

**ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
BETWEEN THE CITY OF ORLANDO AND KPMG LLP**

THIS AGREEMENT is entered into this ____ day of _____, 2016 (the “Effective Date”) by and between the City of Orlando, a municipality organized and existing under the laws of the State of Florida with a principal address of 400 South Orange Avenue, Orlando, Florida 32801 (hereinafter referred to as the “City”), and KPMG LLP (hereinafter referred to as “KPMG”), a Delaware registered limited liability partnership with an administrative address of Three Chestnut Ridge Road, Ste. 2800, Montvale, New Jersey 07645 and whose Federal Employer I.D. Number is 13-5565207. The foregoing entities individually may be referred to as a “party” or collectively as the “parties.”

W I T N E S S E T H:

WHEREAS, the Florida legislature enacted Section 166.021, Florida Statutes (hereinafter referred to as the “Act”), which grants economic development powers to municipalities and acknowledges that the expenditure of public funds for economic development goals constitutes a public purpose; and

WHEREAS, pursuant to the Act, it is the policy of the City to stimulate economic growth in the City, by either attracting new business to the City or by encouraging the expansion of existing businesses within the City; and

WHEREAS, the creation of new employment opportunities for residents of the City and the increased tax revenues resulting from such business expansion or relocation within the City is beneficial to the local economy; and

WHEREAS, the City Council has determined that offering economic development incentives encourages existing businesses to expand and encourages new business to enter the City, and thereby creates new employment opportunities for the residents of the City; and

WHEREAS, KPMG provides audit, tax, and advisory services; and

WHEREAS, KPMG is a targeted industry proposing to create high wage job opportunities and an industry coveted by other states and nations; and

WHEREAS, KPMG considered Atlanta, Georgia and Dallas, Texas, in addition to the City, for its project; and

WHEREAS, KPMG anticipates creating 80 new jobs in the City by December 31, 2019 with an average salary of \$66,098.00 excluding benefits, which is in excess of 150% of the State of Florida average wage as of January 1, 2016; and

WHEREAS, KPMG has more than 30,000 employees nationwide; and

WHEREAS, KPMG is acquiring the vacant property described in Exhibit “A” attached hereto and incorporated herein by reference (hereinafter the “Property”) upon which it will construct an 800,000 square foot training and conference center with lodging for KPMG Training and Conference Attendees (including, but not limited to partners, principals, employees, member firms, and contractors) (hereinafter “KPMG Training Attendees”) attending the training and conference center (hereinafter the “Project”), resulting in an approximate capital investment of \$430 million; and

WHEREAS, the City proposes to provide KPMG a tax rebate in an amount of 25% of the City of Orlando real and tangible personal property taxes assessed against the Property for a period of seven (7) years beginning after the date of completion of the Project, but no later than Fiscal Year (“FY”) 2021-2022 (hereinafter the “Tax Rebate”); and

WHEREAS, in addition to the Tax Rebate, the City will also provide KPMG by separate Resolution an appropriation of Sixty-Four Thousand Dollars and No Cents (\$64,000.00) as local participation in the State Qualified Target Industry Tax Refund Program (“QTI”) beginning FY 2020-2021 through FY 2023-2024.

WHEREAS, the City finds and declares it is in the public’s best interest to award economic development incentives to KPMG pursuant to this Agreement.

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

1. Recitals: The above recitals are true and correct and form a material part of this Agreement.

2. Incorporation of Premises: The premises of this Agreement are incorporated herein as if fully set out below. All exhibits to this agreement as hereby deemed a part hereof.

3. Term of the Agreement: The term of this Agreement shall commence on the Effective Date and shall remain in effect until September 30, 2027, or until all of the obligations of the parties provided for in this Agreement have been satisfied, whichever occurs first.

4. Obligations of KPMG:

a. KPMG shall construct an approximately 800,000 square foot corporate training and conference center with lodging on the Property for KPMG Training Attendees.

b. KPMG shall construct the Project in compliance with all applicable federal, state and local laws, codes, rules and regulations.

c. KPMG shall pay all permit and similar fees, and shall comply with all applicable statutes, ordinances, regulations, or the like of the State of Florida, City of Orlando, or other governmental entity with jurisdiction.

d. KPMG will create 80 new jobs within the City of Orlando, paying a minimum average annual wage of \$66,098.00 not including benefits by December 31, 2019.

e. KPMG will maintain the 80 jobs created for a period of seven (7) years after the first annual Qualified Target Industry payment is issued for the Project.

f. KPMG shall execute and submit to the City the Statement of Meeting Obligations that is attached hereto and incorporated herein upon the expiration of this Agreement.

g. KPMG shall make written application to the City on an annual basis no later than May 1st of each year, which application shall include evidence of compliance with the job creation requirements and proof of timely payment of ad valorem and tangible personal property taxes levied against the Property for the year for which a tax rebate is requested.

5. City's Obligations:

a. The City shall appropriate a total of \$64,000.00 as local participation in the State Qualified Target Industry Tax Refund Program for FY's 2020-2021 through 2023-2024.

b. The City shall provide a tax rebate of 25% of City of Orlando real and tangible personal property taxes assessed on the Property on an annual basis over a seven (7) year period (the "Rebate Period") beginning on May 1st of the City's fiscal year that commences after January 1 after a Certificate of Occupancy is issued for the Project and the Orange County Property Appraiser assesses the value of the Project, but no later than FY 2021-2022. For example, it is anticipated that the Project will be completed in calendar year 2019 so that the property taxes for the completed Project will be paid during the City's fiscal year 2020-2021 (i.e. after October 1, 2020). Therefore, the first of the seven annual tax rebate payments would be provided to KPMG no later than May 1, 2021. The maximum rebate amount over the Rebate Period shall not exceed \$3,502,887.00 and the maximum annual rebate amount shall not exceed \$500,412.00.

c. The City's obligations to provide these economic incentives is expressly contingent upon KPMG's submittal of its written application annually by May 1st and compliance with the following at all times during the term of this Agreement:

- i. KPMG's timely payment of ad valorem and tangible personal property taxes levied against the Property for the year for which a tax rebate is due.
- ii. KPMG meets its obligations set forth in paragraph 4.
- iii. The facility described in paragraph 4 shall at all times during the term of this Agreement remain a training and conference center with lodging for KPMG Training Attendees, and shall not be converted to, sold, or otherwise used as anything else or for any purpose other than what is intended under this Agreement.
- iv. KPMG's being qualified by the State of Florida as a QTI Program participant.

6. Event of Default:

a. Each of the following shall constitute an event of default ("Event of Default") on the part of KPMG:

- i. The failure of KPMG to comply with each of the terms, covenants, conditions, obligations or provisions of this Agreement;
- ii. KPMG's making of a material misrepresentation in any certification or communication it submitted to the City in an effort to induce the award,

payment or the administration thereof that is determined to be false, misleading, or incorrect in any material manner.

b. Remedies:

- i. In the event of the occurrence of an Event of Default, the City shall be entitled to pursue all rights and remedies available under the law, including ceasing payment of the Tax Rebate and terminating this Agreement as provided for in Section 7 of this Agreement.
- ii. The Parties agree that the City shall have the specific rights and remedies set forth in this Agreement. Such rights and remedies are in addition to and cumulative with any and all other rights or remedies, now or hereafter available to the City at law or in equity in order to enforce the provisions of this Agreement. The exercise of one or more rights or remedies shall not be deemed a waiver of the right to exercise at the same time or thereafter any other right or remedy nor shall any such delay or omission be construed to be a waiver of or acquiescence to any Event of Default. The exercise of any such right or remedy by the City shall not release KPMG from its obligations or any liability under this Agreement, except as expressly provided for in this Agreement or as necessary to avoid duplicative recovery from or payments by KPMG.

7. Termination:

a. This Agreement shall terminate on September 30, 2027, or upon the City's payment of the seven (7) annual tax rebates, whichever is earlier.

b. Upon the occurrence of an Event of Default and such default remains uncured, the City may terminate the whole or any part of this Agreement.

c. If the State terminates the QTI Tax Refund Agreement, then the City will not be obligated to make the payment under subsection 5(a) herein. Additionally, KPMG shall immediately remit to the City any amounts due to the State from the City as a result of the termination of the QTI Tax Refund Agreement.

d. Before the City may exercise its right of termination, the City shall provide written notice to KPMG of KPMG's breach or default and KPMG shall have thirty (30) days thereafter within which to cure the breach or default.

e. Waiver by the City of breach of any of the provisions of this Agreement shall not be deemed a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

8. Records: KPMG shall maintain books, records, and other evidence relating to the Project in accordance with KPMG's standard procedures and practices, which documents the Project and job creation in a manner that fulfills the requirements of this Agreement.

9. Audit: KPMG expressly acknowledges that the City shall have the right to audit KPMG's books and records from time to time for compliance by KPMG with the terms, conditions, limitations, restrictions and requirements of this Agreement, which shall extend for a period of three (3) years after the expiration of this Agreement. The City shall, upon reasonable notice, have full access during normal business hours for inspection, review and audit of the

books and records. Any cost KPMG incurs as a result of a City audit shall be the sole responsibility of and shall be borne by KPMG. All non-government employees performing such audit(s) shall sign KPMG's form of non-disclosure agreement prior to being granted access to KPMG's books and records.

10. Repayment: KPMG shall be liable for repayment of any funds dispensed under the terms of this Agreement, which may be deemed by the City to have been dispensed in error.

11. Indemnification: KPMG shall indemnify and hold harmless the City, its agents, employees, and elected and appointed officials, from and against all claims, damages, losses, and expenses (including all attorney's costs and fees, and all attorney's costs and fees on appeal) arising out of or resulting from KPMG's performance or activities as provided herein.

12. Non-Discrimination: KPMG will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, age, handicap or marital status. KPMG will take affirmative action to ensure equal opportunity in recruitment advertising, and that employees are treated during employment without regard to their race, color, religion, sex, national origin, age, handicap or marital status pursuant to Chapter 57 of the Code of the City of Orlando, Title VII of the Civil Rights act of 1964 as amended, and any and all other applicable federal, state or local laws, rules or regulations, whether presently existing or hereafter promulgated. KPMG agrees that compliance with this provision constitutes a condition to continued receipt of funds. KPMG further agrees that all contractors, subcontractors, or others with whom it uses in connection with the Project are not discriminating against those employees in violation of this provision. Upon receipt of evidence of such discrimination, the City reserves the right to immediately terminate this Agreement.

13. Assignment: KPMG shall not assign or otherwise transfer its rights, duties or obligations under this Agreement, in whole or in part, without the prior written consent of the City.

14. Force Majeure: The parties shall use reasonable diligence to ultimately fulfill the intent of this agreement but shall not be liable to each other, or their successors or assigns, for damages, costs, attorney's fees (including costs or attorney's fees on appeal) for breach of contract, or otherwise for failure, suspension, diminution, or other variations of services occasioned by any cause beyond the control and without the fault of the parties. Such causes may include but shall not be limited to, Acts of God, or of the public enemy, acts of other government (including regulatory entities or court) in its sovereign or prior contractual capacity, fires, floods, epidemics, quarantines, restrictions, strikes, or failure or breakdown of transmission or other facilities.

15. Amendments: This Agreement may be amended only by written instrument upon mutual consent of both parties.

16. Land Development Regulations: Notwithstanding anything contained in this Agreement to the contrary, the City does not, by this Agreement, abrogate any right it may have

to grant or deny any particular land development regulatory approval, zoning classification or any applicable permit or approval.

17. Controlling Laws:

a. This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida, and all duly adopted ordinances, regulations and policies of the City now in effect and those hereinafter adopted.

b. The location for settlement of any and all claims, controversies, or disputes, arising out of or relating to any part of this Agreement, or any breach hereof, shall be Orange County, Florida. In the event of a dispute, the parties agree to make reasonable attempts to amicably resolve any issues pertaining to this Agreement prior to commencing litigation in court.

18. Miscellaneous:

a. KPMG warrants that it has not employed or retained any company or person, other than a bona fide employee or consultant working for them, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual for firm, other than a bona fide employee working solely for them, any fee, commission, percentage, gift, or any other consideration that is contingent upon or resulting from the award or making of this Agreement.

b. This Agreement constitutes the entire agreement between the parties with respect to the specific matters contained herein and supersedes all previous discussions, understandings, and agreements. Amendment to or waivers of the provisions herein shall be made by the parties in writing.

c. If any sentence, phrase, paragraph, provision or portion of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed an independent provision and such holding shall not affect the validity of the remaining portion hereto.

19. Notices: Any notices required or allowed herein under shall be in writing and given by certified mail, return receipt requested, or in person with proof of delivery in the addresses below or such other addresses either party shall have specified by written letters to the other party delivered in accordance herewith:

CITY: Economic Development Department Director
City of Orlando
400 South Orange Avenue, 3rd Floor
Orlando, FL 32802

KPMG: KPMG LLP
3 Chestnut Ridge Road, Ste. 2800
Montvale, New Jersey 07645

IN WITNESS WHEREOF, the parties hereto have executed this Economic Development Incentive Agreement as of the date first written above.

KPMG, LLP

By:_____

Print Name:_____

Title:_____

WITNESSES:

(1)_____

Print Name:_____

(2)_____

Print Name:_____

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing Agreement was acknowledged before me this __ day of _____, 2016, by (Name) _____, who is a Partner/Principal _____ of KPMG LLP, acting on behalf of the partnership. He/she is personally known to me or has produced a valid (State) _____ Driver's License as identification.

NOTARY PUBLIC

Print Name: _____

My Commission Expires: _____

CITY OF ORLANDO, FLORIDA

By: _____
Mayor/Mayor Pro Tem

ATTEST:

Interim City Clerk

APPROVED as to form and legality,
for the use and reliance of the
City of Orlando, Florida only.

_____, 2016.

Assistant City Attorney
City of Orlando

STATE OF FLORIDA
COUNTY OF ORANGE

Personally appeared before me, the undersigned authority, _____,
[] well known to me or [] who has produced his/her _____ as
identification, and known to me to be the Mayor/Mayor Pro Tem of the City of Orlando, and
acknowledged before me that he/she executed the foregoing Agreement on behalf of the City of
Orlando as its true act and deed, and that he/she was duly authorized to do so.

WITNESS my hand and official seal this ____ day of _____, 2016.

NOTARY PUBLIC

Print Name: _____

My Commission Expires: _____

September 30, 2027

STATEMENT OF MEETING OBLIGATIONS DESCRIBED IN THE
ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
BETWEEN THE CITY OF ORLANDO, FLORIDA
AND KPMG LLP

Section 4 of the KPMG LLP Economic Development Incentive Agreement entered into in 2016, lists Obligations of KPMG in connection with the granting of an economic development award for its investment in a training and conference center in Orlando, Florida. The following statements are made in connection with the fulfillment of those obligations.

- a. KPMG did construct a training and conference center with lodging that is approximately 800,000 square feet for KPMG Training Attendees which opened in FY 2019-2020.
- b. To the best of my knowledge, KPMG has paid or caused to be paid all permit and similar fees and has complied with all applicable statutes, ordinances, regulations, or the like of the State of Florida, City of Orlando, or other governmental entity with jurisdiction.
- c. KPMG has increased the number of jobs in Orlando by no less than eighty (80) with an average annual wage of \$66,098.00 by 12/31/19. A QTI Business Tax Refund Claim was submitted to the State of Florida documenting in detail the fulfillment of this commitment.
- d. KPMG maintained the jobs created for a period of seven (7) years after the first annual Qualified Target Industry payment was issued for the Project.

Signature: _____

Title: _____ of KPMG LLP

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing Statement was acknowledged before me this ___ day of _____, 2027, by (Name) _____, who is a Partner/Principle _____ of KPMG LLP, acting on behalf of the partnership. He/she is personally known to me or has produced a valid (State) _____ Driver's License as identification.

NOTARY PUBLIC

Print Name: _____

My Commission Expires: _____

EXHIBIT "A"

That part of Section 13 Township 24 South, Range 30 East and that part of Section 18, Township 24 South, Range 31 East Orange County, Florida, described as follows:

BEGIN at the Southeast corner of Tract D, according to the plat of LAKE NONA BOULEVARD, as recorded in Plat Book 63, Pages 138 through 143, of the Public Records of Orange County, Florida; thence N09°13'03"E along the East line of said Tract D and the East line of Tract C of said plat of LAKE NONA BOULEVARD, for a distance of 77.69 feet to the Northeast corner of said Tract C; thence run the following courses and distances along the Northerly line of said Tract C: N73°00'20"W, 54.53 feet; S16°59'40"W, 23.25 feet to a point on a non-tangent curve concave Southeasterly having a radius of 56.00 feet and a chord bearing of S49°52'10"W; thence Southwesterly along the arc of said curve through a central angle of 65°45'01" for a distance of 64.26 feet to the point of tangency; S16°59'40"W, 2.69 feet to the Northerly right-of-way line of Lake Nona Boulevard, of said plat of LAKE NONA BOULEVARD and a point on a non-tangent curve concave Southerly having a radius of 1120.00 feet and a chord bearing of N77°35'15"W; thence departing said Northerly line run Westerly along said Northerly right-of-way line and along the arc of said curve through a central angle of 08°21'28" for a distance of 163.37 feet to a non-tangent line; thence departing said Northerly right-of-way line run N16°47'29"E, 801.00 feet; thence N27°00'33"E, 565.43 feet; thence N63°01'57"E, 286.22 feet; thence N90°00'00"E, 107.00 feet to the Southerly line of a Conservation Easement, as described in Official Records Book 7660, Page 245, of the Public Records of Orange County, Florida; thence run the following courses and distances along said Southerly line: S25°45'27"E, 121.08 feet; S46°03'58"E, 174.46 feet; S23°46'01"E, 156.98 feet; S15°24'26"W, 92.36 feet; S25°12'51"E, 243.02 feet to the Northerly line of a Partial Release of Conservation Easement, as described in Exhibit B (Part 1), of Official Records Book 10271, Page 5159, of the Public Records of Orange County, Florida; thence departing said Southerly line run S74°40'30"E along said Northerly line, 74.74 feet; thence N69°11'57"E along said Northerly line, 20.17 feet; thence S59°58'29"E along said Northerly line, 152.38 feet to the aforesaid Southerly line of a Conservation Easement, as described in Official Records Book 7660, Page 245; thence departing said Northerly line run the following courses and distances along said Southerly line: S59°58'29"E, 80.59 feet; N86°20'05"E, 384.77 feet; S84°25'55"E, 183.78 feet; S55°24'43"E, 123.39 feet; S59°04'16"E, 31.35 feet; thence departing said Southerly line run S59°04'16"E, 50.05 feet to said Southerly line of a Conservation Easement, as described in Official Records Book 7660, Page 245; thence run the following courses and distances along said Southerly line: S59°04'16"E, 69.63 feet; S31°29'01"E, 133.96 feet; S26°29'49"E, 180.12 feet; S36°44'11"E, 29.29 feet; thence departing said Southerly line run S02°55'11"E, 102.77 feet to the aforesaid Northerly right-of-way line of Lake Nona Boulevard and a point on a non-tangent curve concave Southeasterly having a radius of 620.00 feet and a chord bearing of S66°23'14"W; thence run the following courses and distances along said Northerly right-of-way line: Southwesterly along the arc of said curve through a central angle of 41°23'10" for a distance of 447.84 feet to the point of reverse curvature of a curve concave Northerly having a radius of 880.00 feet and a chord bearing of S76°20'40"W; thence Westerly along the arc of said curve through a central angle of 61°18'01" for a distance of 941.50 feet to the point of tangency; N73°00'20"W, 949.45 feet to the POINT OF BEGINNING.

TOGETHER WITH:

A strip of land approximately fifty feet (50') in width, and approximately 0.40 acres in area, connecting the northerly boundary of the above-described real property to the body of water commonly known as Red Lake.