER CORPORATION.**

**COMPANY IDENTIFICATION AND INFORMATION**

QTI application date: 12/07/2017

**Company Name:** **Carrier Corporation**

Business Type: Foreign For Profit Corporation

State of Florida Status: Active

State of Florida Filing Date: 06/27/1979

Federal ID Number: 06-0991716

Existing Headquarters: 13995 Pasteur Blvd  
Palm Beach Gardens, FL 33418

This Exhibit A shall also include Company Identification and Information identified in the fully executed Form of Joinder for all QTI Affiliates as defined in Part II paragraph H of this Agreement .

Address of the COMPANY'S  
facility in Palm Beach County: 13995 Pasteur Blvd  
Palm Beach Gardens, FL 33418

Products/services to be  
provided from the COMPANY'S  
facility in Palm Beach County: Corporate Headquarters Operations

**EXHIBIT B**

**FORM OF JOINDER**

This Joinder, dated as of \_\_\_\_\_ (the "Effective Date")(this "Joinder"), is to that certain Economic Development Incentive Agreement ("EDI Agreement"), by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (hereinafter the "COUNTY") and **CARRIER CORPORATION**, a foreign for-profit corporation authorized to do business in the State of Florida, whose Federal I.D. Number is 06-0991716.

1. Agreement to be Bound. \_\_\_\_\_ (the "QTI Affiliate") is a QTI Affiliate and wishes to become a QTI Affiliate pursuant to Part II paragraph H of the EDI Agreement. The QTI Affiliate acknowledges that it has received and reviewed a complete copy of the EDI Agreement. The QTI Affiliate agrees that upon execution of this Joinder by the Effective Date or upon acknowledgement by COUNTY for Joinders requested subsequent to the Effective Date, the QTI Affiliate shall become a party to the EDI Agreement and shall be fully bound by, and subject to, all of the covenants, terms and conditions of the EDI Agreement and shall be deemed a QTI Affiliate for all purposes thereof and entitled to all the rights, and subject to all obligations, incidental thereto.

2. The QTI Affiliate's federal employer identification number ("FEIN") is [ \_\_\_\_\_ ], and its reemployment tax ("RT") number is [ \_\_\_\_\_ ].

3. Company Identification and Information:

Business Type: \_\_\_\_\_  
State of Florida Status: \_\_\_\_\_  
State of Florida Filing Date: \_\_\_\_\_  
Federal ID Number: \_\_\_\_\_  
Existing Headquarters: \_\_\_\_\_

4. Governing Law. This Joinder and the rights of the parties hereunder shall be interpreted in accordance with the laws of the State of Florida, and all rights and remedies shall be governed by such laws without regard to principles of conflicts of laws.

IN WITNESS WHEREOF, the QTI Affiliate has executed this Joinder as of the date first written above.

**QTI AFFILIATE:**

\_\_\_\_\_

By: \_\_\_\_\_  
Name:  
Title:

Pursuant to Part II paragraph H of the EDI Agreement, COUNTY's written acknowledgement is required for any amendment to Exhibit D after the Effective Date.

COUNTY acknowledges and affirms that the foregoing QTI Affiliate has been joined as a party to the EDI Agreement.

**COUNTY**

By: \_\_\_\_\_  
Name:  
Title:  
Date: