

ORDINANCE NO. 11-30

AN ORDINANCE OF BAY COUNTY, FLORIDA ENTITLED “AN ORDINANCE GRANTING AD VALOREM TAX EXEMPTION TO THE ITT CORPORATION FOR ASSOCIATED TANGIBLE PERSONAL PROPERTY AS HEREIN DEFINED, AS AN EXPANDING BUSINESS AND THE ST. JOE COMPANY FOR ITS REAL PROPERTY AND IMPROVEMENTS THEREON, PURSUANT TO THE STATUTES, AND AMENDING IN PART ORDINANCE 07-25; AND PROVIDING FOR AN EFFECTIVE DATE”.

WHEREAS, on June 5, 2007, Bay County adopted Ordinance 07-25 granting an ad valorem tax exemption for tangible personal property to EDO Corporation and an ad valorem tax exemption for real property for Bluewater Property, LLC for a site at which EDO Corporation would operate its business located at 430 W. 5th Street, Suite 600, Panama City, Florida; and

WHEREAS, EDO Corporation has changed its name to ITT Corporation and intends to move its existing business to another site owned by the St. Joe Company (the “Owner”); and

WHEREAS, ITT Corporation (“the Company”) wishes to transfer the ad valorem tax exemption for personal property authorized by Ordinance 07-25 from the previous site to the new site where it intends to expand the business (the “transferred tax exemption”); and

WHEREAS, the Company has made application pursuant to §196.1995, Florida Statutes, for both a real property ad valorem tax exemption and a tangible personal property ad valorem tax exemption as an expanding business; and

WHEREAS, The St. Joe Company, (the “Owner”) the owner of the real property upon which the Company will move and expand its business pursuant to a duly executed lease

between the Company and the Owner, under which lease the Company is responsible for payment of taxes on all of applicable real and tangible personal property; and

WHEREAS, the Property Appraiser has reported as follows:

1. The total revenue available to the County for the current fiscal year from ad valorem tax sources is \$55,006,872.00;
2. There has been a \$848,696.00 loss of revenue to the County for the current fiscal year by virtue of exemptions previously granted pursuant to Florida Statutes;
3. The granting of the tax exemption to the Owner and the Company would lessen ad valorem taxes during the current fiscal year by \$1,095.00 for the tangible personal property as listed in Exhibit "A" for both the transferred tax exemption for tangible personal property taxes and the new tax exemption for tangible personal property associated with the expansion of the business and \$9,506.00 for real property to be constructed as specified in Exhibit "B"; and
4. That the estimate of the taxable value lost to the County if the exemption to Owner and the Company is granted would be approximately \$2,500,00.00 in the value of improvements to real property and \$287,969.00 in the value of personal property, with the predominate value being real property; and
5. That the exemption for the transferred tax exemption for personal property shall remain in effect for the time remaining under Ordinance 07-25 i.e. until June 5, 2017, and the exemption for real property and personal property taxes associated with any expansion will remain in effect for a period of three years (3) beginning the first year the Company occupies the new site and otherwise demonstrates entitlement to the exemption all subject to the Board's right of revocation

provided herein and otherwise provided by law, with the last year in which any exemption may be applied being 2017; and

6. That the Owner and the Company meet the requirements of §196.012(16), Florida Statutes, as it defines “Expansion of an Existing Business”; and

WHEREAS, the Board does hereby find that the moving of the business and the expansion of employment opportunities by the construction of a new building and the addition of at least 30 or more full time employees would be in the best interest to the public; and

WHEREAS, the Company has advised that it will not immediately move into the new site and requests that it not lose the exemptions provided by Ordinance No. 07-25 until such time as it has vacated the property that is the subject of that ordinance and moved to the new site owned by the St. Joe Company; and

WHEREAS, the Board declares that the purpose of the Florida Law allowing counties to grant new or expanding businesses ad valorem exemptions is not fulfilled unless the real property and improvements thereon and tangible personal property continue to be used during the entire tax exempt period for a manufacturing or other statutory tax exempt purpose as described in §196.1995, Florida Statutes, (the “Act”); and

WHEREAS, but for the provisions in this Ordinance that ensure that the purpose and intent of the law allowing tax exemption for new businesses or expanding businesses are met by providing for procedures to revoke the tax exemption granted herein during the tax exemption period, this Ordinance granting an ad valorem tax exemption would not have been adopted.

NOW, THEREFORE, BE IT ORDAINED by the Board of County Commissioners of Bay County:

Section 1. Amendment. Ordinance 07-25 is hereby amended by changing the name of EDO Corporation to ITT Corporation. The ad valorem tax exemption for personal property granted to EDO Corporation, now known as ITT Corporation, in Ordinance 07-25 shall remain in full force in effect through the term authorized by that ordinance to June 5, 2017, subject to the terms of this ordinance provided such personal property is relocated to the new site and the Company otherwise complies with this instant ordinance.

Section 2. Ad Valorem Tax Exemption for Real Property. An ad valorem tax exemption for real property is hereby granted to ITT Corporation and The St. Joe Company up to the period of time remaining for existing personal property tax exemption under Ordinance No. 07-25 beginning the first year the Company occupies the new site and otherwise demonstrates entitlement to the exemption subject to the Board's right of revocation provided herein upon one hundred percent (100%) of the assessed value of all improvements to the real property hereinafter described made by or for the use of the Company described in Exhibit "B", attached hereto and incorporated herein by this reference.

Section 3. Ad Valorem Tax Exemption for Personal Property. The ad valorem tax exemption for personal property authorized by Ordinance No. 07-25 is hereby continued and granted to the Company subject to the Board's right of revocation provided herein for such personal property the Company moves onto and incorporates into the existing business on the new site for the period of time remaining under said ordinance, subject to the Board's right of revocation provided herein. An ad valorem tax exemption for personal property is also hereby granted to ITT Corporation for a period of up to three (3) years beginning the first year the

Company occupies the new site and otherwise demonstrates entitlement to the exemption subject to the Board's right of revocation provided herein and commencing this calendar year upon one hundred percent (100%) of the assessed value of all new tangible personal property of the Company adds to expand the business, said additional tangible personal property being described in Exhibit "A" attached hereto and incorporated herein by this reference.

Section 4. Annual Certificate of Company. On or before October 1, and annually thereafter during the time period The St. Joe Company and ITT Corporation have the ad valorem tax exemption granted herein, the Owner and the Company shall file with the County Manager a certificate that affirmatively states that the tangible personal property and real property described in Exhibits "A" and "B", respectively, are being used for an industrial or manufacturing or other statutory tax exempt purpose as described in §196.012(15) or (16), Florida Statutes, and that the representations made by the Company in its application are currently true and correct as of each certification.

Section 5. Revocation of Tax Exemption. If the Company fails to file the certificate as required in Section 4 or files a certificate that does not comply with the requirements of Section 4 or at any time after this Ordinance takes effect and until the tax exemption expires, the Board may adopt an ordinance making a finding that the tangible personal property and real property as described in Exhibits "A" and/or Exhibit "B", respectively, and improvements thereon are no longer being used for an industrial or manufacturing or other statutory tax exempt purpose as described in §196.012(15) or (16), Florida Statutes, and revoking the ad valorem tax exemption effective the end of the current year said ordinance is adopted. The real property and improvements thereon and tangible personal property shall no longer be deemed as being used for a tax exempt purpose if the number of

employees then employed are substantially less than the number represented in the Company's application and as stated in this Ordinance, and if said lowered employment substantially impairs the ability of the Company or its successor in interest to operate an industrial or manufacturing plant or other tax exempt business in that the purpose and intent of State law and this Ordinance are not met. Nothing herein shall prohibit the Owner, the Company or their successor in interest from re-applying for an ad valorem tax exemption pursuant to the State law in effect at the time of said application after said Ordinance is adopted.

Section 6. Revocation Procedure. The procedure for holding a fact finding hearing to consider the adoption of the ordinance contemplated in Section 5 revoking the tax exemption granted by Sections 2 and 3 shall be as follows:

(A) Notice of public hearing to consider the adoption of an ordinance that finds the real property and improvements thereon are no longer being used for an industrial or manufacturing or other statutory purpose as described in §196.012(15) or (16), Florida Statutes, and that revokes the ad valorem tax exemption shall be given not less than fourteen (14) days before the hearing by certified mail or actual service, constructive service may be made in this same manner as is provided in Chapter 49, Florida Statutes.

(B) The Board and the Owner and the Company or their successors in interest at the public hearing shall have an opportunity to respond, to present evidence and argument on the fact finding in the proposed ordinance and to be represented by counsel. The Board shall allow the general public an opportunity to present relevant evidence, and the Board and the Owner, the Company or their successors in interest shall be given an opportunity to cross-examine or challenge or rebut said relevant evidence.

(C) Findings of fact shall be based exclusively on the evidence of record and on matters officially recognized.

Section 7. Severability. It is declared to be the intent of the Board that if any section, subsection, sentence, clause, phrase, or provision of this Ordinance is held invalid or unconstitutional, that such invalidity or unconstitutionality shall be construed to render invalid or unconstitutional the Ordinance in its entirety.

Section 8. Effective date. This Ordinance shall take effect as provided by law.

DONE AND ORDERED this 6th day of September, 2011.



**BOARD OF COUNTY COMMISSIONERS
BAY COUNTY, FLORIDA**

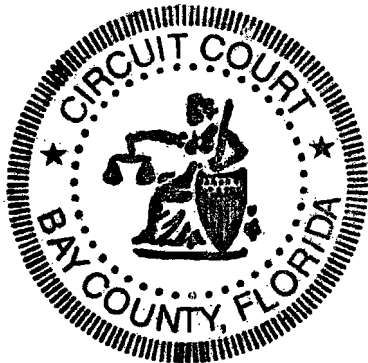
William T. Dozier
William T. Dozier, Chairman

ATTEST:

Bill Kinsaul
Bill Kinsaul, Clerk

APPROVED AS TO FORM:

Doni R. Craig
Office of 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 ITT Corporation		Mailing address 430 West 5th Street, Suite 600 Panama City, FL 32401					
2 Please give name and telephone number of owner or person in charge of this business. Name BRIAN FISH		Telephone number 850-873-8400					
3 Exact Location (Legal Description and Street Address) of Property for which this return is filed Venture Crossings Blvd. West Bay, FL 32409			4 Date you began, or will begin, business at this facility June 2012				
5 Description of the improvements to real property for which this exemption is requested N/A - ITT will be leasing from St. Joe Company and has filed separate application for real property exemption			Date of commencement of construction of improvements Sept 2011				
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*	Fair Market Rent	Cond*
Milling Machine + Leather		6	8/05	\$ 43,436	Good	\$	\$
Forklift		5.5	12/05	\$ 25,368	Good	\$	\$
Seatex Tester		5	02/06	\$ 64,492	Good	\$	\$
Machon Center		4	12/07	\$ 127,488	Good	\$	\$
5 Ton Crane		1.5	1/10	\$ 129,460	Good	\$	\$
Herzfelman Truck		.5	12/10	\$ 28,451	Good	\$	\$
Ford Ranger Truck		New	6/11	\$ 21,679	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 <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 ITT - Defense Contractor, R&D and Manufacturing				<input type="checkbox"/> Retail <input type="checkbox"/> Wholesale <input checked="" type="checkbox"/> Manufacturing <input checked="" type="checkbox"/> Professional <input checked="" 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		28 %		Increase in productive output resulting from this expansion	
						avg of 5 yrs 41 %	
11 Sales factor for the facility requesting exemption:							
Total sales in Florida from this facility-one (1) location only 2012-2015		divided by		Total sales everywhere from this facility-one (1) location only 2012-2015		= 100 %	
12 For office space owned and used by a corporation newly domiciled in Florida		Date of incorporation in Florida		Number of full-time employees at this location			
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 6-28-11		Signature, preparer _____					
Signature, taxpayer Greg Spiller		Preparer's address _____					
Title Finance Manager		Preparer's telephone number _____					
Property Appraiser's Use Only							
I Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources		\$ 55,006,872					
II Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section		\$ 248,696					
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		\$ 1,095					
IV Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted		Improvements to real property \$ 0 Personal property \$ 287,969					
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 2010							

Application to be filed not later than March 1

9/9/2011
Date

Don Smith
Signature, Property Appraiser

