



Economic Development & Tourism Subcommittee

Tuesday, November 5, 2013
1:00 PM – 3:00 PM
12 HOB

Meeting Packet

Will Weatherford
Speaker

Carlos Trujillo
Chair



The Florida House of Representatives

Economic Development and Tourism Subcommittee

Will Weatherford
Speaker

Carlos Trujillo
Chair

Meeting Agenda
Tuesday, November 5, 2013
Room 12, House Office Building
1:00 p.m. – 3:00 p.m.

- I. Call to Order**
- II. Roll Call**
- III. Welcome and Opening Remarks**
- IV. Presentations - Department of Economic Opportunity**
 - a. Reemployment Assistance Claims System - CONNECT**
 - b. Economic Development Incentives Portal**
- V. Adjournment**



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Presentation to the House
Economic Development & Tourism Subcommittee
Update on CONNECT
November 5, 2013

www.floridajobs.org



History of CONNECT

- 2006: **Gartner Group** concludes legacy unemployment compensation software system was “nearing end-of-life” and “struggles to support real-time decision making and efficient business process operations”
- 2008: **IBM** lists many concerns & risks with legacy system and concludes it can only aid “in keeping the UC system running in the short-term”
- 2009: legislatively mandated feasibility study by **North Highland** concludes that “30-45% of [staff time] spent waiting for the system to respond” and “[m]any customers were unable to access on the online claims application during peak hours” – “the system can no longer keep pace with the needs of the UC program” and the “the impact of a UC system failure would be catastrophic”
 - modernization project would be an “excellent investment”
 - predicted cost of \$68.3 million over four-year implementation (1% of UC operations)
 - the “hidden costs of not using technology to enable AWI to modernize its UC system ... far exceed the cost of this investment”



History of CONNECT

- Legislative Mandate: In 2010, the Florida Legislature enacts Section 443.1113, Florida Statutes, mandating that the Agency for Workforce Innovation (now DEO) “shall replace and enhance the functionality” provided by the unemployment compensation systems”
 - Statute requires Executive Steering Committee (DEO & DOR)
- Appropriation: \$68 million in federal administrative funding
- Competitive Procurement: 9 bids, Deloitte Consulting selected in March 2011
- Contract Renegotiation: because vendor was not on track to meet timelines, DEO renegotiated contract in 2012 to provide financial restitution, revise deliverables, and extend completion dates; new management team deployed
- System Launch: October 15, 2013



Communication & Outreach

- Legislative Office Outreach
- Business Community Outreach
- Claimant Outreach
- Call Centers
- One Stops



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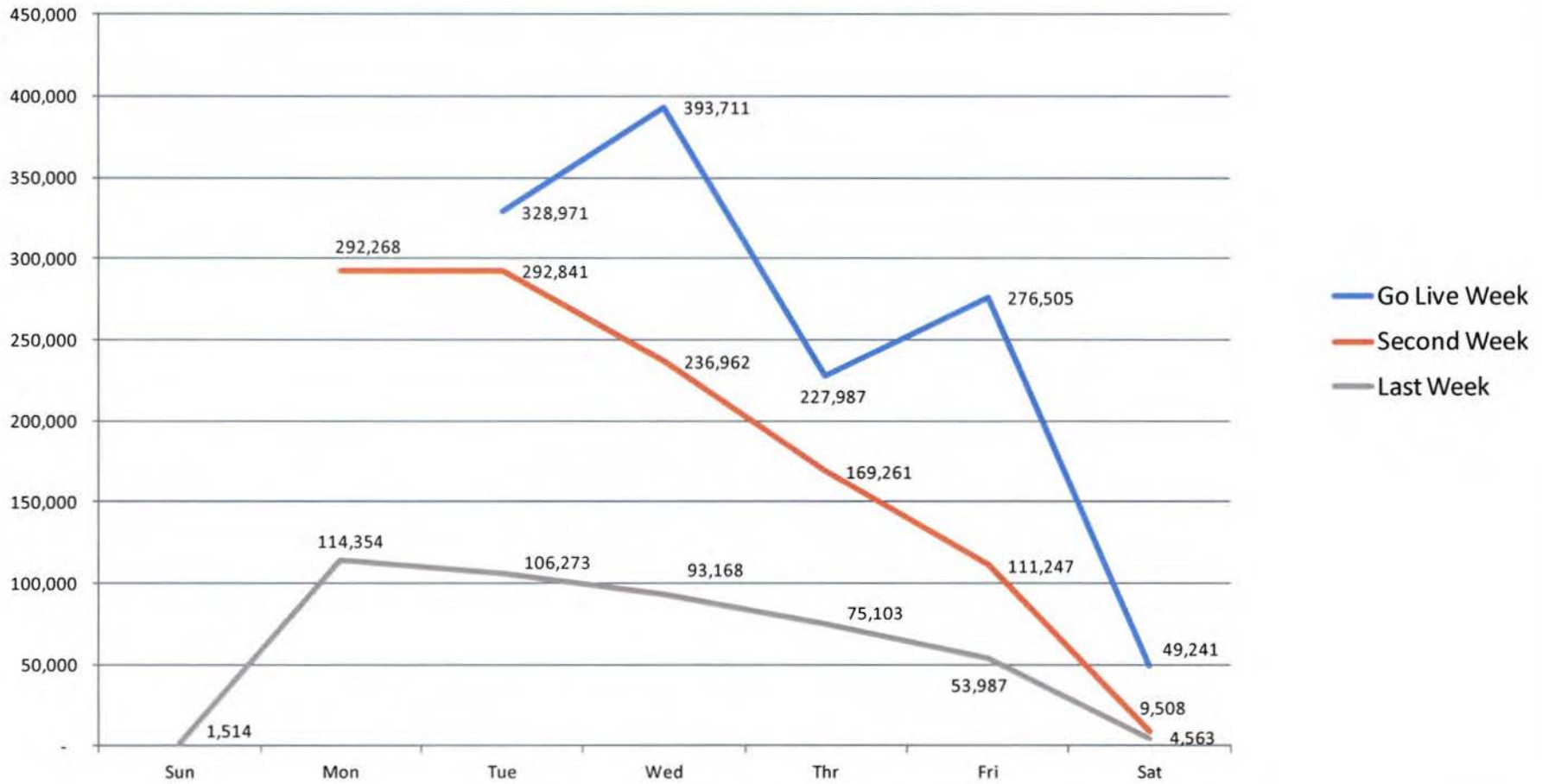
System Preparation

- Understanding UI Systems
- Rigorous Implementation Process
 - Project Organization
 - Project Governance
 - Identified Florida Requirements
 - Robust Testing and Training Approach
 - Identification of Gaps and Solutions
 - Data Conversion

Implementation

- October 15 Launch
- Difficulties Targeted and Remedied
 - Big Bang Implementation
 - Increased Security
 - PIN Reset
 - Increased Identity Check
 - Claimant Weeks Available
- Implementation Statistics

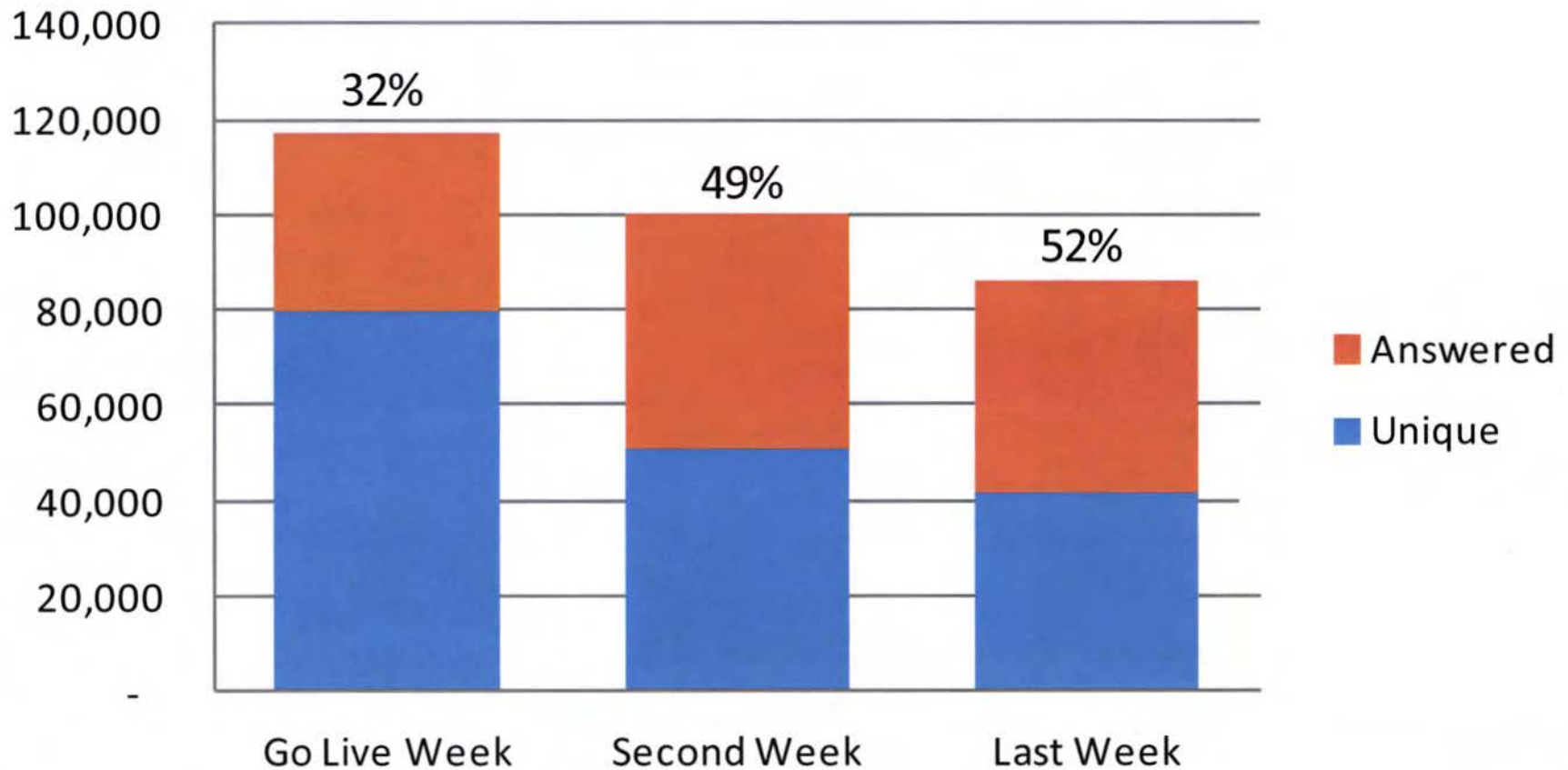
Call Volume Week Over Week



Unique Callers Week Over Week

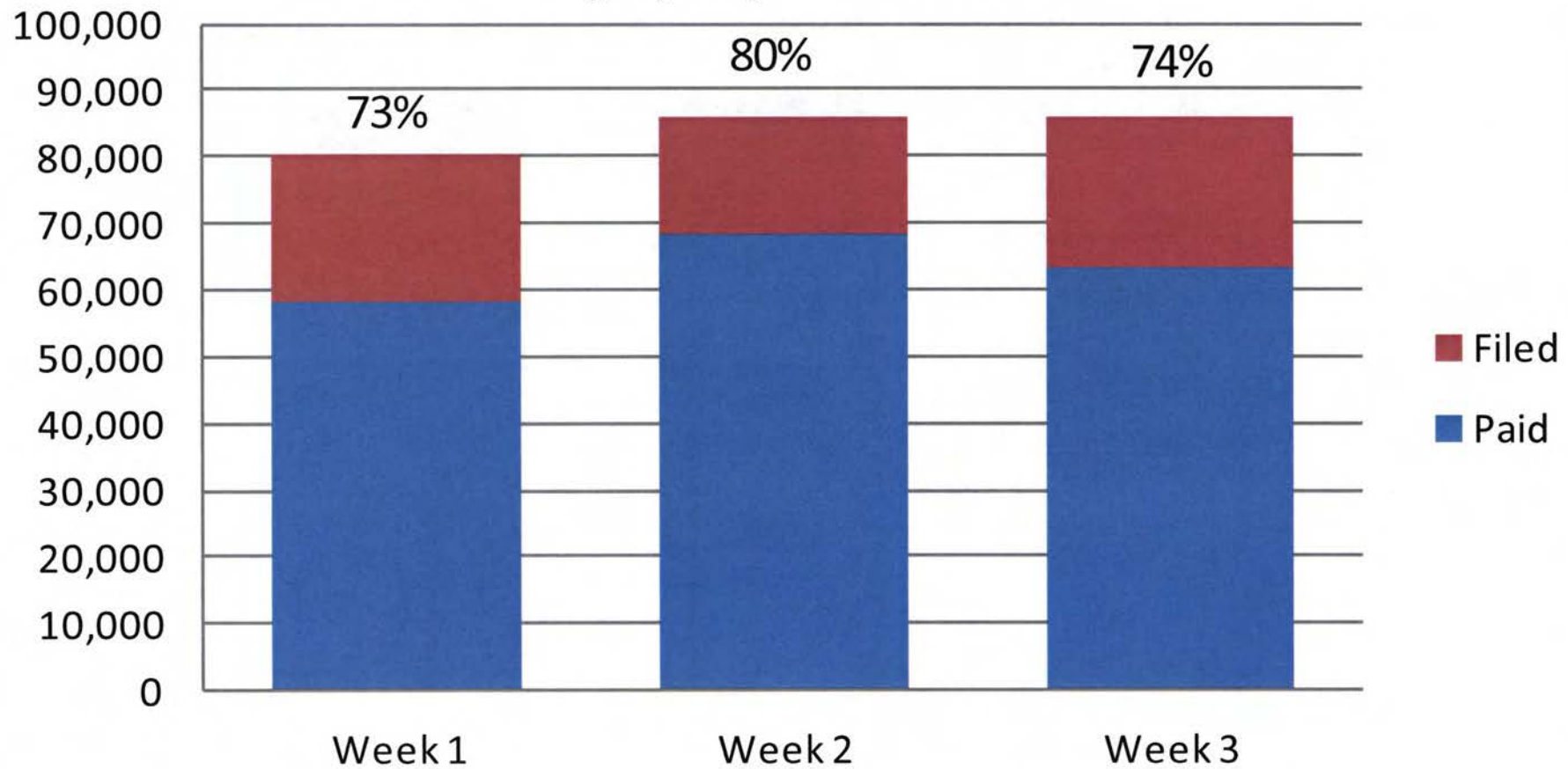


Unique Calls Answered



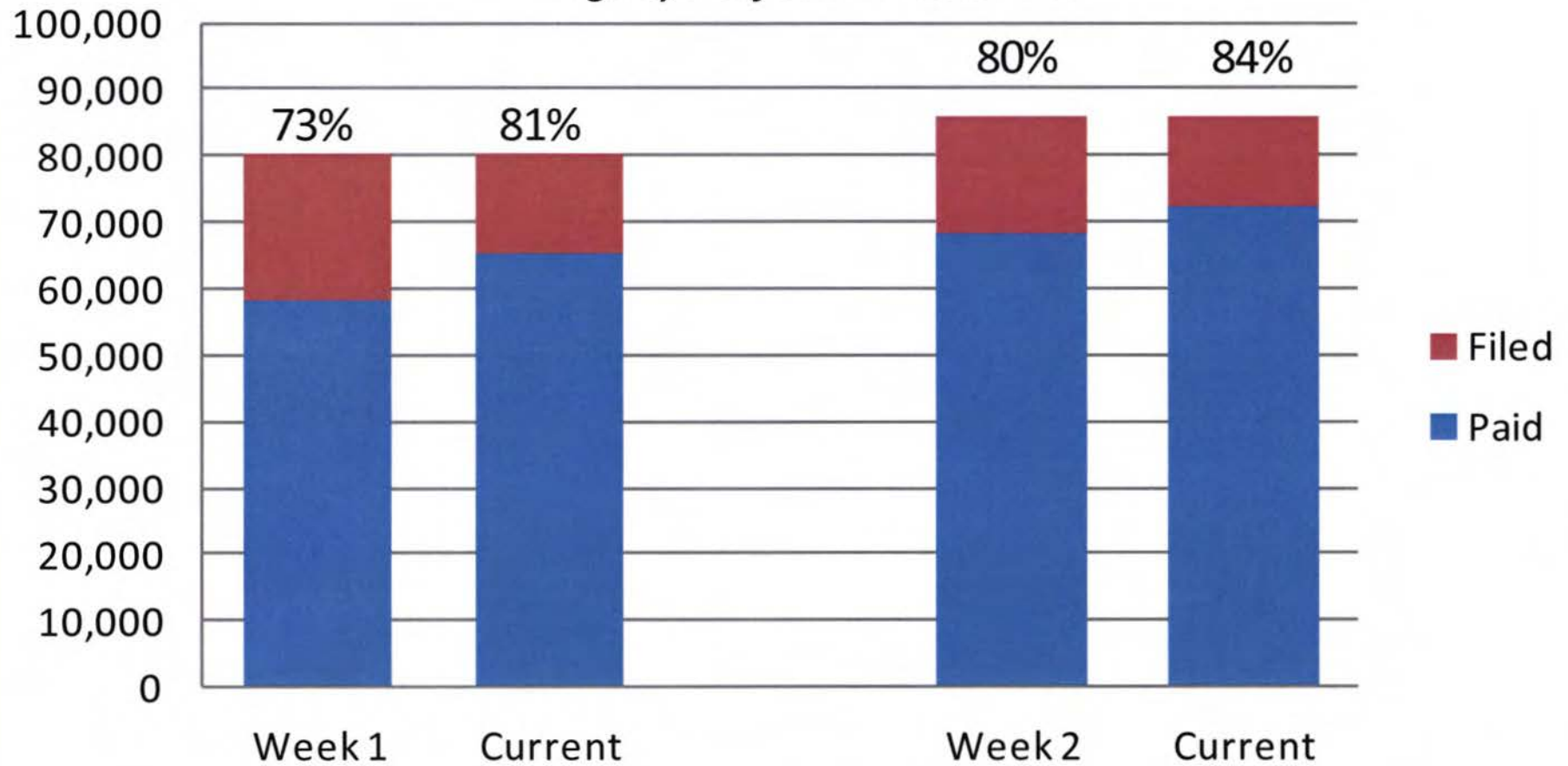
Claimants Paid by Week Filed

Legacy Performance is 77%



Increased Performance

Legacy Performance is 77%



**Department of Economic
Opportunity-Incentives
Portal**



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Economic Development Incentives Portal

Cissy Proctor, Director, Division of Strategic Business Development
House Economic Development and Tourism Subcommittee
November 5, 2013



Florida Policy Direction

Section 288.076, Florida Statutes, provides for an online data base, which reports on economic development programs that will promote transparency by providing the public a real-time program and project information as well as projected economic benefits.



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Portal Components

The portal must include the following information pertaining to each non-confidential project:

- Participant business information
- Project information
- Project performance goals
- Project evaluation criteria
- Total state investment to date
- Projected economic benefits
- Project contracts/agreements



Additional Information on Portal

- Description of the methodology used by the Office of Economic and Demographic Research to calculate the economic benefits of a project
- Report of findings and recommendations on the causes of any qualified target business not completing its tax refund agreement
- Information relating to the progress of Quick Action Closing Fund projects, including the average number of days between the date the department receives a completed application and the date on which the application is approved
- Guide to understanding the portal



How Portal will be Updated

- Real Time
- Project information will be published within 48 hours of the confidentiality period expiring
- Economic benefits will be published within 48 hours of the conclusion of each agreement
- Redacted contract or agreement will be published within 48 hours of the confidentiality period expiring
- Any changes of the published information will be updated with a time stamp



Florida is Open for Business!

BUSINESS RESOURCES

Florida is open for business! We are working hard to create a landscape that offers opportunity for Floridians and business to prosper. Let's get to work!

ENTERPRISE FLORIDA



JOB SEEKERS

EMPLOYERS

On October 15, DEO will launch a new way to claim your weekly Reemployment Assistance benefits. Known as CONNECT, this new system will provide job seekers with better service and convenience. [Find out more...](#)

[File a Reemployment Assistance Claim](#) | [Find A Job](#) | [Find a One-Stop Career Center](#) | [Low-Income Home Energy Assistance Program](#)

DEO NEWS

OCT 2 Florida Department of Economic Opportunity Celebrates Second Anniversary [Read More](#)

SEP 20 Governor Scott: Florida's August Unemployment Rate Drops to 7.0



Rick Scott, Governor

[Visit the Governor's website](#)



Jesse Panuccio, Director

[Click here to read message](#)



FLORIDA HAS A RIGHT TO KNOW HOLDING GOVERNMENT ACCOUNTABLE



EMERGENCY WEBSITE



FLORIDA'S MINIMUM WAGE



FLORIDA REEMPLOYMENT ASSISTANCE CLAIMS

[Kreyòl](#) | [Français](#) | [Italiano](#) | [Deutsch](#) | [Srpsko-Hrvatski / Српско-хрватски](#) | [Bosanski](#) | [Vlt](#) | [РУССКИЙ](#) | [中國國語](#) | [繁體中文](#) | [日本語](#) | [العربية](#) | [العبرية](#)



Economic Development Incentives Portal

Home > Office Directory > Division of Strategic Business Development > Economic Development Incentives Portal

▶ Division of Community Development

▶ Division of Finance and Administration

▶ Division of Workforce Services

▶ Division of Strategic Business Development

About Strategic Business Development

▶ Economic Development Incentives Portal

Types of Incentive Awards

Florida Strategic Plan for Economic Development

Five Year Plan

Five Year Plan Development

Office of Film and Entertainment

Five Year Plan

▶ Office for Civil Rights

▶ Office of the General Counsel

▶ Office of the Inspector General

Launched on October 1, 2013, the new **Economic Development Incentives Portal** (Portal) is improved to allow more interactive capabilities as DEO furthers its commitment to efficiency, accountability, and transparency. The Portal provides unprecedented access to the performance measurements required in economic development incentive contracts and each company's progress toward reaching their required job creation goals. This site contains details on every non-confidential Florida economic development incentive project with an executed contract.

A core principle of the state's economic development incentive program is that businesses are paid based on verified performance, meaning no tax dollars are paid until job creation or capital investment numbers are audited and confirmed. Incentive agreements have sanction and clawback provisions to help protect the state's investment. While performance requirements are typically phased and met over multiple years, performance is measured and confirmed annually. Projects will be updated as their performance data are confirmed, as well as new non-confidential projects after their confidential period ends.

The Economic Development Incentives Portal is a collaborative effort between DEO and its economic development partner, Enterprise Florida, Inc (EFI). A public-private partnership, Enterprise Florida identifies companies for job creation in targeted growth industries in which incentives can be vital to securing the business recruitment or expansion opportunity.

ABOUT INCENTIVES

Florida competes globally to bring jobs to the state from companies that have other location options. Economic development incentives are components of a toolkit designed to address various business needs in a competitive environment. A competitive economic development project is one in which a business has identified multiple locations that can meet its needs. Incentives may be used to reduce costs associated with a site, facility, or equipment and can help facilitate the location of businesses in Florida. They are designed to promote job creation, job retention, and capital investment in Florida. For a more comprehensive and historical look at the success incentives have played in helping Florida families, please read the [2012 Annual Incentives Report](#).

View [Types of Incentives Awards](#) for more specific information on each incentive type.

WHAT'S INCLUDED IN THE PORTAL

The interactive portal includes every non-confidential incentive project with an executed contract since 2000 that received or is on schedule to receive payments from the state of Florida. All available non-confidential, executed agreements will be redacted and uploaded to the Comprehensive View on the Portal over the next three months. As of October 1, 2013, the executed, non-confidential contracts since January 2013 have been redacted and uploaded to the Portal. Due to limited information, projects executed prior to 2000 are summarized in a high level report that features jobs, payments, and county location. Projects that are confidential or approved but do not yet have an executed agreement and projects that have withdrawn or decided not to proceed with the incentive are not included. Confidential projects, as defined by Florida Statutes, will be included once their exemption from the state's public record requirements has expired. Projects whose confidentiality expires will be added to the portal on a periodic basis. Incentives relating to the [Office of Film and Entertainment](#), [Workforce Florida](#), [Space Florida](#), and the [Division of Community Development](#) are not included in the portal.

View [Guide to Understanding the Economic Development Incentives Portal](#) for descriptions of keywords, fields, headers, and project status.



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Quick Action Closing Fund (§288.1088 F.S.)

The Legislature finds that attracting, retaining, and providing favorable conditions for the growth of certain high-impact business facilities, privately developed critical rural infrastructure, or key facilities in economically distressed urban or rural communities which provide widespread economic benefits to the public through high-quality employment opportunities.


Pursuant to §288.1088 F.S., DEO has up to seven business days after evaluating a project to recommend to the Governor approval or disapproval of a project for receipt of funds from the Quick Action Closing Fund. For Fiscal Year 2012-2013, there were 10 QACF applications approved in FY 2012-2013, **an average of 6.8 days** from the date of receiving the completed application, to approve and submit recommendations to the Governor.

Office of Economic and Demographic Research's Return on Investment Model

For information regarding the methodology used in calculating the projected economic benefit, see the following links:

- ▶ [EDR Legacy Model Methodology](#) 
- ▶ [EDR Legacy Model Assumptions](#) 
- ▶ [EDR Legacy Model Calculations](#) 

Tax Refund Findings and Recommendations

Beginning with all tax refund agreements executed after July 1, 2010, DEO started to make the conscious effort to ascertain the causes for any qualified target businesses not completing its agreement. Annually, DEO will publish the findings and recommendations in this section as well as include the findings in annual incentives report under s. [288.907](#) .

- ▶ [2012 QTI Annual Report](#) 

THE PORTAL

- ▶ [Legacy Project Overview Report](#)  (Approved prior July 1, 2000)
- ▶ [Search the Portal](#)



Economic Development Portal

Program:

Manufacturing and Spaceport Investment Incentive (\$288.1083, F.S.)
QTI-Brownfield Bonus (\$288.106, F.S.)
Qualified Defense and Space Contractor Tax Refund (\$288.1045, F.S.)
Qualified Target Industry Tax Refund (\$288.106, F.S.)
Quick Action Closing Fund (\$288.1088, F.S.)

Business:

All Businesses
1Brick, LLC
21st Century Oncology Management Services, Inc.
2G CENERGY Power Systems Technologies Inc.
AAA Auto Club South, Inc.

Please select the fields that you would like included in your report.

- Target Industry
- High Impact Performance Incentive (HIPI)
- Business Location
- Business Firm Size
- Small Business
- Headquarters (If Applicable)
- Confirmed Amount Paid (To Date)

County:

All Counties
Alachua
Baker

Status:

Active
Complete

Start Date: _____

End Date: _____



Economic Development Portal

SEARCH THE PORTAL

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Project Name	Business Name	County of Project	Status
PricewaterhouseCoopers LLP-Knowledge Service Org 06-00038	PricewaterhouseCoopers LLP-Knowledge Service Org	Hillsborough	Complete
Raven Transport Holding 03-00126	Raven Transport Holding	Duval	Complete
Rex Lumber Company, LLC 02-00027	Rex Lumber Company, LLC	Jackson	Complete
Ruth's Chris Steak House, Inc. 06-00061	Ruth's Chris Steak House, Inc.	Seminole	Complete
Source Interlink Companies, Inc. 01-00189	Source Interlink Companies, Inc.	Lee	Complete
Tandel Systems, Inc. 05-00163	Tandel Systems, Inc.	Pinellas	Complete
Telemundo Communications Group, LLC 03-00184	Telemundo Communications Group, LLC	Miami-Dade	Complete
The Bank of New York 01-00147	The Bank of New York	Seminole	Complete
The Newport Group, Inc. 06-00233	The Newport Group, Inc.	Seminole	Complete
Timco Aviation Services, Inc. 03-00323	Timco Aviation Services, Inc.	Columbia	Complete
TradeStation Group, Inc. 02-00067	TradeStation Group, Inc.	Broward	Complete
Trend Offset Printing 00-01577	Trend Offset Printing	Duval	Complete
United States Specialty Sports Association 03-00208	United States Specialty Sports Association	Osceola	Complete
University Clinical Research - Deland, LLC 03-00337	University Clinical Research - Deland, LLC	Volusia	Complete
VaxDesign Corporation 04-00219	VaxDesign Corporation	Orange	Complete
Vertex Tax Technology Enterprises LLC 03-00029	Vertex Tax Technology Enterprises LLC	Sarasota	Complete
Volvo Parts North America, LLC 05-00223	Volvo Parts North America, LLC	Duval	Complete
Wal-Mart Stores East - DeSoto Grocery Distribution 01-00130	Wal-Mart Stores East - DeSoto Grocery Distribution	DeSoto	Complete
WhiteWave Foods Company 03-00115	WhiteWave Foods Company	Duval	Complete
World Duty Free Americas 03-00239	World Duty Free Americas	Broward	Complete

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Economic Development Portal

[SEARCH THE PORTAL](#)

Project Summary

Project Name:	TradeStation Group, Inc. 02-00067	Projected Economic Benefit (ROI):	12.95
Business Name:	TradeStation Group, Inc.	Total Confirmed Economic Benefit (ROI, As Applicable):	
Project Status:	Complete	Maximum Potential State Investment:	\$400000.00
Headquarters Location (If Applicable):		Total Confirmed Amount Paid (To Date):	\$400000.00
Business Size:		Total Jobs Retained (If Required):	
Small Business:		Total New Jobs Committed:	100
County of Project:	Broward	Total Cumulative Net New Jobs Confirmed (To date):	226
Target Industry:	Corporate, Subsidiary, and Regional Managing Offices	Total Capital Investment Required (If Applicable):	\$
HIPI Project:		Total Capital Investment Confirmed (To Date, and If Required):	\$0.00
Last Modification Date:	Fri Oct 04 14:09:57 GMT 2013		

Cumulative Net New Jobs By Year

Performance Year	Cumulative Net New Jobs Confirmed
2004	70
2005	82
2006	172
2007	172
2008	190
2009	226



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Documents

[Redacted exe TradeStation.pdf](#)

Comments:

Incentive Awards

Program:	Qualified Target Industry Tax Refund (\$288.106, F.S.)	Award Duration:	8.92 Years
Incentive Status:	Complete	Award End Date:	01/23/2011
Date of Award:	02/23/2002	Total Local Financial Support Commitment (If Required):	\$80000.00
Maximum Potential Award Approved (If Required, Includes LFS):	\$400000.00	Anticipated Last Performance Date for Payment:	
		Cumulative Confirmed Amount Paid (To date):	\$400000.00
Cumulative Confirmed Amount Paid by Year			
Payment Year	Confirmed Amount Paid by Year		
2005-2006	\$60000.00		
2006-2007	\$80000.00		
2007-2008	\$100000.00		
2008-2009	\$100000.00		
2009-2010	\$40000.00		
2010-2011	\$20000.00		



Incentives Portal Link

http://www.floridajobs.org/business/DEO_EDP_PROD.htm



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