

RESOLUTION

of the

ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS

regarding

KAMAN PRECISION PRODUCTS, INC. QUALIFIED TARGET INDUSTRY TAX REFUND

Resolution No. 2018-m-40

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, Kaman Precision Products, Inc. (Kaman) is headquartered in Bloomfield, Connecticut with operations in Florida and Colorado; and

WHEREAS, Kaman is interested in investing in the expansion of their facility and equipment and increasing headcount in Orange County, Florida following a series of new government defense contracts; and

WHEREAS, Kaman employs over seven hundred people throughout their operations in the United States; and

WHEREAS, Kaman designs and manufactures high-performance, non-contact position measuring systems; and

WHEREAS, Kaman anticipates creating approximately sixty-five (65) new jobs in Orange County at an average annual salary of at least \$53,388, which is 115% of the prevailing salary of \$46,424 in Orange County; and

WHEREAS, Kaman anticipates that the new jobs to be created will include approximately three (3) management positions; fifteen (15) engineering positions; seven (7) administrative positions; and forty (40) production positions; and

WHEREAS, Kaman anticipates that these new jobs will be created according to the following schedule: Twenty-five (25) jobs by December 31, 2019; seventeen (17) jobs by December 31, 2020; thirteen (13) jobs by December 31, 2021; and ten (10) jobs by December 31, 2022; and

WHEREAS, Kaman has applied to the Executive Office of the Governor, Department of Economic Opportunity for approval as a qualified QTI Program applicant, and has applied for \$195,000 in tax refunds from the State of Florida under the QTI Program, representing \$3,000 per job; and

WHEREAS, in order for Kaman 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 Kaman 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 \$39,000 over the course of Kaman’s eligibility as a “qualified applicant”; and

WHEREAS, competition for Kaman 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 State of Florida Department of Economic Opportunity approve Kaman 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, thirty-nine thousand dollars (\$39,000) 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) Kaman 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 2019-2020	\$ 3,750
FY 2020-2022	\$ 6,300
FY 2021-2022	\$ 8,250
FY 2022-2023	\$ 9,750
FY 2023-2024	\$ 6,000
FY 2024-2025	\$ 3,450
FY 2025-2026	\$ 1,500
Total	<u>\$39,000</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 Kaman is approved by the State of Florida for tax refunds in an amount less than the \$195,000 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 Kaman under the QTI Program.

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

OCT 16 2018
ADOPTED THIS _____ DAY OF October, 2018.



ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

BY: B. J. Dakhanda
Teresa Jacobs
County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk to the Board of County Commissioners

BY: Lakela Louis
Deputy Clerk