

APPROVED BY THE BOARD OF COUNTY
COMMISSIONERS AT ITS MEETING

JAN 30 1996

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CHEP USA CORPORATION QUALIFIED
TARGET INDUSTRY
TAX REFUND
RESOLUTION

RESOLUTION NO. 96-M-12

PREMISES

WHEREAS, in 1994, the Florida legislature passed legislation establishing a "qualified target industry tax refund program" to encourage economic development for companies creating new high-wage employment opportunities in Florida by providing "tax refunds" to qualified target industries.

WHEREAS, CHEP USA CORPORATION, hereinafter referred to as "CHEP," is considering the relocation of its international corporate headquarters to the City of Orlando, Orange County, Florida.

WHEREAS, CHEP is a five-year old company which distributes and rents high quality pallets to food manufactures on an international basis and is engaged in one of the target industries identified pursuant to criteria developed by the Florida Department of Commerce.

WHEREAS, CHEP has applied to the Florida Department of Commerce for approval as a qualified applicant under the Qualified Target Industry Tax Refund Program for relocation of its international corporate headquarters.

WHEREAS, in order for CHEP to be approved as a "qualified applicant" and become eligible for tax refunds under the Qualified Target Industry Tax Refund Program pursuant to

Section 288.106, Florida Statutes, (“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 target industry business be approved as a qualified target industry business and state that the commitment of “local financial support” for the target industry business exists in an amount equal to 20% of the annual tax refund.

WHEREAS, it is estimated the relocation of CHEP’s international corporate headquarters will create 102 new jobs in the City of Orlando with an annual payroll of approximately \$5.3 million, and generate in excess of \$250,000 annually in sales and intangible personal property taxes to the State of Florida.

WHEREAS, CHEP has applied for \$510,000 in tax refunds from the State of Florida under the Act, which will require local financial support in the amount of \$102,000 over four years.

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 Commerce approve CHEP as a “qualified applicant” under the Act.

Section 2. Subject to the terms of this Resolution, the City of Orlando, will be relied upon to pay up to, but not exceeding, \$102,000 as the “local financial support” required under the Act, in accordance with an agreement to be negotiated between the City and CHEP. Such amount shall be payable to the Economic Development Trust Fund at the times and in accordance with the agreement between CHEP and the City of Orlando. Orange County shall

have no financial responsibility for providing any portion of the local financial support. All said sums will be paid by the City of Orlando exclusively. CHEP shall not have any right to any payments from Orange County for the "local financial support."

Section 3. The City of Orlando's promise to pay the amounts specified in this Resolution is contingent upon (i) the City of Orlando's approval of a City budget for Fiscal Years 1997-1998 through 200-2001, that authorizes such payment; (ii) CHEP receiving the designation as a "qualified applicant" in connection with the Qualified Target Industry Tax Refund Program; (iii) the successful application and award by the State of Florida of tax refunds under the Act; (iv) successful negotiation of an agreement between the City and CHEP specifying the terms and conditions of CHEP's relocation to Orlando; and (v) for ten years from the Effective Date of this Resolution, CHEP's keeping its international corporate headquarters within the City of Orlando, and maintenance of an average salary of \$52,000 for jobs created under the Act.

Section 4. The City of Orlando will pay the "local financial support" in the following amounts:

FY 1997-1998	\$ 25,500
FY 1998-1999	\$ 25,500
FY 1999-2000	\$ 25,500
FY 2001-2002	<u>\$ 25,500</u>
Total	\$102,000

Such sums shall be paid by the City of Orlando from any legally available source or sources of revenue other than those specified in the Act (or any rules promulgated thereunder) as being

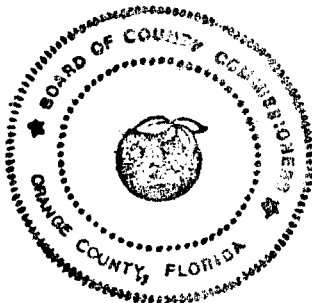
ineligible for such purpose.

Section 5. In the event CHEP is approved by the State of Florida for tax refunds in a total amount less than the \$510,000 as now requested by CHEP, the local financial support to be paid by the City of Orlando would be supplemented by the City so that the annual payment by the City to CHEP and to the Economic Development Incentives Account shall equal and not exceed the amounts shown in Section 4 above.

Section 6. Orange County has one or more Enterprise Zones and CHEP's new project will be locating outside of an Enterprise Zone area. Orange County, at the City of Orlando's request, hereby stipulates that the local financial support offered was also offered by the City to CHEP's new project for location or expansion within an Enterprise Zone except no suitable facilities were available.

Section 7. This Resolution shall take effect upon receipt by the County of evidence that CHEP has been approved as a "qualified applicant" and has become eligible for tax refunds under the Act, as described herein.

ADOPTED THIS 30TH DAY OF ~~FEBRUARY~~ JANUARY, 1996.



ORANGE COUNTY, FLORIDA

BY: Mary D. Johnson
FOR THE County Chairman

DATE: FEB 19 1996

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

BY: [Signature]
Deputy Clerk

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