

ORDINANCE NO. 24-____

AN ORDINANCE OF POLK COUNTY, FLORIDA, ESTABLISHING AN EXEMPTION FROM CERTAIN AD VALOREM TAXATION FOR PUBLIX SUPER MARKETS, INC., 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 PUBLIX SUPER MARKETS, INC.; PROVIDING FOR THE GRANT OF AN EXEMPTION FOR 7 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, Publix Super Markets, Inc., a Florida corporation (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 seven (7) years commencing with Tax Year 2026 (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 Publix Super Markets, Inc., to be located on certain real property located at 1936 George Jenkins Blvd, Lakeland, Florida, 33815, Parcel ID No.: 23-28-14-078000-004010 (such location being within a Federally Designated Opportunity Zone, as defined in the Master Ordinance, and 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 is \$59,326.

c. The Company will invest, or cause to be invested on behalf of the Company, no less than Twenty-Five Million Dollars (\$25,000,000) 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 the expansion of its corporate headquarters office to increase capacity.

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 May 16, 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 \$399,156,075.

ii. The total revenue lost to the County for the current fiscal year by virtue of exemptions previously granted under this section is \$4,655,536.

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 \$137,300.

iv. The estimate of the taxable value lost to the County if the exemption applied for was granted is \$16,147,875 for improvements to real property and \$4,390,034 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 Publix Super Markets, Inc. (Project Retro – Corporate Headquarters Expansion)”

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 “Publix Exemption”).

2. The Publix Exemption shall be for a period of seven (7) tax years (the "Exemption Period") commencing with Tax Year 2026 through Tax Year 2032.

3. The Publix 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 Publix 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 Publix 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, 2032, 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 2026.

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 2nd day of July, 2024.

BOARD OF COUNTY COMMISSIONERS
OF POLK COUNTY, FLORIDA

BY: _____

W.C. Braswell, Chair

ATTEST:

Clerk

(SEAL)

Exhibit “A”

Property Appraiser’s Report

[ATTACHED HERETO]

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.

| 1 Business name Publix Super Markets, Inc. | | | | Mailing address 3300 Publix Corporate Parkway, Lakeland, FL 33811 | | | |
|--|-----|------------------|---------------|--|---|--|----|
| 2 Please give name and telephone number of owner or person in charge of this business. Name Chris Mesa | | | | Telephone number (863) 688-1188 | | | |
| 3 Exact Location (Legal Description and Street Address) of Property for which this return is filed 1936 George Jenkins Blvd, Lakeland, FL 33815 23-28-14-078000-004010 | | | | | | 4 Date you began, or will begin, business at this facility 1951 | |
| 5 Description of the improvements to real property for which this exemption is requested Building & Improvements: electrical, framing, drywall, plumbing, etc. (\$37.995M) | | | | | | Date of commencement of construction of improvements 01/2025 | |
| 6 Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased | | | | | | APPRAISER'S USE ONLY | |
| Class or Item | Age | Date of Purchase | Original Cost | Cond* | Taxpayer's Estimate of Fair Market Rent | Cond* | |
| Computer Equipment | | 12/2025 | \$ 2,565,250 | good | \$ | | \$ |
| Office Furniture and Fixtures | | 12/2025 | \$ 7,229,250 | good | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$ | | \$ | | \$ |
| | | | \$9,794,500 | | \$ | | \$ |

Average value of inventory on hand:

*Condition: good, avg (average), or poor

Any additional personal property not listed above for which an exemption is claimed must be returned on form DR-405 (Tangible Personal Property Tax Return) and a copy attached to this form.

| | |
|---|---|
| 7 Do you desire exemption as a <input type="checkbox"/> new business or <input checked="" type="checkbox"/> expansion of an existing business | 9 Trade levels (check as many as apply) |
| 8 Describe type or nature of your business Corporate Support | <input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input checked="" type="checkbox"/> Office <input type="checkbox"/> Other, specify: |

10 Number of full-time employees to be employed in Florida

| | | | | |
|--|-------------------------------|--------|---|---|
| If an expansion of an existing business: | Net increase in employment 10 | 1.62 % | Increase in productive output resulting from this expansion TBD | % |
|--|-------------------------------|--------|---|---|

11 Sales factor for the facility requesting exemption:

| | | | | | | | |
|---|---|------------|---|---|---|---|---|
| Total sales in Florida from this facility-one (1) location only | 0 | divided by | Total sales everywhere from this facility-one (1) location only | 0 | = | 0 | % |
|---|---|------------|---|---|---|---|---|

| | | |
|--|---|--|
| 12 For office space owned and used by a corporation newly domiciled in Florida | Date of incorporation in Florida N/A | Number of full-time employees at this location 617 |
|--|---|--|

I hereby request the adoption of an ordinance granting an exemption from ad valorem taxation on the above property pursuant to Section 196.1995, Florida Statutes. I agree to furnish such other reasonable information as the Board of County Commissioners, the governing authority of the municipality, or the Property Appraiser may request in regard to the exemption requested herein. I hereby certify that the information and valuation stated above by me is true, correct, and complete to the best of my knowledge and belief. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

| | |
|---------------------------------------|---|
| Date 5/8/2024 | Signature, preparer <i>W.R. E.T.</i> |
| Signature, taxpayer <i>Chris Mass</i> | Preparer's address 1936 George Jenkins Blvd, Lakeland, FL 33815 |
| Title VP & Controller | Preparer's telephone number (863) 688-1188 |

Property Appraiser's Use Only

| | | | |
|-----|--|---------------|--------------------------------|
| I | Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources | Final 2023 | \$ 399,156,035 |
| II | Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section | | \$ 416,551,536 |
| III | Estimate of the revenue which would be lost to the county or municipality during the current fiscal year if the exemption applied for were granted and the property for which the exemption is requested would otherwise have been subject to taxation | | \$ 137,300 |
| IV | Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted | | |
| | Improvements to real property | \$ 16,147,875 | Personal property \$ 4,390,031 |
| V | I have determined that the property listed above meets the definition, as defined by Section 196 012(15) or (16), Florida Statutes, as a | | |
| | <input type="checkbox"/> new business <input checked="" type="checkbox"/> expansion of an existing business <input type="checkbox"/> neither | | |
| VI | Last year for which exemption may be applied | 2032 | |

Application to be filed not later than March 1

5/16/24
Date

Signature, Property Appraiser

Publix Supermarkets, Inc. Project Retro
Parcel ID# 232814-078000-004010

| Dept | Property Description | 2024 | | 2023 | | BOCC | | SWFWMID | 0.2043 | | | | |
|------|---|---------------|--------|----------------------|------------------------|----------------|---------------------------|------------|------------|-----------------|---------------|-----------------------|-------------------------|
| | | Original Cost | % Good | Value 1st Yr Depr | County Millage Rate | Total Taxes | Ad Valorem Abatement % | | | Revenue Lost | Value Lost | Tax Dollars Gained | MSU's/Stormwt 0.8212 |
| 210 | Tangible Personal Property: | | | | | | | | | | | | |
| 210 | Computer Equipment | 2,565,250 | 83% | 2,129,158 | 6.6852 | \$ 14,233.84 | 50.00% | \$ 7,117 | 1,064,579 | \$ 7,116.92 | \$ 1,748.46 | \$ 11,514.48 | \$ 434.99 |
| 230 | Office Furniture and Fixtures | 7,229,250 | 92% | 6,650,910 | 6.6852 | \$ 44,462.66 | 50.00% | \$ 22,231 | 3,325,455 | \$ 22,231.33 | \$ 5,461.73 | \$ 35,968.12 | \$ 1,358.78 |
| | Total Tangible Personal Property | \$ 9,794,500 | | \$ 8,780,068 | | \$ 58,697 | | \$ 29,348 | 4,390,034 | \$ 29,348 | \$ 7,210 | \$ 47,483 | \$ 1,794 |
| | REAL PROPERTY IMPROVEMENTS: | | | | | | | | | | | | |
| | Building improvements: electrical, framing, drywall, plumbing, etc. | 37,995,000 | 85% | 32,295,750 | 6.6852 | \$ 215,904 | 50.00% | \$ 107,952 | 16,147,875 | \$ 107,952 | \$ 26,521.27 | \$ 174,655.42 | \$ 6,598.02 |
| | TOTAL ESTIMATE OF PROJECT | \$ 47,789,500 | | \$ 41,075,818 | | \$ 274,600 | | \$ 137,300 | 20,537,909 | \$ 137,300 | \$ 33,731 | \$ 222,138 | \$ 8,392 |

REAL PROPERTY IMPROVEMENTS:
Building improvements: electrical, framing, drywall, plumbing, etc.
TOTAL ESTIMATE OF PROJECT

Completed by Karen Price for Marsha M. Faux, CFA, ASA
Polk County Property Appraiser
5/16/2024