

JUL 11 2006 JN/LDH

RESOLUTION

of the

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS

regarding

DARDEN RESTAURANTS, INC.

QUALIFIED TARGET INDUSTRY TAX REFUND

Resolution No. 2006-M-40

PREMISES

WHEREAS, in 1994, the Florida legislature passed legislation establishing a “Qualified Target Industry Tax Refund Program” (“QTI Program”) to encourage the creation of new high-wage job opportunities in Florida by providing “tax refunds” to qualified target industries; and

WHEREAS, Darden Restaurants, Inc. (“Darden”) was established in Orange County in 1969 and has become the world’s largest casual dining restaurant company, with more than 150,000 employees worldwide and over 17,000 employees in the State of Florida; and

WHEREAS, Darden operates more than 1,400 Red Lobster, Olive Garden, Bahama Breeze, Smokey Bones Barbeque & Grill, and Seasons 52 restaurants in the United States and Canada, and all of these restaurants are company owned; and

WHEREAS, the corporate headquarters of Darden in unincorporated Orange County currently employs approximately 1,156 people with an annual payroll of almost \$84,000,000; and

WHEREAS, Darden’s corporate headquarters currently occupies fourteen buildings in Orlando Central Park; and

WHEREAS, Darden seeks to consolidate and expand its headquarters-related operations on a wholly owned contemporary forty-nine acre campus in unincorporated Orange County; and

WHEREAS, this consolidation and expansion would create approximately five hundred (500) new headquarters-related jobs by December 31, 2013 at an average salary of at least \$72,254, which is twice the prevailing average wage of \$36,127 in Orange County; and

WHEREAS, Darden anticipates that these new jobs will be created approximately according to the following schedule: one hundred ninety-one (191) jobs by December 31, 2009; eighty-one (81) jobs by December 31, 2010; seventy-nine (79) jobs by December 31, 2011; seventy-four (74) jobs by December 31, 2012; and seventy-five (75) jobs by December 31, 2013; and

WHEREAS, Darden anticipates that the new jobs to be created will include approximately three hundred thirty-four (334) management and professional positions and approximately one hundred sixty-six (166) administrative positions, and also anticipates that the average salary within each of these categories will be above the prevailing average wage in Orange County; and

WHEREAS, Darden has applied to the State of Florida Executive Office of the Governor, Office of Tourism, Trade, and Economic Development (“OTTED”) for approval as a qualified QTI Program applicant, and has applied for \$2,500,000 in tax refunds from the State of Florida under the QTI Program, representing \$5,000 per job; and

WHEREAS, in order for Darden to be approved as a “qualified applicant” under the QTI Program, the Orange County Board of County Commissioners must adopt a resolution recommending the approval of Darden as a “target industry business,” and committing “local financial support” in an amount equal to 20% of the annual tax refund up to but not exceeding a total amount of \$500,000 over the course of Darden’s eligibility as a “qualified applicant”; and

WHEREAS, the initial investment associated with this project will be an approximately 400,000 square foot \$62,000,000 office building envisioned to be added to the tax roll in 2010, and the total investment associated with this project will be approximately \$122,000,000 added to the tax roll over the fifteen year period beginning in 2010; and

WHEREAS, alternative sites for this consolidation and expansion exist outside the state of Florida, and financial incentives are necessary to ensure that it occurs in Orange County; and

WHEREAS, Darden is a Fortune 500 company, and keeping its corporate headquarters in Orange County represents the retention of eleven hundred fifty-six (1,156) jobs as well as the creation of five hundred (500) new jobs by 2013, and is important to maintaining a diversified economy.

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 Darden as a “qualified applicant” under the QTI Program.

Section 2. Subject to the terms of this Resolution, the Board hereby approves payments up to, but not exceeding, \$500,000 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 payment of 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) Darden receiving the designation as a “qualified applicant” in connection with the QTI program, and (iii) on an annual basis, award by the State of Florida of tax refunds under the QTI program.

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

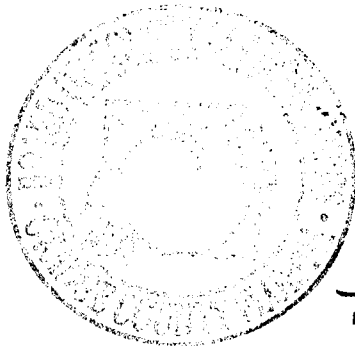
FY 2010-2011	\$ 47,750
FY 2011-2012	\$ 68,000
FY 2012-2013	\$ 87,750
FY 2013-2014	\$106,250
FY 2014-2015	\$ 77,250
FY 2015-2016	\$ 57,000
FY 2016-2017	\$ 37,250
FY 2017-2018	\$ 18,750
Total	<u>\$500,000</u>

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 Darden is approved by the State of Florida for tax refunds in an amount less than the \$2,500,000 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 Darden under the QTI Program.

Section 6. This Resolution shall take effect upon receipt by the Orange County Economic Development Administrator of a letter from OTTED indicating that Darden has been approved as a “qualified applicant” and has become eligible for tax refunds under the QTI Program, as described herein.

ADOPTED THIS 11th DAY OF JULY 2006.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners


Richard T. Crotty
County Mayor

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


BY:
Deputy Clerk