ORDINANCE 2015-05-06

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA, CREATING CHAPTER 25 TO BE ENTITLED ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES GRANTING AUTHORITY TO AWARD ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES; PROVIDING DEFINITIONS; SETTING FORTH A PROCESS; REPEALING RESOLUTION 2015-03-02 RELATING TO ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES; PROVIDING FOR SEVERABILITY, CONFLICT AND CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Chapter 166, Florida Statutes, authorizes municipalities to adopt ordinances and resolutions to protect the citizen's health, safety and welfare, in exercise of the Town's police power; and

WHEREAS, the Florida Legislature found that Florida faces increasing competition from other states and other countries for the location and retention of private enterprises that that there is a need to enhance and expand economic activity in the municipalities of this state by attracting and retaining manufacturing development, business enterprise management, and other activities conducive to economic promotion, in order to provide a stronger, more balanced, and stable economy in the state of Florida, to enhance and preserve purchasing power and employment opportunities for the residents of this state, and to improve the welfare and competitive position of the state of Florida; and

WHEREAS, the Legislature declared that it is necessary and in the public interest to facilitate the growth and creation of business enterprises in the municipalities of the state of Florida, and

WHEREAS, §166.021(9), *Florida Statutes* authorizes the City to expend public funds to attract and retain business enterprises; and

WHEREAS, the Florida Legislature has stated that the use of public funds toward the achievement of such economic development goals constitutes a public purpose; and

WHEREAS, it constitutes a public purpose to expend public funds for economic development activities, including, but not limited to, developing or improving local infrastructure, and making grants to private enterprises for the expansion of businesses existing in the City of Groveland or the attraction of new businesses to the City of Groveland; and

WHEREAS, the City has determined that it is in the best interests of the City of Groveland to implement a variety of economic incentives to assist private enterprises in the City to expand their businesses and to attract new businesses to the City; and

WHEREAS, the City has also determined that it is in the best interest of the City of Groveland to broaden its business and industrial tax base which further benefits all residents in the City by better distributing the burden of taxes.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GROVELAND, FLORIDA AS FOLLOWS:

Section 1: Recitals. The above recitals are true and correct and, by this reference, are hereby incorporated into and made an integral part of this ordinance by setting forth the authority and purpose of this ordinance.

Section 2: Economic Development and Business Incentives.

That Chapter 25 of the Code of Ordinances of the City of Groveland, is hereby created to read:

CHAPTER 25 – ECONOMIC DEVELOPMENT AND BUSINESS INCENTIVES

Sec. 1-1. Definitions. As used in this Chapter, the following definitions shall apply:

Building permit fees means those fees charged by the City of Groveland for construction, erection modification, repair and demolition activities within the City which are governed under the Florida Building Code and charged pursuant to Florida Statutes and as adopted by the City in resolution.

Sec. 1-2. General authority and administration.

a. The City Council and the CRA of the City of Groveland may each budget funds for economic development and incentive purposes. The award of funds is contingent upon available funding.
b. The City Council of the City of Groveland may approve owners, tenants, businesses or industries to receive funds under this chapter as it deems necessary to fulfill the purposes of this chapter.
c. The CRA of the City of Groveland and the City Council, when applicable, may approve owners, tenants, businesses or industries to receive funds under this chapter as it deems necessary to fulfill the purposes of this chapter.
d. Applications for economic development and incentive funds can be obtained from the City and submitted to the community development department unless otherwise directed by the city manager. After confirmation by the city manager or designee that such application meets the requirements of this chapter, the city manager or designee shall schedule final approval of the award before the City Council, and if appropriate, before the CRA. An applicant may apply for any or all of the incentives set forth in this chapter. An applicant applies by submitting a letter to the City detailing the nature of its business, the specific incentive(s) the applicant is seeking, how it meets the criteria for the incentive(s), and explaining why the City Council and if applicable, the CRA should grant economic development and business incentives. The decision on any application will be determined by the City Council and if applicable, the CRA, on a case by case basis in its/their sole discretion.

Sec. 1-3. Incentives.

The following incentives are authorized:

a. **New Buildings or Building Expansions**:

i. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, a credit, waiver or rebate of up to 100% of the building permit fee retained by the City of Groveland and not paid to a third party which are charged for the new building or expansion. If a credit is granted the credit will be applied towards development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). The City of Groveland, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City.

ii. For purposes of this incentive, the minimum expansion required must be for the purpose of creating additional space for business purposes including but not limited to office space, retail space, manufacturing space, and does not include space for bathrooms, break rooms, closets, unless a minor part of the expansion as determined by the City in its sole discretion. Any rebate will be paid by the City within 30 days after the City issues a certificate of occupancy for the new or expanded building.

iii. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive, if awarded, a credit, waiver or rebate up to 100% of the building permit fee, retained by the City of Groveland and not paid to a third party, which are charged for internal or exterior renovations to the existing building, not the expansion. If a credit is granted, the credit will be applied towards development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). The City of Groveland, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City. Any rebate will be paid by

the City within 30 days after the City issues a certificate of occupancy for the expanded building.

iv. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, an extension from issuance of building permit to issuance of certificate of occupancy to pay any water, wastewater and administrative impact fees due the City of Groveland.

v. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building, or expands its building a minimum of 25% or 4,000 square feet, whichever is less, is eligible to apply for and receive if awarded, financing of impact fees. Impact fees may be financed over a period of five years with interest being set anywhere between zero percent and the prime rate based on the size of the project. Payments of principal and interest may be scheduled monthly, quarterly, semi-annually, or annually as determined by the City after discussions with the applicant, and may be amortized over time within a 1 to 5 year period

vi. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that constructs a new building or expands its building with a total project size (new and existing) of no less than 40,000 square feet and total financial investment in excess of $3,000,000, is eligible to apply for and receive if awarded, payment on its behalf by the City of Groveland of any City imposed impact fees and transportation impact fees. For purposes of this subsection total financial investment means: fair market value of the real property, and construction costs certified by project engineer and accepted by city engineer.

b. **Infrastructure**:

Any owner constructing a building or group of buildings (complex) for commercial or industrial use business(es), as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, for which off-site infrastructure improvements (i.e. water and wastewater line extensions, off-site retention, traffic control devices, or other like improvements) are necessary is eligible to apply for and receive if awarded, City assistance. Assistance includes but is not limited to a financial contribution, construction of improvements, and will be determined by City on a case by case basis.

c. **Public/Private Partnership**:

The City will consider a public/private partnership with an owner or developer for the purpose of planning, developing and constructing a complex of buildings that's primary use will be industrial and/or commercial. The City Council, and if applicable, the City of Groveland CRA in conjunction with City Council, will assess each public/private partnership on a case by case basis. Examples of a public/private partnership include, but are not limited to: development of a plan for City owned property that conveys the majority of the property to a developer at below market value in exchange for the developer constructing a certain type of public facility (theatre, community center, public plaza, etc.) that will be part of the development, but owned by the City/CRA.

d. **Industrial/Commercial Businesses – Lease:**

i. Any Commercial or Industrial use business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, that establishes a new business in the City of Groveland or relocates its business to the City of Groveland, leases its business space and constructs internal or exterior renovations of the business space is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of the building permit fee paid for the internal and external renovations which is retained by the City of Groveland and not paid to a third party, up to $10,000. This is a matching award up to $10,000. Therefore, the amount contributed by the City will be based on the business's demonstrated expenditure of funds for internal and external renovations to the business space. The business will demonstrate the amount of its expenditures by providing the City receipts and other requested documentation.

ii. Any Commercial or Industrial use business, as provide in Chapter 153 of the Code of Ordinances of the City of Groveland, that establishes a new business in the City of Groveland or relocates its business to the City of Groveland, and leases its business space is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising). This is a matching award up to 100% of development applicant fees. Therefore, the amount contributed by the City will be based on the business's demonstrated expenditure of funds for establishing or relocating its business to the business space. The

business will demonstrate the amount of its expenditures by providing the City receipts and other requested documentation

e. **Industrial/Commercial Businesses –Tenant/Lessee or Owner:**

i. Any property owner that lease its property to a tenant who establishes a new Commercial or Industrial business or relocates its Commercial or Industrial business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, in the City of Groveland or the City of Groveland's CRA district, and the property owner constructs internal or exterior renovations of the business space is eligible to apply for and receive if awarded, a waiver or rebate up to 100% of the building permit fee paid for the internal and exterior renovations which is retained by the City of Groveland and not paid to a third party, up to a maximum rebate of $10,000. The City Council or CRA and City Council, may, in its sole discretion, agree to pay on the applicant's behalf that portion of a building permit fee referenced in this subsection that is paid to a third-party and not retained by the City.

ii. Any property owner that leases its property to a tenant who establishes a new Commercial or Industrial use business in or relocates its Commercial or Industrial business, as provided in Chapter 153 of the Code of Ordinances of the City of Groveland, to the City of Groveland or City of Groveland CRA district, is eligible to apply for and receive if awarded, a waiver or rebate of up to 100% of development application fees (excluding any portion paid for hard costs such as recording, notifications, advertising).

Section 3: Severability If any portion of this ordinance is declared invalid or unenforceable, then to the extent it is possible to do so without destroying the overall intent and effect of this ordinance, the portion deemed invalid or unenforceable shall be severed here from and the remainder of this ordinance shall continue in full force and effect as if it were enacted without including the portion found to be invalid or unenforceable.

Section 4: Conflict All ordinances or parts of ordinances, resolutions or parts of resolutions, which are in conflict with this ordinance are hereby repealed, to the extent necessary to alleviate the conflict, but shall continue in effect insofar as they are not in conflict herewith, unless repeal of the conflicting portion destroys the overall intent and effect of any of the conflicting ordinances, in which case those ordinances so affected shall be hereby repealed in their entirety.

Section 5: Codification It is the intent of the City Council of the City of Groveland that the provisions of this chapter shall become and made a part of the City of Groveland Code

of Ordinances; and grants authority to the codifier to renumber or reletter sections, and change the words in this ordinance to section, article, chapter or such other appropriate word or phrase in order to accomplish such intentions.

Section 6: Effective Date

This Ordinance shall become effective immediately upon final adoption by the City Council of the City of Groveland.

PASSED AND ORDAINED in regular session of the City Council of the City of Groveland, Lake County, Florida, this 1ST day of JUNE, 2015.

HONORABLE TIM LOUCKS, MAYOR
City of Groveland, FL

ATTEST:

Teresa Begley
City Clerk

Approved as to Form:

Anita Geraci-Carver
City Attorney

Passed First Reading 05/18/2015

Passed Second Reading 06/01/2015

Council Member GRIFFIN moved the passage and adoption of the above and foregoing Ordinance. Motion was seconded by Council Member SWEATT and upon roll call on the motion the vote was as follows:

	YEA	NAY
John Griffin	✓	
Tim Loucks	✓	
James Smith	✓	
Dina Sweatt	✓	
Evelyn Wilson	✓	