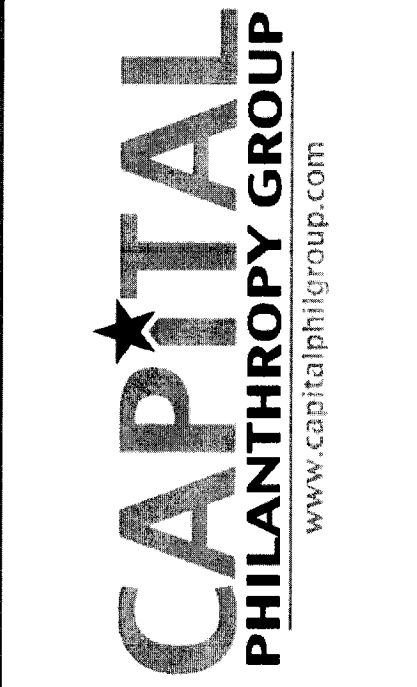


TAB 1

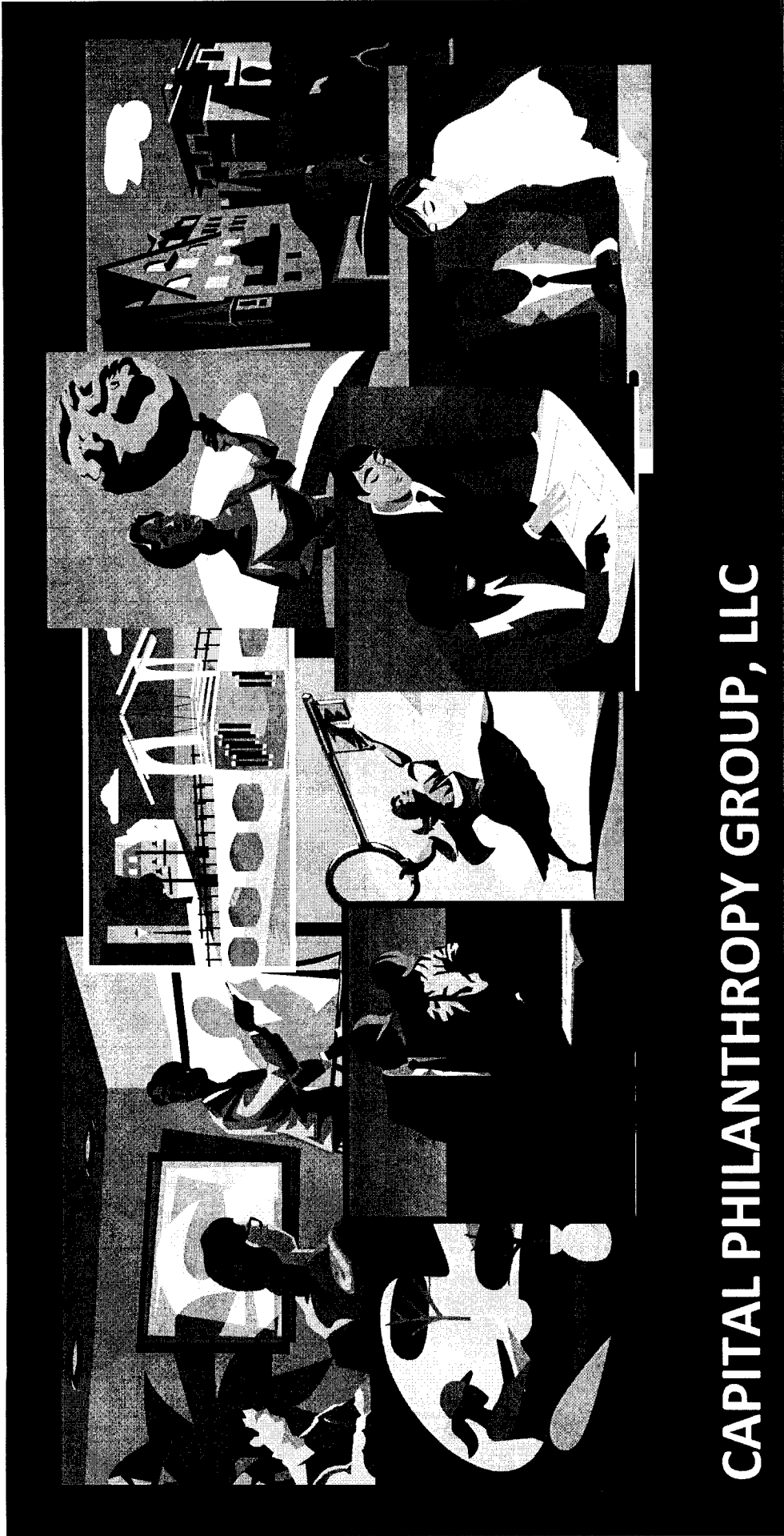
Florida Community Contribution Tax Credit Program (CCTIP)



CHANGING THE WORLD

ONE PROJECT AT A TIME





CAPITAL PHILANTHROPY GROUP, LLC

Originally organized as Florida Planning Consortium in 1993, Capital Philanthropy Group, LLC has grown quickly to support client projects for cities, counties, and State governments as well as not for profits and private clients. Since 1982, decades before Stimulus grant funding became the flavor of the day, CPG professionals successfully obtained governmental and private funding for projects throughout the southeastern United States. Our funding stewardship services include a thorough examination of all avenues and makes government grants a priority focus for community infrastructure funding.

CPG is one of the few leaders in federal grant funding, which positions our clients to receive significant funding quickly and for many years to come.

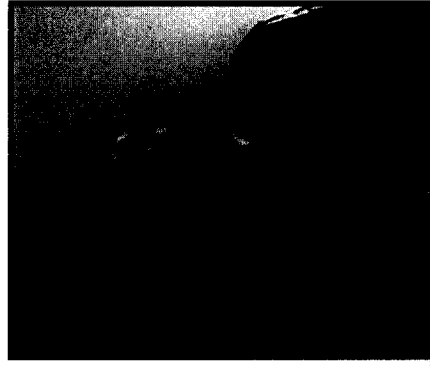
CAPITAL
PHILANTHROPY GROUP
WWW.CAPITALPHILANTROPY.COM

WHO WE ARE



Deborah S. Golden Gestner, GPC

Deborah S. Golden-Gestner, GPC founded Capital Philanthropy Group (formerly known as The Florida Planning Consortium) in 1993. With more than 25 years of experience in management and government, Deborah provides each client a world of knowledge which resolves local and regional funding issues thought to be impossible. Since 1982 Deborah has successfully provided grant funding to various projects totaling more than **one billion dollars** in grants, governmental subsidies or loans, private sector support and tax credits.



Steven J. Stepleman

Steven J. Stepleman is currently the Vice President and Chief Technology Officer with Capital Philanthropy Group based out of Boca Raton, Florida. Steven has degrees in Business Administration and Information Technology, as well as multiple current certifications including **Microsoft, Novell, and Six Sigma**. He is proud to have transitioned many organizations into the information age by developing IT infrastructure, project management tools, offering clients live and web-based training, and providing timely funding updates and information via the web. He is a firm believer that technology and reporting is a key element to support Capital Philanthropy Group's mission of providing top client care via technology and project support.

Approved Expenditures

We can fund the following Projects and Expenses:

- ❖ Roads
- ❖ Streetscapes
- ❖ New Building Construction
- ❖ Building Renovations
- ❖ Recreational Facilities
- ❖ Public Safety Equipment
- ❖ Drainage Improvements
- ❖ Water & Sewer Lines
- ❖ Right Of Way Acquisition
- ❖ Property Acquisition
- ❖ Brownfield Cleanup
- ❖ Workforce Training
- ❖ Entertainment Facilities
- ❖ Public Facilities
- ❖ Professional Sports Complexes
- ❖ Technology Upgrades
- ❖ Advertising
- ❖ Special Events
- ❖ Art and Cultural Exhibits
- ❖ Historic Preservation
- ❖ "Green" Projects
- ❖ Museums
- ❖ Hospitals and Health Care
- ❖ High Speed Internet
- ❖ Education
- ❖ Services for the Elderly and Disabled
- ❖ Operating and Overhead Expenses
- ❖ Project Asset Acquisition
- ❖ Payroll and Employee Salaries



PAST PERFORMANCE

Notable Projects

CPG operates 'behind the scenes' allowing all accolades to come to the client. Here are a few CPG assisted projects you may be familiar with:

City of Sarasota, Florida Main Street Bayfront Revitalization Project	1992	\$1,600,000.00
State of Florida, Florida Manufactured Housing and Mobile Home Mitigation and Enhancement Program through My Safe Florida Home	2006-2007	\$22,500,000.00
Children's Miracle Network National Headquarters, Salt Lake City Utah	2007	\$2,500,000.00
State of Florida, Department of Environmental Protection, Revolving Water Loan Fund – (Various Projects)	Ongoing	\$590,000,000.00
Ringling School of Art, Sarasota Florida – CCTIP Building Program	2002-2004	\$6,000,000
Manatee Players, Bradenton Florida CCTIP Tax Credit Building Program	2009 & 2010	\$12,000
Allegheny County - IDA Bonds, US Steel Pollution Control Bonds - Pennsylvania	1982	\$428,000,000.00
Florida Holocaust Museum, Institute of Library Services & Museum	2003	\$4,225,000.00
State of Florida, Glades County – Florida Parks & Recreation Comp Plan Element Project	1995	\$1,000,000.00
City of Bradenton, Florida, Third Avenue Extension and Riverfront project	1999	\$1,000,000.00

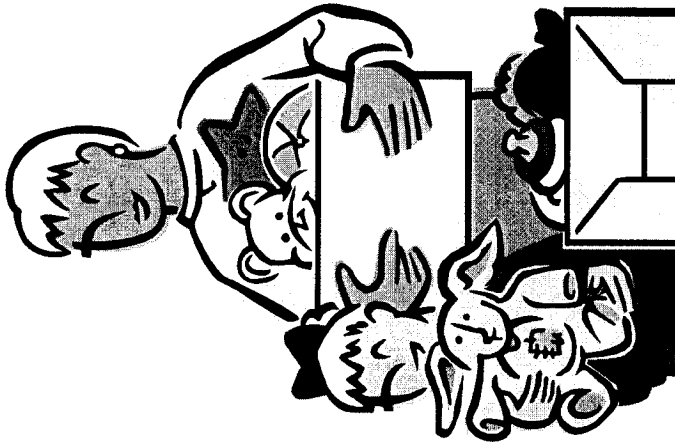


**EXECUTIVE OFFICE
OF THE GOVERNOR
OFFICE OF TOURISM,
TRADE AND ECONOMIC
DEVELOPMENT
(OTTED)**

FLORIDA COMMUNITY CONTRIBUTION TAX CREDIT PROGRAM (CCTCP)

Florida's Business Incentive for City's & Charitable Organizations

Soliciting donations can be difficult, especially in these economic times, no matter the mission of your organization. When everyone is tightening their belts, giving becomes a luxury many cannot afford.



For businesses, charitable giving has been a way to advertise and attract customers as well as the benefits of helping their community nonprofits. Many businesses take advantage of the tax benefits for their donations and community involvement.

However in tough times, corporate giving becomes more difficult as businesses tighten their belts.

“There can be little doubt that a certain amount of corporate philanthropy is simply good business and works for the long-term benefit of the investors.”

**John Mackey,
CEO, Whole Foods**

While a business cannot be faulted for maintaining their profitability, corporate donations represent a large part of the giving community and cannot afford to be lost.

Attracting Corporate Donations

As many corporate donations are based on both philanthropic and business goals, creating a donation option with almost no total cost to the business would obviously impact these contributions.

The Community Contribution Tax Credit Program (CCTCP) offers **significant tax incentives** to businesses who donate to qualified projects. Donations to qualified projects will be eligible for Florida Corporate Income Tax credits, Insurance Tax credits or Sales Tax refunds of 50% of the donation amount **up to \$200,000 per tax year**. This is in this example below --- a \$100,000 donation:



Corporate Donation*

Here, the actual cost is only 25% of the donation amount after the tax benefits are applied!	Donation to Nonprofit	\$100,000.00
	Value of Donation Write Off (taxes avoided)	\$25,000.00
	Reimbursement of Donation from CCTIP	<u>\$50,000.00</u>
	Total Cash Value of Donation (to Company):	\$75,000.00
	Actual Cost of Donation:	\$25,000.00

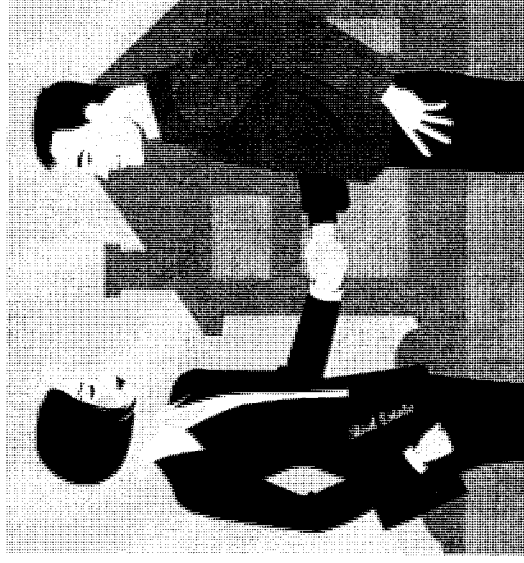
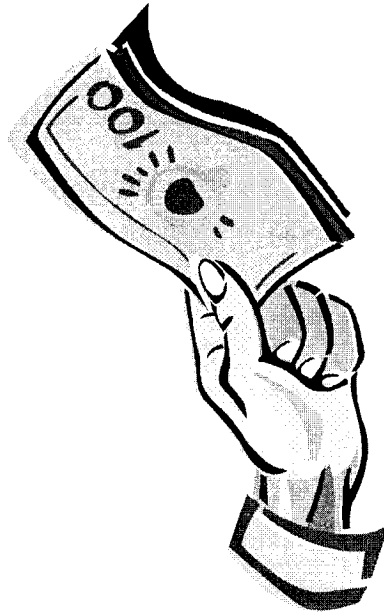
*Based on a 25% corporate tax bracket.

CAPITAL
PHILANTHROPY GROUP

CCTCP AS A FUNDRAISING TOOL

Attracting Private Donations

Corporations are not the only beneficiary of this program. Private individuals with sales and insurance income tax liability may also receive incentives. Rental properties and real estate holdings are also subject to Florida Sales Tax. These donors can recoup their sales tax paid in the same manner as a corporate donor.

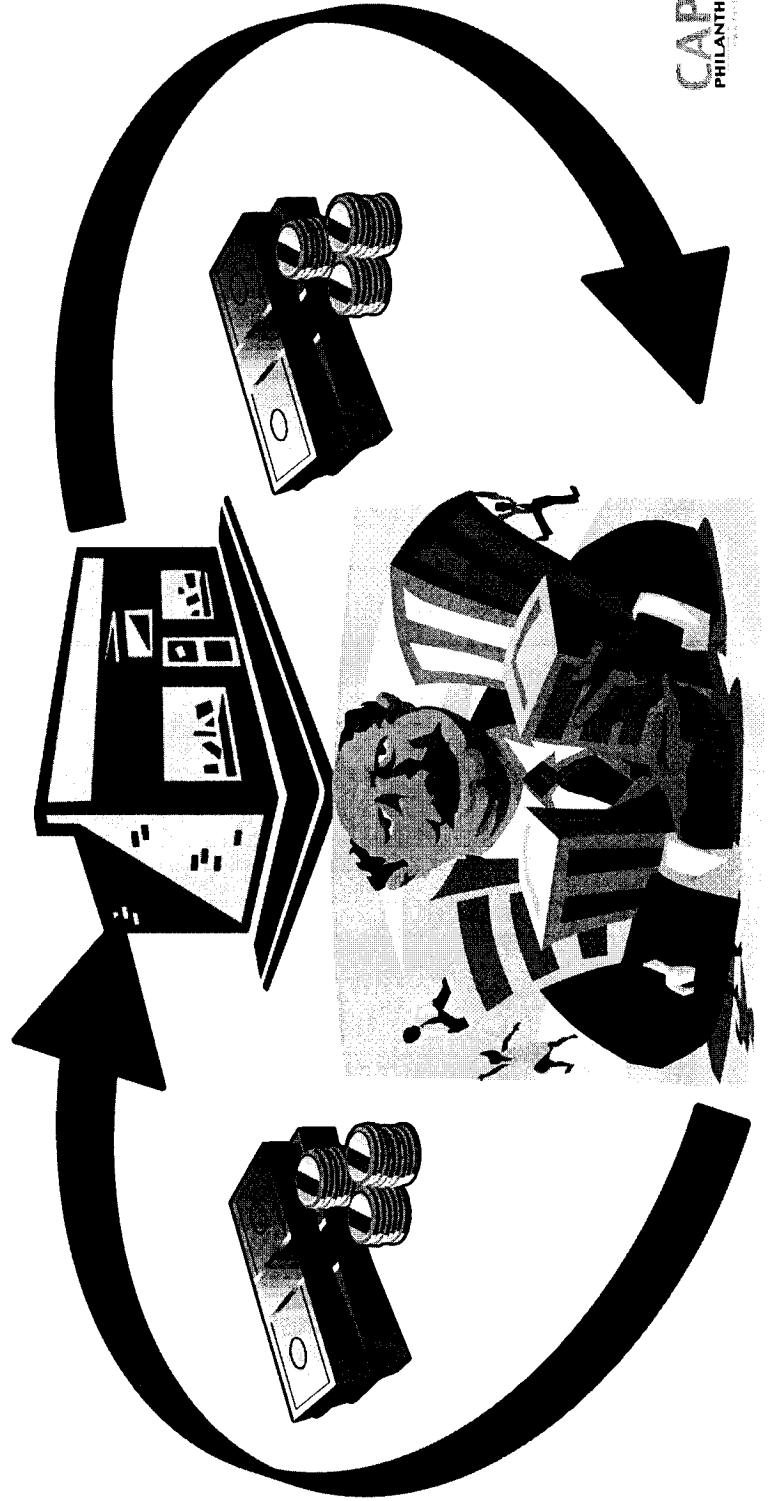


CCTCP AS A FUNDRAISING TOOL

Attracting Corporate Donations

**If we are a little more creative, CPG can convert your vendors into donors.
For example, if your organization pays \$100,000 per year in rent:**

IF your contractor offers you a BID for \$100,000 of work – then they can provide a discount immediately to your project by trimming 20% or MORE from the submitted bid amount. The CITY then provides the contractor with a receipt for his bid adjustment which thereby provides the CITY an immediate discount to the CITY for its project.



Attracting Corporate Donations

The Vendor can use the donation as a tax write off as well as receive the tax refund on sales tax.

After all tax benefits are considered, the donation becomes a simple business decision. The annual receipts wash out the donation but leave the tax benefit and the tax refund. In this example, the donor actually makes a profit on the donation!

Example Donation Breakdown

Annual Donation to Nonprofit/CITY (\$100,000.00)

Annual Receipts from Nonprofit/CITY \$100,000.00

Tax Benefit of Donation* \$25,000.00

CCTIP Refund \$50,000.00

Total Donor Benefit \$75,000.00

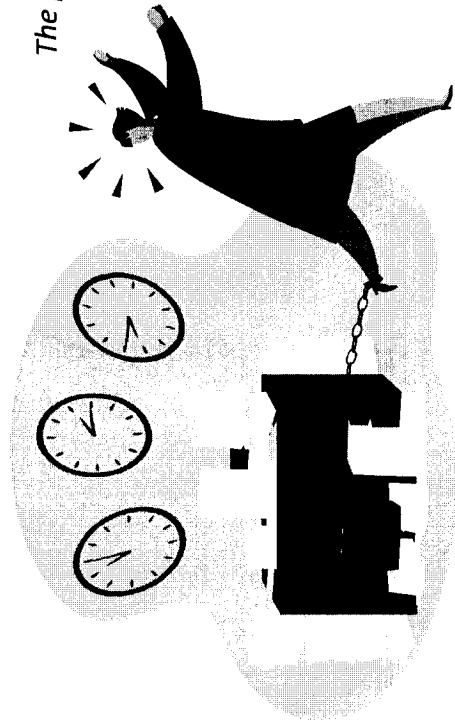


**Based on a 25% corporate tax bracket.*

How CCTIP Works

The CCTCP Program is housed in the Governor's Office under the Office of Tourism, Trade and Economic Development (OTTED). In order to be eligible for this program, there are several steps the nonprofit must follow including definition of project scope, declaration of a municipal resolution and OTTED review and approval.

Any eligible sponsor wishing to participate in this program **must submit a proposal** to the Office of Tourism, Trade, and Economic Development which sets forth the sponsor, the project, the area in which the project is located, and such supporting information as may be prescribed by rule. The proposal shall also contain a **resolution from the local governmental unit** in which it is located certifying that the project is consistent with local plans and regulations.



The project shall be located in an area designated as an enterprise zone or a Front Porch Florida Community pursuant to s. 20.18(6). Any project designed to construct or rehabilitate housing for low-income or very-low-income households as defined in s. 420.9071(19) and (28) is exempt from the area requirement of this paragraph. This section does not preclude projects that propose to construct or rehabilitate housing for low-income or very-low-income households on scattered sites. Any project designed to provide increased access to high-speed broadband capabilities which includes coverage of a rural enterprise zone may locate the project's infrastructure in any area of a rural county.

- Any business wishing to participate in this program must submit **an application for tax credit to the Office of Tourism, Trade, and Economic Development**, which application sets forth the sponsor; the project; and the type, value, and purpose of the contribution. The sponsor shall verify the terms of the application and indicate its receipt of the contribution, which verification must be in writing and accompany the application for tax credit.

As CCTCP Program veterans, Capital Philanthropy Group, LLC will assist you in developing and establishing a successful long term tax incentive for your donors.

CCTCP OVERVIEW

What is available?

Each year the Florida legislature allocates CCTCP \$10.5 million dollars for low income housing programs and \$3.5 million dollars for other programs.



For the last several years, the greatest beneficiary of the CCTCP Program has been Habitat for Humanity, with approximately \$10 million dollars in tax credits issued per year.

\$10 million dollars in tax credits equals \$20 million dollars in eligible donations per year.

In the “other” category, several Florida nonprofits, both large and small, have used this program to generate donations, including:

<u>Sponsor</u>	<u>Total Credits</u>	<u>Minimum Donation</u>
Ringling College of Art and Design	\$ 2,204,095.63	\$ 4,408,191.26
FreshMinistries, Inc.	\$ 519,206.78	\$ 1,038,413.57
All Children's Hospital Foundation, Inc.	\$ 150,214.01	\$ 300,428.03
Operation New Hope, Inc.	\$ 101,406.25	\$ 202,812.49

CCTIP SET UP

How does the process work?

CPG will work with you and your organization to determine the project elements and requirements for your CCTIP program.



Once your project elements are determined, CPG will work with your local government to pass the required Resolution and approval of the project.

The Resolution and application documents will be submitted to OTTED for approval. CPG will work with the Governor's office to ensure the project is approved as quickly as possible. Upon approval, OTTED will issue a letter confirming your eligibility and issuing your Project Number.

Eligible donations will require a small amount of paperwork by both your organization and the corporate donor. CPG will schedule training with your staff to explain the process in detail and assist with any concerns. We are also available to host a donor training session to help you launch your new development tool!



What paperwork is involved?

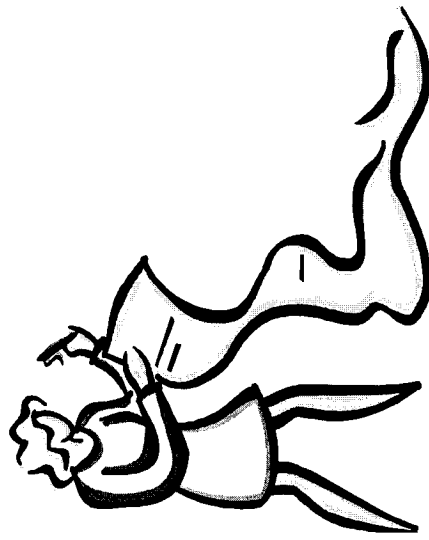
When a donor makes an eligible donation, your organization must take the following

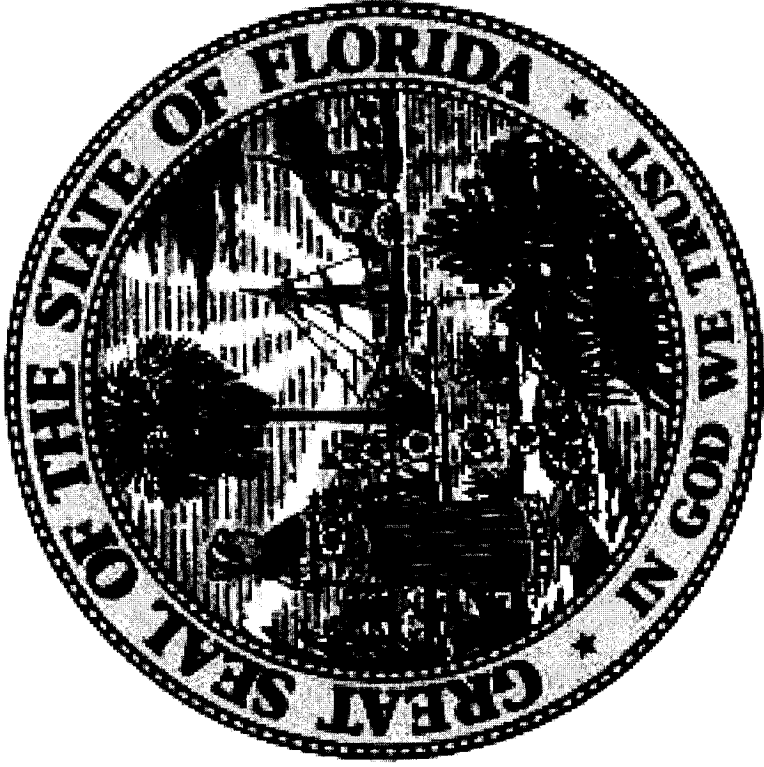


- 1) Fill out the Community Contribution Tax Credit Program Application For A Community Contribution Tax Credit (Form 8E-17TCA) in coordination with your donor.
- 2) Attach verification of the donation (i.e.: copy of cancelled check, receipt signed by your organization, copy of deed, copy of itemized invoices, etc.), and mail the form and information to OTTED.

Your donor must take the following steps to receive their credit:

- 1) Assist your organization with the Community Contribution Tax Credit Program Application For A Community Contribution Tax Credit (Form 8E-17TCA).
- 2) File Florida Department of Revenue Sales and Use Tax Application for Refund (Form DR-26S, R. 01-08)





**EXECUTIVE OFFICE
OF THE GOVERNOR
OFFICE OF TOURISM,
TRADE AND ECONOMIC
DEVELOPMENT
(OTTED)**

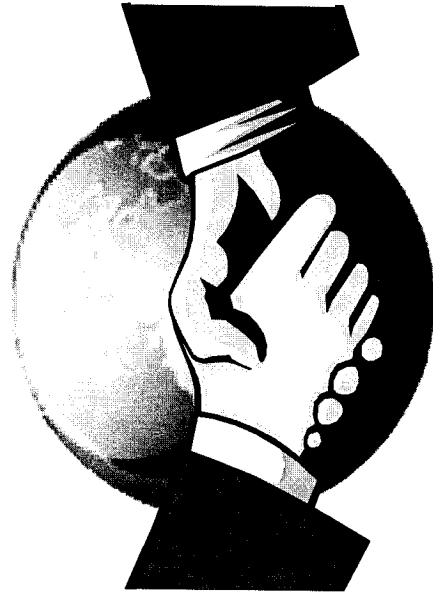
FLORIDA COMMUNITY CONTRIBUTION TAX CREDIT PROGRAM (CCTCP)

Florida's Business Incentive for City's & Charitable Organizations

CAPITAL ★ PHILANTHROPY GROUP

www.capitalphilgroup.com

WE LOOK FORWARD TO WORKING WITH YOU!



INDUSTRY LEADERS

HONEST AND ETHICAL

PROGRAM VISIONARIES

THREE DECADES OF EXPERIENCE

OVER A BILLION DOLLARS FUNDED