

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 6 YEARS AT 40 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 40% of the assessed value of qualifying improvements to real property and qualifying tangible personal property specified in its application for a period of eight (6) 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 3620 New Tampa Highway, Lakeland, Florida, 33803, Parcel ID No.: 23-28-21-090500-000201 (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 2023 average annual wage for Polk County which is \$55,574.

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 two new manufacturing lines.

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 December 19, 2023 (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 \$68,133.

iv. The estimate of the taxable value lost to the County if the exemption applied for was granted is \$2,519,139 for improvements to real property and \$7,672,411 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 Rise)”

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 forty percent (40%) 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 six (6) tax years (the “Exemption Period”) commencing with Tax Year 2026 through Tax Year 2031.

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, 2031, 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 6th day of February, 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]

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

DR-418
R. 12/89

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 **8636881188**

3 Exact Location (Legal Description and Street Address) of Property for which this return is filed
3620 New Tampa Hwy, Lakeland, FL 33803 23-28-21-080500-000201

4 Date you began, or will begin, business at this facility **1972**

5 Description of the improvements to real property for which this exemption is requested
This expansion will only include manufacturing production lines. No additional sq/ft being added. (\$7.4M) Date of commencement of construction of improvements **09/2024**

6 Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased

Class or Item	Age	Date of Purchase	Taxpayer's Estimate of				APPRAISER'S USE ONLY	
			Original Cost	Cond*	Fair Market Rent	Cond*		
Manufacturing Equipment		09/2025	\$ 20,800,000	good	\$		\$	
Computer Equipment		09/2025	\$ 125,000	good	\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$		\$		\$	
			\$ 20,725,000	good	\$		\$	

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 new business or expansion of an existing business 9 Trade levels (check as many as apply)

8 Describe type or nature of your business Retail Wholesale Manufacturing Professional
Bakery manufacturing Service Office 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** 1.97 % 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 **179,176,650** divided by Total sales everywhere from this facility-one (1) location only **179,176,650** = **100** %

12 For office space owned and used by a corporation newly domiciled in Florida Date of incorporation **N/A** Number of full-time employees at this location **508**

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 **12/07/2023** Signature, preparer **Paul Pomier**

Signature, taxpayer **Chris Mesa** Preparer's address **1936 George Jenkins Blvd, Lakeland, FL 33815**

Title **VP & Controller** Preparer's telephone number **8636881188**

See spreadsheet

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 \$ 399,156,075**

II Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section **\$ 4,165,536**

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 **\$ 68,133**

IV Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted
Improvements to real property **\$ 2,519,139** Personal property **\$ 7,672,411**

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 new business expansion of an existing business neither

VI Last year for which exemption may be applied **2021** (Start date **2026**)

Application to be filed not later than March 1 **12/19/2023** Date **Paul B. Pomeroy** Signature, Property Appraiser **12/19/2023**
Signed for Marsha Faux

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Publix Supermarkets, Inc. Project Rise
Parcel ID# 23-28-21-090500-000201

Dept	Property Description	2024		2023		Ad Valorem		Revenue		Value Lost	BOCC		School Board	SWFWMD
		Original Cost	% Good	Value 1st Yr Depr	County Millage Rate	Total Taxes	Abatement %	Lost	Gained		MSTU's/Stormwt	0.8212		
	Tangible Personal Property:													
510	Cookie - Mixing equipment, sugar silo, process controls, dehumidifier, and installation	4,205,177	94%	3,952,866	6.6852	\$ 26,425.70	40.00%	\$ 10,570.28		1,581,147	\$ 15,855.42	\$ 3,246.09	\$ 21,377.10	\$ 807.57
510	Cookie - Cutting and forming equipment and installation	760,000	94%	714,400	6.6852	\$ 4,775.91	40.00%	\$ 1,910.36		285,760	\$ 2,865.54	\$ 586.67	\$ 3,863.48	\$ 145.95
918	Cookie - Freezer with skid and installation	2,400,000	92%	2,208,000	6.6852	\$ 14,760.92	40.00%	\$ 5,904.37		883,200	\$ 8,856.55	\$ 1,813.21	\$ 11,940.86	\$ 451.09
502	Cookie - Conveyor integration	1,730,000	92%	1,591,600	6.6852	\$ 10,640.16	40.00%	\$ 4,256.07		636,640	\$ 6,384.10	\$ 1,307.02	\$ 8,607.37	\$ 325.16
508	Cookie - Packing equipment relocation	410,000	91%	373,100	6.6852	\$ 2,494.25	40.00%	\$ 997.70		149,240	\$ 1,496.55	\$ 306.39	\$ 2,017.72	\$ 76.22
508	Cookie - Metal detector, case labeler and weigh scale	1,278,000	91%	1,162,980	6.6852	\$ 7,774.75	40.00%	\$ 3,109.90		465,192	\$ 4,664.85	\$ 955.04	\$ 6,289.40	\$ 237.60
510	Roll - Mixing equipment, flour receivers, blowers, tubing, valves, relocation and installation	1,365,000	94%	1,283,100	6.6852	\$ 8,577.78	40.00%	\$ 3,431.11		513,240	\$ 5,146.67	\$ 1,053.68	\$ 6,939.00	\$ 262.14
510	Roll - Cutting and forming equipment and installation	2,350,000	94%	2,209,000	6.6852	\$ 14,767.61	40.00%	\$ 5,907.04		883,600	\$ 8,860.56	\$ 1,814.03	\$ 11,946.27	\$ 451.30
918	Roll - Freezer with skid and installation	2,575,000	92%	2,369,000	6.6852	\$ 15,837.24	40.00%	\$ 6,334.90		947,600	\$ 9,502.34	\$ 1,945.42	\$ 12,811.55	\$ 483.99
502	Roll - Conveyor integration	1,075,000	92%	989,000	6.6852	\$ 6,611.66	40.00%	\$ 2,644.67		395,600	\$ 3,967.00	\$ 812.17	\$ 5,348.51	\$ 202.05
508	Roll - Metal detector, case labeler and weigh scale	1,153,000	91%	1,049,230	6.6852	\$ 7,014.31	40.00%	\$ 2,805.72		419,692	\$ 4,208.59	\$ 861.63	\$ 5,674.24	\$ 214.36
509	Robotic palletizing	1,300,000	90%	1,170,000	6.6852	\$ 7,821.68	40.00%	\$ 3,128.67		468,000	\$ 4,693.01	\$ 960.80	\$ 6,327.36	\$ 239.03
219	IT costs including cabling, network engineering and installation costs	125,000	87%	108,750	6.6852	\$ 727.02	40.00%	\$ 290.81		43,500	\$ 436.21	\$ 89.31	\$ 588.12	\$ 22.22
	Total Tangible Personal Property	\$ 20,726,177		\$ 19,181,026		\$ 128,229		\$ 51,292		\$ 7,672,411	\$ 76,937	\$ 15,751	\$ 103,731	\$ 3,919
	REAL PROPERTY IMPROVEMENTS:													
	Building construction, demolition, refrigeration and utilities	\$ 7,409,223	85%	\$ 6,297,840	6.6852	\$ 43,102	40.00%	\$ 16,841		\$ 2,519,156	\$ 25,261	\$ 5,171.79	\$ 34,058.72	\$ 1,286.65
	TOTAL ESTIMATE OF PROJECT	\$ 28,135,400		\$ 25,478,866		\$ 170,331		\$ 68,133		\$ 10,191,546	\$ 102,199	\$ 20,923	\$ 137,790	\$ 5,205

Completed by Karen Price for Marsha M. Faux, CFA, ASA
Polk County Property Appraiser
11/19/2023