

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**AGENDA ITEM SUMMARY**

**Meeting Date:** December 7, 2021       Consent       Regular  
     Ordinance       Public Hearing

**Department:** Housing & Economic Development

**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to receive and file:** a letter confirming the termination of the Economic Development Incentive Agreement with KRS Global Biotechnology, Inc.

**Summary:** On June 7, 2016 Palm Beach County entered into an Economic Development Incentive Agreement (R2016-0721) (the "Agreement") with KRS Global Biotechnology, Inc. (KRS) to provide an economic development incentive in the amount of \$160,000 over a period of 51 months. Under the Agreement KRS was to create one hundred and sixty (160) new jobs and retain fifty seven (57) existing full-time jobs over a period of four (4) years. KRS was unable to obtain a manufacturing license within the State of Florida and, as a result, could not fulfill its obligations and the County did not disburse any funds, as outlined in the Agreement. KRS and DHED have mutually agreed to the termination of the Agreement between KRS and Palm Beach County. District 4 (DB)

**Background and Justification:** Palm Beach County and the Florida Department of Economic Opportunity utilize incentive programs including the currently active QTI Tax Refund Program and the new discontinued Quick Action Closing Fund to support business relocation and expansion projects. Incentives from the State require a 20% local match, typically provided by the County and the relevant local municipality. The County enters into an Agreement to ensure correct and proper use of the County's matching funds.

**Attachment(s):**

- 1 KRS letter requesting withdrawal
- 2 DHED letter acknowledging withdrawal
- 3 Economic Development Incentive Agreement (R2016-0721)

**Recommended By:** Jonathan Brown      11/8/2021  
    Department Director      Date

**Approved By:** Donna M. Hill      11/19/2021  
    Assistant County Administrator      Date

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	2022	2023	2024'	2025	2026
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
<b>NET FISCAL IMPACT</b>	-0-				

# ADDITIONAL FTE POSITIONS (Cumulative)					
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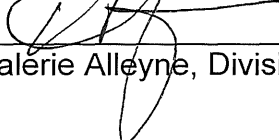
Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_  
 Does this Item include the use of Federal funds? Yes \_\_\_\_\_ No \_\_\_\_\_

Budget Account No.:

Fund \_\_\_\_\_ Dept. \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_ Program Code/Period \_\_\_\_\_

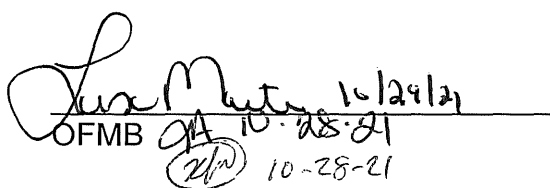
**B. Recommended Sources of Funds/Summary of Fiscal Impact: N/A**

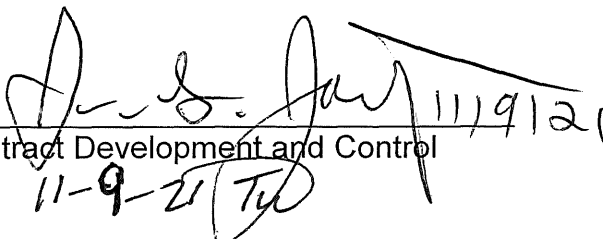
*No Fiscal Impact. No budget amendment is needed. Budget was eliminated as part of the FY 2021 Budget Process.*

**C. Departmental Fiscal Review:**   
 Valerie Alleyne, Division Manager

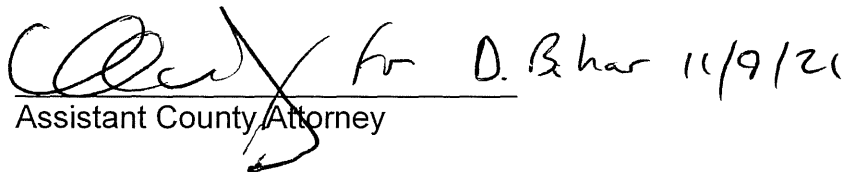
**III. REVIEW COMMENTS**

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

  
 OFMB *10-28-21*  
*2/21 10-28-21*

  
 Contract Development and Control  
*11-9-21 TW*

**B. Legal Sufficiency:**

  
 Assistant County Attorney

**C. Other Department Review:**

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



791 Park of Commerce Blvd.  
Suite 600 Boca Raton, FL 33487  
888.502.2050  
www.krsbio.com

October 22, 2019

Sherry Howard  
Palm Beach County Housing and Economic Sustainability  
100 Australian Ave.  
Suite 500  
West Palm Beach, FL 33406

Dear Sherry,

The following correspondence serves as official notice requesting withdrawal from the Job Growth Incentive Grant Agreement between Palm Beach County and KRS Global.

Due to the State of Florida denying our manufacturing license, KRS has not been able to proceed as planned with our manufacturing project in Florida. This has prevented the company from adding the required headcount & investment under the Grant Agreement as originally planned.

The entire KRS team would like to thank Palm Beach County for their continued support of our great company. We remain committed to the community as a proud employer and partner.

Sincerely,

A handwritten signature in black ink, appearing to read "Mirtha Fonte-Okunski", is written over a light blue horizontal line.

Mirtha Fonte-Okunski  
Chief Financial Officer

CC: Andrew Sloss, Merit Advisors

ATTACHMENT 1



September 16, 2021

**Department of  
Housing  
&  
Economic  
Development**

100 Australian Avenue  
Suite #500

West Palm Beach, FL 33406

(561) 233-3600

[www.pbcgov.com/ides](http://www.pbcgov.com/ides)

**Palm Beach County  
Board of County  
Commissioners**

Dave Kerner, Mayor

Robert Weinroth, Vice Mayor

Maria G. Marino

Gregg K Weiss

Mack Bernard

Maria Sachs

Melissa McKinlay

**County Administrator**

Verdenia C. Baker

*"An Equal Opportunity  
Affirmative Action Employer"*

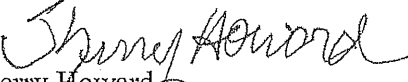
KRS Global Biotechnology  
Attn: Charles Richardson  
791 Park of Commerce Blvd, Suite 600  
Boca Raton, FL 33487  
Phone: 1-888-502-2050

RE: Notification of Termination of Agreement between KRS Global  
Biotechnology, Inc. and Palm Beach County dated June 7, 2016 (R2016-0721)

Dear Mr. Richardson,

Please accept this letter as formal notice of termination of the Agreement between KRS Global Biotechnology, Inc. ("Company") and Palm Beach County ("County") dated June 7, 2016 (R2016-0721) ("Agreement"). As stated in your letter dated October 19, 2019, the Company requested withdrawal from the Agreement as a result of being denied a Manufacturing License by the State of Florida, preventing the Company from meeting the requirements of the Agreement. The County accepts this request for withdrawal, and agrees to terminate the Agreement as of the date of this letter. No further action will be required. Thank you for your efforts and interest in Palm Beach County.

Sincerely,

  
Sherry Howard  
Deputy Director  
Department of Housing and Economic Development

Cc: Jennifer Laurence, KRS  
Mirtha Fonte-Okunski, KRS  
Dave Behar, Assistant County Attorney  
Meri Weymer, Division Director

ATTACHMENT 2

R20160721

**Economic Development Incentive Agreement**

THIS AGREEMENT, dated as of this \_\_\_\_ day of JUN 07 2016, 2016, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (hereinafter the "COUNTY") and **KRS GLOBAL BIOTECHNOLOGY, INC**, a For-Profit Corporation, whose Federal I.D. Number is 65-1099340 (hereinafter referred to as 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 locating a manufacturing facility in Palm Beach County with a total capital expenditure of approximately TWENTY-EIGHT MILLION DOLLARS (\$28,000,000), will create one hundred sixty (160) new jobs over four (4) years and retain fifty-seven (57) existing full-time jobs at an annualized average wage of SIXTY-FOUR THOUSAND THREE HUNDRED FIFTY-SIX DOLLARS (\$64,356), and median salary of FIFTY-EIGHT THOUSAND DOLLARS (\$58,000), will maintain the new jobs for five (5) years from date of creation, and will maintain the existing retained jobs for five (5) years; and

**WHEREAS**, the State of Florida has approved a Qualified Target Industry (QTI) Tax Refund for the COMPANY in the amount of EIGHT HUNDRED THOUSAND DOLLARS (\$800,000) together with a grant of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) from the Quick Action Closing Fund (QACF), and has entered into agreements for both (the "State Agreements"), both of which require local financial support; and

**WHEREAS**, the local match requirement for the QACF is TWO HUNDRED THOUSAND DOLLARS (\$200,000), which the **City of Boca Raton** will provide; and

**WHEREAS**, the Board of County Commissioners, on September 22, 2015, conceptually approved an Economic Development Incentive in the form of a cash grant to COMPANY in the amount of ONE HUNDRED SIXTY THOUSAND DOLLARS (\$160,000) (the "County Grant"); 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:** Shall include an employee in a full time job working a minimum of 2,080 hours annualized (inclusive of vacation, holidays, sick leave, and other paid activities), a Full Time Equivalent Job, or a Relocated Employee. Each New Job shall also:
- (1) 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 facilities at the addresses shown in Exhibit "A" attached hereto and made a part hereof.
- B. **Full-Time Equivalent Job:** Shall mean any two or more part-time employees whose sum total work hours, inclusive of vacation and holidays, equals 2,080 hours annualized. Notwithstanding the foregoing, the 2,080 hours annualized shall be determined pursuant to the job requirement of the employee, and not the actual number of hours clocked at work, allowing for vacation, holiday and sick leave.
- C. **Relocated Employee:** Shall mean either an employee in a full time job working a minimum of 2,080 hours annualized (inclusive of vacation and holidays), or a Full-Time Equivalent Job that is identified on the COMPANY'S payrolls, in each case, who transferred to the COMPANY'S facilities in Palm Beach County from COMPANY'S facilities in a location other than one located in a county adjacent to the borders of Palm Beach County. Notwithstanding any provision in this Agreement to the contrary, for all purposes under this Agreement it shall be deemed that any employee in a full time job working a minimum of 2,080 hours annualized (inclusive of vacation and holidays), or a Full-Time Equivalent Job that is identified on the COMPANY'S payrolls, in each case, who transferred to the COMPANY'S facilities in a location other than one located in a county adjacent to the borders of Palm Beach County prior to the Effective Date for the purpose of effectuating COMPANY'S facilities in Palm Beach County is a Relocated Employee deemed to have transferred to Palm Beach County after the Effective Date and shall constitute a New Job.
- D. **Annualized Average Wage:** The average of the actual annual wage, salaries, and other payments for Full-Time Equivalent Jobs to be created under this Agreement as follows:
- wages; salaries; commissions; bonuses; drawing accounts (advances to employees against future earnings); prizes and awards (if given by employer for employment); vacation pay; payment to employees of difference between regular pay and jury pay; payments to employees temporarily absent while in military service; wages earned before death but paid after death; dismissal pay; sick pay (not made under a plan or system); and supplemental payments (difference between workers' compensation and employee's salary).
- F. **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.

**PART III  
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. All wholly owned subsidiaries, thus created or purchased, shall be under the full control of the COMPANY, and the COMPANY shall oblige all such wholly owned subsidiaries to comply with the requirements of this Agreement as provided for herein.
2. **Notification of Wholly Owned Subsidiaries:** The COMPANY shall, within thirty (30) days of creation or purchase of wholly owned subsidiaries in connection with this Agreement, notify the COUNTY in writing of such wholly owned subsidiaries by divulging to the COUNTY the name of such entities and the location of the entities' 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.
3. **Acceptance of Jobs Created by Subsidiaries:** The parties agree that all jobs created and maintained by the COMPANY'S wholly owned subsidiaries that satisfy the requirements of paragraphs 1 and 2 of this Part III will be treated pursuant to this Agreement as jobs created and maintained by the COMPANY. COMPANY agrees that this Agreement is solely between COMPANY and COUNTY and COUNTY has the right, in its sole and absolute discretion to reject or accept any or all jobs created by COMPANY'S wholly owned subsidiaries.

**PART IV  
COMPANY'S OBLIGATIONS**

1. **Job Creation:** The COMPANY shall create one hundred sixty (160) New Jobs within fifty-one (51) month of October 1, 2015, which is in accordance with Section 6. (b) of the State QTI Tax Refund Agreement.
2. **Existing Job Retention:** The COMPANY shall retain fifty-seven (57) existing full-time jobs ("Retained Jobs") for five (5) years from October 1, 2015.
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.
4. **Salaries:** The COMPANY shall pay an annualized average wage per annum equal to or greater than SIXTY-FOUR THOUSAND THREE HUNDRED FIFTY-SIX DOLLARS (**\$64,356**), excluding benefits, for each New Job created under this Agreement. The COMPANY shall pay a median wage per annum for the New Jobs equal to or greater than FIFTY-EIGHT THOUSAND DOLLARS (**\$58,000**), excluding benefits.
5. **Capital Investment:** The COMPANY shall provide proof that they have made a minimum total Capital Investment of TWENTY-EIGHT MILLION DOLLARS (\$28,000,000 at the addresses shown on Exhibit "A" attached hereto and made a part hereof.

**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.
2. **Termination Date:** Unless earlier terminated according to the terms of this Agreement, this Agreement shall terminate sixty-six (66) months after the creation of the 160th New Job.

**PART VI  
INCENTIVE AMOUNTS**

1. **Job Growth Incentive Grant Distributions as Match to State Qualified Target Industry (QTI) Tax Refund:** The COUNTY shall, upon receipt of an annual written request from the State, disburse Grant funds to the State according to the schedule established by State. The maximum amount that COUNTY is obligated to disburse is ONE HUNDRED AND SIXTY THOUSAND DOLLARS (\$160,000). Payment made to State under this section shall be paid to the COMPANY by State pursuant to a separate agreement between the State and the COMPANY as part of the local match required 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 Statutes. As a prerequisite to making the initial disbursement of Grant funds, the COUNTY shall have received the required herein.

2. **Conditions Prior to Distribution of Economic Development Incentive Grant Funds:** The COMPANY shall provide the COUNTY with performance security in the form of either a clean, irrevocable Letter of Credit or a Performance Bond. The COUNTY may, in its sole discretion, allow the COMPANY to provide a Corporate Guaranty as an alternative form of performance security. All forms of performance security shall be in compliance with County policies and acceptable to the COUNTY in its sole discretion, acting reasonably. The security, in the amount of the requested disbursement pursuant to this Part VI. 2, 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 determination by the COUNTY'S Department of Economic Sustainability (DES) that the COMPANY has satisfactorily complied with the terms of this Agreement, DES may authorize the release of the performance security and shall notify the COMPANY that the security can be released.

**PART VII  
ADVERTISING, RECRUITING AND JOB INFORMATION**

1. **Job Advertising:** In the event the COMPANY shall undertake advertising of job openings in Palm Beach County, COMPANY will provide sufficient notice to Palm Beach County's residents concerning the availability of COMPANY'S new positions. The advertising regarding the new jobs at COMPANY'S facilities in Palm Beach County must be countywide, include Hispanic and Minority news venues, and not limited to a single advertisement. Advertising jobs on the COMPANY'S website or other internet sites shall fulfill this requirement.

2. **Job Availability:** The COMPANY shall cooperate with the following agencies regarding new job opportunities:

- A. CareerSource Palm Beach County  
3400 Belvedere Road  
West Palm Beach, FL 33406  
Attention: Executive Director
- B. West Career Center  
1083 South Main Street  
Belle Glade, FL 33430  
Attention: Chairperson

3. **Low-income Residents:** The COMPANY shall make best efforts to provide qualified low-income residents opportunities for training and employment at the COMPANY.



4. **Resident Preference:** The COMPANY shall, without risk of violating any laws, make best efforts to develop and implement hiring policies that provide qualified Palm Beach County residents preference in the hiring process.
5. **Veterans Preference:** The COMPANY shall, without violating any laws, make best efforts to develop and implement hiring policies that provide qualified Veterans preference in the hiring process.
6. **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.
7. **Transportation To And From Job Location:** The COMPANY shall make the following information available to employees it hires by posting such information on its web site or by providing in written form:
  - A. The bus stop location closest to COMPANY'S offices;
  - B. The name and location of Tri-Rail train station closest to COMPANY'S offices;
  - C. Information about COMPANY'S car pool programs (if they exist); and
  - D. Directions to COMPANY'S offices from Interstate 95.

**PART VIII  
AUDITS AND REPORTS**

1. **Annual Job Creation and Maintenance Reports:** The COMPANY shall provide the COUNTY'S DES with an Annual Job Creation and Maintenance Report, satisfactory to the COUNTY in its sole discretion, acting reasonably, verifying the COMPANY'S compliance with the requirements of PART IV of this Agreement. Such Annual Job Creation and Maintenance Report shall comply with the following:
  - A. Identify each job created and the date it was created
  - B. Identify each job created and the duration of its maintenance period to date
  - C. Identify each retained job, the duration of its maintenance period to date
  - D. Report on the annualized average wage for New Jobs that were created
  - E. Report on the median wage for New Jobs that were created
  - F. Report on the number of Palm Beach County residents hired to date
  - G. Annual Job Creation and Maintenance Report shall be submitted to the COUNTY'S Department of Economic Sustainability by the anniversary of the effective date of this Agreement.
2. **Final Job Creation and Maintenance Performance Audit:** The COMPANY shall provide DES 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 of this Agreement. Such Audit, which shall be prepared at the COMPANY'S sole cost and expense, shall comply with the following:
  - A. The Audit shall be conducted and prepared by a Certified Public Accountant (CPA) according to standards established by the American Institute of Certified Public Accountants and shall be submitted on the CPA's letterhead.
  - B. The CPA shall "examine" the COMPANY'S records, statements, and schedules and those of all wholly owned subsidiaries created or purchased by the

COMPANY in connection with this Agreement, to verify the accuracy of the number of New Jobs created and maintained as required in Part IV of this Agreement, and to verify the annualized average 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 annualized average wage for these New Jobs.

- C. The CPA's report shall include examining evidence supporting the COMPANY'S schedules of New Jobs and the annualized average wage of the New Jobs and those of the wholly owned subsidiaries stated immediately above.
- D. The CPA's report must provide the annualized average wage and the median wage for the below categories:
  - (1) All New Jobs: Identify the annualized average wage and the median wage of all New Jobs including all exempt and non-exempt employees and all officers and senior corporate executives that are included in the number of New Jobs to be created as required by this Agreement.
  - (2) New Jobs Only: Identify the annualized average wage and the median wage of all New Jobs as stated above, excluding from these calculations the average annual salary of all officers and senior corporate executives.
- E. The accuracy of the number, hire dates and annualized average 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.
- F. The Audit may be performed in conjunction with other auditing services.
- G. 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.
- H. The Audit shall be submitted to the DES within sixty-three (63) months from the date the last New Job was created.

#### PART IX GENERAL CONDITIONS

1. **Obligation and Annual Appropriation**: The COUNTY'S obligation to pay under this Agreement is contingent upon annual appropriation for its purpose by the COUNTY. To the extent the annual appropriation amount is reduced, the corresponding obligation of the COMPANY shall be similarly and proportionately reduced. The COUNTY'S obligation to pay under this Agreement is also contingent upon the COMPANY having an active agreement, in good standing, with both the State and the City of Boca Raton, and termination of or default under either of those agreements may result in termination of this Agreement by the COUNTY.
2. **Non-Discrimination**: The COMPANY acknowledge that it is the express policy of the Board of County Commissioners of Palm Beach County, Florida that the County shall not conduct business with nor appropriate any funds to any organization that practices discrimination on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic information. In compliance with the COUNTY'S requirements, the COMPANY have either submitted a copy of their written non-discrimination policies which are consistent with Resolution R-2014-1421 and the policy detailed above, or have submitted executed statements affirming that their non-discrimination policy is in conformance with Resolution R-2014-1421 and the policy detailed above.

In furtherance of such policy, the COMPANY shall not, on the basis of race, color, ancestry, disability, national origin, religion, age, familial status, marital status, sex, gender, sexual orientation, gender identity and expression, or genetic information, exclude any person from the benefits of, or subject any person to discrimination under, any activity carried out by the performance of this Agreement. Upon receipt of evidence of such discrimination, the COUNTY shall have the right to terminate this Agreement.

3. **Workers' Compensation and Employers' Liability:** The COMPANY shall maintain Workers' Compensation Insurance & Employers' Liability in accord with Florida Statutes Chapter 440 for all jobs set forth in this Agreement. Coverage shall be provided on a primary and noncontributory basis.
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 date of execution 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 fifteen (15) 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. Failure of the COMPANY to maintain the Retained Jobs for the required time period.
  - G. Failure of the COMPANY to make the capital investments required.
  - H. Failure of the COMPANY to submit to the COUNTY the Annual Job Creation and Maintenance Report and/or the Audit as required in this Agreement.
  - 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 financial statement relating to this Agreement given to the COUNTY was materially false.

13. **Remedies:** In the event of a Default by the COMPANY, the COUNTY may at any time thereafter, terminate this Agreement. In such event, the COUNTY shall be entitled to recover immediately upon demand from the COMPANY or any party joining in or consenting to this Agreement, all sums paid by the COUNTY to the COMPANY, as applicable, pursuant to this Agreement. Except as set forth in Part IX Subpart 12, Subsections I, J, and K, COMPANY shall be granted thirty (30) days from notification of default to cure any deficiency that triggered said default.

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 are 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 123.69, 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 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 failure to comply with any provision of this Agreement. The COMPANY recognize 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. 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 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:  
  
KRS Global Biotechnology, Inc.  
RICCARDO ROSCETTI, CEO  
791 Park of Commerce Blvd Ste. #500  
Boca Raton, FL 33487

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. Counterparts:** This Agreement, consisting of fourteen (14) enumerated pages which include the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.

#### PART X REQUIREMENTS APPLICABLE TO WHOLLY OWNED SUBSIDIARIES

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

A. PART IV: Subparts 1, 2, 3 and 4.

- B. PART VI: Subparts 1 and 2.
- C. PART VII: Subparts 1, 2, 3, 4, 5, 6 and 7.
- D. PART IX: Subparts 2, 3, 4, 6, 7, 15, 18, 19, 20 and 22

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

Signed, sealed and delivered in the presence of:

Witnesses:

[Signature]  
Witness Signature

Bruce Fromhoff  
Print Witness Name

[Signature]  
Witness Signature

Steph Duffie  
Print Witness Name

KRS Global Biotechnology, Inc.

By: [Signature]  
(Officer/Member)

By: \_\_\_\_\_  
(Officer/Member)

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 24<sup>th</sup> day of MAY, 2016, by RICARDO ROSCETTI, who is personally known to me, or who produced \_\_\_\_\_ as identification and who did/did not take an oath.



(NOTARY SEAL ABOVE)

Signature: [Signature]  
Notary Name: A. Rahim Alhijaz  
Notary Public - State of Florida

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, or who produced \_\_\_\_\_ as identification and who did/did not take an oath.

(NOTARY SEAL ABOVE)

Signature: \_\_\_\_\_  
Notary Name: \_\_\_\_\_  
Notary Public - State of Florida



(COUNTY SEAL BELOW)

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

BOARD OF COUNTY COMMISSIONERS

ATTEST: Sharon R. Beck,  
Clerk & Comptroller

By: Mary Lou Berger  
Mayor Mary Lou Berger

By: Nancy Powell  
Deputy Clerk

Document No. R 2016 10721

JUN 07 2016

Approved as to Form and  
Legal Sufficiency

Approved as to Terms and Conditions  
Department of Economic Sustainability

By: James Brako  
James Brako  
Assistant County Attorney

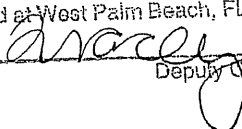
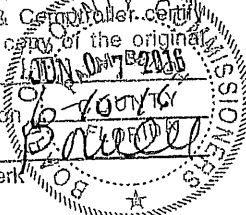
By: Sherry Howard  
Sherry Howard  
Deputy Director

**EXHIBIT "A"**

**ECONOMIC DEVELOPMENT INCENTIVE GRANT AGREEMENT  
BETWEEN PALM BEACH COUNTY AND KRS GLOBAL BIOTECHONOLOGY, INC.**

**COMPANY IDENTIFICATION AND INFORMATION**

QTI application date: 6-25-2015  
Company Names: KRS Global Biotechnology, Inc.  
Existing Headquarters: Boca Raton  
Address of the company's facility in Palm Beach County:  
791 Park of Commerce Blvd Ste. #500  
Boca Raton, FL 33487  
Products/services to be provided from the company's facility in Palm Beach County: Medical Compounding  
Business Type: Medical Manufacturing  
State of Florida Status: Active  
State of Florida Filing Date: 04/12/2001  
Federal ID Number: 65-1099340

STATE OF FLORIDA, COUNTY OF PALM BEACH  
I, SHARON R. BOCK, Clerk & Controller, certify  
this to be a true and correct copy of the original  
filed in my office on \_\_\_\_\_  
dated at West Palm Beach, FL on 6-25-2015  
By:   
Deputy Clerk 

RESOLUTION NUMBER R2015- 1337

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, RECOMMENDING APPROVAL OF PROJECT DARWIN, A COMPANY AUTHORIZED TO DO BUSINESS IN THE STATE OF FLORIDA, AS A QUALIFIED TARGET INDUSTRY (QTI) BUSINESS PURSUANT TO s.288.106, FLORIDA STATUTES; PROVIDING FOR LOCAL FINANCIAL SUPPORT FOR THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM IN THE FORM OF A CASH GRANT IN AN AMOUNT NOT TO EXCEED \$160,000 AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, as follows:

WHEREAS, PROJECT DARWIN is considering expanding their operations in Palm Beach County, Florida; and

WHEREAS, the PROJECT DARWIN project will involve renovation and construction of an existing building and the purchase of machinery and equipment; and

WHEREAS, PROJECT DARWIN will create 160 new permanent full-time jobs in Palm Beach County within four (4) years at an annualized average wage of \$64,356 excluding benefits, which is at least 130% of the average wage in the State of Florida; and

WHEREAS, Palm Beach County's Department of Economic Sustainability estimates that the proposed project would result in an economic impact of \$273 Million over five (5) years; and

WHEREAS, PROJECT DARWIN, a for-profit company, has filed a QTI Tax Refund Program application with Enterprise Florida, Inc. to seek State tax refunds; and

WHEREAS, PROJECT DARWIN has been identified as a target Industry business as defined under s.288.106, Florida Statutes; and

WHEREAS, Palm Beach County's cash grant is utilized as local participation for the QTI 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 will result in the creation of full-time jobs in Palm Beach County, increase the County's tax base, and strengthen and diversify the County's local economy; and

WHEREAS, Palm Beach County hereby acknowledges that local financial support of 20% of the total tax refund of \$800,000 is required under the provisions of s.288.106, Florida Statutes, governing the State's QTI Program; and

WHEREAS, PROJECT DARWIN is aware that the award is contingent upon the company entering into a formal agreement with the County to create 160 permanent jobs at an annualized average wage of \$64,356 and median salary of \$58,000 within four (4) years, and maintain those new jobs for a period of five (5) years; and

WHEREAS, PROJECT DARWIN is aware that the award is contingent upon the company entering into a formal agreement with the County to retain 57 permanent jobs at an annualized average wage of \$64,356 and median salary of \$58,000 and maintain those new jobs for a period of five (5) years.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that the Board hereby recommends PROJECT DARWIN, a company authorized to do business in the State of Florida, be approved as a Qualified Target Industry Business pursuant to s.288.106, Florida Statutes.

BE IT FURTHER RESOLVED, that the necessary cash commitment of local financial support for the Qualified Target Industry Tax Refund exists in the amount of \$160,000 from Palm Beach County, which will be made available in accordance with the guidelines set forth by the Florida Department of Economic Opportunity with the stipulation that these funds are intended to represent local financial support pursuant to s.288.106, Florida Statutes.

BE IT FURTHER RESOLVED, that the Palm Beach County Board of County Commissioners has determined the basis of this project's average private sector wage commitment shall be at least 130% of the State's average annual wage.

This resolution shall take effect immediately upon its adoption.

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

Commissioner Shelley Vana, Mayor	- <u>Aye</u>
Commissioner Mary Lou Berger, Vice Mayor	- <u>Aye</u>
Commissioner Hal R. Valeche	- <u>Absent</u>
Commissioner Paulette Burdick	- <u>Aye</u>
Commissioner Steven L. Abrams	- <u>Aye</u>
Commissioner Melissa McKinlay	- <u>Aye</u>
Commissioner Priscilla A. Taylor	- <u>Aye</u>

The Mayor thereupon declared the Resolution duly passed and adopted this 22nd day of September, 2015.

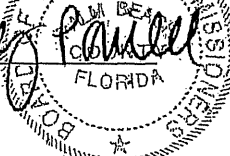
PALM BEACH COUNTY, FLORIDA, BY ITS  
BOARD OF COUNTY COMMISSIONERS

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

By: James Brako  
James Brako  
Assistant County Attorney

ATTEST: SHARON R. BOCK  
CLERK & COMPTROLLER

By: Sharon R. Bock  
Deputy Clerk



16-0849

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER

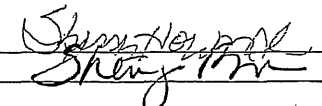
BGEX 143-050416\*01330

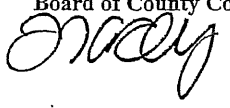
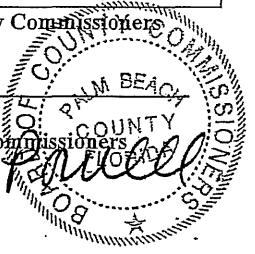
FUND 0001 General Fund

This form to provide budget for items not anticipated in the budget.

T.NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 5/4/16	REMAINING BALANCE
<u>EXPENDITURES</u>								
100-9099	Tr To Economic Development Fd 1539	3,604,859	4,194,859	160,000		4,354,859	1,767,126	2,587,733
900-9901	Contingency Reserves	20,775,190	19,306,901		160,000	19,146,901	0	
<b>TOTALS</b>					<u>160,000</u>	<u>160,000</u>		

Administration  
 PREPARING DEPARTMENT/DIVISION  
 Administration/Budget Department Approval  
 Budget Department - Posted

Signatures  
  
 Date  
 6/1/16

By Board of County Commissioners  
 At Meeting of  
 June 7, 2016  
 Deputy Clerk to the  
 Board of County Commissioners  
  


2016 - 0848

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

BGEX 143-050416\*01331  
BGRV 143-050416\*00473

FUND 1539 Economic Development Office

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED AS OF 5/04/16	REMAINING BALANCE
<b>REVENUES</b>								
00-8000-8000	Tr Fr General Fund 0001	3,604,859	4,144,859	160,000	0	4,354,859		
Total Receipts and Balances		5,322,009	5,966,748	160,000	0	6,126,748		
<b>EXPENDITURES</b>								
43-1147-8201	Contributions-Non Gov't Agency	0	0	160,000	0	160,000	0	160,000
Total Appropriations & Expenditures		5,322,009	5,966,748	160,000	0	6,126,748		

DEPARTMENT OF ECONOMIC SUSTAINABILITY  
INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

Signatures & Dates

*[Signature]*  
*[Signature]* 6/1/16

By Board of County Commissioners  
At Meeting of

June 7, 2016  
Deputy Clerk to the  
Board of County Commissioners  
*[Signature]*

