
**SEMINOLE COUNTY GOVERNMENT
AGENDA MEMORANDUM****SUBJECT:** Qualified Defense Contractor Project**DEPARTMENT:** Economic Development**DIVISION:** Operations**AUTHORIZED BY:** William McDermott**CONTACT:** Shani Beach**EXT:** 7135**MOTION/RECOMMENDATION:**

Approve and authorize the Chairman to execute a resolution recognizing Project Simulated as a Qualified Defense Contractor and providing an appropriation of \$15,000.00 as local participation in the QDC Project tax refund program.

County-wide

Bill McDermott

BACKGROUND:

The QDC Tax Refund is a tool to preserve and grow Florida's high-technology, defense-related employment base, giving Florida a competitive edge as defense or homeland security businesses acquire new contracts or subcontracts, consolidate existing contracts, or convert to commercial production.

Project Simulated is considering relocating their centralized headquarters for North America to Seminole County, specifically in the unincorporated area near Oviedo. The project will add 15 new high-value jobs and retain 10 high-value jobs in the commercial and military simulation and training industry with an average annual salary of at least \$45,000.00, which is 121% of the county's current average annual wage. If the project does not locate in Seminole County, they will move the entire project, including the 10 jobs currently based in Orange County, out of the State of Florida.

The anticipated capital investment for this project is \$2,150,000.00, which includes new equipment purchases and tenant improvements.

The total QDC award is \$75,000.00 in accordance with the QDC program; local governments are required to provide a 20% match, which in this case would be \$15,000.00 for Seminole County.

Funds are available in the Economic Development budget to cover this request.

The project is consistent with stated economic development priorities of Seminole County in several respects;

- The job creation is consistent with the development of high value added job opportunities within the county as stated in the JGI Ordinance, Section 1, (b).
- The project location and industry sector is consistent with the stated objectives of Seminole County's Economic Development Strategy, and the Metro Orlando EDC and Enterprise Florida Economic Development goals.

STAFF RECOMMENDATION:

Staff recommends approval of this project as it is consistent with the stated economic development priorities of Seminole County.

ATTACHMENTS:

1. Resolution
2. Refund Calculation Project Simulated
3. Return on Investment Form

Additionally Reviewed By:

- Budget Review (Lisa Spriggs, Ryan Switzer)
- County Attorney Review (Ann Colby)

Draft Created on 11/29/2007 10:36:33 AM V SCI.Net

QUALIFIED DEFENSE CONTRACTOR TAX REFUND PROGRAM

RESOLUTION NO: _____

A RESOLUTION BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA FINDING THAT PROJECT SIMULATED BE APPROVED AS A QUALIFIED APPLICANT PURSUANT TO S.288.1045, FLORIDA STATUTES; AND PROVIDING AN APPROPRIATION OF \$15,000.00 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2008/09 THROUGH 2012/13, AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA as follows:

WHEREAS, the business is Commercial and military simulation and training; and

WHEREAS, PROJECT SIMULATED is headquartered in the UK; and

WHEREAS, PROJECT SIMULATED intends to locate a business unit in Seminole County to be located in Oviedo (unincorporated). Anticipated capital investment will include \$2,150,000 for tenant renovations and new equipment; and

WHEREAS, PROJECT SIMULATED will create 15 new high wage manufacturing jobs and retain 10 high-wage jobs by the end of 2009. These jobs will be professional and specialized with an average salary of at least \$45,000.00; and

WHEREAS, It is acknowledged that local participation, of which Seminole County will provide a 20% match for a total not to exceed \$15,000.00;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA that the Board hereby recommends, **PROJECT SIMULATED** be approved as a Qualified Defense Contractor pursuant to S.288-1045 Florida Statutes.

BE IT FURTHER RESOLVED that the necessary commitment of local financial support for the Qualified Defense Contractor for the Qualified Defense

Contractor Tax Refund Program exists in an amount not to exceed \$15,000.00, that this amount will be paid to the Florida Economic Development Trust Fund as required, in accordance with the Office of Tourism, Trade and Economic Development guidelines, with the stipulation that these funds are intended to represent the "local participation" pursuant to S. 288-1045, Florida Statutes.

This resolution shall take effect immediately upon its adoption.

DULY ADOPTED BY THE GOVERNING BOARD OF SEMINOLE COUNTY, FLORIDA THIS 13TH DAY OF NOVEMBER, 2007.

ATTEST:

**BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA**

Chairman

Clerk

Total Refund / Exhibit A Calculation of Phased QTI Refunds for Project Simulated

Potential Per Job Award Amt.

\$ 3,000.00

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	25						25
	12/31/2008						

Potential Total QTI Refunds

	Yr. 1-2008	Yr. 2-'09	Yr. 3-'10	Yr. 4-'11	Yr.5-'12			
Phase 1	18,750	18,750	18,750	18,750				
Phase 2		-	-	-	-			
Phase 3			-	-	-			
Phase 4				-	-	-		
Phase 5					-	-	-	
Phase 6						-	-	-
Total:	18,750	18,750	18,750	18,750	-	-	-	-
State:	15,000	15,000	15,000	15,000	-	-	-	-
Local:	3,750	3,750	3,750	3,750	-	-	-	-
Total QTI: \$	\$ 75,000		State: \$	\$ 60,000		Local: \$	\$ 15,000	

Local Financial Support / Exhibit B
Calculation of Phased QTI Refunds for Project Simulated

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5	Phase 6	Total Jobs
Jobs	25	0	0	0	0	0	25
	12/31/2008						

QTI Local Financial Support (LFS)

	Yr. 1	Yr. 2	Yr. 3	Yr. 4	Yr. 5	Yr. 6	Yr. 7	Yr. 8	Yr. 9
Phase 1	3,750								
Phase 2		3,750							
Phase 3			-						
Phase 4				-					
Phase 5					-				
Phase 6						-			
Local:	3,750	3,750	3,750	3,750	-	-	-	-	-
Total QTI LFS:	\$ 3,750	\$ 15,000							

Draft Created on 11/29/2007 10:26:33 AM by SCI.Net

Name of Company	Project Simulated
Taxable Value/Capital Investment	\$2,150,000
Company Information:	Commercial and Military Simulation/Training
Proposed Location:	Dot Com Ct.
Incentive Award	\$ 15,000

Taxing Entities (Ad Valorem):	Rate		Tax (\$)
Countywide/General Fund	0.0043578	\$	9,369
Countywide/Transportation	0.0001068	\$	230
Countywide/Debt Service	0.0001451	\$	312
St. Johns River Water Management District	0.0004158	\$	894
School Board	0.0074130	\$	15,938
Total		\$	<u>26,743</u>

*2007 millage rates (<http://www.seminoletax.org/SCTAXEST.HTM#Millage%20Chart>)

County Only	Return of Ad Valorem
Seminole County/General Fund Only	1.6 Years
Seminole County/All BCC Millages	1.5 Years

All countywide	Return of Ad Valorem
Countywide	0.6 Years