

Date: December 19, 2006

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

From: George J. Burge
County Manager

Subject: Ordinance Granting Enterprise Zone Ad Valorem Tax Exemption
Under Ordinance No. 96-74 for Publix Supermarkets, Inc.

Agenda Item No. 7(N)

0#07-28

RECOMMENDATION

It is recommended that the Board approve the attached ordinance granting Enterprise Zone Ad Valorem Tax Exemption to Publix Supermarkets, Inc., hereinafter referred to as "Business," pursuant to the provisions of Section 196.1995, Florida Statutes, and Miami-Dade County Ordinance No. 96-74.

BACKGROUND

On April 19, 1988, the Board enacted Ordinance No. 88-27, which authorized Enterprise Zone Ad Valorem Tax Exemption for new or expanding businesses, which invest in these zones. On May 21, 1996, the aforementioned ordinance was revised and enacted as Ordinance No. 96-74.

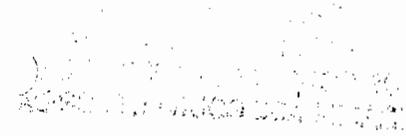
The Business has filed an application for Enterprise Zone Ad Valorem Tax Exemption for improvements made to its real properties and for acquisition of tangible personal property. The Property Appraiser reviewed the application and inspected the property to arrive at determinations of the appropriate exemption.

To be eligible for this exemption, a new or expanded business shall create a minimum of five new full-time jobs. If, on any given year of the 5-year exemption, 20 percent or more of a business' permanent full-time employees are residents of the Enterprise Zone, the exemption for that year will be 100 percent of the assessed value of all improvements to real property and 100 percent of the assessed value of all tangible personal property. In case the company cannot comply with the 20 percent residency requirement of their employees living in the Enterprise Zone, then the exemption for that year will be 50 percent of the assessed value of the improvements to real estate and improvements to tangible personal property.

Once the Board has granted approval, Miami-Dade's Office of Community and Economic Development (OCED) will monitor the firm's compliance during the life of the tax exemption.

State of Florida incentives available in the Enterprise Zone include jobs tax credit, property tax credit, community contribution tax credit, sales tax exemption on building materials and sales tax exemption on business equipment. The Business has indicated that the availability of these incentives was a contributing factor in its decision to locate in the Enterprise Zone.

Detailed information regarding the Business is provided below. The tax exemption is based on the estimated countywide area millage rate of 5.835 for FY 2005-06, the year the Business became eligible for the tax abatement.



Publix Supermarkets, Inc.

Address: 155 East 2nd Avenue, Hialeah, FL 33010

Community Redevelopment Area (CRA) No

Business: Grocery Store

Contact Person: Robert Slate, Consultant (904) 636-0466

Employment: 51 New Jobs

Basis for Application: Improvements to Real Estate and Acquisition of Tangible Personal Property

Total New Investment: \$4 Million

Exemption Eligibility: \$2,287,306 (real property)
 \$1,663,008 (tangible personal property)

Estimated County Tax Exemption Per Year: \$13,346 (real property)
 \$ 9,704 (tangible personal property)
Total: \$23,050

Period: 5 Years

ECONOMIC IMPACT ANALYSIS

If the full exemption is granted, the impact on the County budget would be to reduce revenues by \$23,050 for FY 2005-06, based on the FY 2005-06 countywide millage rate. The portion which applies to improvements to real property, totaling \$13,346 in FY 2005-06, remains relatively constant for the duration of the exemption period. The portion which applies to tangible personal property, totaling \$9,704, declines annually as the property is depreciated.

The impact of the exemption on the private sector is to reduce the applicant's operating costs by these amounts, which is intended as an incentive to invest and create jobs in the most distressed areas of Miami-Dade County. The Business created 51 new jobs, which include a total of 11 jobs for residents of the Enterprise Zone. Exemption recipients are monitored annually for compliance with maintaining five new full-time jobs. Businesses found not to be in compliance with maintaining five new full-time employees will lose their tax exemption.

ECONOMIC IMPACT ANALYSIS CHART

Company	Exemption	Term	Total Jobs Existing	Projected New Jobs Since Investment	Projected EZ Jobs	Total New Investment
Publix Supermarkets, Inc.	\$23,050	5 Yrs.	51	51	11 (22%)	\$4,000,000

Honorable Chairman ~~B~~ A. Barreiro
and Members, Board of County Commissioners
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The initial cost of processing the application is offset by a \$50 application fee, plus 10 percent of the first year's exemption. The public benefits of this project are the investment and job creation in Miami-Dade County's distressed areas. The additional payroll and economic activity generates other taxable activity. In addition, once the exemption period ends, the County will receive the increased taxes from the expanded business.

Please see attached revenue implication statement prepared by the Property Appraiser's Office for this project.

Attachments


Cynthia W. Curry
Senior Advisor to the County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: February 6, 2007

FROM: Murray A. Greenberg
County Attorney

SUBJECT: Agenda Item No. 7(N)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor

Agenda Item No. 7(N)

Veto _____

02-06-07

Override _____

ORDINANCE NO. 07-28

ORDINANCE GRANTING ENTERPRISE ZONE AD VALOREM TAX EXEMPTION TO PUBLIX SUPERMARKETS, INC., A NEW BUSINESS LOCATED IN THE ENTERPRISE ZONE; PROVIDING SCOPE AND TERMS OF EXEMPTION; PROVIDING SEVERABILITY, EFFECTIVE DATE AND EXPIRATION DATE

WHEREAS, this Board recognizes the need to stimulate economic development in certain areas of Dade County which are economically depressed, where housing and structural conditions are blighted and deteriorated, and where unemployment and poverty are prevalent, said areas being designated "Enterprise Zones" as defined in Section 196.012 and Section 290.004, Florida Statutes; and

WHEREAS, pursuant to Article VII, Section 3 of the Florida Constitution, the State has enacted Section 196.1995, Florida Statutes, providing a local government option for ad valorem tax exemption to new businesses and expansions of existing businesses in each such Enterprise Zone; and

WHEREAS, this Board authorized Enterprise Zone Ad Valorem Tax Exemptions to new businesses and for the expansion of existing businesses located in the Enterprise Zone through Ordinance No. 96-74, enacted on May 21, 1996; and

WHEREAS, this Board desires to encourage economic growth and development and alleviate the conditions of unemployment, economic disinvestments and poverty by creating new construction, new jobs, and an enhanced business climate particularly for small or minority owned businesses; and

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WHEREAS, Publix Supermarkets, Inc., hereinafter referred to as "Business", located at 155 East 2nd Avenue, Hialeah, FL 33010, within Enterprise Zone No. 1301 has made application for ad valorem tax exemptions; and

WHEREAS, the Business has committed to this Board that it will maintain a work force of at least five (5) employees; and

WHEREAS, this Board finds that the Business has tax bills which are current; and

WHEREAS, this Board finds that ad valorem tax exemption is appropriate and consistent with the public purpose to eliminate the serious and distressing economic conditions of the designated "Enterprise Zone" in Miami-Dade County,

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA:

Section 1. Legislative Intent and Findings of Public Purpose. The above recitations of legislative intent and findings of public purpose are fully incorporated herein as part of this ordinance.

Section 2. Eligibility Requirements. This Board finds the Business is a "new business" as defined in Section 196.012(15) (b) Florida Statutes (1991) and as defined in Miami-Dade County Code Section 29-82(b), and after careful consideration of certain factors including those enumerated in Section 29-84(a) and (b) of the Miami-Dade County Code finds and determines the Business is eligible for ad valorem tax exemption.

Section 3. Granting the Exemption. This Board hereby grants ad valorem tax exemptions pursuant to Ordinance No. 96-74, enacted on May 21, 1996, to Publix Supermarkets, Inc., located at 155 East 2nd Avenue, Hialeah, FL 33010, a "new business." The

exemption shall be up to 100% of the eligible assessed value of the improvements to real property and the eligible tangible personal property, if the company complies with the 20% residency requirement of their employees living in the Enterprise Zone. If the company cannot comply with the 20% residency requirement of their employees living in the Enterprise Zone, then the exemption, for that year, will be 50% of the eligible assessed value of the improvements to real property and the eligible tangible personal property acquired and owned by the Business and located at 155 East 2nd Avenue, Hialeah, FL 33010.

Section 4. Revenue Implications. The total amount of revenue available to the County from ad valorem tax sources for FY 2005-06 is \$1.022 billion. The total amount of revenue foregone by the County for FY 2005-06 by virtue of Enterprise Zone Ad Valorem Tax Exemptions is \$618,945. The revenue foregone by the County attributable to the exemption of the Business named in the ordinance is estimated at \$13,346 for real property and \$9,704 for tangible personal property, based on the assessment by the Property Appraiser of Miami-Dade County.

Section 5. Duration and Expiration of the Tax Exemption. The duration of the Enterprise Zone Ad Valorem Tax Exemption granted to the Business is five (5) years. The tax exemption granted in this ordinance shall expire after the 2009 tax assessment rolls of Miami-Dade County. Notwithstanding the foregoing, the Business must apply for a renewal of the exemption each year for which the exemption is sought. Failure to file a renewal application with the Office of Community and Economic Development by March 1 of each year shall constitute a waiver of the exemption for the year.

Section 6. Scope of Exemptions. The property tax exemption authorized through this ordinance shall be up to 100% of the eligible assessed value of the improvements to real property and the eligible tangible personal property, if the company complies with the 20%

residency requirement of their employees living in the Enterprise Zone. If the company cannot comply with the 20% residency requirement of their employees living in the Enterprise Zone, then the exemption, for that year, will be 50% of the eligible assessed value of the improvements to real property and the eligible tangible personal property made by or for the use of the Business. The exemption shall apply only to Miami-Dade County countywide operating millage and, when applicable, the unincorporated municipal service area millage and shall not apply to taxes levied for payment of bonds or to taxes authorized by vote of the electors pursuant to Section 9(b) of Section 12, Article VII of the State Constitution. The exemption shall not be prolonged or extended by granting exemption from additional taxes or by virtue of any reorganization or sale of the Business receiving the exemption.

Section 7. Penalties. Non-compliance during the life of the tax exemptions unless expressly waived by the Board, with any of the eligibility requirements of Section 29-87 of the Miami-Dade County Code will nullify the tax exemption benefits granted through this ordinance and the Business shall be required to make payments of taxes exempted in addition to interest accrued from the date of non-compliance.

Section 8. Fee. The Business named in the ordinance will pay a \$50 application fee and a fee of 10% of the first year tax exemption to cover administrative expenses of Miami-Dade County in processing the application for tax exemption. All fees are non-refundable even if Miami-Dade County rescinds the tax exemptions due to non-compliance with eligibility requirements. Fees are payable to Miami-Dade County Board of County Commissioners.

Section 9. Renewal Provisions. Enterprise Zone Ad Valorem Tax Exemptions granted through this ordinance can be renewed each year for the duration of the term of the exemption as indicated in Section 5 of this ordinance; however, the Business must re-apply to maintain the exemptions on or before March 1 of each year for which the renewal is sought. Failure to file a

renewal by March 1 of every year with the Office of Community and Economic Development (OCED) shall constitute a waiver of the exemption for that year.

Section 10. Severability. If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

Section 11. Effective Date. This ordinance shall become effective ten (10) days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

Section 12. Sunset. This ordinance shall stand repealed five (5) years from its effective date.

PASSED AND ADOPTED: February 6, 2007

Approved by County Attorney as
to form and legal sufficiency.





Prepared by:

Shannon D. Summerset

**Enterprise Zone Abatement
Property Tax Assessments/Revenue Implications**

Business Name: Publix Supermarkets Inc. #1072
Address: 155 East 2nd Ave. Hialeah, FL 33010
Folio #: 04-3118-006-0010 P.P. Folio # 17-526010

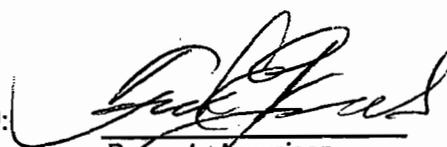
Estimate- 2005

1. Assessed Value of Improvements/Additions to:		
(a) Real Property		<u>\$2,287,306</u>
(b) Tangible Personal Property		<u>\$1,709,108</u>
2. Total Taxes Levied on Improvements and Additions to:		
(a) Real Property (excluding land) (Based on 2005 millages)		<u>\$51,515</u>
(i) County Operating	\$13,346	
(ii) Unincorporated Municipal Service Area	\$0	
(iii) Debt Service	\$652	
(v) All other property taxes	\$37,517	
(b) Tangible Personal Property (Based on 2005 millages)		<u>\$38,493</u>
(i) County Operating	\$9,973	
(ii) Unincorporated Municipal Service Area	\$0	
(iii) Debt Service	\$487	
(v) All other property taxes	\$28,033	

Revenue Implications :

3. Total property tax revenue for the current tax year from ad valorem taxes:		<u>\$1,022,425,680</u>
4. Total revenue forgone for the current fiscal year by virtue of exemptions previously granted under this section:		<u>\$618,945</u>
5. Total revenue forgone for the current fiscal year if exemption applied for is granted:		<u>\$23,050</u>
R.E. : <u>\$13,346</u>	P.P. : <u>\$9,704</u>	
6. Taxable value forgone if the exemption applied for were granted on:		<u>\$3,950,314</u>
(a) Improvement to Real Property	<u>\$2,287,306</u>	
(b) Tangible personal Property	<u>\$1,663,008</u>	
7. Last year for which exemption may be applied for 2009.		

Date: 8/25/2006

Signed: 
 Property Appraiser

PUBLIX SUPERMARKETS, INC.
 155 East 2nd Avenue
 Hialeah, FL 33010

Iliana	[REDACTED]	Hialeah	Florida 330104982
Juan	[REDACTED]	Hialeah	Florida 330103056
Lateef	3820 Nw 197th St	Carol City	Florida 330551944
Raul	946 W 39th Pl	Hialeah	Florida 330127243
Angel	14871 Sw 173rd St	Miami	Florida 331871797
Manuel	[REDACTED]	Hialeah	Florida 330103547
Elizabeth	13939 Sw 52nd Ln	Miami	Florida 331755184
Ahmed	1075 W 68th St	Hialeah	Florida 330145156
Jesus	8340 Sw 12th Ter	Miami	Florida 331444122
Edwing	7916 W 34th Ln Unit 201	Hialeah	Florida 330185058
Mark	2151 Nw 96th Ter # 150	Pembroke Pines	Florida 330243041
Julia	20218 52nd Pl Royal Country #738	Miami	Florida 33055
Caridad	5631 West 25 Court #11	Hialeah	Florida 33016
Alejandro	7191 W 24th Ave Apt 2	Hialeah	Florida 330166521
Ariadne	[REDACTED]	Hialeah	Florida 33010
Armando	1555 W 44th Pl Apt 343	Hialeah	Florida 330127128
Bernita	[REDACTED]	Miami	Florida 331423365
Maria	10371 Sw 26th St	Miami	Florida 331652520
Gisela	5326 W 24th Ave	Hialeah	Florida 330164001
Yudit	[REDACTED]	Hialeah	Florida 33010
Jackerlyn	13241 Nw 21st Ave	Miami	Florida 331671421
Junior	[REDACTED]	Opalocka	Florida 33054
Nelly	10261 Nw 80th Ct Apt 102	Hialeah Gardens	Florida 330162294
Fidelia	3541 W 2nd Ave	Hialeah	Florida 330125215
Maira	168 W 27th St Apt 1	Hialeah	Florida 330101637
Juan	5542 NW 206 Terr	Opa Locka	Florida 33055
Olivina	2996 NW 88th Street	Miami	Florida 33147
Manuel	6925 W 29th Ave Unit 102	Hialeah	Florida 330188314
Isabel	[REDACTED]	Hialeah	Florida 330104971
George	9341 SW 64th Place	Cooper City	Florida 333285840
Oscar	721 Curtiss Pkwy Apt 5	Miami Springs	Florida 331667127
Nomar	11800 Sw 18th St Apt 410	Miami	Florida 331751661
Edward	3911 Nw 178th St	Opa Locka	Florida 330553860
William	[REDACTED]	Hialeah	Florida 33010

PUBLIX SUPERMARKETS, INC.
 155 East 2nd Avenue
 Hialeah, FL 33010

Yamile	Pulg	6041 W 24th Avenue	Hialeah	Florida 33016
Gabriel	Ramos	11410 Nw 91st Ct	Hialeah	Florida 330184129
Yesenia	Rivera	[REDACTED]	Hialeah	Florida 330104992
Sarah	Roberts	[REDACTED]	Miami	Florida 331477643
Joann	Rodriguez	1000 Nw 18th Ave	Miami	Florida 331252710
Miguel	Rodriguez	11509 Sw 7th Ter	Miami	Florida 331741033
Orlando	Sigler	15863 S.W. 52 St.	Miramar	Florida 33027
Denis	Sosa	5331 W. 2 Court	Hialeah	Florida 33012
Luz	Suaza	651 E 60th St	Hialeah	Florida 330131134
Roberto	Tamayo	310 W 54th St	Hialeah	Florida 330122726
Wanda	Thomas	8415 Nw 15th Ave	Miami	Florida 331474319
Laura	Tiberil	2450 W 74th St	Hialeah	Florida 330166512
Franklin	Urbaez	6937 W 25th Ct	Hialeah	Florida 330165463
Ileana	Valdivia	1709 W 58th St	Hialeah	Florida 330126893
Ana	Venage	2953 W 80 Street Apt 102	Hialeah	Florida 33018
Anett	Villar	6525 W 24th Ave Apt 101	Hialeah	Florida 330168910
Alix	Zabala	7899 W 33rd Ln	Hialeah Gardens	Florida 330185066

Total Employees 51
 Enterprise Zone Employees 11
 & Enterprise Zone Employees 22*