

**INDRA SISTEMAS, S.A.
QUALIFIED TARGET INDUSTRY
TAX REFUND RESOLUTION**

Resolution No. 2002-M-06

PREMISES

WHEREAS, in 1994, the Florida legislature passed legislation establishing a "qualified target industry tax refund program," henceforth referred to as the "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, Indra Sistemas, S.A., headquartered in Madrid, Spain and hereinafter referred to as "Indra," is a leading Spanish information technology company with 5,000 employees worldwide, and with a presence in forty countries and on five continents; and

WHEREAS, Indra currently employs thirty-six persons at its facility in unincorporated Orange County, located at 6969 University Boulevard, and these employees develop software, design and develop hardware, and integrate subsystems that make up flight simulators; and

WHEREAS, Indra seeks to expand its Orange County employment base and establish a U.S. Headquarters in Orange County focusing on simulation and training; and

WHEREAS, Indra 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, Indra will create approximately 160 new jobs in Orange County by December 31, 2004, and these jobs will have an average salary of at least \$61,368 per year, which is 200% of the prevailing Orange County wage, and

WHEREAS, it is estimated that Indra will also make a capital investment of approximately \$6.3 million in Orange County; and

WHEREAS, Indra has applied for \$800,000 in tax refunds from the State of Florida under the QTI Program pursuant to Section 288.106, Florida Statutes, (the "ACT"), representing \$5,000 per job; and

WHEREAS, in order for Indra to be approved as a “qualified applicant” under the ACT, a resolution must be adopted by the board of county commissioners of the county in which the project will be located, which resolution recommends that the applicant be approved as a target industry business and state that the commitment of “local financial support” for the applicant exists in an amount equal to 20% of the annual tax refund; and

WHEREAS, Indra’s application will require a commitment of local financial support of \$160,000 (20%) over six years; and

WHEREAS, competition for this facility exists outside of Florida, which could result in the loss of thirty-six existing high-paid jobs in the County as well as 160 new jobs; and

WHEREAS, establishment of Indra’s U.S. Headquarters in Orange County would enhance Central Florida’s reputation as a center of excellence for simulation and training.

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 Indra as a “qualified applicant” under the ACT.

Section 2. Subject to the terms of this Resolution, the Board hereby agrees to pay up to but not exceeding one hundred sixty thousand dollars as the “local financial support” required under the ACT. Such amount shall be payable to the Economic Development Incentives Account within the Economic Development Trust Fund at the times and in the amounts and from the sources of revenue specified below.

Section 3. The Board’s promise to pay the amounts specified in this Resolution is contingent upon (i) Indra’s receiving the designation as a “qualified applicant” in connection with the QTI program (ii) Indra’s establishment of a wholly owned U.S. subsidiary incorporated in the State of Florida; (iii) the Board’s approval each year of a county budget that authorizes such payments,” and (iv) on an annual basis, award by the State of Florida of tax refunds under the ACT, and.

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

FY 2002-2003	\$ 10,000
FY 2003-2004	\$ 23,750
FY 2004-2005	\$ 40,000
FY 2005-2006	\$ 40,000
FY 2006-2007	\$ 30,000
FY 2007-2008	\$ 16,250
Total	<u>\$ 160,000</u>

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

Section 5. In the event Indra is approved by the State of Florida for tax refunds in an amount less than the \$800,000 requested, the local financial support to be paid by the County to the Economic Development Incentives Account, subject to the terms of this Resolution, shall equal and not exceed twenty percent (20%) of the annual tax refund actually awarded to Indra under the ACT.

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

ADOPTED THIS 26th DAY OF February, 2002

ORANGE COUNTY, FLORIDA

BY: *Richard T. Crotty*

for 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

