

APPROVED  
BY ORANGE COUNTY BOARD  
OF COUNTY COMMISSIONERS  
APR 18 2006 *JW/BS*

# RESOLUTION

*of the*  
**ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS**  
*regarding*  
**SEALY MATTRESS MANUFACTURING, INC.**  
**QUALIFIED TARGET INDUSTRY TAX REFUND**

**Resolution No.** 2006-M-27

## 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**, Sealy Mattress Manufacturing, Inc. (“Sealy”), is the largest bedding manufacturer in North America, operates seventeen bedding manufacturing facilities and three component manufacturing facilities in sixteen states, and produces a diversified line of mattress and foundation products; and

**WHEREAS**, Sealy has a manufacturing facility in unincorporated Orange County at 11220 Space Boulevard, which employs two hundred seventy (270) people with an annual payroll of \$13,905,000; and

**WHEREAS**, Sealy has outgrown its present location in Orange County and seeks to build a new 225,000 square foot manufacturing facility in unincorporated Orange County in Jetport Industrial Park; and

**WHEREAS**, Sealy seeks to expand its employment base in Orange County by creating approximately one hundred four (104) new manufacturing and assembly jobs at an average salary of at least \$40,000, which is 116% of the prevailing average wage of \$34,411 in Orange County; and

**WHEREAS**, Sealy anticipates that these new jobs will be created according to the following schedule: forty-nine (49) jobs by December 31, 2007; thirteen (13) jobs by December 31, 2008; fourteen (14) jobs by December 31, 2009; fourteen (14) jobs by December 31, 2010; and fourteen (14) jobs by December 31, 2011; and

**WHEREAS**, Sealy 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 \$312,000 in tax refunds from the State of Florida under the QTI Program, representing \$3,000 per job; and

**WHEREAS**, in order for Sealy 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 Sealy 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 \$62,400 over the course of Sealy’s eligibility as a “qualified applicant”; and

**WHEREAS**, Sealy estimates that this expansion will add approximately \$18,850,000 in capital investment to the Orange County tax roll; and

**WHEREAS**, it is estimated that direct additional property taxes from this project during the course of Sealy’s eligibility for QTI tax refunds will be approximately \$2,000,000, of which \$1,052,000 will be paid to Orange County Government, \$827,000 will be paid to Orange County Public Schools; and \$121,000 will be paid to other taxing entities in Orange County; and

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

**WHEREAS**, keeping Sealy in Orange County represents the retention of two hundred seventy (270) jobs as well as the creation of one hundred four (104) jobs, and is important to maintaining a diversified economy in 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 Sealy as a “qualified applicant” under the QTI Program.

*Section 2.* Subject to the terms of this Resolution, the Board hereby agrees to pay up to, but not to exceed, \$62,400 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 promise to pay 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) Sealy 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 2008-2009	\$ 7,350
FY 2009-2010	\$ 9,300
FY 2010-2011	\$ 11,400
FY 2011-2012	\$ 13,500
FY 2012-2013	\$ 8,250
FY 2013-2014	\$ 6,300

FY 2014-2015	\$ 4,200
FY 2015-2016	\$ 2,100
Total	<u>\$ 62,400</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 Sealy is approved by the State of Florida for tax refunds in an amount less than the \$312,000 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 Sealy under the QTI Program.

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

ADOPTED THIS 18th DAY OF APRIL 2006.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

*Richard T. Crotty*  
 Richard T. Crotty  
 County Mayor

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

BY: *[Signature]*  
 Deputy Clerk

