

APR 22 2014 KH/BS

RESOLUTION
of the
**ORANGE COUNTY BOARD OF COUNTY
COMMISSIONERS**
regarding
**COMTECH SYSTEMS, INC.
QUALIFIED TARGET INDUSTRY TAX REFUND**

Resolution No. 2014-M-15

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, Comtech Systems, Inc. (Comtech) is headquartered in Orlando, Florida in Orange County; and

WHEREAS, Comtech is a global leader in the engineering, design, manufacturing and installation of advanced radio communications products and networks used for the transmission of voice, data and video; and

WHEREAS, Comtech has operations in New York, Maryland, Arizona and Quebec and currently has 1,013 employees; and

WHEREAS, Comtech seeks to expand their existing headquarters preferably in Orange County; and

WHEREAS, Comtech operations in Orange County would include production and manufacturing; and

WHEREAS, Comtech anticipates creating approximately fifty (50) new jobs in Orange County at an average annual salary of at least \$63,504, which is 150% of the prevailing average salary of \$42,336 in Orange County; and

WHEREAS, Comtech anticipates that the new jobs to be created will include approximately twenty-six (26) engineering positions; fifteen (15) production positions; five (5) administrative positions; two (2) IT positions; and two (2) management; and

WHEREAS, Comtech anticipates that these new jobs will be created according to the following schedule: Nine (9) jobs by December 31, 2014; thirteen (13) jobs by December 31, 2015; nine (9) jobs by December 31, 2016; eight (8) jobs by December 31, 2017; eight (8) jobs by December 31, 2018; and three (3) jobs by December 31, 2019; and

WHEREAS, Comtech has applied to the Executive Office of the Governor, Department of Economic Opportunity (DEO) for approval as a qualified QTI Program applicant, and has applied for \$300,000 in tax refunds from the State of Florida under the QTI Program, representing \$6,000 per job; and

WHEREAS, in order for Comtech 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 Comtech 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 \$60,000 over the course of Comtech’ eligibility as a “qualified applicant”; and

WHEREAS, competition for Comtech’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 Department of Economic Opportunity approve Comtech 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, sixty thousand dollars (\$60,000) in “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 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) Comtech 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 2015-2016	\$ 2,700
FY 2016-2017	\$ 6,600
FY 2017-2018	\$ 9,300
FY 2018-2019	\$ 11,700
FY 2019-2020	\$ 11,400
FY 2020-2021	\$ 8,400
FY 2021-2022	\$ 5,700
FY 2022-2023	\$ 3,300
FY 2023-2024	\$ 900

Total \$ 60,000

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 Comtech is approved by the State of Florida for tax refunds in an amount less than the \$300,000 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 Comtech under the QTI Program.

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

ADOPTED THIS APR 22 2014 DAY OF April, 2014.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

BY: *Teresa Jacobs*
Teresa Jacobs
County Mayor

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

BY: *Kate Smith*
Deputy Clerk

