

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: April 21, 2015 [] Consent [X] Regular
[] Ordinance [] Public Hearing
Department: Department of Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve on preliminary reading and advertise for a public hearing on May 19, 2015 at 9:30 a.m.: an Ordinance of the Board of County Commissioners of Palm Beach County, Florida, establishing an exemption from certain Ad Valorem Taxation to encourage economic development in the County for Florida South Division, LLC, a new business; providing for a finding that requirements have been met; providing for the amount of revenue available from Ad Valorem Tax sources for the current Fiscal Year; providing for the amount of revenue lost by virtue of the economic development Ad Valorem Tax exemptions currently in effect; providing for the estimated revenue lost attributable to the exemption granted to Florida South Division, LLC; providing for the period of time for which the exemption will remain in effect and the expiration date of the exemption; providing for annual reporting requirement; providing for applicability; providing for inclusion in the Code of Laws and Ordinances; providing for severability; providing for repeal of laws in conflict; and providing for an effective date.

Summary: On May 21, 2013, the Board of County Commissioners (BCC) approved an Economic Development Incentive Grant Agreement (R2013-0632) with Florida South Division, LLC (FSD), a distribution center and regional headquarters serving the ALDI, Inc. stores in South Florida, for an incentive in the amount of \$1.7 Million in the form of an Ad Valorem Tax Exemption over a seven (7) year period. The Ad Valorem Tax Exemption is for real property and tangible personal property improvements undertaken in the company's construction of a 650,000 sf distribution center and regional headquarters in Royal Palm Beach. The Agreement requires the company to make a minimum \$55 Million capital investment, create 95 new full time equivalent jobs over a three (3) year period at an annualized average wage of \$46,100, and maintain those jobs for a period of five (5) years. As required under Palm Beach County's Economic Development Ad Valorem Tax Exemption Program implemented by the BCC through adoption of Ordinance 2013-022, FSD has filed an application with the Property Appraiser's (PA) office, and the PA has issued a determination that the project meets the requirements under Florida Statute 196.012 for an Ad Valorem Tax Exemption (attached as Exhibit B to the proposed Ordinance). This Ordinance is being presented to the BCC as required by State statute. District 6 (JB)

Background and Policy Issues: The County's Economic Development Ad Valorem Tax Exemption Program is designed to motivate businesses by providing funding assistance to either relocate to or establish a facility in Palm Beach County, or to help an existing local business with an expansion project which creates full time jobs, increases the County's tax base, and strengthens and diversifies the local economy.

Attachments:

1. Economic Development Incentive Grant Agreement with Florida South Division, LLC (R2013-0632)
2. Proposed Ordinance for Economic Development Ad Valorem Tax Exemption for Florida South Division, LLC

Recommended By: [Signature] 4-7-15
Department Director Date
Approved By: [Signature] 4/7/15
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures					
Operating Costs					
External Revenues	\$178,558	\$183,915	\$189,432	\$195,115	\$200,969
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT	\$178,558	\$183,915	\$189,432	\$195,115	\$200,969

# ADDITIONAL FTE POSITIONS (Cumulative)					
--	--	--	--	--	--

Is Item Included In Current Budget? Yes _____ No _____

Budget Account No.:

Fund _____ Dept _____ Unit _____ Object _____ Program Code/Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

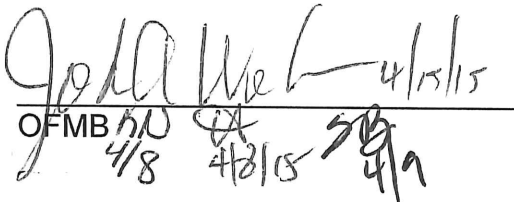
The source of funds is in the form of an ad valorem tax exemption for a seven (7) year period. The fiscal calculation is based on a valuation assessment of \$37,343,414. Using the current millage rate (4.7815), the PBC tax revenue for 2015 is estimated at \$178,558. A 3% increase was assumed per year thereafter.

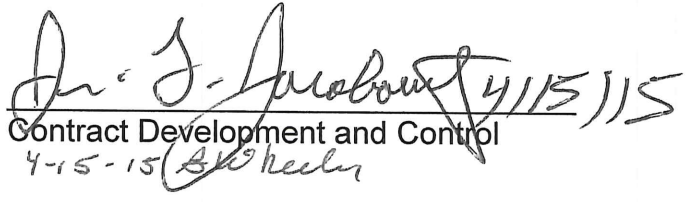
C. Departmental Fiscal Review:


Shairette Major, Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:


OFMB 5/10/15
4/8 4/15/15 5/19/15


Contract Development and Control
4-15-15 (S. Keeler)

B. Legal Sufficiency:


Assistant County Attorney
4/17/15

C. Other Department Review:

Department Director

Economic Development Incentive Grant Agreement

THIS AGREEMENT, effective as of this 1st day of June, 2013, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (hereinafter the "COUNTY") and **FLORIDA SOUTH DIVISION, LLC**, a Florida Limited Liability Company, whose Federal I.D. Number is 45-3364725, its successors and assigns (hereinafter the "COMPANY").

**PART I
RECITALS**

WHEREAS, it is the policy of the COUNTY to encourage and stimulate economic growth in Palm Beach County by either attracting new businesses to Palm Beach County or by assisting local expanding businesses within Palm Beach County that would otherwise expand elsewhere; and

WHEREAS, the creation of new full time employment opportunities for residents of Palm Beach County and the tax revenues resulting from business relocation or expansion within Palm Beach County is beneficial to the local economy; and

WHEREAS, the State of Florida has determined that counties may expend funds to attract and retain business enterprises, and that the use of public funds toward the achievement of such economic development goals constitutes a public purpose; and

WHEREAS, the COUNTY has determined that offering an Economic Development Incentive Grant encourages either existing businesses to remain and/or expand, or new businesses to establish a facility in Palm Beach County and thereby create employment opportunities for the residents of Palm Beach County; and

WHEREAS, the COMPANY is committing to construct a 650,000 sf +/- facility, which will accommodate a distribution center and regional headquarters representing \$55 Million in capital expenditures, and create 95 New Jobs within three (3) years after the receipt of the Certificate of Occupancy, at an Average Annual Wage of \$46,100; and

WHEREAS, the Board of County Commissioners on October 18, 2011, conceptually approved an Ad Valorem Tax Exemption to COMPANY in an amount not to exceed \$1,700,000 over a seven (7) year period; and

WHEREAS, the COUNTY finds and declares that it is in the public interest to award an Economic Development Incentive Grant to COMPANY pursuant to the terms of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants hereinafter contained, the parties agree as follows:

**PART II
DEFINITIONS**

1. **Definitions:** The below terms as used in this Agreement shall mean:
 - A. **New Job:** Shall include an employee in a full time job working a minimum of 1,820 hours annualized (inclusive of vacation, holidays, sick leave, and other paid activities), a Full Time Equivalent Job, a Relocated Employee, or a Full Time Contractor Employee. Each New Job shall also:
 - (1) Result in a net increase in the number of the COMPANY'S Palm Beach County employees or Full Time Contractor Employees; and
 - (2) Involve only an employee working on-site at the COMPANY'S Palm Beach County facility at the address shown in Exhibit A attached hereto and made a part hereof, or Full Time Contractor Employees whose principal job is delivering product from the address shown in Exhibit A to COMPANY retail stores in south Florida.

- B. Full Time Equivalent Job: Shall mean any two or more part-time employees whose sum total work hours, inclusive of vacation and holidays, equals 1,820 hours annualized. Notwithstanding the foregoing, the 1,820 hours annualized shall be determined pursuant to the job requirement of the employee, and not the actual number of hours clocked at work, allowing for vacation, holiday and sick leave.
- C. Relocated Employee: Shall mean either an employee in a full time job working a minimum of 1,820 hours annualized (inclusive of vacation and holidays), or a Full Time Equivalent Job that is identified on the COMPANY'S payroll who transferred to the COMPANY'S facility in Palm Beach County from a COMPANY facility in a location other than one located in a county adjacent to the borders of Palm Beach County. Notwithstanding any provision in this Agreement to the contrary, for all purposes under this Agreement it shall be deemed that any employee in a full time job working a minimum of 1,820 hours annualized (inclusive of vacation and holidays), or a Full Time Equivalent Job that is identified on the COMPANY'S payroll, who transferred to the COMPANY'S facility in a location other than one located in a county adjacent to the borders of Palm Beach County prior to the Effective Date for the purpose of effectuating COMPANY'S facility in Palm Beach County is a Relocated Employee deemed to have transferred to Palm Beach County after the Effective Date and shall constitute a New Job.
- D. Full Time Contractor Employee: Shall mean any new Full Time Equivalent Job created and employed by the transportation firm with which COMPANY contracts solely for delivery of products from the distribution center to the COMPANY stores, whose sum total work hours for COMPANY, inclusive of vacation and holidays, equals 1,820 hours annualized.
- E. Average Annual Wage: Actual Annual Wage, salaries, and other payments for Full Time Equivalent Jobs to be created under this Agreement as follows:

wages; salaries; commissions; bonuses; drawing accounts (advances to employees against future earnings); prizes and awards (if given by employer for employment); vacation pay; payment to employees of difference between regular pay and jury pay; payments to employees temporarily absent while in military service; wages earned before death but paid after death; dismissal pay; sick pay (not made under a plan or system); and supplemental payments (difference between workers' compensation and employee's salary).

PART III WHOLLY OWNED AFFILIATES

1. Establishment of Wholly Owned Affiliates: The COMPANY may create or purchase wholly owned affiliates in connection with activities undertaken by the COMPANY pursuant to this Agreement. All wholly owned affiliates, thus created or purchased, shall be under the full control of the COMPANY, and the COMPANY shall oblige all such wholly owned affiliates to comply with the requirements of this Agreement as provided for herein.
2. Notification of Wholly Owned Affiliates: The COMPANY shall, within thirty (30) days of its creation or purchase of wholly owned affiliates in connection with this Agreement, notify the COUNTY in writing of such wholly owned affiliates by divulging to the COUNTY the name of such entity and the location of the entity's facilities, and the COMPANY shall provide the COUNTY, to the COUNTY'S satisfaction, documentation evidencing the COMPANY'S full control of such wholly owned affiliates.

3. **Acceptance of Jobs Created by Affiliates:** Notwithstanding that COUNTY is allowing COMPANY and the wholly owned affiliates of COMPANY to create and maintain said jobs, COMPANY agrees that this Agreement is solely between COMPANY and COUNTY and COUNTY has the right, in its sole and absolute discretion to reject or accept any or all jobs created by COMPANY'S wholly owned affiliates.

PART IV COMPANY OBLIGATIONS

1. **New Job Creation:** The COMPANY shall create 95 New Jobs within three (3) years after the receipt of the Certificate of Occupancy.
2. **Existing Job Retention:** Not applicable.
3. **New Job Maintenance:** The COMPANY shall maintain the required New Jobs for a period of five (5) years from the date each New Job was created (The "Maintenance Period").
4. **Average Annual Wage:** Within three (3) years after receipt of the Certificate of Occupancy the Average Annual Wage per annum for New Jobs shall be equal to or greater than \$46,100 for all New Jobs created under this Agreement.
5. **Capital Investment:** By the third anniversary of the date of this Agreement, the COMPANY shall make a minimum cumulative Capital Investment of \$55 Million at the address shown on Exhibit A attached hereto and made a part hereof.

PART V PERFORMANCE PERIOD

1. **Effective Date:** This Agreement is effective the 1st day of June, 2013.
2. **Termination Date:** This Agreement shall terminate on the 30th day of March, 2023.

PART VI INCENTIVE AMOUNTS

1. **Ad Valorem Tax Exemption:** The COMPANY has been conceptually approved to receive an Ad Valorem Tax Exemption not to exceed \$1,700,000 over a seven (7) year period in consideration of the capital investments, new jobs created and maintained and Average Annual Wage memorialized under this Agreement. This conceptual approval was contingent upon the determination that the project meets the requirements under Florida Statute 196.012 for an Ad Valorem Tax Exemption.

The COMPANY will be required to submit a Formal Application for Ad Valorem Tax Exemption on the application entitled "Economic Development Ad Valorem Property Tax Exemption, Chapter 196.1955, Florida Statutes Form 418" by March 1st in the year that the exemption is desired to take effect. This application will be reviewed by the Palm Beach County Property Appraiser for eligibility as outlined in the County's Ordinance No. 2012 - 042.

The COMPANY, if eligible, will be granted an Ad Valorem Tax Exemption for 100% of the assessed value of all qualifying tangible personal property acquired and added improvements to real property for an amount not to exceed \$1.7 Million over a seven (7) year period, excluding land taxes levied by Palm Beach County, where Palm Beach County is the taxing authority. The exemption does not apply to taxes levied by a municipality, school district, or water management district, or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors.



2. **Revocation of Ad Valorem Tax Exemption:** Should the COMPANY fail to file the annual report with the Board on or before March 1st of each year the exemption has been granted as required by the Ad Valorem Tax Exemption Ordinance, or fail to continue to meet the definition of a new business or an expansion of an existing business, and/or fail to fulfill any other representation made to the Board during the application process, including the creation and maintenance of the total number of new jobs identified by the COMPANY in the application (Exhibit "A"), the Board may adopt an ordinance revoking the Ad Valorem Tax Exemption.

The revocation of the Ad Valorem Tax Exemption may occur if the COMPANY fails to fulfill its obligations as provided for under the ordinance granting the COMPANY an exemption. The effective date for revocation of the exemption will be identified in the ordinance.

Upon revocation, the Board shall immediately notify the Property Appraiser.

For any year that taxes may have been exempted and the Board finds that the COMPANY was not entitled to the exemption, such taxes may be recovered and the Property Appraiser will assist the Board to recover any taxes exempted. The Board may recover taxes exempted throughout the term of the Agreement.

Should the COMPANY fail to file the annual exemption renewal application with the Property Appraiser on or before March 1st of each year the exemption has been granted as required in the Ad Valorem Tax Exemption Ordinance and in accordance with Chapter 196.011(1)(a), Florida Statutes, or fail to continue to meet the definition of a new business or an expansion of an existing business, the Property Appraiser may deny the exemption in accordance with Chapter 196.193(5), Florida Statutes.

Nothing herein shall prohibit the COMPANY from reapplying for an ad valorem tax exemption pursuant to State law.

PART VII ADVERTISING, RECRUITING AND JOB INFORMATION

1. **Job Advertising:** COMPANY shall undertake advertising of the job openings in Palm Beach County to provide sufficient notice to Palm Beach County's residents concerning the availability of COMPANY'S new positions. The advertising regarding the new jobs at COMPANY'S facility in Palm Beach County must be countywide, include Hispanic and Minority news venues, and not limited to a single advertisement.
2. **Job Availability:** The COMPANY shall coordinate with the following agencies regarding new job opportunities:
 - A. Workforce Alliance, Inc.
1951 N Military Trail, Suite D
West Palm Beach, FL 33409-4794
Attention: Executive Director
 - B. The Glades Workforce Development Center
1085 South Main Street
Belle Glade, FL 33430
Attention: Chairperson
3. **Low-income Residents:** The COMPANY shall, to the greatest extent feasible, provide qualified low-income residents opportunities for training and employment at the COMPANY.
4. **Resident Preference:** The COMPANY shall, to the greatest extent feasible, without risk of violating any laws, develop and implement hiring policies that provide qualified Palm Beach County residents preference in the hiring process.



5. **Local Businesses:** The COMPANY shall to the extent feasible without risk of violating any laws, award contracts in connection with this Agreement to qualified eligible business concerns located in or owned in substantial part by persons residing in Palm Beach County.
6. **Transportation To and From Job Location:** The COMPANY shall provide the following information to employees it hires by posting such information on its web site or by providing in written form:
 - A. The bus stop location closest to COMPANY'S office;
 - B. The name and location of Tri-Rail train station closest to COMPANY'S office;
 - C. Information about COMPANY'S car pool program (if one exists); and
 - D. Directions to COMPANY'S office from Interstate 95.

PART VIII AUDITS AND REPORTS

1. **Annual Job Creation and Maintenance Reports:** The COMPANY shall provide the COUNTY'S Department of Economic Sustainability with an Annual Job Creation and Maintenance Report, satisfactory to the COUNTY in its sole discretion, acting reasonably, verifying the COMPANY'S compliance with the requirements of PART IV of this Agreement. Such Annual Job Creation and Maintenance Report shall comply with the following:
 - A. Identify each job created and the date it was created.
 - B. Identify each job created and the duration of its maintenance period to date.
 - C. Report on the Average Annual Wage for New Jobs that were created and maintained.
 - D. Report on the number of Palm Beach County residents hired to date.
 - E. The Annual Job Creation and Maintenance Report shall be submitted to the COUNTY'S Department of Economic Sustainability by June 15th of each year.
2. **Final Job Creation and Maintenance Performance Audit:** The COMPANY shall provide the COUNTY'S Department of Economic Sustainability a written Final Job Creation and Maintenance Performance Audit (hereinafter "Audit") satisfactory to the COUNTY in its sole discretion, acting reasonably, verifying the COMPANY'S compliance with the requirements of PART IV of this Agreement. Such Audit, which shall be prepared at the COMPANY'S sole cost and expense, shall comply with the following:
 - A. The Audit shall be conducted and prepared by a Certified Public Accountant (CPA) according to standards established by the American Institute of Certified Public Accountants and shall be submitted on the CPA's letterhead.
 - B. The CPA shall "examine" the COMPANY'S records, statements, and schedules and those of all wholly owned affiliates created or purchased by the COMPANY in connection with this Agreement, and those of the contractor retained for store deliveries, to verify the accuracy of the number of New Jobs created and maintained as required in Part IV of this Agreement, and to verify the Average Annual Wage for these New Jobs. The CPA shall express a written "opinion" in the Audit regarding the number of New Jobs created in compliance with this Agreement and the Average Annual Wage for these New Jobs.



- C. The CPA's report shall include examining evidence supporting the COMPANY'S schedules of New Jobs and the Average Annual Wage of the New Jobs and those of the wholly owned affiliates stated immediately above.
- D. The CPA's report must provide the Average Annual Wage for the below categories:
 - (1) All New Jobs: Identify the Average Annual Wage of all New Jobs including all exempt and non-exempt employees and all officers and senior corporate executives that are included in the number of New Jobs to be created as required by this Agreement.
 - (2) Low and Mid Echelon New Jobs Only: Identify the Average Annual Wage of all New Jobs as stated above, excluding from these calculations the Average Annual Wage of all officers and senior corporate executives.
- E. The accuracy of the number, hire dates and Average Annual Wage of all New Jobs as represented by the COMPANY shall be verified in the Audit by the CPA to the COUNTY'S satisfaction.
- F. The Audit may be performed in conjunction with other auditing services.
- G. A report by a CPA that is a "review or agreed-upon procedures report" on the COMPANY'S representations shall not be deemed to meet the Audit requirements of this Agreement.
- H. The Audit shall be submitted to the COUNTY'S Department of Economic Sustainability within sixty-three (63) months from the date the last New Job was created.

PART IX GENERAL CONDITIONS

1. **Obligation and Annual Appropriation:** Not applicable.
2. **Non-Discrimination:** The COMPANY warrants and represents that all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity and expression. Upon receipt of proof of such discrimination, the COUNTY shall have the right to terminate this Agreement.
3. **Workers' Compensation and Employers' Liability:** The COMPANY shall maintain Workers' Compensation Insurance & Employers' Liability in accord with Florida Statutes Chapter 440 for all jobs set forth in this Agreement. Coverage shall be provided on a primary basis.
4. **Convicted Vendor List:** As provided in F.S. 287.132-133, by entering into this Agreement or performing any work in furtherance hereof, the COMPANY certifies that it, and its affiliates who will perform hereunder, have not been placed on the Convicted Vendor List maintained by the State of Florida Department of Management Services within thirty-six (36) months immediately preceding the date of execution of this Agreement by the COUNTY. This notice is required by F.S. 287.133(3) (a).
5. **Successors and Assigns:** The COUNTY and the COMPANY each binds itself and its partners, wholly owned affiliates, successors, executors, administrators and assigns to the other party and to the partners, wholly owned affiliates, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Agreement. COMPANY has the right to assign this Agreement to an affiliated company authorized to do business in the State of Florida provided written notice is provided to COUNTY. COUNTY consent shall



not be required for COMPANY to assign this Agreement to an affiliated company. Except as above, neither the COUNTY nor the COMPANY shall assign, sublet, convey or transfer its interest in this Agreement without the prior written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the COUNTY, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the COUNTY and the COMPANY. In the event that the COUNTY determines that the COMPANY is in violation of this paragraph, the COUNTY shall have the right to terminate this Agreement and to seek restitution of the funds paid by the COUNTY to the COMPANY.

6. **Name Change:** Prior to the COMPANY changing the name of the COMPANY the COMPANY shall immediately provide the COUNTY written notice regarding this change to COMPANY'S name.
7. **Material Change of Circumstances:** The COMPANY shall immediately notify the COUNTY of any material change of circumstances for the COMPANY'S business operations in Palm Beach County. For the purposes hereof, material change of circumstance shall include, but not be limited to, the failure of the COMPANY to diligently and actively pursue fulfillment of the terms hereof, the sale or transfer of COMPANY'S assets for the benefit of creditors, COMPANY'S relocation outside of Palm Beach County, the suspension, closing or cessation of operation of the COMPANY, voluntary or involuntary bankruptcy or an assignment for the benefit of the COMPANY'S creditors. In the event of a material change of circumstances, the COUNTY shall have the right to terminate this Agreement, whereupon the COUNTY shall have no further obligation to the COMPANY under this Agreement.
8. **Entire Agreement Between Parties:** The COUNTY and the COMPANY agree that this Agreement sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Agreement may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto. No provision of this Agreement is intended to, or shall be construed to create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the COUNTY and/or COMPANY.
9. **Waiver:** If the COUNTY shall waive any provisions of the Agreement, or shall fail to enforce any of the conditions or provisions of this Agreement, such waiver shall not be deemed to be a continuing waiver and shall never be construed as such; and the COUNTY shall thereafter have the right to insist upon the enforcement of such conditions or provisions.
10. **Invalid or Unenforceable Terms:** If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.
11. **Performance Time and Liability:** The parties expressly agree that time is of the essence in this Agreement and the failure by a party to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of the other party without liability, in addition to any other rights or remedies, relieve the other party of any obligation to accept such performance.
12. **Defaults:** The occurrence of any one or more of the following events shall constitute a Default hereunder:
 - A. Vacating, abandoning, or closing the COMPANY'S business.
 - B. Relocating the COMPANY'S existing business in Palm Beach County outside Palm Beach County.

- C. Failure of the COMPANY to create the number of New Jobs as required in this Agreement.
 - D. Failure of the COMPANY to maintain the required number of New Jobs for the entire Maintenance Period.
 - E. Failure of the COMPANY to make the capital investments required.
 - F. Failure of the COMPANY to submit to the COUNTY the Annual Job Creation and Maintenance Report and/or the Audit as required in this Agreement.
 - G. Failure of the COMPANY to observe or perform any of the terms, covenants, conditions, obligations, or provisions of this Agreement to be observed or performed by the COMPANY where such failure continues for a period of thirty (30) days after written notice thereof from the COUNTY to the COMPANY; provided, however, that if the nature of COMPANY'S default is such that more than thirty (30) days are reasonably required for its cure, then COMPANY shall not be deemed to be in default if the COMPANY commenced such cure within said thirty (30) day period and thereafter diligently pursues such cure to completion.
 - H. The making by the COMPANY of any general assignment, or general arrangement for the benefit of creditors.
 - I. The filing by or against COMPANY of a petition to have the COMPANY adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against COMPANY, the same is dismissed within ninety (90) days.
 - J. The appointment of a trustee or receiver to take possession of substantially all of COMPANY'S assets where possession is not restored to COMPANY within forty-five (45) days.
 - K. The attachment, execution or other judicial seizure of substantially all of COMPANY'S assets located within Palm Beach County where such seizure is not discharged within forty-five (45) days.
 - L. The discovery by the COUNTY that any financial statement relating to this Agreement given to the COUNTY was materially false.
13. **Remedies:** In the event of a Default by the COMPANY, the COUNTY may at any time thereafter, terminate this Agreement. In such event, the COUNTY shall be entitled to recover immediately upon demand from the COMPANY or any party joining in or consenting to this Agreement, all taxes exempted by the COUNTY, as applicable, pursuant to this Agreement. Except as set forth in Part IX Subpart 12, Subsections I, J and K, COMPANY shall be granted thirty (30) days from notification of default to cure any deficiency that triggered said default.
14. **Law and Remedy:** This Agreement shall be governed by the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement shall be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.
15. **Regulations:** The COMPANY shall comply with all laws, ordinances and regulations applicable to the services contemplated herein, to include conflict of interest and collusion. The COMPANY is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may affect the services offered.

16. **Headings:** The headings of the sections, paragraphs, divisions, subdivisions, part and subparts of this Agreement are for the convenience of reference only, and shall not limit or otherwise affect any of the terms hereof.
17. **Number and Gender:** Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the others and shall apply jointly and severally.
18. **Access to Records:** Upon thirty (30) business days' notice and at any time during normal business hours and as often as the COUNTY deems necessary, there shall be made available by the COMPANY to the COUNTY for examination, all its records with respect to all matters covered by this Agreement. The COUNTY reserves the right to conduct an inspection of the COMPANY'S records regarding performance measures with respect to matters covered by this Agreement at any time for any period covered by this Agreement.
19. **Office of The Inspector General:** Palm Beach County has established the Office of Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed COUNTY contracts, transactions, accounts and records, to require the production of records, and to audit, investigate, monitor, and inspect the activities of the COMPANY, and its wholly owned affiliates, its officers, agents, employees, and lobbyists in order to ensure compliance with contract requirements and detect corruption and fraud. Failure to cooperate with Inspector General or interfering with or impeding any investigation shall be in violation of Palm Beach County Code, Section 2-421 – 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.
20. **Indemnification and Hold Harmless:** The COMPANY agrees to protect, defend, reimburse, indemnify and hold the COUNTY, its agents, its employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages, including attorney's fees, and causes of action of every kind and character against and from the COUNTY which arise out of this Agreement. The COMPANY recognizes the broad nature of this indemnification and hold harmless clause, and voluntarily makes this covenant and expressly acknowledges the receipt of good and valuable consideration provided by the COUNTY in support of this clause in accordance with the laws of the State of Florida. This Paragraph shall survive the termination of the Agreement.
21. **Notices:** All notices from the COMPANY to the COUNTY and the COUNTY to COMPANY required or permitted by any provision of this Agreement shall be in writing and sent by registered or certified mail and addressed as follows:
- TO COUNTY: DEPARTMENT OF ECONOMIC SUSTAINABILITY
100 South Australian Avenue, 5th Floor
West Palm Beach, FL 33406
Attn: Sherry Howard, Deputy Director
- With a copy to: Board of County Commissioners
c/o Palm Beach County Attorney's Office
301 N. Olive Avenue, Suite 601
West Palm Beach, FL 33401
Attn: Dawn Wynn, Senior Assistant County Attorney
- TO COMPANY: FLORIDA SOUTH DIVISION, LLC
1171 N State Road 7
Royal Palm Beach, FL 33411
Attn: Vice President



With a copy to: Aldi Inc.
1200 N. Kirk Road
Batavia, IL 60510
Attn: Terry Pfortmiller

Such addresses may be changed by written notice to the other party.

22. **Third Party Beneficiaries:** No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizen or employees of the COUNTY and/or COMPANY.
23. **Counterparts:** This Agreement, consisting of twelve (12) enumerated pages which include the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same instrument.
24. **Force Majeure:** If COMPANY shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strike, lockouts, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, terrorism, fire or other casualty, or other reason of a similar or dissimilar nature beyond the reasonable control of the COMPANY, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay without jeopardizing the continuation of the exemption.

PART X REQUIREMENTS APPLICABLE TO WHOLLY OWNED AFFILIATES

In addition to instances where the requirements of this Agreement are expressly set forth to be applicable to wholly owned affiliates of the COMPANY, the requirements of the below listed Parts and Subparts shall also apply to all such wholly owned affiliates:

- A. PART IV: Subparts 1, 2, 3 and 4.
- B. PART VI: Subparts 1 and 2
- C. PART VII: Subparts 1, 2, 3, 4, 5 and 6.
- D. PART IX: Subparts 2, 3, 4, 6, 7, 12, 15, 18, 19 and 20.



IN WITNESS WHEREOF, the COMPANY and the COUNTY have caused this Agreement to be executed on the date first above written.

Signed, sealed and delivered
in the presence of:

Witnesses:

FLORIDA SOUTH DIVISION, LLC a Florida
limited liability company

Name: LYNN MOSER

Signature: [Signature]

Name: DEBBIE FERGUSON

Signature: [Signature]

By: [Signature]
Terry E. Pfortmiller, Secretary/Treasurer of
Aldi Inc. (Pennsylvania), a Pennsylvania
corporation, its sole managing member of
Aldi (Florida) LLC, a Florida limited liability
company, being the sole member of Florida
South Division, LLC, a Florida limited
liability company

STATE OF ILLINOIS
COUNTY OF KANE

The foregoing instrument was acknowledged before me this 3rd day of
MAY, 2013, by Terry E. Pfortmiller, Secretary/Treasurer of Aldi Inc.
(Pennsylvania), a Pennsylvania corporation, sole managing member of Aldi (Florida)
LLC, a Florida limited liability company, being the sole member of Florida South
Division, LLC, a Florida limited liability company, who is personally known to me, or
who produced _____ as identification and who did/did not
take an oath.

OFFICIAL SEAL
STEPHANIE LYNNE BISHOP
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8-7-2014
(NOTARY SEAL ABOVE)

Signature: [Signature]
Notary Name: Stephanie Lynne Bishop
Notary Public - State of ILLINOIS

(COUNTY SEAL BELOW)

**PALM BEACH COUNTY, FLORIDA, a
Political Subdivision of the State of Florida**
BOARD OF COUNTY COMMISSIONERS

ATTEST: Sharon R. Bock
Clerk & Comptroller
By: [Signature]
Deputy Clerk

By: [Signature]
Steven L. Abrams, Mayor

Document No.: R2013.0632
MAY 21 2013

Approved as to Form
And Legal Sufficiency
By: [Signature]
Dawn S. Wynn,
Senior Assistant County Attorney

Approved as to Terms and Conditions
Department of Economic Sustainability
By: [Signature]
Sherry Howard,
Deputy Director

EXHIBIT A

**ECONOMIC DEVELOPMENT INCENTIVE GRANT AGREEMENT
BETWEEN PALM BEACH COUNTY AND FLORIDA SOUTH DIVISION, LLC**

COMPANY IDENTIFICATION AND INFORMATION

QACF application date: NA

Company Name: Florida South Division LLC

Existing Headquarters: 1200 N. Kirk Road, Batavia, IL 60510

Address of the company's facility in Palm Beach County:

1171 N State Road 7, Royal Palm Beach, FL 33411

Products/services to be provided from the company's facility in Palm Beach
County: Grocery/Retail Distribution

Business Type: Grocery Distribution

State of Florida Status: Active

State of Florida Filing Date: 9-21-2011

Qualification #: L11000108469

Federal ID Number: 45-3364725



ORDINANCE NO. 2015-_____

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, ESTABLISHING AN EXEMPTION FROM CERTAIN AD VALOREM TAXATION TO ENCOURAGE ECONOMIC DEVELOPMENT IN THE COUNTY FOR **FLORIDA SOUTH DIVISION, LLC**, A NEW BUSINESS; PROVIDING FOR A FINDING THAT REQUIREMENTS HAVE BEEN MET; PROVIDING FOR THE AMOUNT OF REVENUE AVAILABLE FROM AD VALOREM TAX SOURCES FOR THE CURRENT FISCAL YEAR; PROVIDING FOR THE AMOUNT OF REVENUE LOST BY VIRTUE OF THE ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTIONS CURRENTLY IN EFFECT; PROVIDING FOR THE ESTIMATED REVENUE LOST ATTRIBUTABLE TO THE EXEMPTION GRANTED TO **FLORIDA SOUTH DIVISION, LLC**; PROVIDING FOR THE PERIOD OF TIME FOR WHICH THE EXEMPTION WILL REMAIN IN EFFECT AND THE EXPIRATION DATE OF THE EXEMPTION; PROVIDING FOR ANNUAL REPORTING REQUIREMENT; PROVIDING FOR APPLICABILITY; PROVIDING FOR INCLUSION IN THE CODE OF LAWS AND ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF LAWS IN CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Article VII, Section 3, of the Constitution of the State of Florida, and Section 196.1995, Florida Statutes, authorizes the granting of economic development ad valorem tax exemptions to new businesses and expansions of existing businesses upon the successful passage of a referendum; and

WHEREAS, a successful referendum was held on November 6, 2012, resulting in the enactment of Ordinance No. 2013-022, known as the "Economic Development Ad Valorem Tax Exemption Ordinance of Palm Beach County, Florida"; and

WHEREAS, such Ordinance establishes the requirements for exemption consideration, including the submission of an application; and

WHEREAS, **Florida South Division, LLC** has submitted an application for an exemption; and

WHEREAS, all affected and interested agencies representative of the business and general community have reviewed said application, and provided comments on the granting of same; and

WHEREAS, all statutory and Ordinance requirements have been satisfied.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

SECTION 1. Title

This Ordinance shall be known as the "Economic Development Ad Valorem Tax Exemption Ordinance – **Florida South Division, LLC**."

SECTION 2. Finding That Requirements Have Been Met

The Board of County Commissioners of Palm Beach County, Florida, based on the application submitted by **Florida South Division, LLC**, and the report of the Property Appraiser, finds that **Florida South Division, LLC** has met all the requirements of Ordinance No. 2013-022, and meets the requirements of Section 196.012(14), Florida Statutes and that granting the exemption will result in an economic benefit to Palm Beach County.

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7

The revenues available to Palm Beach County for the current fiscal year from ad valorem tax sources are **\$666,858,127**. The revenues lost to Palm Beach County for the current fiscal year by virtue of the ad valorem tax exemptions currently in effect are **\$0**. The estimated revenues to be lost for the current year by granting this exemption are **\$178,558**.

SECTION 4. Term of Exemption; Expiration Date

The Economic Development Ad Valorem Tax Exemption granted to **Florida South Division, LLC** for a new business shall be for a period of seven (7) tax years commencing on January 1, 2015 and expiring on December 31, 2021. The ability to receive an exemption for the period granted is conditioned upon **Florida South Division, LLC's** ability to maintain the new business as defined in Ordinance No. 2013-022, throughout the seven (7) year exemption period and in accordance with the terms of the Economic Development Incentive Agreement entered with Palm Beach County. **Florida South Division, LLC** shall submit an annual report to the Board of County Commissioners evidencing satisfaction of this condition along with a completed Annual Exemption Renewal Application (DR-418) in such forms as are attached hereto and made a part hereof as Exhibit "A." **Florida South Division, LLC** shall furnish any and all information as the Board of County Commissioners or its designee deems necessary for the purpose of determining continued performance of the imposed conditions. Should **Florida South Division, LLC** fail to satisfy the conditions set forth herein, the Board of County Commissioners may revoke the exemption and recover any taxes waived pursuant to Section 9 of Ordinance No. 2013-022.

SECTION 5. Grant of Exemption

After consideration of the application submitted by **Florida South Division, LLC**, a copy of which is attached hereto and made a part hereof as Exhibit "B" which includes the report of the Property Appraiser, in accordance with the procedure set forth in Ordinance No. 2013-022, the Board of County Commissioners hereby grants and establishes an exemption from ad valorem taxation of one hundred percent (100%) of the assessed value of the net increase in qualifying tangible personal property acquired and added improvements to real property by **Florida South Division, LLC**, provided such net increase in qualifying tangible personal property and real property improvements facilitate Florida South Division, LLC's new business located at 1171 North State Road 7, Royal Palm Beach, Florida 33411. **Florida South Division, LLC** agrees to abide by the terms and conditions set forth in Ordinance No. 2013-022, and any and all amendments thereto, as well as any policies and procedures related to the Economic Development Ad Valorem Tax Exemption Program as may be adopted from time to time, and, in accordance with the terms of the Economic Development Incentive Agreement between Palm Beach County and **Florida South Division, LLC, R2013-0632**. Failure to abide by same may result in a revocation of the exemption and the recovery of any taxes waived pursuant to Section 9 of Ordinance No. 2013-022, and pursuant to the terms and conditions of the Economic Development Incentive Agreement between Palm Beach County and **Florida South Division, LLC**. No exemption shall be granted on the land on which improvements for the new business are made by **Florida South Division, LLC**.

SECTION 6. Applicability

The exemption applies only to taxes levied by Palm Beach County. The exemption does not apply to taxes levied by a municipality, school district, or special taxing district, or to taxes levied for the payment of bonds or taxes authorized by a vote of the electors pursuant to Section 9 and Section 12, Article VII of the State Constitution.

SECTION 7. Inclusion in the Code of Laws and Ordinances

The provisions of this Ordinance shall become and be made a part of the Code of Laws and Ordinances of Palm Beach County, Florida. The sections of this Ordinance may be renumbered or relettered to accomplish such, and the word "Ordinance" may be changed to "section", "article", or any other appropriate word.

SECTION 8. Severability

If any section, paragraph, sentence, clause, phrase, or word of this Ordinance is for any reason held by a Court to be unconstitutional, inoperative or void, such holding shall not affect the remainder of this Ordinance.

SECTION 9. Repeal of Laws in Conflict

All local ordinances in conflict with any provision of this Ordinance are hereby repealed to the extent of such conflict.

SECTION 10. Effective Date

The provisions of this Ordinance shall become effective upon filing with the Secretary of State.

APPROVED AND ADOPTED by the Board of County Commissioners of Palm Beach County, Florida, on the _____ day of _____, 2015.

ATTEST:
CLERK & COMPTROLLER
SHARON R. BOCK

PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Shelley Vana, Mayor

APPROVED AS TO TERMS
AND CONDITIONS:

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

By: _____
Sherry Howard, Deputy Director
Dept. of Economic Sustainability

By: _____
James Brako
Assistant County Attorney

EFFECTIVE DATE: Filed with the Department of State on the ____ day of _____, 2015.

ANNUAL EXEMPTION RENEWAL APPLICATION

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 and Mailing Address: _____
2. Please give name and telephone number of Owner or Person in charge of this Business.
Name _____ Telephone Number _____
3. Exact Location (Legal Description and Street Address) of Property for which this return is filed: _____
4. Date you began, or will begin, business at this facility: _____
5. a. Description of the improvements to real property for which this exemption is requested: _____

- b. Date of commencement of construction of improvements: _____
6. a. Description of the tangible personal property for which this exemption is requested and date when property was, or is to be purchased: _____

[illegible]

- b. Average Value of inventory on hand: _____
- c. 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 "New Business" ☐ or as an "Expansion of an Existing Business" ☐
8. Describe Type or Nature of Your Business: _____
9. Trade Level (Check as many as apply)
- | | | | | | | |
|---------------------------------|------------------------------------|--|---------------------------------------|----------------------------------|---------------------------------|--------------------------------|
| Retail <input type="checkbox"/> | Wholesale <input type="checkbox"/> | Manufacturing <input type="checkbox"/> | Professional <input type="checkbox"/> | Service <input type="checkbox"/> | Office <input type="checkbox"/> | Other <input type="checkbox"/> |
|---------------------------------|------------------------------------|--|---------------------------------------|----------------------------------|---------------------------------|--------------------------------|
10. a. Number of full-time employees to be employed in Florida _____
- b. If an expansion of an existing business:
- (1) Net increase in employment _____ or _____ %
- (2) Increase in productive output resulting from this expansion _____ %
11. Sales factor for the facility requesting exemption:
- Total sales in Florida from this facility-one (1) location only _____
- Total sales everywhere from this facility-one (1) location only _____ divided by _____ = _____ %
12. For office space owned and used by a corporation newly domiciled in Florida:
- a. Date of incorporation in Florida: _____
- b. 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: _____ SIGNED: _____
 SIGNED: _____ (Preparer)
 _____ (Taxpayer) _____
 TITLE: _____ (Preparer's Address)
 _____ (Preparer's Telephone Number)

Property Appraiser's Use Only

Property Appraiser's Use Only

1. Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources: _____
2. Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: _____
3. 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: _____
4. Estimate of the taxable value lost to the county or municipality if the exemption applied for was granted:
Improvements to real property _____ Personal Property _____
5. I have determined that the property listed above meets the definition, as defined by Section 196.012(15) or (16), Florida Statutes, as a New Business ☐, an "Expansion of an Existing Business" ☐, or Neither ☐.
6. Last year for which exemption may be applied: _____

DATE: _____ SIGNED: _____
(Property Appraiser)

Application to be filed not later than March 1

EXHIBIT A

ANNUAL EXEMPTION RENEWAL APPLICATION

General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S.

The expansion must be on the same or a collocated site of the business current operations.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both. After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

Statutory Definitions

Section 196.011 Annual application required for exemption.—

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

Section 196.012(15) and (16), Florida Statutes

(15) "New business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which 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 establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A new business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

(16) "Expansion of an existing business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which 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

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site collocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone that increases operations on a site collocated with a commercial or industrial operation owned by the same business.

Section 196.1995 Economic development ad valorem tax exemption.—

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption. Section 220.15(5), Florida Statutes.

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term "sales" means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer's business consists of leasing or renting real or tangible personal property; and

2. Royalty income is included in the term if a significant portion of the taxpayer's business consists of dealing in or with the production, exploration, or development of minerals.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower-member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That

sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trust, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;

2. Gross profits from trading in stocks, bonds, or other securities managed within this state;

3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;

4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;

5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer's agent to sell real or tangible personal property located in this state;

6. Rents from real or tangible personal property located in this state; or

7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an "includable corporation" under s. 1504(b) of the Internal Revenue code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.

EXHIBIT A

BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY
ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM
ANNUAL REPORT

FOR EXEMPTION PERIOD: January 1, _____ to December 31, _____

As required by Section 5.1. of the Ad Valorem Tax Exemption Ordinance for this program, this form is to be filed with the Board of County Commissioners no later than March 1 for each year the exemption is in effect and still desired by the business.

1. BUSINESS NAME and mailing address:
2. Name and telephone number of business owner or person in charge of this business:
3. Exact location (street address) of property for which this report is filed:
4. Date you began business activities at this facility:
5. REAL PROPERTY a) Description of the improvements to real property for which this exemption is requested: b) Date of commencement of construction of improvements:
6. TANGIBLE PERSONAL PROPERTY a) Description of the tangible personal property for which this exemption is requested and date when property was purchased: Provide this information on the attached form PB-418(6a)/AR, "Tangible Personal Property" Annual Report. b) Average value of inventory on hand as of January 1st: [\$ _____]
7. Have you maintained the definition of a <input type="checkbox"/> "New Business" or as an <input type="checkbox"/> "Expansion of an Existing Business"? <input type="checkbox"/> Yes <input type="checkbox"/> No
8. Describe the type or nature of your business:
9. Trade level (check as many as apply): <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Office <input type="checkbox"/> Other
10. JOBS AND AVERAGE ANNUAL SALARY a) Fill out the attached form PB-418(6b)/AR, "Jobs And Average Annual Salary" for the appropriate year and provide the following: b) Total number of full-time, equivalent and seasonal employees in Palm Beach County: [_____]. (attach current payroll roster as of January 1 st (covers employee payroll for Jan. 1 st through to Dec. 31 st of prior year; provide hire dates; omit names and social security numbers of employees) c) Net increase in full-time employment [_____] and percentage increase since exemption was granted [_____ %] d) Average annual salary of employees as of January 1 st payroll roster with executive positions: e) Average annual salary of employees as of January 1 st payroll roster without executive positions.
11. TOTAL SALES Sales factor for the facility requesting exemption: Total sales in Palm Beach County ending December 31 st of prior year from this facility [\$ _____] Divided by total sales everywhere from this facility ÷ [\$ _____] equals [_____ %] Percentage increase in productive output resulting from this expansion since year exemption was granted [_____ %]
12. For office or facility space owned or leased and used by a corporation newly domiciled in Florida: a) Date of incorporation in Florida: b) Number of full-time employees at the time of application: [_____] and currently at this location: [_____]

I agree to furnish such other reasonable information as the Board of County Commissioners may request in regard to the exemption. 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/her declaration is based on all information of which he has any knowledge.)

Taxpayer Name & Title:	Preparer Name, Address & Telephone Number:
SIGNATURE	SIGNATURE
DATE	DATE

A

NOTARIZATION OF ANNUAL REPORT

I. The information provided in the Annual Report is accurate and complete for the business facility identified hereinabove.

11. NOTARY

PROPERTY APPRAISER'S USE ONLY

1. Estimate of the revenue which will be lost to the County during the current fiscal year had the exempt property otherwise been subject to taxation:

11. Estimate of the taxable value lost to the County: [\$ _____]

Improvements to real property: [\$]

Personal Property: [\$]

DATE

SIGNATURE (Property Appraiser)

EXHIBIT **A** - ANNUAL REPORT (continued)**TANGIBLE PERSONAL PROPERTY**

Economic Development Ad Valorem Tax Exemption

6.a. Description of the tangible personal property for which this exemption is requested and date when property was purchased.

[illegible]

EXHIBIT

A

ANNUAL REPORT (continued)

JOBS AND AVERAGE ANNUAL SALARY

Economic Development Ad Valorem Tax Exemption

6.b. Identification of the annual status of Total Jobs and Average Annual Salary as of January 1st.

Exemption Period	Year	FULL-TIME JOBS		EQUIVALENT JOBS (2,080 Hours)		SEASONAL JOBS		TOTAL JOBS	
		Total	Avg. Annual Salary	Total	Avg. Annual Salary	Total	Avg. Annual Salary	Total	Avg. Annual Salary
Existing Jobs: Applic.									
New Jobs Obligation									
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
INSTRUCTIONS: Identify the Full-Time Jobs above. If there are no Equivalent Jobs or no Seasonal Jobs enter non-applicable (N/A). These job figures are restricted to the company's facility or facilities that are located in Palm Beach County. Refer to Item # 10 on the Annual Report concerning additional job and salary data requirements.									

EXHIBIT "B"
ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION
Chapter 196.1995, Florida Statutes

Business Name:		Florida South Division LLC (Aldi)	
PCN	72-41-43-25-23-001-0000	Tangible Account No.	N/A
Property Appraiser's Use Only			
I.	Total revenue available to the county or municipality for the current fiscal year from ad valorem sources: \$666,858,127 \$139,466,302,899 x 0.0047815 (2014 millage)		
II.	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: \$0 \$0 x 0.0047815 (2014 millage)		
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: \$178,558 \$37,343,414 x 0.0047815 (2014 millage)		
IV.	Estimate of the taxable value lost to the county or municipality if the exemption applied for were granted: <div>Improvements to Real Property: \$37,343,414</div> <div>Personal Property: + \$0</div> <div>TOTAL \$37,343,414</div>		
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 <div>X New Business Expansion of an Neither</div> <div>Existing Business</div>		
VI.	Last year for which exemption may be applied: 2024		
DATE	3/29/2025	SIGNATURE	<div>Gary R. Nikolic</div> <div>Gary R. Nikolic, Palm Beach County Property Appraiser</div>

APPLICATION TO BE FILED NOT LATER THAN MARCH 1st

CONCEPTUAL APPLICATION

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION

NOTICE

Application is to be filed with the Board of County Commissioners no later than March 1 of the year the exemption is desired to take effect.

An applicant applying for an exemption on Tangible Personal Property must fill out and submit the **Florida Department of Revenue form DR-405 (Tangible Personal Property Tax Return)**. Refer to Item 12 below.

If insufficient space is provided for a response, attachments may be enclosed.

1. BUSINESS NAME AND MAILING ADDRESS Business applicant legal name: Florida South Division, LLC, 1171 N State Rd. 7, Royal Palm Beach, FL 33411	
Business street address in Palm Beach County: 1171 N State Rd. 7	
Business mailing address: Same	
Telephone: : 561-640-8000	Fax: 561-471-0761
PROPERTY OWNER	
2. Full legal name of owner of this business: Florida South Division, LLC	Title: Chris Hewitt, Vice President
Telephone: 561-640-8000	Fax: 561-471-0761
E-mail address: chris.hewitt@aldi.us	
PERSON IN CHARGE OF THIS BUSINESS / CONTACT	
3. Name of employee to contact regarding this application: Brian McGee	Title: National Warehouse Coordinator
Telephone: 724-352-9393 Ext. 122	Fax: 724-352-9337
E-mail address: brian.mcgee@aldi.us	
EXACT LOCATION	
4. Legal description of property for which this application is filed: See Attached	
Property control numbers: 72-41-43-25-23-001-0000	
Street address of this property: 1171 N State Rd 7	
COMMENCE OPERATIONS	
5. Date you began, or will begin, business activities at this facility: 1-19-2015	
NEW OR EXPANSION BUSINESS:	REAL AND/OR TANGIBLE PERSONAL PROPERTY
6. Do you desire exemption as: <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Expansion of an Existing Business	7. Do you desire exemption for: <input checked="" type="checkbox"/> Real Property <input type="checkbox"/> Tangible Personal Property
TYPE OF BUSINESS	
8. Describe the type or nature of your business: Grocery Distribution facility and regional headquarters	
TRADE LEVEL	
9. Check as many as apply below. Identify industry cluster (if applicable): <input type="checkbox"/> Wholesale <input type="checkbox"/> Manufacturing <input type="checkbox"/> Professional <input type="checkbox"/> Service <input checked="" type="checkbox"/> Office <input checked="" type="checkbox"/> Other (specify) Grocery Distribution	
LENGTH OF EXEMPTION	
10. Total number of years that applicant requests exemption: 7 years (length of exemption approved is at sole discretion of County Commission and commences on effective date of ordinance granting exemption)	

REAL PROPERTY

11. Description of improvements to real property for which exemption is requested: **Construction of a 650,000 sf distribution center and Regional headquarters**
- Date of commencement of construction of improvements: **7-17-2013**

TANGIBLE PERSONAL PROPERTY

12. Provide a description of tangible personal property for which exemption is requested and date when property was, or is to be, purchased on the enclosed table DR-418 "Tangible Personal Property".
- Any additional personal property not listed on the table DR- 418 "Tangible Personal Property" for which an exemption is claimed must be provided on form DR-405 "Tangible Personal Property Tax Return".

INVENTORY

13. Average value of inventory on hand: **\$ 25,000,000**

NEW JOBS

14. The applicant must enclose current payroll roster as of January 1st of the year the exemption is being sought. Provide hire dates and job titles; omit employee names and social security numbers of employees.
- Current Jobs - new business.** Total number of full-time jobs as of January 1st: [**14**] ♦ **80 by end of August 2015**
- Current Jobs - expansion of an existing business.** Total number of full-time jobs for four most recent years: **NA**
- | | | | |
|--------------|--------------|--------------|----------------|
| Year [] | Jobs [] | Year [] | Jobs [] |
| Year [] | Jobs [] | Year [] | Jobs [] ♦ |

New Jobs - new or expanding business.

Total number of jobs to be created and to be maintained:

[51]	Full-time
[55]	Equivalent (1,820 hours)
[0]	Seasonal
[106]	TOTAL NEW JOBS ♦♦

Total Jobs - new or expanding business.

[0]	CURRENT JOBS ♦
[106]	NEW JOBS ♦♦
[106]	TOTAL PAYROLL

Job Creation Timeframe - Completion date by when all new full-time jobs will be filled: **3 Years from 1-1-2015**

Reside - Estimated percentage of total employees who will reside in Palm Beach County: **65** %

SALARY

15. The average annual wage of employees at facility in Palm Beach County:
- | | |
|----------------------|-----------------------------|
| [\$ 0] | current full-time employees |
| [\$ 94,900] | new full-time jobs |
| [\$ 28,050] | new equivalent jobs 1,820) |
| [\$ 0] | new seasonal jobs |

CURRENT SALES

16. Current sales factor for the facility requesting exemption:
- | | | |
|-----------------------------|---------------------------|---------------------|
| Total sales inside Florida | [\$ 240,000,000] | (100 %) |
| Total sales outside Florida | [\$ 0] | (0 %) |
| TOTAL | [\$ 240,000,000] | (100.00 %) |

To what extent are these same or similar products and/or services currently being produced or provided by other businesses in Palm Beach County: **Groceries, so anyone who sells groceries in the market competes with what we do. Aldi sells more than 1,300 of the most frequently purchased grocery and household items, primarily under its exclusive brands, which meet or exceed the national brand name brands on taste and quality.**

PROJECTED SALES

For an expanding business: Estimated percentage increase in productive output resulting from this expansion: **NA** %

If there are any plans for new products and/or services involving the facility in Palm Beach County, provide a description: **This facility will carry grocery products, including perishable products. As a company we add new products based on the market trends and the local area in which the distribution facility is located**

OFFICE SPACE AND INCORPORATION IN FLORIDA

17. For office or facility space in Palm Beach County owned or leased and used by a corporation newly domiciled in Florida, the date of incorporation in Florida: **9-21-2011**

INCENTIVE

18. Relocation or expansion would occur without the exemption: Yes [] No [**x**]

PERMITS

19. Identify the number and type of environmental permits required as a result of this project; e.g., air, soil and water pollution, water and sewer provision, dredge and fill, RCRA industrial wastewater treatment.
1. **South Florida Water Management District** **Environmental Resource Permit**

2. South Florida Water Management District	Environmental Resource Permit, SR 7 work
3. South Florida Water Management District	Water Use-Irrigation
4. South Florida Water Management District	Water Use-Dewatering
5. South Florida Water Management District	Environmental Resource Permit, Operable Overflow Structure
6. Palm Beach County Water Utilities Dept.	Water and Sewer Approval
7. Palm Beach County Health Dept.	Drinking Water Permit
8. Palm Beach County Health Dept.	Waste Water Permit
9. ACOE	Dredge and Fill Permit
10. NPDES	NOI and NOT Permits
11. PBCHD, PBCDERM, SFWMD	Well Abandonment, offsite

IMPACT FEES

20. Total amount of impact fees for the new or expanding business project: **\$ 881,642**
(attach copies of impact fee schedule and payments)

ENVIRONMENTAL VIOLATIONS

21. Local expanding business is in violation of a federal, state, or local law or regulation governing environmental matters:
Yes [] No **X**
If answer is Yes, explain:

COST AND DEMAND FOR SERVICES

22. Identify sources of existing services and which existing services will need to be increased. Include costs for existing or increased services (provide attachments if necessary): **Tapped into existing Sewer, water and electric. All utilities indicated they had the capacity for our needs. We will have little to no effect on Fire services or police services as we are not open to the public. We added a left turn lane and right turn lane off of SR 7 to account for our addition to road usage.**

SOURCE OF SUPPLIES

23. Identify in specific terms the source, type and volume of supplies (provide attachments if necessary): **Grocery items which will be delivered from our suppliers and shipped to our stores.**

Facility will average 100 truck deliveries a day.

ENTERPRISE ZONE OR BROWNFIELD AREA

24. Business is / will be located in an enterprise zone or designated brownfield area: Yes [] No **[x]**
If yes, attach the following: (1) map identifying property inside zone or area; and
(2) written confirmation from municipality that business project site is inside zone or in a brownfield area.

Map is enclosed: Yes [] No []
Written confirmation is enclosed: Yes [] No []

Enterprise Zone name is: **NA**

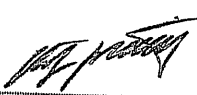

COMMUNITY REDEVELOPMENT AGENCY

24. Business is / will be located in a CRA area: Yes [] No **[x]**
If yes, attach a map to confirm property is inside CRA area.

Map is enclosed: Yes [] No []

CRA name is: **NA**

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 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, including any attached statements, schedules, etc. (If prepared by someone other than the taxpayer, his declaration is based on all information of which he has any knowledge.)

TAXPAYER – Owner Name and Title Florida South Division, LLC, 1171 N State Rd. 7 Royal Palm Beach, FL 33411 	PREPARER / AUTHORIZED AGENT – Name and Address Brian McGee, National Warehouse Coordinator, Aldi Inc. 6000 North Noah Dr. Saxonburg, PA 16056 Telephone 724-352-9393 Ext 122 Fax 724-352-9337 E-mail brian-mcgee@aldi.us
SIGNATURE	SIGNATURE 
TYPE OR PRINT NAME Chris Hewitt	TYPE OR PRINT NAME Brian McGee

DATE	DATE

ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION

Business Name:

PROPERTY APPRAISER'S USE ONLY

I.	Total revenue available to the county or municipality for the current fiscal year from ad valorem tax sources: \$ _____
II.	Revenue lost to the county or municipality for the current fiscal year by virtue of exemptions previously granted under this section: \$ _____
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 had the property for which the exemption is requested otherwise had been subject to taxation: \$ _____
IV.	Estimate of the taxable value lost to the county or municipality if the exemption applied for were granted: Improvements to Real Property: \$ _____ Personal Property: \$ _____
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 type="checkbox"/> Expansion of an Existing Business <input type="checkbox"/> Neither
VI.	Last year for which exemption may be applied: _____
DATE	SIGNATURE (Property Appraiser)

APPLICATION TO BE FILED NOT LATER THAN MARCH 1st

TANGIBLE PERSONAL PROPERTY
ECONOMIC DEVELOPMENT AD VALOREM PROPERTY TAX EXEMPTION

6.a. Description of the tangible personal property for which this exemption is requested and date when property was, or is to be, purchased.

[illegible]

General Information

Ad Valorem property tax exemptions can be granted to new and expanding businesses only after the voters of a city and/or county vote in a referendum to allow that city or county to grant exemptions. Section 196.1995, Florida Statutes, requires that a referendum be held if: (1) The Board of County Commissioners or governing authority of a municipality (city or county commission) votes to hold such a referendum, or (2) if the county or city commission receives a petition signed by ten percent of the registered voters of the county or city. This referendum question can then be placed before the voters of a city or county at any regular election or special election called for voting on the tax incentive referendum or for any other purpose.

If the voters authorize exemptions, a company must first meet the definitions of a new or expanding business as stated in s. 196.012 (15) and (16), F.S.

If a business meets one of the above definitions as a new or expanding business, it must then file this application with the county or city commission or both.

After the city or county commission receives this application, it must submit the application to the county property appraiser for review. After the property appraiser makes the report as to the fiscal impact of granting the exemption, the county or city commission shall then adopt an ordinance in the usual manner granting the exemption, if it chooses to do so.

A business cannot receive exemption from school taxes or water management district taxes. Also a business must pay taxes that were voted by the voters of a city or county to pay for bond issues and other special tax levies authorized by the voters of a city or county.

The exemption can only be for the improvements to the real property and for tangible personal property. The land on which the new or expanding business is to be located will still be taxed and taxes must be paid on it.

The action taken by a city or county commission can only exempt the taxes paid to that governmental body. A city can only exempt its taxes; a county can only exempt its taxes. All other taxes must be paid.

Statutory Definitions

Section 196.011 Annual application required for exemption.—

(1)(a) Every person or organization who, on January 1, has the legal title to real or personal property, except inventory, which is entitled by law to exemption from taxation as a result of its ownership and use shall, on or before March 1 of each year, file an application for exemption with the county property appraiser, listing and describing the property for which exemption is claimed and certifying its ownership and use. The Department of Revenue shall prescribe the forms upon which the application is made. Failure to make application, when required, on or before March 1 of any year shall constitute a waiver of the exemption privilege for that year, except as provided in subsection (7) or subsection (8).

Section 196.012(15) and (16), Florida Statutes

(15) "New business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which 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 establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s.220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; or

3. An office space in this state owned and used by a corporation newly domiciled in this state; provided such office space houses 50 or more full-time employees of such corporation; provided that such business or office first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(b) Any business located in an enterprise zone or brownfield area that first begins operation on a site clearly separate from any other commercial or industrial operation owned by the same business.

(c) A business that is situated on property annexed into a municipality and that, at the time of annexation, is receiving an economic development ad valorem tax exemption from the county under s. 196.1995.

(16) "Expansion of an existing business" means:

(a)1. A business establishing 10 or more jobs to employ 10 or more full-time employees in this state, which 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

2. A business establishing 25 or more jobs to employ 25 or more full-time employees in this state, the sales factor of which, as defined by s. 220.15(5), for the facility with respect to which it requests an economic development ad valorem tax exemption is less than 0.50 for each year the exemption is claimed; provided that such business increases operation on a site colocated with a commercial or industrial operation owned by the same business, resulting in a net increase in employment of not less than 10 percent or an increase in productive output of not less than 10 percent.

(b) Any business located in an enterprise zone or brownfield area that increases operations on a site colocated with a commercial or industrial operation owned by the same business.

Section 196.1995 Economic development ad valorem tax exemption.-

(5) Property acquired to replace existing property shall not be considered to facilitate a business expansion.

(6) With respect to a new business as defined by s. 196.012(15)(c), the municipality annexing the property on which the business is situated may grant an economic development ad valorem tax exemption under this section to that business for a period that will expire upon the expiration of the exemption granted by the county. If the county renews the exemption under subsection (7), the municipality may also extend its exemption. A municipal economic development ad valorem tax exemption granted under this subsection may not extend beyond the duration of the county exemption.

Section 220.15(5), Florida Statutes.

(5) The sales factor is a fraction the numerator of which is the total sales of the taxpayer in this state during the taxable year or period and the denominator of which is the total sales of the taxpayer everywhere during the taxable year or period.

(a) As used in this subsection, the term "sales" means all gross receipts of the taxpayer except interest, dividends, rents, royalties, and gross receipts from the sale, exchange, maturity, redemption, or other disposition of securities. However:

1. Rental income is included in the term if a significant portion of the taxpayer's business consists of leasing or renting real or tangible personal property; and 2. Royalty income is included in the term if a significant portion of the taxpayer's business consists of dealing in or with the production, exploration, or development of minerals.

(b)1. Sales of tangible personal property occur in this state if the property is delivered or shipped to a purchaser within this state, regardless of the f.o.b. point, other conditions of the sale, or ultimate destination of the property, unless shipment is made via a common or contract carrier. However, for industries in NAICS National Number 311411, if the ultimate destination of the product is to a location outside this state, regardless of the method of shipment or f.o.b. point, the sale shall not be deemed to occur in this state. As used in this paragraph, "NAICS" means those classifications contained in the North American Industry Classification System, as published in 2007 by the Office of Management and Budget, Executive Office of the President.

2. When citrus fruit is delivered by a cooperative for a grower-member, by a grower member to a cooperative, or by a grower-participant to a Florida processor, the sales factor for the growers for such citrus fruit delivered to such processor shall be the same as the sales factor for the most recent taxable year of that processor. That sales factor, expressed only as a percentage and not in terms of the dollar volume of sales, so as to protect the confidentiality of the sales of the processor, shall be furnished on the request of such a grower promptly after it has been determined for that taxable year.

3. Reimbursement of expenses under an agency contract between a cooperative, a grower-member of a cooperative, or a grower and a processor is not a sale within this state.

(c) Sales of a financial organization, including, but not limited to, banking and savings institutions, investment companies, real estate investment trusts, and brokerage companies, occur in this state if derived from:

1. Fees, commissions, or other compensation for financial services rendered within this state;

2. Gross profits from trading in stocks, bonds, or other securities managed within this state;

3. Interest received within this state, other than interest from loans secured by mortgages, deeds of trust, or other liens upon real or tangible personal property located in this state, and dividends received within this state;

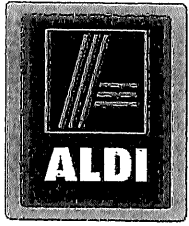
4. Interest charged to customers at places of business maintained within this state for carrying debit balances of margin accounts, without deduction of any costs incurred in carrying such accounts;

5. Interest, fees, commissions, or other charges or gains from loans secured by mortgages, deeds of trust or other liens upon real or tangible personal property located in this state or from installment sale agreements originally executed by a taxpayer or the taxpayer's agent to sell real or tangible personal property located in this state;

6. Rents from real or tangible personal property located in this state; or

7. Any other gross income, including other interest, resulting from the operation as a financial organization within this state.

In computing the amounts under this paragraph, any amount received by a member of an affiliated group (determined under s. 1504(a) of the Internal Revenue code, but without reference to whether any such corporation is an "includable corporation" under s. 1504(b) of the Internal Revenue Code) from another member of such group shall be included only to the extent such amount exceeds expenses of the recipient directly related thereto.



February 25, 2015

TO WHOM IT MAY CONCERN:

Florida South Division LLC has decided not to apply for the ad valorem tax exemption on the personal property for our Royal Palm Beach project.

Since we can only claim the tangible personal property that was on site as of 1-1-15, we do not have that much that will be eligible. Also, we have invested more than originally proposed in our real property and this will allow us to capture the full value of the exemption.

Best Regards,

A handwritten signature in black ink, appearing to read 'Chris Hewitt'.

Chris Hewitt
Florida South Division LLC

CH/kh

From: [Dana I. Gillette](#)
To: [McGee, Brian](#); aah@hangley.com
Cc: [Jim Sullivan](#)
Subject: RE: Royal Palm Beach [IWOV-HASP1.FID78324]
Date: Tuesday, June 24, 2014 2:13:10 PM

Here's that legal description you asked for.

All of Parcels 1 and 11 in Aldi Park as recorded in Plat Book 116, Page 17 of the Palm Beach County Official Records; and
All of Parcel 12 in said Aldi Park, LESS AND EXCEPT the North 25 feet and the East 639 feet of Aldi Way (Parcel 12) in said Aldi Park, as further described and recorded in Book 14578, Page 1922 of the Palm Beach County Official Records; and
The Southern 28 feet of Parcel 13 in said Aldi Park, as established by and excepted from the deed recorded in Book 26341, Page 1554 of the Palm Beach County Official Records.
All lying in the Northeast quarter of Section 25, Township 43 South, Range 41 East, Palm Beach County, Florida.

Dana I. Gillette, PE
Erdman Anthony
1402 Royal Palm Beach Blvd, Ste. 500, RPB, FL 33411
P:561-753-9723 X6015 Direct:717-516-6047 C:561-308-0546

From: Brian.McGee@aldi.us [mailto:Brian.McGee@aldi.us]
Sent: Tuesday, June 17, 2014 6:52 PM
To: aah@hangley.com
Cc: Dana I. Gillette
Subject: [SPAM] RE: Royal Palm Beach [IWOV-HASP1.FID78324]
Importance: Low

Adena,

Yes, we should have an up to date legal description describing exactly what we own. I have copied the civil engineer in case you need input from Dana.

Thank you.

Brian McGee
Aldi Inc.

From: Herskovitz, Adena [mailto:aah@hangley.com]
Sent: Thursday, June 12, 2014 11:02 AM
To: McGee, Brian
Cc: Goldstein, Richard J.
Subject: RE: Royal Palm Beach [IWOV-HASP1.FID78324]

Title	Hire Dt	Salary	
OFC	04/29/2013	\$	37,000
OFC	04/03/2014	\$	37,000
CNSTRCT	02/04/2014	\$	85,000
MAINT	11/17/2014	\$	53,000
WHSESV	06/04/2001	\$	90,000
DI RE	6/26/2006	\$	200,000
DI VP	6/10/1996	\$	200,000
DI RE	7/7/2003	\$	200,000
DI OPS	6/11/2007	\$	200,000
DI ADMIN	2/5/1996	\$	200,000
DI OPS	1/11/2010	\$	200,000
DI PUR	7/7/2003	\$	200,000
DI RE	7/30/2007	\$	200,000
DI WHS	1/14/2008	\$	200,000

All are active employees and none of the above have been terminated or quit since 1-1-2015

ALDI INC.

NO. 948661

FORM NO. REGULAR NO. 4				
V. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
7/18/2013	BLDGPERMITFEEMIAMI	469 SXB	289,075.21 +	289,075.21
Palm Beach County Impact Fees				

RECEIPT – FAIR SHARE CONTRIBUTION		ORDINANCE 79-7		5005
PH 13-0888	CK# 948661	7/22/13	New Commercial	
Building Permit No.	Plan Control No.	Date	Construct Description	
Received of Aldi, Inc				
1171 N. St Rd 7				
in the amount of Two hundred eighty nine thousand \$ 289,075.21				
Seventy-five \$ 2100				
for fair share contribution to road improvements for zone 13-G				
PALM BEACH COUNTY Signed: S. Jorgensen				
3.4% OF ABOVE FEES IS FOR ADMINISTRATIVE COSTS AND ARE NOT REFUNDABLE				

VILLAGE OF ROYAL PALM BEACH
*** CUSTOMER RECEIPT ***
Oper: STEPH Type: OC Drawer: 1
Date: 7/22/13 00 Receipt no: 5005

Year	Number	Amount
2013	888	
1171 N ST RD 7		
ROYAL PALM BEACH, FL 33411		
RD BUILDING DEPT PAYMENTS		
		\$289075.21

Tender detail
CK CHECK 948661 \$289075.21
Total tendered \$289075.21
Total payment \$289075.21

o.-Nr. 469-00387

Check-Nr. 948661

Trans date: 7/22/13 Time: 10:22:54

ALDI INC.

NO. 948662

FORM NO. REGULAR NO. 4

V. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
7/18/2013	BLDGPERMITFEEMIAMI	469 SXB	205,991.90 +	205,991.90
Village Impact Fees				

RECEIPT — FAIR SHARE CONTRIBUTION ORDINANCE 392 N° 3101

P# 13-0888 CK# 948662 7/22/13 New Commercial

Building Permit No. Plan Control No. Date Construct. Description

Received of Aldi, Inc

1171 N. St Rd 7

the amount of Two hundred five thousand nine hundred \$ 205,991.90

ninety-one 62 90/100

for fair share contribution to road improvements for zone 13-6 INDEX CODE 11111111

VILLAGE OF ROYAL PALM BEACH Signed: S. Langston SUB-OBJECT CODE 11111111

3% OF ABOVE FEE IS FOR ADMINISTRATIVE COSTS AND NOT REFUNDABLE

VILLAGE OF ROYAL PALM BEACH
*** CUSTOMER RECEIPT ***
Drawn: 1
Type: DC
Receipt no: 3101
Date: 7/22/13 00
Year: 2013
Number: 888
1171 N ST RD 7
ROYAL PALM BEACH, FL 33411
BD BUILDING DEPT PAYMENTS
\$205991.90

Tender detail
CK CHECK 948662 \$205991.90
Total tendered \$205991.90
Total payment \$205991.90

Trans date: 7/22/13 Time: 10:22:02

ALDI INC.

NO. 948663

FORM NO. REGULAR NO. 4

INV. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
7/18/2013	BLDGPMTTTEEMIAM	469 SXB	25,006.08 +	25,006.08

Engineering: Landscape/Irrigation

VILLAGE OF ROYAL PALM BEACH
*** CUSTOMER RECEIPT ***
Oper: STEPH Type: DC Drawer: 1
Date: 7/22/13 00 Receipt no: 8972

Year Number Amount
2013 888 - Engineering:
1171 N ST RD 7 Landscape
ROYAL PALM BEACH, FL 33411 + Irrigation
BD BUILDING DEPT PAYMENTS
\$25006.08

Tender detail
CK CHECK 948663 \$25006.08
Total tendered \$25006.08
Total payment \$25006.08

Trans date: 7/22/13 Time: 10:14:38

VILLAGE OF ROYAL PALM BEACH
*** CUSTOMER RECEIPT ***
Oper: STEPH Type: DC Drawer: 1
Date: 7/22/13 00 Receipt no: 8973

Year Number Amount
2013 888 Permit/Scanning
1171 N ST RD 7 & State Fees
ROYAL PALM BEACH, FL 33411
BD BUILDING DEPT PAYMENTS
\$132143.30

Tender detail
CK CHECK 914808 \$117370.62
CK CHECK 948664 \$14772.68
Total tendered \$132143.30
Total payment \$132143.30

Trans date: 7/22/13 Time: 10:17:24

Check-Nr: 948663

469-00387

-Nr.

ALDI INC.

FORM NO. REGULAR NO. 4

NO. 914808

VV. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
5/28/2013	BUILDINGPERMITROYA	469 SXB	117,370.62 +	117,370.62
<p>RECEIVED</p> <p>JUN 10 2013</p> <p>AM King Construction</p>				

-Nr. 469-00387

Check-Nr. 914808

ALDI INC.

FORM NO. REGULAR NO. 4

NO. 948664

NV. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
'/18/2013	BLDGPERMITFEEMIAM	469 SXB	14,772.68 +	14,772.68

.-Nr. 469-00387

Check-Nr. 948664

ALDI INC. US Bank

NO. 106956

DATE 8/13/2014

58-503
422

Amount One hundred thirty thousand two hundred twenty five and 05/100*****

AMOUNT OF CHECK
\$ *****130,225.05

To The
Order Of

PALM BEACH CO FLORIDA WATER UTILITY
8100 FOREST HILL BOULEVARD
WEST PALM BEACH, FL 33416

Charles E. Young

AUTHORIZED SIGNATURE

⑈00106956⑈ ⑆042205038⑆130120189464⑈

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO SEE THE MARK WHEN CHECKING THE ENDORSEMENT.

ALDI INC.

FORM NO. REGULAR NO. 4

NO. 106956

INV. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
7/30/2014	59466	469 SXB	90,700.00 +	
7/30/2014	59467	469 SXB	39,525.05 +	130,225.05 +

Supp.-Nr. 469-00533

Check-Nr. 106956

Palm Beach County Water Utilities Department
Administration Building - Contract Management
8100 Forest Hill Blvd, West Palm Beach FL 33413-3336
(561) 493-6056, (561) 493-6057, & (561) 493-6058

Palm Beach County
Water Utilities

Name: FLORIDA SOUTH DIVISION LLC

Mailing Address: 1200 N N KIRK RD
BATAVIA IL, 60510-1477

Contact Person:

Subdivision: ALDI PARK/AND DISTRIBUTION CENTER///

Quote #: 59659

Quote Date: 08/12/2014

Date Entered: 08/12/2014

Phone #:

Agreement##/ServiceType/RateTable:

Lot/Bl/Bldg/Bay	Description	Portable Water	Waste Water	Reclaimed Water	Total
INSTALLATION FEE					
0/000/REFIGERATION/	METER DROP FEE	\$1,580.00	\$0.00	\$0.00	\$1,580.00
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00
Installation Fee Total:					\$1,580.00
Franchise Fee:					\$0.00
CONNECTION FEE					
0/000/REFIGERATION/	CONNECTION FEE	\$24,375.00	\$0.00	\$0.00	\$24,375.00
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00
Connection Fee Total:					\$24,375.00
Franchise Fee:					\$0.00
GUARANTEED REVENUE FEE					
0/000/REFIGERATION/	GUARANTEED REVENUE	\$13,570.05	\$0.00	\$0.00	\$13,570.05
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00
Guaranteed Revenue Fee Total:					\$13,570.05
Franchise Fee:					\$0.00
Invoice Total:					\$39,525.05

Lot/Bl/Bldg/Bay	Lot Owner	Lot Address	Meter Size	Meter Type	# Units	Service Type
0/000/REFIGERATION/	FLORIDA SOUTH DIVISION LLC	1171 N STATE RD 7	2	NON-RESIDENTIAL	1	Potable Wa

Payment of this invoice, and acceptance of the payment by the Department, does not constitute a guarantee of meter installation or utility service. Meters will not be released for installation until all of the Department's conditions of approval have been met. For questions regarding construction inspection approvals contact Jackie Michels @ (561) 493-6116. For questions regarding engineering approvals contact Duane Palumbo @ (561) 493-6087.

Entered By: BMUJAHID

**Palm Beach County Water Utilities Department
Administration Building - Contract Management
8100 Forest Hill Blvd, West Palm Beach FL 33413-3336
(561) 493-6056, (561) 493-6057, & (561) 493-6058**

**Palm Beach County
Water Utilities**

Name: FLORIDA SOUTH DIVISION LLC

Quote #: 59660

Mailing Address: 1200 N N KIRK RD
BATAVIA IL, 60510-1477

Quote Date: 08/12/2014

Date Entered: 08/12/2014

Contact Person:

Phone #:

Subdivision: ALDI PARK/AND DISTRIBUTION CENTER///

Agreement#/ServiceType/RateTable:

Lot/Bl/Bldg/Bay	Description	Portable Water	Waste Water	Reclaimed Water	Total
0/000/PUMP/FIRE	FIRELINE FEE				
	FIRELINE CONNECTION FEE	\$90,700.00	\$0.00	\$0.00	\$90,700.00
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00
	Fireline Fee Total:				\$90,700.00
	Franchise Fee:				\$0.00
	Invoice Total:				\$90,700.00

Lot/Bl/Bldg/Bay	Lot Owner	Lot Address	Meter Size	Meter Type	# Units	Service Type
0/000/PUMP/FIRE	FLORIDA SOUTH DIVISION LLC	1171 N STATE RD 7	5/8 x 10	FIRE LINE	1	FIRE LINE

Payment of this invoice, and acceptance of the payment by the Department, does not constitute a guarantee of meter installation or utility service. Meters will not be released for installation until all of the Department's conditions of approval have been met. For questions regarding construction inspection approvals contact Jackie Michels @ (561) 493-6116. For questions regarding engineering approvals contact Duane Palumbo @ (561) 493-6087.

Entered By: BMUJAHID

U.S. Bank

NO. 112474

DATE 8/27/2014

56-523
422

Amount: Ninety nine thousand one hundred ninety nine and 60/100*****

To The
Order Of

PALM BEACH CO FLORIDA WATER UTILITI
8100 FOREST HILL BOULEVARD
WEST PALM BEACH, FL 33416

Charles E. Young, Jr.

AUTHORIZED SIGNATURE

1100 1 1 24 7 4 11 104 2 20 50 38 1 130 1 20 18 9 4 6 4 11

THE ORIGINAL DOCUMENT HAS A WHITE REFLECTIVE WATERMARK ON THE BACK. HOLD AT AN ANGLE TO SEE THE MARK WHEN CHECKING THE ENDORSEMENT.

ALDI INC.

FORM NO. REGULAR NO. 4

NO. 112474

INV. DATE	INVOICE NUMBER	REFERENCE	AMOUNT	BALANCE
8/12/2014	59658	469 SXB	99,199.60 +	99,199.60

Supp.-Nr. 469-00533

Check-Nr. 112474

Palm Beach County Water Utilities Department
Administration Building - Contract Management
8100 Forest Hill Blvd, West Palm Beach FL 33413-3336
(561) 493-6056, (561) 493-6057, & (561) 493-6058

Palm Beach County
Water Utilities

Name: FLORIDA SOUTH DIVISION LLC

Mailing Address: 1200 N N KIRK RD
BATAVIA IL, 60510-1477

Contact Person:

Subdivision: ALDI PARK/AND DISTRIBUTION CENTER///

Quote #: 59658

Quote Date: 08/12/2014

Date Entered: 08/12/2014

Phone #:

Agreement##/ServiceType/RateTable:

Lot/Bl/Bldg/Bay	Description	Portable Water	Waste Water	Reclaimed Water	Total	
0/000/MAIN/	INSTALLATION FEE					
	METER DROP FEE	\$1,580.00	\$0.00	\$0.00	\$1,580.00	
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00	
	Installation Fee Total:				\$1,580.00	
	Franchise Fee:				\$0.00	
0/000/MAIN/	CONNECTION FEE					
	CONNECTION FEE	\$24,375.00	\$40,625.00	\$0.00	\$65,000.00	
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00	
	Connection Fee Total:				\$65,000.00	
	Franchise Fee:				\$0.00	
0/000/MAIN/	GUARANTEED REVENUE FEE					
	GUARANTEED REVENUE	\$13,570.05	\$19,049.55	\$0.00	\$32,619.60	
	FRANCHISE FEE	\$0.00	\$0.00	\$0.00	\$0.00	
	Guaranteed Revenue Fee Total:				\$32,619.60	
	Franchise Fee:				\$0.00	
	Invoice Total:				\$99,199.60	
Lot/Bl/Bldg/Bay	Lot Owner	Lot Address	Meter Size	Meter Type	# Units	Service Type
0/000/MAIN/	FLORIDA SOUTH DIVISION LLC	1171 N STATE RD 7	2	NON-RESIDENTIAL	1	Combined

Payment of this invoice, and acceptance of the payment by the Department, does not constitute a guarantee of meter installation or utility service. Meters will not be released for installation until all of the Department's conditions of approval have been met. For questions regarding construction inspection approvals contact Jackie Michels @ (561) 493-6116. For questions regarding engineering approvals contact Duane Palumbo @ (561) 493-6087.

Entered By: BMUJAHID

Chapter 196.1995, Florida Statutes

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.

[illegible]

Application to be filed not later than March 1

Date _____

Signature, Property Appraiser