



Legislation Text

File #: 150065., Version: 3

Enterprise Zone - Preservation of Local Incentives for Temporary Period (B)

The City Commission is being asked to approve preservation of Enterprise Zone local incentives until such time that the City Commission is presented with more substantive changes to the program.

****STAFF PRESENTATION 5 MINS****

The Enterprise Zone program was created by state statute to incentivize businesses to locate in designated areas of the City. The state benefits for establishing or moving a business into an Enterprise Zone are listed on the attached chart (150065B). In addition to the state incentives, the City also offers the following incentives for businesses who locate in the Enterprise Zone. These are 50% reductions in land development fees, business license tax and City utility tax (150065C). The State incentive program is slated to sunset on December 31, 2015. Additionally, the City's municipal utility tax incentive and the City's business tax receipt incentive will also sunset on December 31, 2015.

At its last two meetings the Economic Development University Community Committee discussed the sun setting of the EZ incentives. As explained to the Committee local EZ incentives currently consist of reductions in development review and business license tax fees that are geographically tied to an adopted City Enterprise Zone map (150065A). There is a 50% reduction in local utility tax for businesses in the Enterprise Zone that is offered as well.

In communication from State DEO staff EZ coordinators from around the State on a recent conference call seem to indicate that it may be wise to hold current programs in place at least until the 2016 Florida Legislative agenda ends in March, 2016 in the event that the Legislature revisits the program.

In the longer term, the Committee indicated a willingness to revisit the program at the local level and redefine the program to meet local needs. In the event that modifications are made to the program, it is recommended that necessary substantive amendments to existing ordinances be made to reflect the new program parameters.

In the shorter term and based upon closer review by staff, due to the fact that some of the local incentives appear to sunset in December, 2015 as well, it is recommended that a short term ordinance be passed that preserves the local incentives until such time that the City Commission approves the more substantive changes to the program.

Discounts offered for the Enterprise Zone local incentives are attached in the back-up.

The City Commission direct the City Attorney to draft ordinance amendments to Section Sec. 25-50.1 for the business license tax and Sec. 25-18 for the City utility tax eliminating the sunset provision.