

APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS
OCT 30 2012 CAS/UP

RESOLUTION
of the
**ORANGE COUNTY BOARD OF COUNTY
COMMISSIONERS**
regarding
DAVITA RX
QUALIFIED TARGET INDUSTRY TAX REFUND

Resolution No. 2012-M-44

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, DaVita Rx, founded in 2005, is headquartered in San Bruno, CA, is a Renal Care Specialty Pharmacy dedicated to serving patients with kidney disease; and

WHEREAS, DaVita Rx employs over 700 employees and is expanding their Specialty Pharmacy operations; and

WHEREAS, DaVita Rx’s services include delivery of medications, automatic refills, full service pharmacy assistance and benefit management; and

WHEREAS, DaVita Rx’s services will expand to include an expansion of a mail-order renal care specialty pharmacy focused solely on renal dialysis patients and their co-morbid conditions; and

WHEREAS, DaVita Rx works closely with nephrologists and dialysis center to provide superior pharmaceutical care that both improves patient outcomes and reduces overall healthcare costs; and

WHEREAS, DaVita Rx anticipates creating approximately one hundred (100) new jobs in Orange County at an average annual salary of at least \$46,325, which is 115% of the prevailing salary of \$40,283 in Orange County; and

WHEREAS, DaVita Rx anticipates that the new jobs to be created will include approximately thirty (30) clinical positions, ten (10) production positions, fifty (50) customer service positions, five (5) management, four (4) administrative positions, and one (1) engineering position; and

WHEREAS, DaVita Rx anticipates that these new jobs will be created according to the following schedule: fifty-one (51) jobs by December 31, 2013; and forty-nine (49) jobs in calendar year 2014; and

WHEREAS, DaVita Rx has applied to the Department of Economic Opportunity, Division of Strategic Business Development 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 \$3,000 per job; and

WHEREAS, in order for DaVita Rx 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 DaVita Rx 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 DaVita Rx’ eligibility as a “qualified applicant”; and

WHEREAS, competition for DaVita Rx specialty pharmacy 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 Department of Economic Opportunity, Division of Strategic Business Development approve DaVita Rx 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) DaVita Rx 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 2014-2015	\$ 7,650
FY 2015-2016	\$ 15,000
FY 2016-2017	\$ 15,000
FY 2017-2018	\$ 15,000
FY 2018-2019	\$ 7,350
Total	<u>\$ 60,000</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 DaVita Rx 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 DaVita Rx under the QTI Program.

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

ADOPTED THIS OCT 30 2012 DAY OF October, 2012.

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: *Martha O. Haynie*
Deputy Clerk

