

**ORDINANCE NO. 25-001**

AN ORDINANCE OF THE CITY OF FORT PIERCE, FLORIDA; PROVIDING FOR THE **IMPLEMENTATION OF THE ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION** AS PROVIDED BY SECTION 3, ARTICLE VII, OF THE CONSTITUTION OF THE STATE OF FLORIDA; CREATING THE ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION REGULATIONS OF THE CITY OF FORT PIERCE; ESTABLISHING AN EXEMPTION OF CERTAIN AD VALOREM TAXATION FOR CERTAIN NEW AND EXPANDING BUSINESS PROPERTIES; PROVIDING DEFINITIONS AND REQUIREMENTS; PROVIDED FOR PROCEDURES FOR APPLICATION FOR EXEMPTION; SPECIFYING DUTIES OF THE PROPERTY APPRAISER IN CONNECTION WITH SUCH PROPERTY; REQUIRING A WRITTEN TAX EXEMPTION AGREEMENT; PROVIDING FOR A SUNSET CLAUSE; REPEALING ALL ORDINANCES OR PARTS THEREOF IN CONFLICT HERewith; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

**WHEREAS**, Article VII, Section 3, of the Constitution of the State of Florida and Section 196.1995, Florida Statutes, empower the City of Fort Pierce ("City") to grant economic development ad valorem tax exemptions to new businesses and expansions of existing businesses after the electors of the City, voting on the question in a referendum, authorize such exemptions; and

**WHEREAS**, pursuant to Section 196.1995(7), Florida Statutes, the authority to grant economic development ad valorem tax exemptions expires ten (10) years after the date such authority was approved in an election; and

**WHEREAS**, the City's authority to grant such tax exemptions may be renewed for subsequent ten-year periods if each ten-year renewal is approved by referendum; and

**WHEREAS**, on May 16, 2022, the City Commission called for a referendum to be placed on the August 23, 2022 Primary Election ballot; and

**WHEREAS**, the referendum of the electors of the City was held on August 23, 2022, at which election the electors authorized the City Commission to grant, pursuant to Section 3, Article VII, of the State Constitution, property tax exemptions to new businesses and expansions of existing businesses that are expected to create new, full-time jobs in the City; and

**WHEREAS**, by this Ordinance the City Commission hereby establishes the economic development ad valorem tax exemptions, pursuant to Article VII, Section 3, of the Constitution of the State of Florida and section 196.1995, Florida Statutes, and enacts regulations, policies, and procedures in the City's Code of Ordinances, Chapter 115, to implement the direction of the electors.

**NOW, THEREFORE, BE IT RESOLVED** by the City Commission of the City of Fort Pierce, Florida:

**SECTION 1.** The foregoing recitals are hereby ratified and confirmed as true and correct and are hereby made a part of this Ordinance.

**SECTION 2.** Chapter 115 Miscellaneous Provisions; Article III of the City's Code of Ordinances entitled "Economic Development Ad Valorem Tax Exemption Regulations" shall be created to read as follows:

**ARTICLE III – ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION**

## **REGULATIONS**

### **Sec. 115-29. Purpose and Intent.**

The public health, safety, comfort, economy, order, convenience and general welfare require the harmonious, orderly and progressive development of new businesses and the expansion of existing businesses within Florida and its incorporated municipalities and counties. In furtherance of this general purpose, municipalities are authorized and empowered to adopt, amend, or revise and enforce measures relating to economic development ad valorem tax exemptions for new businesses and the expansion of existing businesses. It is the intent of this article to secure or to ensure:

- (1) The establishment of criteria for granting such exemptions to certain types of businesses or industries or for denying exemptions on a rational, non-arbitrary, non-discriminatory basis by the city commission.
- (2) No precedent shall be implied or inferred by the granting of an exemption to a new or expanding business. Applications for exemptions shall be considered by the city commission on a case-by-case basis for each application, after consideration of the property appraiser's report on that application.
- (3) Any exemption granted shall apply to up to 100 percent of the assessed value of all improvements to real property made by or for the use of a new business and all tangible personal property of such new business, or up to 100 percent of the assessed value of all added improvements to real property which additions are made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business, provided that the improvements to real property are made or the tangible personal property is added or increased on or after the day the ordinance is adopted.
- (4) Any exemption shall be up to a full ten-year period from the time the exemption is granted.
- (5) No exemption shall be granted on the land on which new or expanded businesses are to be located.
- (6) No exemption shall be granted on county ad valorem, school, or water management district taxes, or on taxes levied for payment of bonds or taxes authorized by a vote of the electors of the city pursuant to Sections 9 or 12, Article VII, of the State Constitution.
- (7) This article is intended to be consistent with F.S. 196.1995 and any subsequent amendments thereto.

### **Sec. 115-30. Definitions.**

The following words, phrases, and terms shall have the meanings attributed to them as indicated below, consistent with Florida Statutes and the Florida Administrative Code, as each may be amended, except where the context clearly indicates otherwise:

- (1) *Applicant.* Any person or corporation submitting an economic development ad valorem tax exemption application to the city.
- (2) *Business.* Any activity engaged in by any person, corporation, or company with the object of private or public gain, benefit, or advantage, either direct or indirect.

(a) *New business.*

1. A business or organization establishing ten (10) or more jobs to employ ten (10) or more full-time employees in the city, paying an average wage for such new jobs that is above the average wage in the area, which principally engages in any one or more of the following operations: manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant; or is a target industry business as defined in F.S. 288.005, or as may be amended from time to time;
2. A business or organization establishing twenty-five (25) or more jobs to employ twenty-five (25) or more full-time employees in this city, the sales factor of which, as defined by F.S. 220.15(5), or as many be amended, for the facility with respect to which it requests an economic ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or
3. An office space in the city owned and used by a business or organization newly domiciled in the city; provided such office space houses fifty (50) or more full-time employees of such business or organization; provided that such business or organization office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization;
4. A business or organization located in an area designated as an enterprise zone pursuant to F.S. chapter 290 as of December 30, 2015, or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business or organization; or
5. A business or organization that is situated on property annexed into the city and at the time of the annexation is receiving an economic development ad valorem tax exemption from the county under F.S. 196.1995; provided the exemption shall expire upon the expiration of the exemption granted by the county; provided the city may extend its exemption if the county renews its exemption; provided that the city's exemption may not extend beyond the duration of the county exemption.

(b) *Expansion of an existing business.*

1. A business or organization establishing ten (10) or more jobs to employ ten (10) or more full-time employees in the city, paying an average wage for such new jobs that is above the average wage in the area, which primarily engages in any one or more of the following: manufactures, processes, compounds, fabricates, or produces for sale items of tangible personal property at a fixed location and which comprises an industrial or manufacturing plant;
2. A business or organization establishing twenty-five (25) or more jobs to employ twenty-five (25) or more full-time employees in the city, the sales factor of which, as defined by F.S. 220.15(5), or as many be amended, for the facility with respect to which it requests an economic ad valorem tax

exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operations on a site located within the same county, municipality, or both co-located with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization, resulting in a net increase in employment of not less than ten percent (10%) or an increase in productive output or sale of not less than ten percent (10%);

3. Any business or organization located in an area that was designated as an enterprise zone pursuant to F.S. chapter 290 as of December 30, 2025, or brownfield area that increases operations on a site located within the same zone or area co-located with a commercial or industrial operation owned by the same business or organization under common control with the same business or organization.

(3) Department. The Florida Department of Revenue.

(4) Improvements. Physical changes made to raw land, and structures placed on or under the land surface. All personal property acquired to facilitate an expansion of an existing business provided that the personal property is added or increased on or after the day the ordinance approving the exemption is adopted. However, personal property acquired to replace existing property shall not be considered to facilitate a business's expansion.

**Sec. 115-31. General.**

- (a) The economic development ad valorem tax exemption is a local option tax incentive for new or expanding business which may be granted or refused at the sole discretion of the city commission. To apply for such an exemption, a new or expanding business in the city must file a written application on a form prescribed by the department with the city.
- (b) Satisfactory proof that the business meets the criteria for exemption as a new business or expansion of an existing business as defined by this ordinance and F.S. 196.012, or as may be amended, must accompany the application.
- (c) The application shall be filed on or before March 1 of the year in which an exemption is requested.

**Sec. 115-32. Procedure.**

- (a) An application for an economic development ad valorem tax exemption must be filed with the city and must contain the following information provided by the applicant:
  - (1) The name and location of the new business or the expansion of an existing business;
  - (2) A description of the improvements to real property for which an exemption is requested and the date of commencement of construction of such improvements;
  - (3) A description of the tangible personal property for which an exemption is requested and the dates when such property was or is to be purchased;
  - (4) Proof, to the satisfaction of the city commission, that the applicant is a new business or an expansion of an existing business, as defined in this article and F.S. 196.012;
  - (5) The number of jobs the applicant expects to create along with the

- average wage of the jobs and whether the jobs are full-time or part-time;
- (6) The expected time schedule for job creation; and
  - (7) Other information deemed necessary or appropriate by the department or municipality.
- (b) Before the city commission acts on an application, the city must submit the application to the property appraiser for review. After careful consideration, the property appraiser shall report to the city commission concerning the fiscal impact of granting the exemption.
- (c) The property appraiser's report shall include the following:
- (1) The total revenue available to the city for the current fiscal year from ad valorem tax sources, or an estimate of such revenue if the actual total revenue available cannot be determined;
  - (2) Any revenue lost to the City for the current fiscal year by virtue of exemptions previously granted under this article, or an estimate of such revenue if the actual revenue cannot be determined;
  - (3) An estimate of the revenue which would be lost to the city during the current fiscal year if the exemption applied for were granted had the property for which the exemption is requested otherwise been subject to taxation; and
  - (4) A determination as to whether the property for which an exemption is requested is to be incorporated into a new business or the expansion of an existing business, or into neither, which determination the property appraiser shall also affix to the face of the application. that the business meets the definition of a new or expanding business as defined in this article and F.S. 196.012. Upon request, the department and the city will provide the property appraiser such information as it may have available to assist in making this determination.
- (d) When considering the issue of whether to grant an economic development ad valorem tax exemption, the city commission shall consider the following:
- (1) The report of the property appraiser;
  - (2) The total number of net new jobs to be created by the applicant;
  - (3) The average wage of the new jobs;
  - (4) The capital investment to be made by the applicant;
  - (5) The type of business or operation and whether it qualifies as a targeted industry as may be identified from time to time by the city;
  - (6) The environmental impact of the proposed business or operation;
  - (7) The extent to which the applicant intends to source its supplies and materials within the applicable jurisdiction; and
  - (8) Any other economic-related characteristics or criteria deemed necessary by the city.
- (f) Approval of an economic development ad valorem tax exemption shall be through an ordinance adopted by the city commission in the same manner as any other ordinance of the city. Such ordinance shall include the following information:
- (1) The name and address of the new or expanding business;
  - (2) The amount of revenue available from ad valorem tax sources for the current fiscal year, revenue lost for the current fiscal year because of economic development ad valorem tax exemptions currently in effect, and the amount of estimated revenue which would be lost because of the exemption granted to the new or expanding business;
  - (3) The expiration date of the exemption, up to ten years;

- (4) The percentage amount of the exemption, up to 100%; and
- (5) A finding that the business meets the definition of a new business or an expansion of an existing business herein and as defined by F.S. 196.012, or as may be amended.

**Sec. 115-34. Written tax exemption agreement.**

Upon approval of an application for a tax exemption under this article, the city commission shall enter into a written tax exemption agreement, which shall include performance criteria and must be consistent with the requirements of F.S. 196.1995, or as it may be subsequently amended, or other applicable laws. The agreement shall:

- (1) Require the applicant to report at a specific time before the expiration of the exemption the actual number of new, full-time jobs created and their actual average wage; and
- (2) Grant authority to the city commission to revoke, in whole or in part, the exemption if the applicant fails to meet the expectations and representations described in this article and/or F.S. 196.1995(8), or as it may be subsequently amended.

**Sec. 115-33. Fees.**

Fees charged to offset the cost of processing the economic development ad valorem tax exemption application or any exemption ordinance shall be adopted by the city commission by resolution.

**Sec. 115-35. Sunset provision.**

Pursuant to the provisions of F.S. 196.1995(7), the Economic Development Ad Valorem Tax Exemption expires ten (10) years from the date approved by the electors, which shall be August 23, 2032. The Economic Development Ad Valorem Tax Exemption may be renewed for subsequent ten (10) year periods if each ten (10) year renewal is approved in a referendum called and held pursuant to F.S. 196.1995.

**SECTION 4.** All ordinances of parts of ordinances in conflict herewith are and the same shall be repealed and shall be of no further force or effect whatsoever.

**SECTION 5.** If any provision of this ordinance is held to be invalid, unconstitutional, or unenforceable for any reason by a court of competent jurisdiction, such invalidity shall not affect the validity of the remaining portions of this article, which shall be deemed separate, distinct, and independent provisions to the fullest extent possible.

**SECTION 6.** This ordinance shall become effective immediately upon adoption.

APPROVED AS TO  
FORM AND CORRECTNESS:

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Sara K. Hedges  
City Attorney

STATE OF FLORIDA COUNTY OF ST. LUCIE

WE, THE UNDERSIGNED, Mayor Commissioner and the City Clerk of the City of Fort Pierce, Florida, do hereby certify that the foregoing and above Ordinance No. 25-001 was duly advertised by title only in the St. Lucie News Tribune on December 27, 2024; copy of said Ordinance was made available at the Office of the City Clerk to the public upon request; said Ordinance was duly introduced, read by title only, and passed on first reading by the City Commission of the City of Fort Pierce, Florida, on January 6, 2025;

and was duly introduced, read by title only, and passed on second and final reading on January 20, 2025, by the City Commission of Pierce, Florida.

IN WITNESS HEREWITH, we hereunto set our hands and affix the Official Seal of the City of Fort Pierce, Florida, this \_\_\_\_ day of January 2025.

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Linda Hudson, Mayor

ATTEST:

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Linda W. Cox  
City Clerk

(SEAL)