

BCC Mtg. Date: May 23, 2017

# RESOLUTION

*of the*

**ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS**

*regarding*

**LOCKHEED MARTIN MISSILES AND FIRE CONTROL  
QUALIFIED TARGET INDUSTRY TAX REFUND**

**Resolution No. 2017-M-16**

## 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**, Lockheed Martin is headquartered in Bethesda, MD and employs approximately 97,000 people worldwide; and

**WHEREAS**, Lockheed Martin Missiles and Fire Control (MFC) is one of four business areas within Lockheed Martin; and

**WHEREAS**, MFC is a recognized designer, developer, and manufacturer of precision engagement aerospace and defense systems for the U.S. and allied militaries; and

**WHEREAS**, MFC develops, manufactures and supports advanced combat, missile, rocket, manned and unmanned systems for military customers that include the U.S. Army, Navy, Air Force, Marine Corps, NASA and dozens of foreign allies; and

**WHEREAS**, Lockheed Martin and MFC anticipate creating approximately five hundred (500) new jobs in Orange County at an average annual salary of at least \$87,064, which is 200% of the prevailing salary of \$43,532 in the Orlando MSA; and

**WHEREAS**, MFC anticipates that the new jobs to be created will include engineering, production and administrative positions; and

**WHEREAS**, MFC anticipates that these new jobs will be created according to the following schedule: Thirty (30) jobs by December 31, 2018; Sixty (60) jobs by December 31, 2019; One hundred and forty-six (146) jobs by December 31, 2020; One hundred and twenty-two (122) jobs by December 31, 2021; One hundred and forty-two (142) jobs by December 31, 2022; and

**WHEREAS**, MFC has applied to the Executive Office of the Governor, Department of Economic Opportunity for approval as a qualified QTI Program applicant, and has applied for \$3,500,000 in tax refunds from the State of Florida under the QTI Program, representing \$7,000 per job; and

**WHEREAS**, in order for MFC 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 MFC 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 \$700,000 over the course of MFC’s eligibility as a “qualified applicant”; and

**WHEREAS**, competition for MFC 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 MFC 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, seven hundred thousand dollars (\$700,000) 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) MFC 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 2018-2019	\$ 10,500
FY 2019-2020	\$ 31,500
FY 2020-2021	\$ 82,600
FY 2021-2022	\$125,300
FY 2022-2023	\$164,500
FY 2023-2024	\$143,500
FY 2024-2025	\$ 92,400
FY 2025-2026	\$ 49,700
Total	<u>\$ 700,000</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 MFC is approved by the State of Florida for tax refunds in an amount less than the \$3,500,000 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 MFC under the QTI Program.

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

ADOPTED THIS MAY 23 2017 DAY OF May, 2017.

ORANGE COUNTY, FLORIDA  
By: Board of County Commissioners

BY: *Teresa Jacobs*  
Teresa Jacobs  
County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller  
As Clerk to the Board of County Commissioners

BY: *Craig A. Stopyska*  
for Deputy Clerk

