

# QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM

RESOLUTION NO. 040729

PASSED November 22, 2004

A RESOLUTION BY THE GAINESVILLE CITY COMMISSION OF GAINESVILLE, FLORIDA RECOMMENDING APPROVAL OF ECLIPSE AVIATION CORPORATION AS A QUALIFIED TARGET INDUSTRY BUSINESS; AGREEING TO BUDGET AND APPROPRIATE UP TO \$22,400 AS LOCAL PARTICIPATION IN THE QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM AND PROVIDING FOR AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF GAINESVILLE, FLORIDA as follows:

WHEREAS, the business under consideration is the producer of private corporate jets, specifically, Eclipse Aviation Corporation; and

WHEREAS, Eclipse Aviation Corporation plans to construct a regional jet servicing facility at the Gainesville Regional Airport and initially employ 16 individuals; and

WHEREAS, the Gainesville Regional Airport is in the City of Gainesville's Enterprise Zone; and

WHEREAS, section 288.106, Florida Statutes, establishes a tax refund program for qualified businesses in the Enterprise Zone; and

WHEREAS, pursuant to the terms of the tax refund program, Eclipse Aviation Corporation, a target industry business, may receive a tax refund payment up to \$3,000 times the number of jobs, in addition to \$3,000 times the number of jobs for locating in an established Enterprise Zone and \$1,000 times the number of jobs based upon the jobs paying 150% of the average annual wage for Alachua County (total of \$7,000 times the number of jobs); and

WHEREAS, the potential tax refund to Eclipse Aviation Corporation is \$112,000 in 2007 and subsequent years; and

WHEREAS, the jobs will provide quality employment opportunities with a strong benefit package to the citizens of Alachua County; and

WHEREAS, to qualify for the tax refund, local funding sources must contribute 20 percent of that amount, which is, in this instance, \$22,400; and

WHEREAS, local financial support of public and/or private funds is required to be provided to the State of Florida through the City in order to obtain the benefit of the qualified target industry tax refund program, pursuant to 288.106, Florida Statutes; and

WHEREAS, the Commission finds that attracting, retaining and providing favorable conditions for growth of target industries provides high quality employment opportunities for citizens of Gainesville

and enhances the economic foundations of this State; and

**WHEREAS**, the Commission finds that the expenditure of City funds as local financial support for the construction of an Eclipse Aviation Corporation regional jet servicing center constitutes a valid public purpose.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF GAINESVILLE, FLORIDA:**

1. That the City Commission recommends that Eclipse Aviation Corporation, be approved as a qualified target industry business, pursuant to 288.106(1)(o), Florida Statutes.
2. That the Commission will pay to the Florida Economic Development Trust Fund up to \$22,400 to be paid as follows:

FY 2005	\$14,000.
FY 2006	\$ <u>8,400.</u>
Total	\$ 22,400.

Total funding is in accordance with the City's adopted FY 2005 budget and FY 2006 budget plan for the Economic Development fund. Actual funding is subject to appropriation in subsequent budget years.

These funds represent the local participation required by 288.106, Florida Statutes and shall come from the City of Gainesville Economic Development fund.

3. That this resolution shall take effect immediately upon its adoption.

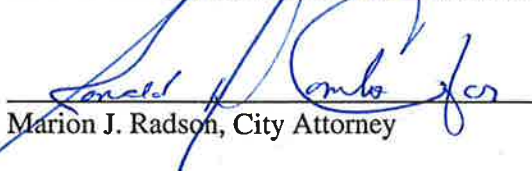
**PASSED AND ADOPTED** in regular session this 22nd day of November, 2004.

**CITY COMMISSION OF GAINESVILLE, FLORIDA**



Pegeen Hanrahan, Mayor

**APPROVED AS TO FORM AND LEGALITY**



Marion J. Radson, City Attorney

**ATTEST:**



Kurt Lannon, Clerk of the Commission

(SEAL)