

JAN 12 2010 CS/TB

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

Resolution No. 2010-M-03

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, CAE, headquartered in Canada, is a world leader in providing simulation and modeling technologies and integrated solutions for the civil aviation industry and defense forces around the globe, with annual revenues exceeding \$1.6 billion; and

WHEREAS, CAE USA, Inc., herein referred to as “CAE USA,” is a subsidiary of CAE and is best known for its full-motion flight simulators that train both military and civilian pilots; and

WHEREAS, CAE USA is headquartered in Tampa, Florida and has almost 500 employees in Florida, approximately 74 of which are located at 3501 Quadrangle Boulevard in unincorporated Orange County; and

WHEREAS, CAE USA seeks to expand the professional services provided from its offices in Orange County in the synthetic environment and visualization arena of modeling and simulation; and

WHEREAS, CAE USA anticipates creating approximately forty-five (45) new systems and software engineering jobs in Orange County at an average salary of at least \$46,908, which is 115% of the prevailing average salary of \$39,920 in Orange County; and

WHEREAS, CAE USA anticipates that these new jobs will be created according to the following schedule: ten (10) jobs by December 31, 2010; fifteen (15) jobs by December 31, 2011; and twenty (20) jobs by December 31, 2012; and

WHEREAS, CAE USA 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 \$135,000 in tax refunds from the State of Florida under the QTI Program, representing \$3,000 per job; and

WHEREAS, in order for CAE USA 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 CAE USA 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 \$27,000 over the course of CAE USA’s eligibility as a “qualified applicant”; and

WHEREAS, competition for CAE USA’s expansion exists outside of Florida in Virginia, Kansas, New Mexico, Germany, and Canada, 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 CAE USA 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, twenty-seven thousand dollars (\$27,000) 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 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) CAE USA 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:

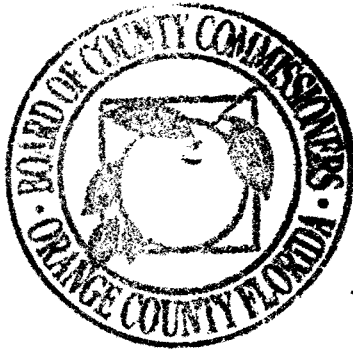
FY 2011-2012	\$ 1,500
FY 2012-2013	\$ 3,750
FY 2013-2014	\$ 6,750
FY 2014-2015	\$ 6,750
FY 2015-2016	\$ 5,250
FY 2016-2017	\$ 3,000
Total	<u>\$27,000</u>

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 CAE USA is approved by the State of Florida for tax refunds in an amount less than the \$135,000 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 CAE USA under the QTI Program.

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

ADOPTED THIS JAN 12 2010 DAY OF JANUARY 2010.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

BY: Richard T. Crotty
Richard T. Crotty
County Mayor

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

BY: Martha O. Haynie
Asst. Deputy Clerk