

APPROVED

BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS

MAR 06 2001

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RESOLUTION

of the

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS

regarding

MITSUBISHI HEAVY INDUSTRIES AMERICA QUALIFIED TARGET INDUSTRY TAX REFUND

Resolution No. 2001-M-04

WHEREAS, in 1994, the Florida legislature passed legislation establishing a "Qualified Target Industry Tax Refund Program" ("QTI Program") to encourage economic development for companies creating new high-wage employment opportunities in Florida by providing "tax refunds" to qualified target industries; and

WHEREAS, Mitsubishi Heavy Industries America, Inc., Power Systems Division, a business registered with the Florida Department of Labor and Employment Security (hereafter referred to as "Mitsubishi"), seeks to establish a manufacturing, repair, and service facility for power plant equipment at 2287 Premier Row in unincorporated Orange County, (hereinafter "the Project") representing an investment of approximately \$40 million; and

WHEREAS, the Project would also include a state-of-the-art remote center to monitor the performance of power plants operated throughout the Western Hemisphere; and

WHEREAS, Mitsubishi has applied to the Executive Office of the Governor, Office of Tourism, Trade, and Economic Development for approval as a qualified applicant under the QTI Program; and

WHEREAS, the Project will create approximately 350 new jobs in Orange County by December 31, 2008 at an average salary of \$44,547 per year, which is 151% of the prevailing Orange County wage; and

WHEREAS, it is the strong desire of Mitsubishi to include the hiring of skilled workers living in Orange County who were formerly employed at Turbine Engine Components Textron, which closed its offices in Orange County during the year 2000; and

WHEREAS, it is estimated that during its first ten years of operation, the Project will generate approximately \$2 million in additional property taxes to Orange County government, and approximately

\$2 million in additional property taxes to other jurisdictions, including Orange County Public Schools, Orange County Library System, and St. John's Water Management District; and

WHEREAS, Mitsubishi has applied for \$1.4 million in tax refunds from the State of Florida under the QTI Program, representing \$4,000 per job; and

WHEREAS, in order for Mitsubishi to be approved as a "qualified applicant" under the QTI Program, the Orange County Board of County Commissioners must adopt a resolution recommending approval of Mitsubishi as a "target industry business" as well as a commitment of local financial support in an amount equal to 20% of the annual tax refund; and

WHEREAS, Mitsubishi's application requires a local financial support commitment of \$280,000 over a ten year period; and

WHEREAS, competition for placement of this facility exists outside the State of Florida; and

WHEREAS, location of this facility in Orange County would increase Central Florida's reputation as a high-tech center of excellence in the United States.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ORANGE COUNTY:

Section 1. The Board of County Commissioners of Orange County, Florida, hereby recommends that the State of Florida Office of Tourism, Trade, and Economic Development approve Mitsubishi as a "qualified applicant" under the QTI Program.

Section 2. Subject to the terms of this Resolution, the Board hereby agrees to pay up to, but not exceeding, \$280,000 as the "local financial support" required under the QTI Program. Such amount shall be payable to the Economic Development Incentives Account within the Economic Development Trust Fund as specified herein.

Section 3. The County's obligation to pay the amounts specified in this Resolution is contingent upon (i) appropriation by the Board in each applicable year authorizing payment of the revenues hereunder, (ii) Mitsubishi's receiving the designation as a "qualified applicant" in connection with the QTI Program, (iii) on an annual basis, award by the State of Florida of tax refunds under the QTI Program, and (iv) beginning in FY 2002-2003 and each of the nine years thereafter, receipt from Mitsubishi of property taxes to the general fund which equal or exceed the amount of the annual "local financial support" payment for each relevant fiscal year as outlined in Section 4 below.

Section 4. Unless provided otherwise in this Resolution, the County shall pay the "local financial support" in the following amounts:

FY 2002-2003	\$ 17,200
FY 2003-2004	\$ 17,200
FY 2004-2005	\$ 31,000
FY 2005-2006	\$ 40,000
FY 2006-2007	\$ 22,800
FY 2007-2008	\$ 31,400
FY 2008-2009	\$ 39,000
FY 2009-2010	\$ 30,000
FY 2010-2011	\$ 30,000
FY 2011-2012	\$ 21,400
Total	<u>\$280,000</u>

Such sums shall be paid from any legally available source or sources of revenue other than those specified in the QTI Program (or rules promulgated thereunder) as being ineligible for such purpose.

Section 5. In the event the State of Florida's approval for tax refunds is an amount less than the \$1.4 million requested, the local financial support to be paid by the County shall be proportionately reduced so that at no time will the County contribution exceed twenty percent (20%) of the annual tax refund awarded to Mitsubishi under the QTI Program.

Section 6. This Resolution shall take effect upon receipt by the County of evidence that Mitsubishi has been approved as a "qualified applicant" and has become eligible for tax refunds under the QTI Program, as described herein.

ADOPTED THIS 6th DAY OF March, 2001.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: Richard T. Crotty
 Richard T. Crotty
 County Chairman

ATTEST: Martha O. Haynie, County Comptroller
 As Clerk to the Board of County Commissioners

BY: Martha O. Haynie
 Deputy Clerk

