



Interoffice Memorandum

AGENDA ITEM

April 24, 2017

TO: Mayor Teresa Jacobs
-AND-
Board of County Commissioners

FROM: Eric Ushkowitz, Economic Development Administrator, Office of
Economic, Trade and Tourism Development

SUBJECT: May 9, 2017 – BCC Consent Agenda Item
Approval to assume existing Design Interactive, Inc. Qualified Target
Industry (QTI) Tax Refund

Design Interactive, Inc. (Design Interactive) is a certified woman-owned small business. Founded in 1998, Design Interactive specializes in human systems integration (HSI), including Human Performance Assessment, Training Systems Design and Evaluation, Cognitive Readiness, and Next Generation HSI.

Design Interactive was approved as a QTI project by the Board on February 25, 2014. At that time, Design Interactive was located in Seminole County and had been previously approved for a separate QTI award of \$12,000 for 10 jobs as the 20% local share of a \$60,000 financial incentive in August 2012 by the Seminole County Board, the City of Oviedo Council, and Florida's Department of Economic Opportunity (DEO).

In order to receive this award, the Board must approve a resolution to assume the initial Design Interactive project from Seminole County.

No Orange County incentive payments for the QTI program will be made until new jobs are created, maintained, and confirmed.

For more information about Design Interactive Inc., visit: www.designinteractive.net.

ACTION REQUESTED: Approval and execution of Resolution of the Orange County Board of County Commissioners regarding Design Interactive, Incorporated Qualified Target Industry Tax Refund, assuming the existing project in the amount of \$12,000.

EU/tp

RESOLUTION

of the
ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS
regarding
DESIGN INTERACTIVE INCORPORATED
QUALIFIED TARGET INDUSTRY TAX REFUND

Resolution No. _____

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, Design Interactive Incorporated (Design Interactive) was founded in 1988 and is headquartered in Seminole County, FL; and

WHEREAS, Design Interactive is a women owned small business; and

WHEREAS, Design Interactive specializes in human systems integration, including human performance assessment, training systems design and evaluation and cognitive readiness; and

WHEREAS, Design Interactive has located their headquarters in unincorporated Orange County; and

WHEREAS, Design Interactive was approved for a QTI award in February, 2014 by the Orange County Board of County Commissioners which included approval to assume an existing QTI award to Design Interactive from Seminole County; and

WHEREAS, Design Interactive anticipates that the new jobs to be created will include approximately fifteen (15) human factors engineering positions; four (4) software developers; and one (1) management position; and

WHEREAS, Design Interactive anticipates that these new jobs will be created according to the following schedule: Ten (10) jobs by December 31, 2014; ten (10) jobs by December 31, 2015; and

WHEREAS, Design Interactive has applied to the Executive Office of the Governor, Department of Economic Opportunity (DEO) for approval as a qualified QTI Program applicant, and has applied for \$80,000 in tax refunds from the State of Florida under the QTI Program, representing \$4,000 per job; and

WHEREAS, in order for Design Interactive 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 Design Interactive 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 \$16,000 over the course of Design Interactive’s eligibility as a “qualified applicant”; and

WHEREAS, competition for Design Interactive headquarters operation 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 State of Florida DEO approve Design Interactive 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, sixteen thousand dollars (\$16,000) 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) Design Interactive 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	\$ 2,000
FY 2015-2016	\$ 4,000
FY 2016-2017	\$ 4,000
FY 2017-2018	\$ 4,000
FY 2018-2019	\$ 2,000
Total	<u>\$ 16,000</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 Design Interactive is approved by the State of Florida for tax refunds in an amount less than the \$80,000 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 Design Interactive under the QTI Program.

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

ADOPTED THIS _____ DAY OF May, 2017.

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

BY: _____

Teresa Jacobs

County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller

As Clerk to the Board of County Commissioners

BY: _____

Deputy Clerk