

RESOLUTION NO. 2012 - 110

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, AUTHORIZING THE COUNTY ADMINISTRATOR, OR DESIGNEE, TO EXECUTE AN ECONOMIC DEVELOPMENT GRANT AGREEMENT WITH 2G - CENERGY, ON BEHALF OF ST. JOHNS COUNTY; AND PROVIDING FOR THE EFFECT OF RECITALS; PROVIDING FOR THE CORRECTION OF ERRORS; AND PROVIDING AN EFFECTIVE DATE.

RECITALS

WHEREAS, 2G - CENERGY (aka PROJECT WATCH) submitted an application to the St. Johns County Economic Development Agency (AGENCY) requesting business incentives be considered to occupy an existing industrial building at 205 Commercial Drive, for the purpose of manufacturing clean energy power generation systems; and

WHEREAS, 2G – CENERGY anticipates creating 100-125 new jobs at an average wage of \$50,000; and

WHEREAS, the AGENCY prepared a written report and presented the request to the Board of County Commissioners (BOARD) on November 1, 2011; and

WHEREAS, the BOARD approved the incentive request for two (2) years of Ad Valorem Taxes (general county portion) on tangible personal property for this PROJECT with a value of incentive estimated to be \$77,000; and

WHEREAS, the BOARD directed the County Attorney's office to prepare an Economic Development Grant Agreement upon selection of St. Johns County as the location for this PROJECT; and

WHEREAS, the COUNTY has reviewed the terms, provisions, conditions and requirements of the proposed Economic Development Grant Agreement (attached hereto and incorporated herein), and has determined that accepting the terms of the Economic Development Grant Agreement, and executing said Agreement will serve the interests of the COUNTY.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, THAT:

SECTION 1. Incorporation of Recitals.

The Recitals expressed above are incorporated by reference into the body of this Resolution, and such Recitals are hereby adopted as findings of fact.

SECTION 2. Authorization to Execute.

The County Administrator, or designee, is hereby authorized to execute the Economic Development Grant Agreement on behalf of the County for the purposes mentioned above.

SECTION 3. Correction of Errors.

To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

SECTION 4. Effective Date.

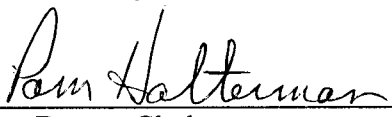
This Resolution shall be effective upon execution by the Chair of the Board of County Commissioners.

PASSED AND ADOPTED by the Board of Board of County Commissioners of St. Johns County, Florida this 3rd day of April 2012.

BOARD OF COUNTY COMMISSIONERS OF ST.
JOHNS COUNTY, FLORIDA

By: 
Mark P. Miner, Chair

ATTEST: Cheryl Strickland, Clerk

By: 
Deputy Clerk



RENDITION DATE 4/5/12

ECONOMIC DEVELOPMENT GRANT AGREEMENT

THIS ECONOMIC DEVELOPMENT GRANT AGREEMENT (“Agreement”) dated this _____ day of _____, 2012, by and between St. Johns County Florida, a political subdivision of the State of Florida, located at 500 San Sebastian View, St. Augustine, Florida, 32084 and **2G – CENERGY Power Systems Technologies, Inc. (2G – CENERGY)**, whose primary place of business is located at **151 College Drive – 15, Orange Park, Florida 32065.**

RECITALS

WHEREAS, Section 125.045, Florida Statutes, declares that a public purpose is served when a County makes economic development grants to private enterprises for the expansion of businesses existing in the County, or the attraction of new businesses to the County; and

WHEREAS, Section 125.045, Florida Statutes, authorizes Counties to spend public funds for economic development activities, including the making of economic development grants; and

WHEREAS, Section 125.045, Florida Statutes, expressly notes that such section of the Florida Statutes, “must be liberally construed in order to effectively carry out the purposes of this section” of the Florida Statutes; and

WHEREAS, consistent with Section 125.045, Florida Statutes, St. Johns County, pursuant to Ordinance 2006-99, *as amended*, adopted and implemented a St. Johns County Business Incentive Program, for the purpose of providing economic development grants for private enterprises (including new industry) which meets the criteria established under Ordinance 2006-99, *as amended*, and receives favorable recommendation for award of an Economic Development Grant by the Board of County Commissioners; and

WHEREAS, **2G – CENERGY** seeks to occupy an existing industrial building at 205 Commercial Drive in St. Johns County, Florida for the purpose of manufacturing clean energy power generation systems; and

WHEREAS, **2G – CENERGY** anticipates creating 100-125 new jobs at an average wage of \$50,000; and

WHEREAS, in accordance with Ordinance 2006-99, *as amended*, **2G – CENERGY** submitted to the County an application for the award of an Economic Development Grant, seeking incentives to reimburse one hundred percent (100%) of the general County portion of tangible personal property taxes for two (2) years associated with the project; and

WHEREAS, in accordance with Ordinance 2006-99, *as amended*, the St. Johns County Economic Development Agency (“Agency”) reviewed the application and issued a report evaluating the proposed enterprise.

NOW THEREFORE, the County and **2G – CENERGY** (collectively “Parties”) hereto for, and in consideration of, the mutual covenants and conditions hereinafter set forth, do hereby agree as follows:

Section 1. Effect of Recitals.

The Recitals expressed above are incorporated by reference into the body of this Agreement, and such Recitals shall be adopted as findings of fact.

Section 2. Project Details/Parameters.

The Project shall be restricted to the specific details and/or parameters contained in **2G – CENERGY’s** Application for Economic Development Grant (“Application”), which was submitted to the County on October 27, 2011, attached hereto and incorporated herein by this reference.

Section 3. Duration.

This Agreement shall be effective from _____, 20____, until 11:59 p.m., Eastern Standard Time, _____, 20____.

Section 4. Definitions.

The following terms shall be defined as follows:

- a) *Board* means the Board of County Commissioners of St. Johns County, Florida.
- b) *County* means St. Johns County, a political subdivision of the State of Florida.
- c) *County Administrator* means the County Administrator of St. Johns County, and/or authorized designees of the County Administrator.
- d) *County Fiscal Year* means and shall reference the period time from October 1 of one calendar year, up to and including September 30 of the following calendar year.
- e) *County Ordinance 2006-99* means St. Johns County Ordinance 2006-88. *as amended*, which among other things, adopted and implemented a County Business Incentive Program, created a Public Economic Development Agency, and authorized expenditure of County Funds for Economic Development Grants.
- f) *Full-time Equivalent Jobs* means full-time equivalent positions, as such terms are consistent with terms used by the Florida Department of Labor and Employment Security, and the United States Department of Labor for purposes of unemployment compensation tax administration, and employment estimation, resulting directly for a Project in the County. This term shall no include temporary construction jobs involved in construction of facilities for the Project,

or any jobs which have previously been included in any application for tax refunds under Sections 228.1045 and/or 288.106, Florida Statutes.

- g) *Grant Agreement* means a written agreement between the County and **2G – CENERGY** that establishes the details of an Economic Development Grant, and this is a pre-condition to **2G – CENERGY** being able to submit a claim for an Economic Development Grant Payment.
- h) *Program* means the St. Johns County Business Incentive Program, in accordance with County Ordinance 2006-99, *as amended*.
- i) *Project* means the creation of a new business within St. Johns County, Florida, or the relocation of a new business from outside the St. Johns County, Florida, and/or the expansion of an existing business within St. Johns County, Florida, and/or development of speculative space for industrial or office use.
- j) *Public Agency* means the Public Economic Development Agency that is created by County Ordinance 2006-99, *as amended*.

Section 5. Total Number of New Full-Time Equivalent Jobs.

The number of New Full-Time Equivalent Jobs was a factor relied upon by the County with respect to entering into this Agreement. Therefore, the number of New Full-Time Equivalent Jobs in the County shall be considered a condition associated with **2G – CENERGY** submitting a claim for, or receiving, any County Economic Development Grant payment(s).

Consistent with **2G – CENERGY**'s application for a County Economic Development Grant, **2G – CENERGY** will provide at least 100 new Full-time Equivalent Jobs in St. Johns County as a result of the project, phased at 20 new Full-time Equivalent Jobs per year for an estimated five years from the date of the agreement.

Section 6. Average Wage of Full-Time Equivalent Jobs.

The average wage of the New Full-Time Equivalent Jobs was a factor relied upon by the County with respect to entering into this Agreement. Therefore, the average wage of the New Full Time Equivalent Jobs in the County shall be considered a condition associated with **2G – CENERGY** submitting a claim for, or receiving, any County Economic Development Grant payment(s).

Consistent with **2G – CENERGY**'s application for a County Economic Development Grant, **2G – CENERGY** will provide wages at an average of \$50,000 annually for the New Full-Time Equivalent Jobs in St. Johns County as a result of the project.

Section 7. Payment Fees and/or Taxes Prior to Claim Submission.

Prior to any submission of claim by **2G – CENERGY** to the County for Economic Development Grant payment(s), **2G – CENERGY** shall pay to the County a total amount equal to the general County portion of County Ad Valorem Taxes. It is expressly understood by the parties that the total amount of County Ad Valorem Taxes (to the

extent not adjusted by increased property values) shall be paid by **2G – CENERGY** prior to **2G – CENERGY** applying for, and/or receiving any County Economic Development Grant payment(s) in any eligible County Fiscal Year.

Section 8. Authority of the Board to Review, Verify Records.

(a) The Board (or when duly authorized, the Board's designee) specifically and explicitly reserves the right to review, inspect, examine and verify the financial and personnel records of **2G – CENERGY** in order to determine the degree of **2G – CENERGY's** compliance with this Agreement, as well as **2G – CENERGY's** compliance with County Ordinance 2006-99, *as amended*.

(b) The Board (or when duly authorized, the Board's designee) further specifically and explicitly reserves the right to review, inspect, examine and verify any and all data, information, correspondence and documents, regardless of form or format, of **2G – CENERGY** in order to determine the degree of **2G – CENERGY's** compliance with this Agreement, as well as **2G – CENERGY's** compliance with County Ordinance 2006-99, *as amended*.

Section 9. Timely Filed Claims; Consequences for Failure to File Timely Claims.

(a) In accordance with County Ordinance 2006-99, *as amended*, the first County Economic Development Grant payment shall be available to **2G – CENERGY**, and may be distributed, during the eligible County Fiscal Year in which the requisite Tangible Personal Property is recognized on the County's Ad Valorem Tax roll.

(b) For each County Fiscal Year in which **2G – CENERGY** is eligible for an Economic Development Grant payment by the County, **2G – CENERGY** shall submit a claim to the County for such payment by prior to the end of that particular County Fiscal Year.

(c) In the event **2G – CENERGY** fails to timely submit a claim to the County for Economic Development Grant payment during any eligible County Fiscal Year, then **2G – CENERGY** shall waive its right to such payment for that particular eligible County Fiscal Year. Any such waiver during any particular County Fiscal Year shall not affect **2G – CENERGY's** ability or right to seek County Economic Grant payments in any other particular County Fiscal Year.

(d) Upon written request by **2G – CENERGY**, the Board, at its sole discretion, may grant Special Relief to **2G – CENERGY** to consider and approve an untimely claim for County Economic Development Grant payment in an eligible County fiscal year. Such Special Relief shall be granted no more than once during the term of this Agreement.

Section 10. Conditions of Compliance; Consequence for Failure to Comply.

- (a) In order to remain eligible for County Economic Development Grant payment(s), **2G – CENERGY** must abide by and comply with the provisions set forth in this Agreement, any incorporated attachments/exhibits, any amendments hereto and any applicable provisions of County Ordinance 2006-99, *as amended*.
- (b) **2G – CENERGY** must complete the Project by no later than 11:59 p.m., Eastern Standard Time, April 3, 2013.
- (c) Should the Board determine that **2G – CENERGY** has failed to comply with the conditions noted above, then the Board shall promptly notify **2G – CENERGY** of such non-compliance (and in any event, no later than thirty (30) days after the Board makes such a determination of non-compliance) . Upon the date of such notification, **2G – CENERGY** shall be granted thirty (30) days in which to submit to the County a written report that sufficiently documents **2G – CENERGY**'s compliance with the conditions set forth above, or that sufficiently details all corrective action taken by **2G – CENERGY** in order to come into compliance with the conditions set forth above.
- (d) In the event that **2G – CENERGY** fails to sufficiently establish its compliance with the conditions set forth above within thirty (30) days after notification of non-compliance, then the County may terminate this Agreement with no further notice to **2G – CENERGY**, and shall be released from any further obligations as provided herein.

Section 11. Conditions Associated with Economic Development Grant Payment(s).

- (a) **2G – CENERGY** shall submit each Claim for Economic Development Grant Payment to the County Administrator.
- (b) As noted elsewhere in this Agreement, each Claim for Economic Development Grant Payment must be filed during the eligible County Fiscal Year.
- (c) Each Claim for Economic Development Grant Payment shall include a copy of all receipts or other relevant data and/or documentation related to the achievement of each applicable performance condition specified in this Agreement.
- (d) The amount requested by **2G – CENERGY** in each Claim for Economic Development Grant Payment shall not exceed the amount specified in this Agreement for the eligible County Fiscal Year.

- (e) The first Claim for Economic Development Grant Payment by **2G – CENERGY** shall include **2G – CENERGY**'s authorization to deliver this Agreement to the County Administrator and to disclose the contents of this Agreement to the public.
- (f) Upon receipt of each Claim for Economic Development Grant Payment by **2G – CENERGY**, the County Administrator shall review, evaluate and determine: (1) if **2G – CENERGY** has met and complied with all applicable terms and conditions of this Agreement; and (2) if the Board has appropriated adequate funds necessary to make the Economic Development Grant Payment. Upon determination that **2G – CENERGY** has complied with the terms and conditions of this Agreement, and that the Board has appropriated adequate funding, the County Administrator shall approve each Claim for Economic Development Grant Payment.
- (g) Upon approval by the County Administrator, a check shall be made payable to **2G – CENERGY** in the amount of the approved Claim for Economic Development Grant Payment.
- (h) No Economic Development Grant payment shall be made unless, and until, **2G – CENERGY** submits a Claim for Economic Development Grant Payment, and such claim is approved by the County Administrator in the manner set forth in County Ordinance 2006-99, *as amended*.

Section 12. Acknowledgment of Compliance as a Condition Precedent to Payment and Consequences for Failure to Comply.

- (a) By executing this Agreement, **2G – CENERGY** hereby acknowledges, understands and agrees that compliance with all applicable terms, conditions, provisions and requirements contained in this Agreement shall be a condition precedent to **2G – CENERGY** receiving any Economic Development Grant Payment(s).
- (b) By executing this Agreement, **2G – CENERGY** further acknowledges, understands and agrees that failure by **2G – CENERGY** to comply with all applicable terms, conditions, provisions and requirements contained in this Agreement shall result in **2G – CENERGY** losing its eligibility to receive Economic Development Grant Payment(s) in the County Fiscal Year of such non-compliance.

Section 13. Requisite Notice Regarding Grant Payment(s) to 2G – CENERGY.

Pursuant to County Ordinance 2006-99, *as amended*, the following notice is set forth, and incorporated herein:

This Economic Development Grant Agreement is neither a general obligation of St. Johns County, nor is it backed by the full faith and credit of St. Johns County. Payment of each Economic Development Grant Payment is conditioned upon, and subject to, specific annual appropriations by the Board of County Commissioners of St. Johns County of monies sufficient to pay the Economic Development Grant Payment(s) due that year.

Section 14. Effect of Short Fall and/or Unavailability of Funds.

- (a) The County makes no express commitment to provide Economic Development Grant funds any given County Fiscal Year. Moreover, it is expressly noted that **2G – CENERGY** cannot demand that the County provide any such funds in any given County Fiscal Year.
- (b) It is specifically noted that if Economic Development Grant Funds are unavailable in one or more County Fiscal Years, **2G – CENERGY** is not entitled to receive one or more Economic Development Grants payments in a succeeding County Fiscal Year in order to make up such short-fall and/or unavailability of funds, unless the Board specifically and expressly authorizes such payment by County Resolution (which shall also be noted in an amendment to this Agreement).

Section 15. Total Amount of Economic Development Grant; Re-calculation of Total Amount Permitted.

Consistent with, and based upon, the methodology set forth in County Ordinance 2006-99, *as amended*, and all Exhibits attached to and incorporated herein, the total amount of the Economic Development Grant payment(s) (which is referenced throughout this Agreement) represents the annual general County portion of annual tangible personal property tax.

It is expressly noted that the actual amount of the Economic Development Grant payment(s) may fluctuate in any given County Fiscal Year based upon periodic increases in property values.

The Economic Development Grant payment(s) shall be distributed to **2G – CENERGY** over a maximum period of two (2) years.

Section 16. Eligible County Fiscal Years.

For purposes of this Agreement, the following represent eligible County Fiscal Years:

- (1) 2014
- (2) 2015

Section 17. Economic Development Grant Payment(s) for Each Eligible Fiscal Year.

- (a) As provided elsewhere in this Agreement and subject to **2G – CENERGY**'s compliance with County Ordinance 2006-99, *as amended*, and the terms and conditions of this Agreement, the amount of Economic Development Grant Payment(s) for each eligible County Fiscal Year is estimated to be an average of approximately \$38,500.
- (b) In any given eligible County Fiscal Year, the amount of an Economic Development Grant payment paid to **2G – CENERGY** may be adjusted to reflect an increase in property values.
- (c) Notwithstanding any other provision contained in this Agreement and/or County Ordinance 2006-99, *as amended*, the maximum economic development incentive available in Economic Development Grant payment(s) to **2G – CENERGY** shall not exceed \$77,000, unless otherwise approved by the Board.

Section 18. Notices.

All Official Notices to the **County** shall be delivered either by hand (receipt of delivery required), or by certified mail to:

St. Johns County Economic Development Director
500 San Sebastian View
St. Augustine, Florida 32084

With a copy to the Office of County Attorney:

Office of County Attorney
500 San Sebastian View
St. Augustine, Florida 32084

All Official Notices to **2G – CENERGY** shall be delivered either by hand (receipt of delivery required), or by certified mail to:

**151 College Drive – 15
Orange Park, FL 32065**

Section 19. Timeframe for 2G – CENERGYs' Approval, Acceptance and Execution of this Agreement; Consequences for Failure to Comply.

- (a) Consistent with County Ordinance 2006-99, *as amended*, **2G – CENERGY** shall, within thirty (30) days of the date that this Agreement is approved by the Board, execute and deliver two (2) copies of this Agreement to the Public Agency.

(b) Consistent with County Ordinance 2006-99, *as amended*, in the event that **2G – CENERGY** fails to timely execute and deliver two (2) copies of this Agreement to the Public Agency within the thirty (30) day time frame set forth above, the effect of such failure on the part of **2G – CENERGY** shall result in the automatic termination of the Board’s Approval of this Agreement.

(c) The automatic termination as set forth above shall be deemed a rejection of this Agreement by the Board, and shall therefore render this Agreement null, void and having no further effect. Upon the occurrence of such circumstances, neither the County nor the Board shall be required to provide **2G – CENERGY** any notice, official or otherwise of such rejection of the Agreement.

Section 20. Amendments to this Agreement.

Both the County and **2G – CENERGY** acknowledge that this Agreement constitutes the complete agreement and understanding of the parties.

Further, both the County and **2G – CENERGY** acknowledge that any change, amendment, modification, revision, or extension of this Agreement (other than termination, as noted elsewhere in this Agreement) shall be in writing, and shall be executed by duly authorized representatives of both the County, and **2G – CENERGY**.

Section 21. Termination.

This Agreement is automatically terminated should **2G – CENERGY** fail to abide by or comply with any term, condition, provision or requirement stated in this Agreement, including any amendments hereto, for which adherence to or compliance with is mandated or required (under County Ordinance 2006-99, *as amended*, or this Agreement and any amendment hereto).

This Agreement may be terminated by the County should the Board determine that **2G – CENERGY** is not in compliance with or adhering to any term, condition, provision or requirement of this Agreement (and any amendment hereto) that is necessary for **2G – CENERGY** to maintain its eligibility to receive Economic Development Grant payment(s) in any County Fiscal Year for the Duration of this Agreement.

Section 22. Expedited Processing of Local Permits and Licenses.

To the extent necessary, and in accordance with local, state and federal law, the County Administrator may, upon written request by **2G – CENERGY**, direct County staff to expedite the County’s permitting/licensing process in order to facilitate progress of the Project as specifically described in the Application.

Section 23. Assignment.

In light of the scope and rationale for this Agreement, **2G – CENERGY** may not assign, transfer or sell any rights noted in this Agreement. Any attempts to assign, transfer or sell any rights noted in this Agreement by **2G – CENERGY**, or any affiliate, subsidiary or parent company of **2G – CENERGY** is strictly prohibited. Should **2G – CENERGY** or any affiliate, subsidiary or parent company of **2G – CENERGY** assign, transfer or sell any rights noted in this Agreement, such action or attempted action shall constitute cause for automatic termination of this Agreement with no further notice to **2G – CENERGY**.

Section 24. Access to Records.

The access to, disclosure, non-disclosure, or exemption of records, data, documents, and/or materials, associated with this Agreement shall be subject to the applicable provisions of the Florida Public Records Law (Chapter 119, Florida Statutes), and other applicable State or Federal law. Access to such public records, may not be blocked, thwarted, and/or hindered by placing the public records in the possession of a third party, or an unaffiliated party.

Section 25. Captions.

The captions and headings in this Agreement are for convenience only and do not define, limit, or describe the scope or intent of any Articles or Sections of the Lease.

Section 26. Severability.

If any word, phrase, sentence, part, provision, section, subsection, article exhibit or other portion of this Agreement, or any application thereof, to any person or circumstance is declared void, unconstitutional, or otherwise invalid for any reason by a court of competent jurisdiction, then such word, phrase, sentence, part, provision, section, subsection, article exhibit or other portion of this Agreement, or proscribed application thereof, shall be severable and all applications thereof not having been declared void, unconstitutional or invalid shall remain in full force and effect.

Section 27. Authority to Execute.

Each party covenants to the other party that it has the lawful authority to enter into this Agreement and has authorized the execution of this Agreement by the party's authorized representative.

IN WITNESS WHEREOF, the parties have set their hand and seals as of the _____
day of _____, 2012.

**ST. JOHNS COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS**

By: _____
County Administrator

ATTEST: CHERYL STRICKLAND, CLERK

By: _____

2G -- CENERGY

By: _____

WITNESS AS TO:

By: _____

Print: _____

Rec 10/27/11

**ST. JOHNS COUNTY
ECONOMIC DEVELOPMENT INCENTIVE APPLICATION**

Applicant's name: CENERGY Power Systems
Technologies Inc. (DBA 2G-CENERGY)

Federal Employer Identification Number: 27-0961355

State Sales Tax Registration Number: 20-8015504003-0

Current Company Headquarters and address: 151 College Drive – 15
Orange Park, FL 32065

Group Headquarters:
2G Group of Companies
Benzstrasse 3, 48619 Heek, Germany

Primary Contact Person: Michael J. Turwitt

Primary Contact Person Title: President & CEO

Primary Contact Person Address: 151 College Drive – 15
Orange Park, FL 32065

Contact Person Phone: (business): _(904) 579-3217 / 3057

Contact Person Cell: _(904) 662-3228

Contact Person Fax: _(904) 406-8727

Contact Person E-mail: mturwitt@2g-cenergy.com

The company requires confidentiality in its requests for consideration on economic incentives.

X Yes _____ No

If applicant answers "Yes" with respect to requesting confidentiality in its request for consideration on economic incentives, then the following authorization is required:

The applicant authorizes the disclosure, and covenants to hold the County, and its officials and employees and the Public Agency and its members, attorney, and staff harmless and release them from any liability that they incur, should they or any of them disclose information or records that the applicant has requested be kept confidential in the manner, and to the extent that is set forth in Section 288.075, Florida Statutes, when such disclosure is later requested or authorized by the applicant, when such information and records are no longer exempt from disclosure under the provisions of Section 288.075, Florida Statutes, when such disclosure results from an order, requirement or request, by, or from, a court of competent jurisdiction, or a Florida agency or department, or when such disclosure is required or authorized to be disclosed by this Ordinance, as amended from time to time.

Description of the primary and secondary business activities the company is engaged in:

2G - CENERGY Power Systems Technologies Inc. a 2G Bio-Energy Technology Corporation (2G Bio-Energietechnik AG, Germany) group company is a leading manufacturer of technologically advanced and proven biogas & natural gas energy conversion systems to generate electricity and heat, while reducing CO2 emissions and greenhouse gases. All biogas & natural gas CHP plants are designed and manufactured "plug & play connection-ready". With more than 1,800 clean energy power generation plants manufactured, the company's CHP cogeneration systems guarantee extreme high energy efficiency, reliability and durability. 2G is manufacturing "best-in-class" technology, and is a European market leader in it's segment.

Type of Facility Development: _____ new _____ expansion _____ speculative
Looking for an existing facility, enabling a quick start of production.

If speculative space, what is the intended use: will be used for manufacturing

Date construction is projected to begin: N/A looking for an existing building

Date facility will be complete and operational: Production Start in March / April 2011

Estimated Square Footage of Facility Under Roof H/C: 18,500 to 25,000 to start with. Gradually expanding to 50,000

Number of full-time employees to be employed: This new facility / project will create at least 100 to 125 direct clean energy manufacturing jobs, PLUS additional jobs at suppliers and subcontractors in the region.

Total number of full-time employees currently employed: 5 full time + 2 part time + 12 sales
reps at the current location /
subsidiary here in the USA.

4-digit SIC Code for all activities included in the project: 3699
5 Digit NAICS Code 237130

Will the applicant be applying for other local, State, or Federal grants and/or incentives? If so,
please define:

Yes, applied for incentives with the State of Florida, through Enterprise Florida.

An explanation of the type of employment proposed and the average annual pay rate (please
provide a list of positions and the wage rate for each position):

3. JOB AND WAGE OVERVIEW

- A. How many Florida jobs are expected to be created as part of this project? 100
- B. If an existing business unit, how many Florida jobs are expected to be retained as part of this project? (Jobs in jeopardy of leaving Florida should only be included here; these jobs are not eligible for QTI) 5
- C. What is the anticipated annualized average wage (excluding benefits) of the new to Florida jobs created as part of this project? (Cash payments to the employees such as performance bonuses and overtime should be included. The wage reported here is only an estimate of the average wage to be paid and will not be used in the certification, agreement, and claim evaluation process.) \$50,000.00
- D. What is the annualized average value of benefits associated with each new job created as part of this project? \$8,000.000
- E. What benefits are included in this value? (health insurance, 401(k) contributions, vacation and sick leave, etc.)
Health insurance, 401(k) contributions, vacation, sick leave and tuitions assistance

There will be a variety of jobs, from typical manufacturing workers, to administrative staff, engineers, and management.

Capital Investment Values:

4. CAPITAL INVESTMENT OVERVIEW

A. Describe the capital investment in real and personal property (Examples: construction of new facility; remodeling of facility; upgrading, replacing, or buying new equipment.):

The initial investment is estimated to be approx. 5 million US\$.

B. Will this facility be:

- Leased space with renovations or build out *(Has not yet been decided)*
- Land purchase and construction of a new building
- Purchase of existing building(s) with renovations *(Has not yet been decided)*
- Addition to existing building(s) (already owned)
- Other (please describe in 4A above)

C. List the anticipated amount and type of major capital investment to be made by the applicant in connection with this project:

| Calendar Year : | 1. Year | 2. Year | 3. Year | 4. Year | 5. Year | Total |
|--|--------------------|--------------------|------------------|--------------------|------------------|---------------------|
| Land or Building Purchase | \$ | \$ | \$ | \$3,000,000 | \$ | \$3,000,000 |
| Construction / Renovations | \$1,500,000 | \$1,500,000 | \$200,000 | \$1,500,000 | \$200,000 | \$4,900,000 |
| Manufacturing Equipment | \$3,500,000 | \$2,000,000 | \$100,000 | \$1,000,000 | \$150,000 | \$6,750,000 |
| R&D Equipment | \$ | \$ | \$ | \$ | \$ | \$ |
| Other Equipment (computer equipment, office furniture, etc.) | \$100,000 | \$50,000 | \$30,000 | \$300,000 | \$40,000 | \$520,000 |
| Total Capital Investment | \$5,100,000 | \$3,050,000 | \$330,000 | \$5,800,000 | \$390,000 | \$14,670,000 |

Description of the proposed project explaining the desire to expand, locate or build within St. Johns County. A brief statement explaining the role that the County's Economic Development Grant will play in the decision of the applicant to locate or expand its' business in the County:

Give a full description of this project, including a company overview, the primary activities / functions of this business unit and project, and the reasons for contemplating an expansion in / relocation to Florida:

2G - CENERGY Power Systems Technologies Inc. a 2G Bio-Energy Technology Corporation (2G Bio-Energietechnik AG, Germany) group company is a leading manufacturer of technologically advanced and proven biogas & natural gas energy conversion systems to generate electricity and heat, while reducing CO2 emissions and greenhouse gases. All biogas & natural gas CHP plants are designed and manufactured "plug & play connection-ready". With more than 1,800 clean energy power generation plants manufactured, the company's CHP cogeneration systems guarantee extreme high energy efficiency, reliability and durability. 2G is manufacturing "best-in-class" technology, and is a European market leader in it's segment.

2G Bio-Energietechnik AG is publically traded at the Frankfurt Stock Exchange. The company is a major player in the green-and renewable energy market.

The US and South American headquarters of 2G is already located in Florida (Jacksonville, Orange Park, FL 32065). The US distribution company and sales office was established in 2009, and in early 2010 the group started to introduce 2G's products primarily in the United States.

Only after 1 ½ years (18 months) 2G was able to obtain orders in excess of 6 million US\$ and 10 million US\$ will be reached by the end of 2011.

The renewable energy market (green & efficient energy) in the United States is developing with fast pace and 2G products are in high demand. There is basically no comparable product offered by any US company that would meet 2G's efficiency, quality, and durability standards.

Because of the above described high demand, and initial success, the 2G group is now considering to establish an assembly / manufacturing facility in the United States. The future US factory would serve the North-and South American markets.

Green / Clean and Renewable Energy is the industry that will shape the future. As already demonstrated in Europe where this industry is approx. 25 years ahead of the US, millions of new high paying jobs have been created. Our industry is a very important job creator, assisting to reduce unemployment rates, reducing poverty rates, and significantly increasing per capita income. Our technology requires a work force that earns well above average, and the business is instrumental in elevating the economy. For example, our parent company in Germany is growing every year by more than 50%, continuously expanding the manufacturing facilities, and additionally generating hundreds of indirect jobs in supplying industries (vendors, suppliers, service providers, etc.) located in the surrounding area.

Provide a summary of past activities in Florida and in other states. For example, what kind of corporate citizen has the applicant been? Also list awards or commendations.

Since entering the US market, 2G-CENERGY has been extremely successful. Only after 1 ½ years (18 months) 2G was able to obtain orders in excess of 6 million US\$ and 10 million US\$ will be reached by the end of 2011. The renewable energy market (green & efficient energy) in the United States is developing with fast pace and 2G products are in high demand. There is basically no comparable product offered by any US company that would meet 2G's efficiency, quality, and durability standards. Because of the above described high demand, and initial success, the 2G group is now considering to establish an assembly / manufacturing facility in the United States. The future US factory would serve the North-and South American markets.

Submit a Site Plan:

Location map identifying the proposed location and property boundaries with an explanation of the possible transportation impacts.

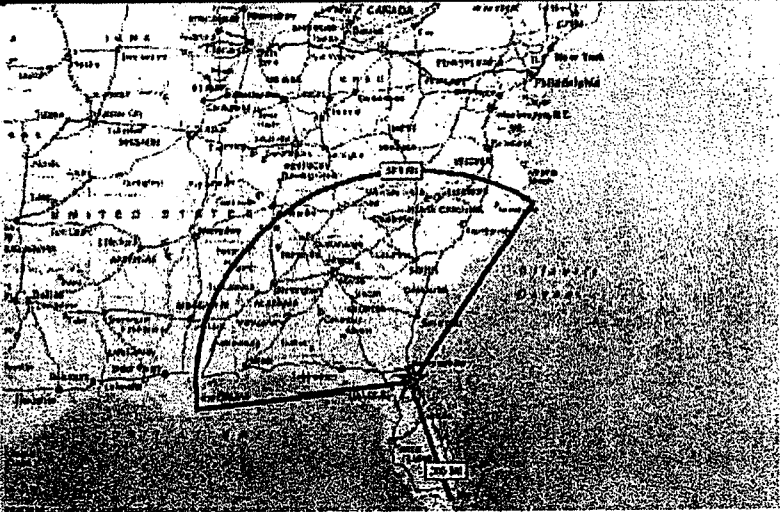
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**6.2 Acre Site with
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FOR MORE INFORMATION

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**Doug Wendell
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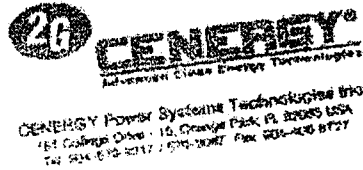
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Jacksonville, Florida 32256**

**904-399-5772/FAX 399-0130
Ext. 3123 after hours**

www.phoenixrealty.net



**Michael J. Turwitt
President & CEO
Applicant Signature and Title**



Date: 07/11/2011

Amended 8.22.06