

APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS
NOV 09 2010 CMS/BS

RESOLUTION
of the
**ORANGE COUNTY BOARD OF COUNTY
COMMISSIONERS**
regarding
**SCIENCE APPLICATIONS INTERNATIONAL
CORPORATION (SAIC)**
QUALIFIED TARGET INDUSTRY TAX REFUND
for
**ENGINEERING AND MANUFACTURING SUPPORT
PROJECT**

Resolution No. 2010-M-80

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, Science Applications International Corporation, herein referred to as “SAIC,” is a FORTUNE 500 scientific, engineering, and technology company headquartered in McLean, Virginia, with over 45,000 employees worldwide; and

WHEREAS, SAIC helps to solve problems of vital importance to the nation and to the world in the areas of national security, energy, the environment, critical infrastructure, and health; and

WHEREAS, an SAIC Training and Simulation Services Business Unit has been operating in unincorporated Orange County since 1978, and currently employs 470 people in the Central Florida Research Park; and

WHEREAS, SAIC seeks to further consolidate its manufacturing support and systems integration operations to Orange County, and anticipates creating approximately one hundred ten (110) new jobs at an average salary of at least \$80,820, which is 200% of the prevailing average salary of \$40,410 in Orange County; and

WHEREAS, SAIC anticipates that these new jobs will be created according to the following schedule: forty (40) jobs by December 31, 2011; forty (40) jobs by December 31, 2012; and thirty (30) jobs by December 31, 2013; and

WHEREAS, SAIC anticipates that the new jobs to be created will include engineers, technicians, quality assurance inspectors, production control managers, and electrical and mechanical assemblers; and

WHEREAS, SAIC is eligible for base award from the QTI Program of \$5,000 per job since the average wage of the new jobs to be created is twice the prevailing wage in Orange County, and;

WHEREAS, SAIC has been identified as a Florida Target Industry Business, falls within one of the high impact sectors designated under Section 288.108, Florida Statutes, and therefore is eligible for a \$2,000 per job High Impact Bonus under the QTI Program; and

WHEREAS, SAIC has applied to the Executive Office of the Governor, Office of Tourism, Trade, and Economic Development for approval as a qualified QTI Program applicant, and has applied for \$770,000 in tax refunds from the State of Florida under the QTI Program, representing \$7,000 per job; and

WHEREAS, in order for SAIC 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 SAIC as a “target industry business,” and committing “local financial support” in an amount equal to 20% of the total annual tax refund up to but not exceeding \$154,000 over the course of SAIC’s eligibility as a “qualified applicant”; and

WHEREAS, competition for SAIC’s expansion exists outside of Florida and financial incentives are necessary to ensure that this project comes to Orange County.

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 SAIC 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, one hundred fifty-four thousand dollars (\$154,000) as the “local financial support” required under the QTI Program, of which \$110,000 represents the QTI base award of \$5,000 per job and \$44,000 represents the QTI High Impact Sector Bonus Award of \$2,000 per job. Such amount shall be payable to the Economic Development Incentives Account within the Economic Development Trust Fund as specified herein and as required by Section 288.106, Florida Statutes.

Section 3. The Board’s promise to pay the amount specified in this Resolution is contingent upon (i) appropriation by the Board in each applicable year authorizing payment of the revenues hereunder, (ii) SAIC 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 "local financial support" in the following amounts:

| | |
|--------------|-------------------|
| FY 2012-2013 | \$ 14,000 |
| FY 2013-2014 | \$ 28,000 |
| FY 2014-2015 | \$ 38,500 |
| FY 2015-2016 | \$ 38,500 |
| FY 2016-2017 | \$ 24,500 |
| FY 2017-2018 | \$ 10,500 |
| Total | <u>\$ 154,000</u> |

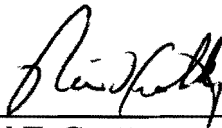
Such sums shall be paid from any legally available source or sources of revenue other than those specified in the QTI Program (or rules promulgated thereunder) as being ineligible for such purpose.

Section 5. In the event SAIC is approved by the State of Florida for tax refunds in an amount less than the \$770,000 requested, the "local financial support" to be paid by the County to the Economic Development Incentives Account shall be proportionately reduced so that at no time will the County contribution exceed twenty percent (20%) of the annual tax refund awarded to SAIC under the QTI Program.

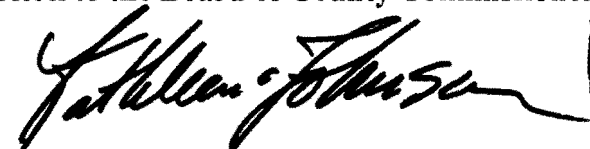
Section 6. This Resolution shall take effect upon receipt by the County of evidence that SAIC has been approved as a "qualified applicant" and has become eligible for tax refunds under the QTI program, as described herein.

ADOPTED THIS 9 DAY OF November, 2010.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

BY: 
Richard T. Crotty
County Mayor

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

BY: 
Deputy Clerk

