

1 **A RESOLUTION**

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3 **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORLANDO,**
4 **FLORIDA, RECOMMENDING THAT THALES USA, INC. BE APPROVED AS**
5 **A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO SECTION**
6 **288.106, FLORIDA STATUTES, AND PLEDGING LOCAL FINANCIAL**
7 **SUPPORT IN ACCORDANCE WITH SECTION 288.106, FLORIDA STATUTES;**
8 **PROVIDING FOR SEVERABILITY, CORRECTION OF SCRIVENER’S**
9 **ERRORS, AND AN EFFECTIVE DATE.**

10

11 **Whereas,** in 1994, the Florida Legislature passed legislation establishing a
12 “Qualified Target Industry Tax Refund Program” (“QTI Program”) to encourage the
13 creation of new high wage job opportunities in the State of Florida by providing tax
14 refunds to qualified target industries; and

15 **Whereas,** to qualify for QTI Program incentives, Florida law requires a resolution
16 from the governing board of the local government recommending that a business be
17 approved as a qualified target industry business; and

18 **Whereas,** the City Council of the City of Orlando, Florida wishes to recommend
19 that Thales USA, Inc. (“Thales”) be approved by the Division of Strategic Business
20 Development of the State of Florida as a qualified target industry business; and

21 **Whereas,** Thales is a targeted industry proposing to create high wage job
22 opportunities in an industry highly coveted by other states and nations; and

1 **Whereas**, Thales falls within one of the high-impact sectors designated under
2 Florida Statute 288.108. Thales is an aviation manufacturing business that provides in-
3 flight entertainment and connectivity services. Thus, Thales is eligible to apply for the
4 Qualified Target Industry Tax Refund with a High Impact Sector Bonus, pursuant to
5 Florida Statute 288.106; and

6 **Whereas**, Thales is considering expanding its in-flight entertainment and
7 connectivity service facility in the City of Orlando and thereby adding 173 new jobs to
8 the area; and

9 **Whereas**, Thales will commit to pay an average wage of \$53,255.00, which is
10 125% of the 2013 Orange County Average Annual Wage; and

11 **Whereas**, Thales has applied to the Office of the Governor, Division of Strategic
12 Business Development for approval as a QTI Program participant; and

13 **Whereas**, competition for Thales exists outside the State of Florida, and financial
14 incentives are necessary to ensure that the company expands in the City of Orlando rather
15 than elsewhere; and

16 **Now, therefore**, be it resolved by the City Council of the City of Orlando,
17 Florida, as follows:

18 1. The City Council of the City of Orlando, Florida, does hereby recommend
19 that the State of Florida Division of Strategic Business Development approve Thales
20 USA, Inc. (“Thales”) as a qualified target industry business as described by section
21 288.106, Florida Statutes.

22 2. In accordance with the requirements of section 288.106, Florida Statutes,
23 and subject to the terms of this resolution, the City of Orlando pledges an amount not to

1 exceed One Hundred, Seventy-Three Thousand Dollars and No Cents (\$173,000.00),
 2 which represents the necessary commitment of local financial support for this qualified
 3 target industry business. Such funds shall be payable to the Florida Economic
 4 Development Trust Fund, with the stipulation that these funds are intended to represent
 5 the local participation element of section 288.106, Florida Statutes.

6 3. The pledge of funds pursuant to this resolution is contingent upon Thales
 7 being qualified by the State of Florida as a QTI Program participant and future budget
 8 appropriations by the Orlando City Council. The City of Orlando pledges local financial
 9 support in the amount of One Hundred Three Thousand, Eight Hundred Dollars and No
 10 Cents (\$103,800.00) for the Qualified Target Industry Tax Refund Program and Sixty-
 11 Nine Thousand, Two Hundred Dollars and No Cents (\$69,200.00) for the High Impact
 12 Sector Bonus for a total amount of One Hundred, Seventy-Three Thousand Dollars and
 13 No Cents (\$173,000.00) in the following amounts:

<u>Fiscal Year</u>	<u>Phase 1</u>	<u>Phase 2</u>	<u>Phase 3</u>	<u>Phase 4</u>	<u>Total</u>
2017/2018	\$13,250				\$13,250
2018/2019	\$13,250	\$10,000			\$23,250
2019/2020	\$13,250	\$10,000	\$10,000		\$33,250
2020/2021	\$13,250	\$10,000	\$10,000	\$10,000	\$43,250
2021/2022		\$10,000	\$10,000	\$10,000	\$30,000
2022/2023			\$10,000	\$10,000	\$20,000
2023/2024				\$10,000	\$10,000
TOTAL:					\$173,000

24 4. In the event that Thales is approved by the State of Florida for tax refunds
 25 in an amount less than the estimated amount, the total local financial support to be paid
 26 by the City shall be proportionately reduced so that the total tax refund awarded to Thales
 27 by the City will not exceed the actual percentage amount that was awarded by the City of
 28 the total tax refund awarded to Thales pursuant to the QTI Program.

