

ORDINANCE NO. 24-____

AN ORDINANCE OF POLK COUNTY, FLORIDA, ESTABLISHING AN EXEMPTION FROM CERTAIN AD VALOREM TAXATION FOR ALDI (FLORIDA) L.L.C., AN EXPANSION OF AN EXISTING BUSINESS; PROVIDING FINDINGS OF FACT; PROVIDING A TITLE; PROVIDING THE TOTAL AMOUNT OF REVENUE AVAILABLE TO THE COUNTY FROM AD VALOREM TAX SOURCES FOR THE CURRENT FISCAL YEAR, THE TOTAL AMOUNT OF REVENUE LOST TO THE COUNTY FOR THE CURRENT FISCAL YEAR BY VIRTUE OF ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTIONS CURRENTLY IN EFFECT, AND THE ESTIMATED REVENUE LOSS TO THE COUNTY FOR THE CURRENT FISCAL YEAR ATTRIBUTABLE TO THE EXEMPTION FOR ALDI (FLORIDA) L.L.C.; PROVIDING FOR THE GRANT OF AN EXEMPTION FOR 8 YEARS AT 50 PERCENT; PROVIDING FOR A FINDING THAT THE COMPANY MEETS THE REQUIREMENTS OF SECTION 196.012 (15), FLORIDA STATUTES, (EXPANSION OF AN EXISTING BUSINESS); PROVIDING FOR CONTINUING PERFORMANCE; PROVIDING FOR APPLICABILITY; PROVIDING FOR REVIEW; PROVIDING FOR EXPIRATION; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

ARTICLE I: FINDINGS OF FACT

1. Article VII, Section 3, of the Florida Constitution and Florida Statutes, Section 196.1995 authorize Polk County (the "County") to grant Economic Development Ad Valorem Tax Exemptions to New Businesses and Expansions of Existing Businesses, as defined in Florida Statutes, Section 196.012(14) and (15), subject to voter approval. On November 3, 2020, electors in Polk County approved a referendum authorizing such exemptions, and on October 4, 2022, the Board of County Commissioners (the "Board") adopted a master ordinance, Ordinance 2022-069 (the "Master Ordinance") authorizing the granting of such exemptions.
2. The Master Ordinance sets forth the guidelines, process and procedures for implementing the Economic Development Ad Valorem Tax Exemption program.
3. Pursuant to the Master Ordinance, ALDI (Florida) L.L.C., a Florida limited liability company (the "Company") submitted an application to the County requesting an

ad valorem tax exemption for 50% of the assessed value of qualifying improvements to real property and qualifying tangible personal property specified in its application for a period of eight (8) years commencing with Tax Year 2027 (the "Application"). The Application is incorporated herein by reference and a copy of said Application shall be retained by the Program Administrator for at least the duration of the Exemption Period (hereinafter defined).

4. In the Application, the Company stated the following:

a. The name and proposed location of the expansion of an existing business is ALDI (Florida) L.L.C., to be located on certain real property located at 2651 FL-17 South in Haines City, Parcel ID No.: 27-28-04-815028-000010 (such location being referred to hereinafter as the "Facility").

b. The Company will create at least 10 new full-time jobs in Polk County paying an average annual wage equal to or in excess of 115% of the 2024 average annual wage for Polk County, which equates to \$59,326.

c. The Company will invest, or cause to be invested on behalf of the Company, no less than Seventy-Five Million Dollars (\$75,000,000) in real property improvements and the purchase of equipment and other tangible personal property for use at the Facility.

d. The Company's operations at the Facility will consist of cold storage warehousing and distribution.

e. The Company is committed to local procurement and the use of local vendors where practicable in support thereof.

f. The Company is committed to environmental sustainability and will apply green technologies to the extent feasible and where practicable.

g. Pursuant to the Master Ordinance and Section 196.1995, Florida Statutes, the Polk County Property Appraiser completed its review of the Application and submitted its report to the County, dated November 18, 2024 (the "Property Appraiser's Report"). The Property Appraiser's Report, which is attached hereto as Exhibit "A" and made a part hereof, included the following:

i. The total revenue available to the County for the current fiscal year from ad valorem tax sources is \$440,304,308.

ii. The total revenue lost to the County for the current fiscal year by virtue of exemptions previously granted under this section is \$4,491,502.

iii. The estimate of the revenue which would be lost to the County during the current fiscal year if the exemption applied for was granted is \$250,955.

iv. The estimate of the taxable value lost to the County if the exemption applied for was granted is \$28,687,500 for improvements to real property and \$9,136,602 for tangible personal property.

v. A determination that the proposed project as described in the Application meets the definition of an Expansion of an Existing Business as defined in Section 196.012(15), Florida Statutes has been made.

5. The Application meets all statutory and Master Ordinance requirements.

ARTICLE II: TITLE

This Ordinance shall be known as Polk County Ordinance 2024-____, the “Economic Development Ad Valorem Tax Exemption for ALDI (Florida) L.L.C. (Project Citrus)”

ARTICLE III: GRANT OF EXEMPTION

1. After consideration of the Application and the Property Appraiser’s Report, the Board finds that the Company qualifies as an Expansion of an Existing Business, as defined in Section 196.012(15), Florida Statutes, and that granting an Economic Development Ad Valorem Tax Exemption to the Company to encourage its expansion in Polk County will promote economic sustainability within the County through the creation of jobs and utilization of local resources. The Board hereby grants to the Company and establishes on behalf of the Company an Economic Development Ad Valorem Tax Exemption of fifty percent (50%) of the assessed value of the qualifying real property improvements and tangible personal property as set forth in the Application, acquired by the Company after the adoption of this Ordinance to facilitate the expansion of the existing business in Polk County (the “ALDI Exemption”).

2. The ALDI Exemption shall be for a period of eight (8) tax years (the

“Exemption Period”) commencing with Tax Year 2027 through Tax Year 2034.

3. The ALDI Exemption is conditioned upon the Company entering into an “Ad Valorem Tax Exemption Business Maintenance and Continued Performance Agreement” (the “Performance Agreement”) with the County stating that it shall remain in compliance with this Ordinance and the Master Ordinance throughout the Exemption Period as well as with the terms of the Performance Agreement. Should the Company fail to comply with the terms of this Ordinance, the Master Ordinance, or the Performance Agreement, the Board may, in its discretion, revoke the ALDI Exemption and recover any taxes exempted during the Exemption Period pursuant to the procedures set out in the Master Ordinance and as described in the Performance Agreement.

4. The Company agrees to abide by the terms and conditions set forth in this Ordinance and the Master Ordinance, as amended from time to time, as well as the guidelines, policies and procedures enacted by the Board from time to time related to the Economic Development Ad Valorem Tax Exemption program. Failure to do so may result in revocation of the ALDI Exemption and the County’s recovery of any taxes exempted during the Exemption Period as set forth in the Performance Agreement.

ARTICLE IV: APPLICABILITY

The County ad valorem tax exemption granted herein applies only to countywide ad valorem taxes levied by Polk County on the qualifying improvements to real property and qualifying tangible property specified in the Application. The exemption does not apply to taxes levied by a municipality, school district, MSTU’s, water management district or other special taxing district or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors pursuant to Section 9 (b) or 12, Article VII of the Florida Constitution. No exemption shall be granted on the land on which improvements are made by the Company.

ARTICLE V: REVIEW

The decision of the Board, in its sole discretion, to not grant an exemption shall not be reviewable by the Value Adjustment Board pursuant to Chapter 194, Florida Statutes.

ARTICLE VI: EXPIRATION DATE

The exemption granted herein shall automatically expire on December 31, 2034, and shall no longer be in force or effect thereafter.

ARTICLE VII: EFFECTIVE DATE

A certified copy of this Ordinance shall be filed with the Department of State within ten (10) days after enactment, and this Ordinance shall take effect immediately upon such filing. The exemption granted herein shall take effect commencing with Tax Year 2027.

ARTICLE VIII: SEVERABILITY

If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provisions or applications. To this end, the provisions of this Ordinance are declared severable.

DULY ADOPTED in regular session, this 17th day of December, 2024.

BOARD OF COUNTY COMMISSIONERS
OF POLK COUNTY, FLORIDA

BY: _____

_____, Chair

ATTEST:

Clerk

(SEAL)

Exhibit "A"

Property Appraiser's Report

[ATTACHED HERETO]

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION Chapter 196.1995, Florida Statutes

DR-418 R. 12/99

To be filed with the Board of County Commissioners, the governing boards of the municipality, or both, no later than March 1 of the year the exemption is desired to take effect.

Form sections 1-12 containing business details for Aldi (Florida) LLC, including owner information, property address, improvements, and employee data.

Property Appraiser's Use Only section containing financial data: Total revenue available (\$440,304,308), revenue lost to exemptions (\$4,491,502), and estimate of revenue lost if exemption applied (\$250,955).

Application to be filed not later than March 1

11/18/24 Date

Signature, Property Appraiser

Project Citrus
Parcel ID# 27-28-04-815028-000010

Property Description	2024										BOCC		SWFWMD
	2024		2024		2024		2024		2024		MSTU / Stormwater	School Board	
	Original Cost	% Good	Value	1st Yr. Depr	Millage Rate	County	Total Taxes	Ad Valorem Abatement %	Revenue	Value			
Tangible Personal Property:													
5 High Racking	\$ 7,000,000	92%	6,440,000	6,440,000	6.6348	6.6348	\$ 42,728.11	50.00%	\$ 21,364.06	3,220,000	\$ 21,364.06	\$ 34,106.24	\$ 1,229.40
6 High Racking	\$ 8,000,000	92%	7,360,000	7,360,000	6.6348	6.6348	\$ 48,832.13	50.00%	\$ 24,416.06	3,680,000	\$ 24,416.06	\$ 38,978.56	\$ 1,405.02
Wrapping Machine	\$ 436,050	91%	396,806	396,806	6.6348	6.6348	\$ 2,632.73	50.00%	\$ 1,316.36	198,403	\$ 1,316.36	\$ 2,101.48	\$ 75.75
Wrapping Machine	\$ 436,050	91%	396,806	396,806	6.6348	6.6348	\$ 2,632.73	50.00%	\$ 1,316.36	198,403	\$ 1,316.36	\$ 2,101.48	\$ 75.75
Material Handling Equipment	\$ 4,134,374	89%	3,679,593	3,679,593	6.6348	6.6348	\$ 24,413.36	50.00%	\$ 12,206.68	1,839,796	\$ 12,206.68	\$ 19,487.12	\$ 702.43
Total Tangible Personal Property	\$ 20,006,474		\$ 18,273,204	\$ 18,273,204			\$ 121,239		\$ 60,620	\$ 9,136,602	\$ 60,620	\$ 96,775	\$ 3,488
REAL PROPERTY IMPROVEMENTS:	\$ 67,500,000	85%	\$ 57,375,000	\$ 57,375,000	6.6348	6.6348	\$ 380,672	50.00%	\$ 190,336	\$ 28,687,500	\$ 190,336	\$ 303,858	\$ 10,953
TOTAL ESTIMATE OF PROJECT	\$ 87,506,474		\$ 75,648,204	\$ 75,648,204			\$ 501,911		\$ 250,955	\$ 37,824,102	\$ 250,955	\$ 400,633	\$ 14,441

Marsha M. Faux, CFA, ASA
Polk County Property Appraiser