



**VILLAGE OF INDIANTOWN
ADDENDUM TO THE AGENDA
FOR THE REGULAR VILLAGE COUNCIL MEETING OF**

September 13, 2018
6:30 PM

At the request of the Village Manager please add this item to the agenda for the Regular Village Council Meeting to be held on September 13, 2018 - 6:30 PM

REGULAR AGENDA

- 9A Resolution No. 44-2018 - Establishing a Tangible Personal Property Tax Incentive Grant Program.

VILLAGE OF INDIANTOWN, FLORIDA
AGENDA MEMORANDUM

MEETINGDATE: September 13, 2018

MEETING TYPE:

AGENDA ITEM TITLE: Resolution No. 44-2018 - Establishing a Tangible Personal Property Tax Incentive Grant Program.

SUMMARY OF ITEM: This resolution establishes an Indiantown Tangible Personal Property Tax Incentive Grant Program, which is a program to reward businesses located within the Village of Indiantown for investing or increasing its investment in inventory, machinery and equipment at its Indiantown location and which will utilize a grant agreement to attract and retain qualified businesses.

RECOMMENDATION: Approve Resolution No. 44-2018 - Establishing a Tangible Personal Property Tax Incentive Grant Program

PREPARED BY: Wade Vose, Village Attorney

DATE: 9/8/2018

REVIEWED BY:

DATE:

APPROVED BY:

DATE:

ATTACHMENTS:

Description

R044-2018 Tangible Personal Property Tax Incentive Grant Program

Exhibit A TPP Program Description



RESOLUTION No. 044-2018

A RESOLUTION OF THE VILLAGE OF INDIANTOWN ESTABLISHING A TANGIBLE PERSONAL PROPERTY TAX INCENTIVE GRANT PROGRAM TO BE UTILIZED WITHIN THE VILLAGE OF INDIANTOWN; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, Section 166.021, Fla. Stat., provides municipalities with all home rule powers, and authorizes the village council to “exercise any power for municipal purposes, except when expressly prohibited by law” including the power to expend public funds to attract and retain business enterprises; and

WHEREAS, more specifically, Section 166.021(8), provides in part that “The governing body of a municipality may expend public funds to attract and retain business enterprises, and the use of public funds toward the achievement of such economic development goals constitutes a public purpose. The provisions of this chapter which confer powers and duties on the governing body of a municipality, including any powers not specifically prohibited by law which can be exercised by the governing body of a municipality, shall be liberally construed in order to effectively carry out the purposes of this subsection.”

WHEREAS, the Village Council declares the use of public funds toward the achievement of economic development goals to be a municipal and public purpose; and

WHEREAS, the Village Council desires to establish a Tangible Personal Property Tax Incentive Grant Program which would encourage the investment in inventory, equipment and machinery for new and existing businesses in the Village of Indiantown; and

WHEREAS, creation of the Tangible Personal Property Program will further such purposes in the Village by granting incentives to businesses located within the Village to invest or increase investment in machinery and equipment.

RESOLUTION No. 044-2018; TANGIBLE PERSONAL PROPERTY TAX INCENTIVE GRANT PROGRAM

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF INDIANTOWN, FLORIDA:

1. The Village Council hereby establishes the Indiantown Tangible Personal Property Tax Incentive Grant Program, which is a program to reward businesses located within the Village of Indiantown for investing or increasing its investment in inventory, machinery and equipment at its Indiantown location and which will utilize a grant agreement to attract and retain qualified businesses.
2. The Village Council hereby adopts Guidelines for the Indiantown Tangible Personal Property Tax Incentive Grant Program which are attached hereto and incorporated herein as **Exhibit "A"**.
3. Applicants for an Indiantown Tangible Personal Property Tax Incentive Grant shall utilize the Guidelines and submit such information to the Village Manager for review for compliance with Guidelines and recommendation to the Village Council.
4. The Village Council specifically finds that this is not an entitlement program and reserves the right to accept or reject an application for an Indiantown Tangible Personal Property Tax Incentive Grant, without cause.

Section 5. This Resolution shall take effect immediately upon adoption.

Council Member _____ offered the foregoing resolution and moved its adoption. The motion was seconded by Council Member _____, and upon being put to a vote, the vote was as follows:

VILLAGE COUNCIL	YES	NO	ABSENT	ABSTAIN
SUSAN GIBBS THOMAS, MAYOR				
GUYTON STONE, VICE MAYOR				
JACKIE GARY CLARKE, COUNCIL MEMBER				
ANTHONY J. DOWLING, COUNCIL MEMBER				
JANET HERNANDEZ, COUNCIL MEMBER				

RESOLUTION No. 044-2018; TANGIBLE PERSONAL PROPERTY TAX INCENTIVE GRANT
PROGRAM

ADOPTED this ____ day of _____, 2018.

ATTEST:

VILLAGE OF INDIANTOWN, FLORIDA

CHERIE WHITE
VILLAGE CLERK

SUSAN GIBBS THOMAS
MAYOR

REVIEWED FOR FORM
AND CORRECTNESS:

WADE C. VOSE
VILLAGE ATTORNEY

EXHIBIT A

VILLAGE OF INDIANTOWN TANGIBLE PERSONAL PROPERTY TAX INCENTIVE GRANT PROGRAM

GUIDELINES AND PROGRAM OUTLINE

In 2015 the Martin County Board of County Commissioners created the Martin County Tangible Personal Property Grant (TPPG) Program as a discretionary tool for the retention and attraction of business investment within the Martin County Enterprise Zone. This program was intended to encourage businesses to remain, locate or expand within the Martin County Enterprise Zone in Indiantown. It is not an entitlement grant program. The program was established in order to provide the Board of County Commissioners the opportunity, at its sole discretion, to provide an incentive to induce retention, expansion and new location of business operations within the Martin County Enterprise Zone.

On December 31, 2017, the Village of Indiantown, Florida was created by Chapter 2017-195, Laws of Florida, as approved by referendum of the Village electorate on November 8, 2017.

Because the Village Council has determined that it is a prudent and needed program, the Village Council has also determined that it is relevant and expedient for the Village to create its own Tangible Personal Property Tax Incentive Grant Program.

Prior to an award of a Grant, the applicant must enter into an agreement with the Village. The agreement will set forth the tangible personal property tax paid by the business identified by parcel identification code; will set forth the portion of such tax received by the Village; set a fixed millage rate or fixed sum which will be applied to the property value to determine the grant amount; and set forth the length of the agreement. Below are the details, instructions, and requirements of the Program and the Application for qualifying businesses to seek the incentive.

Scope of the Tangible Personal Property Tax Incentive Grant Program (“Program” or “Grant” as applicable)

Under the Program, the owner of a qualifying business site pays the tax through the ad valorem assessment process to the Tax Collector, then, upon receipt of its portion of such payment, the Village agrees to pay a grant to the business from the Village’s general fund. The amount of such grant payment is dependent upon the amount of tangible personal property tax received by the Village of Indiantown, and the terms of the grant agreement with the business. The Grant is limited to a portion of the total Village ad valorem millage, and does not include the ad valorem levies of other taxing authorities, such as the Martin County Board of County Commissioners, the Martin County School District, the South Florida Water Management District or Florida Inland Navigation District, or any other taxing authority.

Minimum Applicability and Criteria

1. The business site must be located within the boundaries of the Village of Indiantown.
2. The business must maintain a substantial taxable value of tangible personal property on the business site as contained on the Martin County tangible personal property ad valorem tax roll for the Village of Indiantown, and as reported on Tangible Personal Property (TPP) form DR-405. The value of the tangible personal property shall be determined on a yearly basis by the Martin County Property Appraiser pursuant to Florida Law.
3. The grant amount shall be determined by multiplying a negotiated lower millage rate, and the total value of the business's TPP for the applicable parcel identification number, or by a negotiated lump sum, and subtracting that amount from the total amount of TPP taxes levied by the total Village millage for the applicable parcel identification number. The negotiated fixed millage rate or a negotiated lump sum will be set forth in the terms of the agreement.
4. Grant payments will be made each year only after the applicable tangible personal property tax bill has been paid for the appropriate year (January 1 to December 31) and funds have been received from the Tax Collector by the Village of Indiantown. The grant funds will be paid by the Village to the business within sixty (60) days of receipt by Village of such taxes from the Tax Collector.
5. Assuming eligibility each year, the Grant may be awarded for a period to be determined by the Village Council. The agreement may be extended, upon a complete re-evaluation of all factors, including the fixed millage rate, upon approval of the Village Council.
6. The agreement may not be transferred or assigned.

Village Manager and Village Council Review

If the Village Manager finds that the applicant meets the requirements provided herein for the Program, the Village Manager may authorize the TPP program agreement to be presented to the Village Council. **Because this program is not an entitlement program, the Village Council may accept or reject the request without cause.**

Application

Any Applicant seeking to participate in the TPPG program shall file a request with the Village Manager. Any request for TPPG program assistance must be submitted to the Village by the Applicant prior to the Applicant deciding whether or not to remain, expand or locate within the Village of Indiantown (inducement of decision).