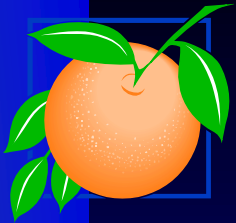
A large, stylized blue leaf graphic is centered in the background, with its stem and veins visible. The leaf is composed of several overlapping shapes, giving it a layered appearance. It is set against a solid blue background.

Lockheed Martin Corporation Economic Development Ad Valorem Tax Exemption Ordinance

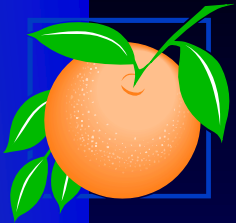
**Public Hearing:
Orange County
Board of County Commissioners**

November 13, 2018



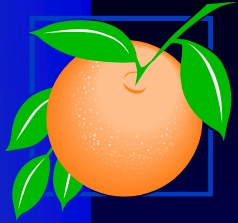
Project Overview

- **Expansion of Existing Lockheed Martin Missile and Fire Control Operations**
- **Includes Designing, Developing and Building Advanced Combat Systems**
- **Internal Competition with Other Lockheed Martin Locations**
- **MS&T Industry has \$4.3B Impact on Florida's Gross State Product**
- **\$4B in Procurement Contracts through CFRP**



Project Overview

- **750 New Jobs**
- **200% of the Average Wage in Orange County**
- **\$200 Million in Capital Investment**
- **Job Functions Include; Engineering, Administrative & Production (Manufacturing and Testing)**



Eligible Expansions of Existing Business

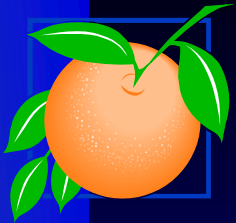
- 10+ jobs:** New full-time jobs with wages higher than area average in manufacturing or “Target industry business”
- 25 +Jobs:** New full time jobs with more than 50% sales outside of Fla. and net increase in employment/output/sales of at least 10%; or
- Enterprise/
Brownfield:** Increases operations on site located within the same zone co-located with a commercial or industrial operation owned by the same business



Property Tax Exemption Board Guidelines

***Lowest number is determining factor**

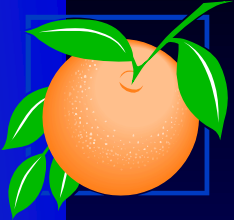
Level	Years	Abatement %	Jobs (Manufacturing or QTI)	Jobs (Business that sells more than 50% of goods outside of MSA)	Jobs (New Business owning new office space)	Capital Investment	Avg. Wage	Brownfield or Enterprise Zone Avg. Wage
1	5	50%	10	25	50	\$200,000	115%	100%
2	7	50%	40	100	200	\$500,000	150%	100%
3	7	75%	80	200	400	\$1,000,000	150%	100%
4	10	75%	320	800	1600	\$10,000,000	200%	100%
5	7	100%	500	1000	1800	\$25,000,000	200%	100%
6	10	100%	1000	1500	2000	\$50,000,000	200%	100%



Staff Recommendation

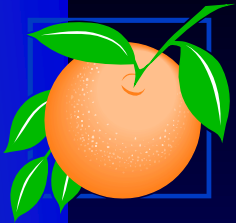
75% Exemption for 10 Years

- **Total Revenue Available to County for Current Fiscal Year - \$529,488,100**
- **Revenue Lost During Current Fiscal Year by Virtue of Previous Exemptions - \$217,239**
- **Estimate of Revenue Lost if the Exemption Applied During Current Fiscal Year - \$114,708**
- **Estimate of Taxable Value Lost - \$62,231,612 (over 10 years)**




Requested Action

- **Approval of an Ordinance of Orange County, FL relating to taxation; granting an economic development exemption from certain ad valorem taxation for Lockheed Martin Corporation**
- **Approval of Economic Development Ad Valorem Tax Exemption Agreement between Orange County and Lockheed Martin Corporation**



Requested Action

- **Approval of a Resolution of the Orange County Board of County Commissioners Regarding Lockheed Martin Corporation Qualified Target Industry Tax Refund with Ad Valorem Abatement**

A large, stylized blue leaf graphic is centered in the background, with its stem and veins visible. The leaf is composed of several overlapping leaf shapes, creating a sense of depth and movement. The entire graphic is set against a solid blue background.

Lockheed Martin Corporation Economic Development Ad Valorem Tax Exemption Ordinance

**Public Hearing:
Orange County
Board of County Commissioners**

Novembver 13, 2018