

NCNC EDUCATIONAL UPDATE: Please distribute to all community residents

On August 23, 2022, we will be voting on the renewal of the 2012 ad valorem tax exemption:

The following is presented to you as education and information to support your understanding of why a vote on this proposition is important.

During the past few weeks, we have asked the City of Palm Beach Gardens to answer some questions that will help us educate you on the renewal proposal its purpose, its previous use and future benefits.

What is the purpose of the ad valorem exemption program?

Answer: This program allows the City of Palm Beach Gardens (City) to attract new business to locate in our City. It helps attract high paying jobs and gives the City additional economic development tools that support attracting targeted industries such as aerospace, engineering and biotech to our City.

How much ad valorem tax exemptions were granted and awarded in the last ten years?

Answer:

This ad valorem tax exemption program was approved by our voters in November of 2012 and will expire November of 2022. This referendum is a renewal of current policy. The program has proven to be a beneficial economic development tool.

- The program has been used only once by City Council during the 2012-2022 period for United Technologies
- United Technologies received an ad valorem tax abatement which was critical to their decision to develop their business here in Palm Beach Gardens

Question: What was the grant given to United technologies:

Answer:

- The property tax exemption granted to United Technologies Corporation (UTC) is for a 10-year period in which the company does not pay any City property taxes for years 1-5 of the agreement, then will pay 50% of their assessed City property tax amount annually for years 5-10 of the agreement. After the final year of the agreement, year 10, UTC will pay 100% of their City property tax assessment in the future. There is no direct cash amount paid to the company, it is strictly an abatement of what the company owes the City for their annual property tax taxes levied by other entities such as the County, School District, or water management district. assessment.
- It's worth noting that the abatement applies only to taxes levied by the City of Palm Beach Gardens and is based on the Property Appraiser's annual valuation. It does not apply to taxes levied by other entities such as the County, School District, or water management district.

Question: What were the benefits received by our City as a result of this grant?

Answer:

- This grant accrued a benefit to our City by creating 541 jobs and an investment of \$148 million in PBG. Their United Technologies Center for Intelligent Building is a 260,000 square foot innovative facility, and I believe it is a gem in our community. The glass-encased building fits into our beautiful local aesthetic and offers energy-efficient elevators and escalators, ductless air conditioning, and countless other initiatives to reduce energy and water usage.
- This policy brings in qualified industries that offer higher-than-average salaries and targets interests such as aerospace, engineering and biotech. This allows the city to diversify its business base and attract new businesses.
- Any business seeking this abatement would be considered on a case-by-case basis and would require two public meetings with council