

ORDINANCE NO. 15-04

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA, GRANTING AN ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION TO PROJECT PROUD; PROVIDING ENACTMENT AUTHORITY; PROVIDING THE AMOUNT OF THE EXEMPTION; PROVIDING THE TERM OF THE EXEMPTION; FINDING THAT THE BUSINESS MEETS THE REQUIREMENTS OF SECTION 196.012, FLORIDA STATUTES; PROVIDING FOR PROOF OF ELIGIBILITY FOR EXEMPTION; PROVIDING SEVERABILITY; PROVIDING FOR INCLUSION IN THE COUNTY CODE OF ORDINANCES; PROVIDING AN EFFECTIVE DATE.

WHEREAS, economic development and the creation of jobs within Okaloosa County are a priority of the Board of County Commissioners of Okaloosa County (the "Board"); and

WHEREAS, in 2014, pursuant to section 196.1995, Florida Statutes, the voters of Okaloosa County authorized the Board to grant property tax exemptions to new businesses and expansion of existing businesses for economic development purposes ("Economic Development Ad Valorem Tax Exemption"); and

WHEREAS, Project Proud (the "Company") has submitted an application to the County for an Economic Development Ad Valorem Tax Exemption; and

WHEREAS, the Okaloosa County Economic Development Council (the "EDC") has recommended approval of the Economic Development Ad Valorem Tax Exemption for the Company; and

WHEREAS, the Property Appraiser has provided the Board with its report as required by section 196.1995(9), Florida Statutes; and

WHEREAS, based upon the review of the information, it has been determined that the Company meets the requirements of section 196.012(15), Florida Statutes; and

WHEREAS, section 196.1995(11), Florida Statutes, requires that any action of the Board granting an Ad Valorem Tax Exemption to a new or expanding business be established by an ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF OKALOOSA COUNTY, FLORIDA:

**Section 1. ENACTMENT AUTHORITY.**

Pursuant to Article VII, Section 3 of the Constitution of the State of Florida, and section 196.1995, Florida Statutes, the County is empowered to grant Economic Development Ad Valorem Tax Exemptions after the electors of the County, voting on the question in a referendum, authorize such exemptions. In a referendum held in August of 2014, the voters of Okaloosa County authorized the Board to grant Economic Development Ad Valorem Tax Exemptions to new businesses and expansions of existing businesses for economic development purposes.

**Section 2. GRANT OF ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION.**

A. This Economic Development Ad Valorem Tax Exemption is hereby granted to the Company for its business located at 5680 John Givens Road, Crestview, Florida 32539, (the "Property") for its new construction and tangible personal property added or increased on or after the date of this Ordinance. No exemption shall be granted on the land upon which the improvements are made. Such Economic Development Ad Valorem Tax Exemption shall only be applicable to County taxes.

B. The total amount of revenue available to the County from ad valorem tax sources, revenue lost to the County for the current Tax Year by virtue of economic development Ad Valorem Tax Exemptions previously granted, and the amount of estimated revenue which will be lost because of the exemption hereby granted are in accordance with Paragraphs I, II, III and IV of the Property Appraiser's findings on the Application for Economic Development Tax Exemption, a copy of which is attached hereto as Exhibit "A".

C. The Economic Development Ad Valorem Tax Exemption hereby granted to the Company at the for the Property and shall be for a term of seven (7) years commencing with the taxes for the year 2016 and ending with the taxes for the year 2022. The Ad Valorem Tax Exemption shall be applied against both the Tangible Personal Property Tax and Real Property Tax for the Property and in the amounts as set forth on Exhibit "B". Such exemption shall only be applied against new construction and tangible personal property added or increased after the date of this Ordinance.

D. In accordance with the findings of the Board and the Property Appraiser, the Property hereby exempted meets the definition of a new or expanded business, as defined by section 196.012, Florida Statutes.

E. For Tax Year 2016 and all remaining years thereafter for which the Company is entitled to an Economic Development Ad Valorem Tax Exemption, such Exemption shall be granted from the payment of the taxes due by the Company on the Property.

**Section 3. SEVERABILITY.**

In the event any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, it is the intent of the Board that such invalidity shall not affect any other provisions of the Ordinance which may be given effect without the invalid provision or application and, to this end, the provisions of this Ordinance are declared severable.

**Section 4. INCLUSION IN THE OKALOOSA COUNTY CODE OF ORDINANCES.**

The provisions of this Ordinance shall become and be made a part of the Okaloosa County Code of Ordinances. The sections of the Ordinance may be renumbered or relettered to accomplish such, and the word "Ordinance" may be changed to "Section", "Article", or other appropriate word.

**Section 5. EFFECTIVE DATE.**

A certified copy of this Ordinance shall be filed with the Department of State by the Clerk of the Board within ten (10) days after enactment by the Board and shall take effect upon its filing with the Department of State as provided by law.

**PASSED AND DULY ENACTED** by the Board of County Commissioners of Okaloosa County, Florida in regular session, this 7th day of April, 2015.

OKALOOSA COUNTY  
BOARD OF COUNTY COMMISSIONERS



Nathan D. Boyles, Chairman

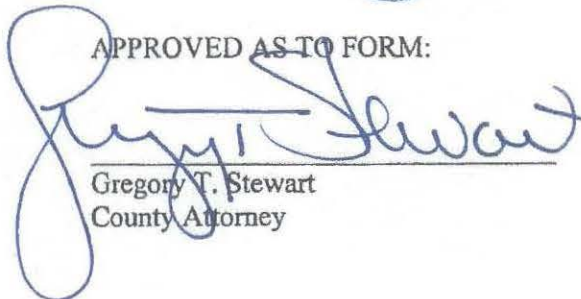
ATTEST:



J.D. Peacock, II  
Clerk of Court & Comptroller



APPROVED AS TO FORM:



Gregory T. Stewart  
County Attorney

**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.

1 Business name: <i>Project Proud - Confidential</i>		Mailing address: <i>Confidential at this time</i>				
2 Please give name and telephone number of owner or person in charge of this business. Name: <i>Confidential at this time</i>		Address: <i>Crestview, Florida 32539</i>				
3 Exact Location (Legal Description and Street Address) of Property for which this return is filed <i>Confidential at this time Crestview Florida 32539</i>		4 Date you began, or will begin, business at this facility: <i>Oct 2002</i>				
5 Description of the improvements to real property for which this exemption is requested: <i>Addition and machinery</i>		Date of commencement of construction of improvements: <i>March 2015</i>				
6 Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased:						
<b>APPRAISER'S USE ONLY</b>						
Class or Item	Age	Date of Purchase	Taxpayer's Estimate of Original Cost	Cond.	Fair Market Ret.	Cond.
20,000 Sq Ft addition	new	July 2015	\$ 800,000	good	\$ 800,000	\$
Molding Machine	new	July 2015	\$ 400,000	good	\$ 400,000	\$
Tool and equipment for tool	new	July 2015	\$ 350,000	good	\$ 350,000	\$
Molding Machine	new	Jan 2016	\$ 400,000	good	\$ 400,000	\$
Tool and equipment for tool	new	Jan 2016	\$ 350,000	good	\$ 350,000	\$
Molding Machine	new	July 2015	\$ 400,000	good	\$ 400,000	\$
tool and equipment for tool	new	July 2015	\$ 350,000	good	\$ 350,000	\$
Molding Machine	new	Jan 2016	\$ 400,000	good	\$ 400,000	\$
Tool and Equipment for Tool	new	Jan 2016	\$ 350,000	good	\$ 350,000	\$
Average value of inventory on hand: <i>\$0</i>		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: <i>Confidential Manufacture</i>		<input type="checkbox"/> Retail <input checked="" type="checkbox"/> Wholesale <input checked="" type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other, specify:				
10 Number of full-time employees to be employed in Florida: <i>100</i>						
If an expansion of an existing business:		Net increase in employment: <i>40</i>	Increase in productive output resulting from this expansion: <i>\$7,000,000 30 %</i>			
11 Sales factor for the facility requesting exemption:						
Total sales in Florida from this facility-one (1) location only: <i>500,000</i>	divided by:	Total sales everywhere from this facility-one (1) location only: <i>20,000,000</i>	= <i>2.5 %</i>			
12 For office space owned and used by a corporation newly domiciled in Florida:		Date of Incorporation in Florida: <i>N/A</i>	Number of full-time employees at this location: <i>100</i>			
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: <i>2/5/15</i>		Signature, preparer:				
Signature, taxpayer: <i>Confidential at this time</i>		Preparer's address:				
Title: <i>OWNER</i>		Preparer's telephone number:				
<b>Property Appraiser's Use Only</b>						
I	Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources	\$ <i>13,289,000</i>				
II	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section	\$ <i>0</i>				
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 subjected to taxation	\$ <i>79,850</i>				
IV	Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted	Improvements to real property: \$ <i>18,452,000</i> Personal property: \$ <i>45,548.00</i>				
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: <i>2012</i>						

Application to be filed not later than March 1.

*2/11/15*  
OMB

*[Signature]*  
Signature, Property Appraiser

	<b>Tangible Personal Property Tax</b>	<b>Real Property Tax</b>	<b>Year-to-Year Total</b>
Year 1 (2016)	\$ 4,649	\$ 2,636	\$ 7,285
Year 2	\$ 9,058	\$ 2,636	\$11,694
Year 3	\$ 8,352	\$ 2,636	\$10,988
Year 4	\$ 7,563	\$ 2,636	\$10,199
Year 5	\$ 6,788	\$ 2,636	\$ 9,424
Year 6	\$ 5,916	\$ 2,636	\$ 8,552
Year 7	\$ 3,222	\$ 2,636	\$ 5,858
<b>Total</b>	<b>\$45,548</b>	<b>\$18,452</b>	<b>\$64,000</b>

Exhibit "B"