

**REQUESTED COMMISSION ACTION:**

X Consent      \_\_\_\_\_ Ordinance      X Resolution      \_\_\_\_\_ Consideration/Discussion      \_\_\_\_\_ Presentation

SHORT  
TITLE

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AN APPLICATION FOR EXPANSION OF THE BROWARD COUNTY/FORT LAUDERDALE ENTERPRISE ZONE; PROVIDING FOR THE ESTABLISHMENT OF AN AREA FOR CONSIDERATION AS AN ENTERPRISE ZONE; DEFINING THE AREA THAT EXHIBITS EXTREME AND UNACCEPTABLE LEVELS OF POVERTY, UNEMPLOYMENT, PHYSICAL DETERIORATION AND ECONOMIC DISINVESTMENT; FINDING THE MEANS OF REHABILITATION, CONSERVATION OR REDEVELOPMENT OF SUCH AREA; FINDING THAT IT IS NECESSARY FOR THE PRIVATE SECTOR TO INVEST ITS OWN RESOURCES TO BUILD OR REBUILD THE ECONOMIC VITALITY OF THE AREA; PROVIDING AN EFFECTIVE DATE.**

Summary of Purpose and Why:

Propose a Resolution for the City of Pompano Beach to participate in the Broward County Enterprise Zone with 1.156 square miles which is bordered on the West side by the CSX railroad line, the East side by I-95, the South side by McNab Road and the North side by Copans Road.

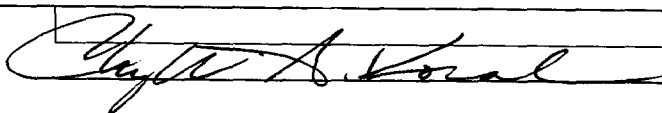
The purpose of an Enterprise Zone is to attract businesses to depressed areas by offering tax advantages and incentives which will allow economic revitalization, growth and investment in the City of Pompano Beach.

**QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:**

- (1) Origin of request for this action: Office of Housing and Urban Improvement
- (2) Primary staff contact: Miriam Carrillo, OHUI Interim Director 786-4657  
Dr. Alexander Medina, Program Administrator 545-7787
- (3) Expiration of contract, if applicable: \_\_\_\_\_
- (4) Fiscal impact and source of funding: None

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	DEPARTMENTAL HEAD SIGNATURE
OHUI	9/17/09	Approved	
City Attorney	9/17/09	Approved	CAC # 2009-2012

X Interim City Manager



**ACTION TAKEN BY COMMISSION:**

Ordinance	Resolution	Consideration	Workshop
1st Reading	1st Reading	Results:	Results:
_____	_____	_____	_____
2nd Reading	_____	_____	_____
_____	_____	_____	_____



City of Pompano Beach  
Office of Housing and Urban Improvement

Memorandum No. 09-122

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**MEMORANDUM**

**Date:** October 7, 2009  
**To:** Phyllis A. Korab, Interim City Manager  
**Via:** Miriam Carrillo, Interim Director of Office of Housing and Urban Improvement  
**From:** Dr. Alexander Medina, Community Development Program Administrator  
**RE:** **AGENDA ITEM: Enterprise Zone Application**

The Broward County/Fort Lauderdale Enterprise Zone Agency extended an invitation to the City of Pompano Beach to join in the expansion of the existing Broward County/Fort Lauderdale Enterprise Zone, which is approximately 16.6 square miles. Pursuant to section 290.065, Florida Statutes, the maximum size of an Enterprise Zone is 20 square miles, which leaves approximately 3.4 square miles available for expansion opportunities.

An Enterprise Zone is a specific geographic area targeted for economic revitalizing. Enterprise Zones encourage economic growth and investment in distressed areas by offering tax advantages and incentives to businesses locating within the zone boundaries.

Currently, there are 56 Enterprise Zones within the State of Florida. Included within that total are:

- 3 Federal Enterprise Communities
- 2 Federal Empowerment Zones
- 28 Rural Enterprise Zones
- 28 Urban Enterprise Zones

The Office of Housing and Urban Improvement submitted an application to the Enterprise Zone Committee for the City of Pompano Beach to participate in the expansion of the Enterprise Zone on August 26, 2009 requesting 1.156 square miles of the available 3.4 square miles. This application was a competitive process, with several other cities participating including the City of Hollywood, the City of Lauderdale Lakes and the City of West Park. The committee approved the application and will be submitting it to the Broward County Commission for their final recommendation to include the City of Pompano Beach as part of the Enterprise Zone.

The City's proposed Enterprise Zone is located near four (4) major highways and interstates: I-95, Atlantic Boulevard, Copans Road and the Florida Turnpike. It also offers access to the CSX railroad lines. During the research for the Enterprise Zone, we contacted various businesses located in the targeted areas to gauge their willingness to participate in the Enterprise Zone. The majority of the businesses contacted favored such a program and would be interested in participating.

The proposed City of Pompano Beach Enterprise Zone area would have the greatest impact for the Broward County / Fort Lauderdale Enterprise Zone and the City of Pompano Beach, as it contains the most potential for growth, expansion, renovation, purchasing and employment.

The Florida Enterprise Zone Program offers various tax incentives to City of Pompano Beach businesses located within the designated Enterprise Zone and include the following:

**Job Tax Credits (Sales Tax): Urban Enterprise Zones**

Allows a business located within an Urban Enterprise Zone to take sales and use tax credit for 20 or 30 percent of wages paid to new employees who reside within an enterprise zone (statewide). To be eligible, a business must create at least one (1) new job. The Sales Tax Credit cannot be used in conjunction with the Corporate Job Tax Credit.

**Job Tax Credits (Corporate Income Tax): Urban Enterprise Zones**

Allows a business located within an Urban Enterprise Zone to take a corporate income tax credit for 20 or 30 percent of wages paid to new employees who reside within an enterprise zone. The Corporate Tax Credit cannot be used in conjunction with the Sales Tax Credit.

**Business Equipment Sales Tax Refund: Rural and Urban Enterprise Zones**

A refund is available for sales taxes paid on the purchase of certain business property, which is used exclusively in an Urban Enterprise Zone for at least three (3) years.

**Building Materials Sales Tax Refund: Rural and Urban Enterprise Zones**

A refund is available for sales taxes paid on the purchase of building materials used to rehabilitate real property located in an Enterprise Zone.

**Property Tax Credit (Corporate Income Tax): Rural and Urban Enterprise Zones**

New or expanded businesses located within an Enterprise Zone are allowed a credit against Florida corporate income tax equal to 96% of ad valorem taxes paid on the new or improved property.

**Sales Tax Exemption for Electrical Energy: Rural and Urban Enterprise Zones**

A 50% sales tax exemption is available to qualified businesses located within an Enterprise Zone on the purchase of electrical energy, if the municipality has reduced the municipal utility tax by at least 50%.

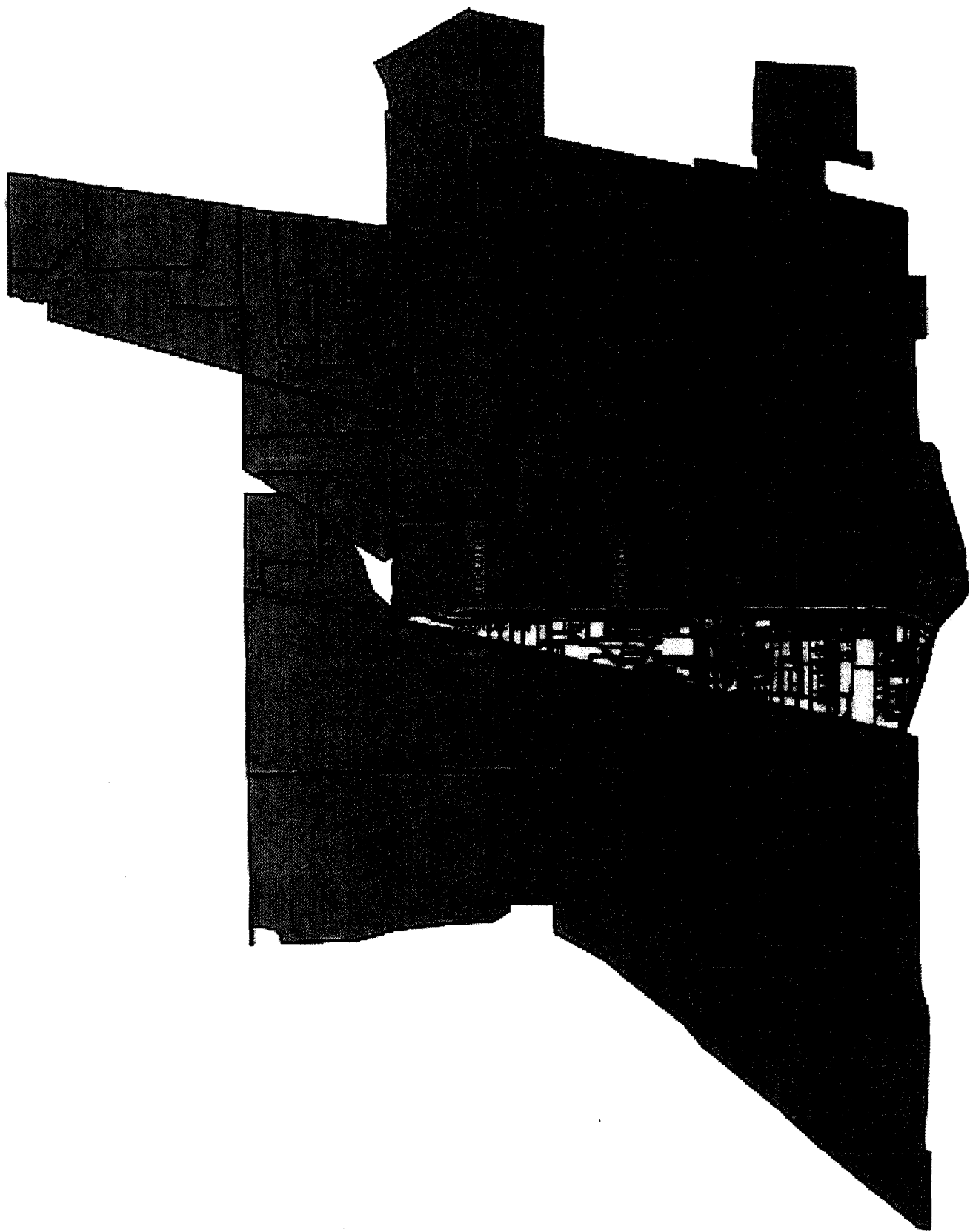
**Community Contribution Tax Credit Program: Rural and Urban Enterprise Zones**

Allows businesses a 50% credit on Florida corporate income tax, insurance premium tax, or sales tax refund for donations made to local community development projects. Businesses are not required to be located in an Enterprise Zone to be eligible for this credit.

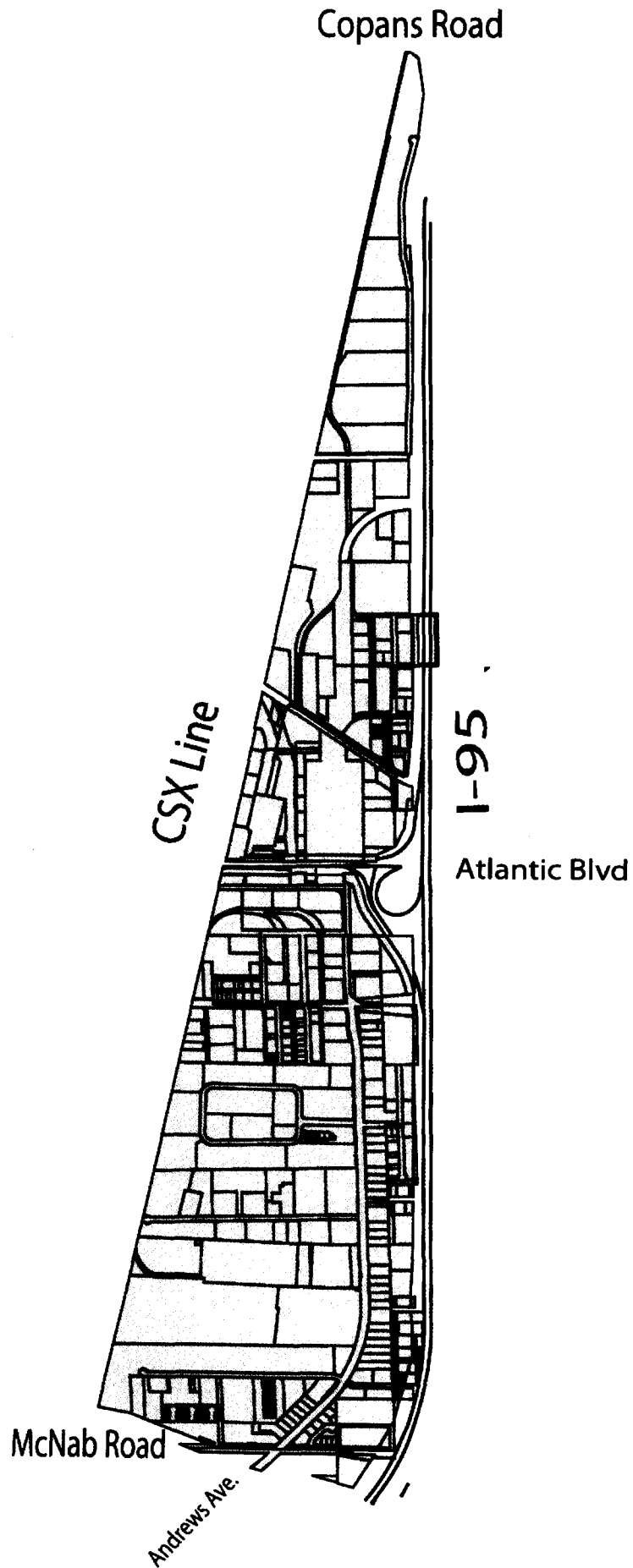
**RECOMMENDATION:**

The Office of Housing and Urban Improvement recommends approval of this resolution and application for presentation to the Broward County Commissioners for their final approval.

**Based on census data, the Pompano Beach staff reviewed all the census tracts within the city limits of Pompano Beach and concentrated on census tracts 0304.011, 0304.021, 0308.011 and 0308.012 for expansion consideration (see map).**



**This map shows the actual Enterprise zone. It is bordered on the West side by the CSX railroad line, the East side by I-95, and the South side by McNab Road and the North side by Copans Road**



**CITY OF POMPANO BEACH**  
**Broward County, Florida**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AN APPLICATION FOR EXPANSION OF THE BROWARD COUNTY/FORT LAUDERDALE ENTERPRISE ZONE; PROVIDING FOR THE ESTABLISHMENT OF AN AREA FOR CONSIDERATION AS AN ENTERPRISE ZONE; DEFINING THE AREA THAT EXHIBITS EXTREME AND UNACCEPTABLE LEVELS OF POVERTY, UNEMPLOYMENT, PHYSICAL DETERIORATION AND ECONOMIC DISINVESTMENT; FINDING THE MEANS OF REHABILITATION, CONSERVATION OR REDEVELOPMENT OF SUCH AREA; FINDING THAT IT IS NECESSARY FOR THE PRIVATE SECTOR TO INVEST ITS OWN RESOURCES TO BUILD OR REBUILD THE ECONOMIC VITALITY OF THE AREA; PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City Commission of the City of Pompano Beach finds that within communities of the City, there exist an area that chronically displays extreme and unacceptable levels of unemployment, physical deterioration and economic disinvestment; and

**WHEREAS**, the City Commission finds such area is a blight on the community, tarnishes the image and reputation of the community in the eyes of its residents and reduces the desirability of the community as a place to visit and live; and

**WHEREAS**, the City Commission finds that the revitalization and redevelopment of such area for the ultimate benefit of its residents and the community as a whole is of critical importance to the individual community and the City; and

**WHEREAS**, the City Commission finds that the resources of all levels of government are insufficient, and often inappropriate to undertake successfully the massive task of restoring the social and economic productivity of such area; and

**WHEREAS**, the City Commission finds that the ultimate revitalization of such area can occur only if the private sector can be induced to invest its own resources in productive enterprises that rebuild the industrial and commercial viability of the area and provide jobs for residents of the area; and

**WHEREAS**, the City Commission finds that in order to provide the private sector with the necessary incentives to invest in such distressed area, governments at all levels should seek ways to relax or eliminate fiscal and regulatory constraints and should seek to identify supportive actions that facilitate business investment in such distressed area and overcome business objections to distressed area site locations; and

**WHEREAS**, the Broward County/Fort Lauderdale Enterprise Zone Agency governs an enterprise zone established pursuant to the provisions of the Florida Enterprise Act of 1994; and

**WHEREAS**, certain credits and exemptions are available for business operations within an enterprise zone, including job tax credits against corporate income tax, property tax credits for new and expanded businesses, community contribution tax credits, in connection with business donations to local community development projects, sales tax exemptions for electrical energy used in an enterprise zone, sales tax exemption for building materials used in the rehabilitation of property within an enterprise zone, sales tax refund for business machinery and equipment used in an enterprise zone, and enterprise zone job credits, in connection with new full time jobs created; and

**WHEREAS**, lands eligible for expansion into an enterprise zone may be non-contiguous to such zone; and

**WHEREAS**, the land within Census Tracts 304.011, 304.021, 308.011, and 308.012 bordered by the CSX railroad on the west side, McNab Road on the south side, I-95 on the east side, Copans Road on the north are non-contiguous to the existing Broward/Fort Lauderdale Enterprise Zone, the “Nominated Area”; and

**WHEREAS**, the City Commission determines that rehabilitation, conservation or redevelopment of the area is necessary in the interest of the public health, safety and welfare of the residents within the Nominated Area as well as the residents of the City as a whole; and

**WHEREAS**, the revitalization and redevelopment of the Nominated Area for the ultimate benefits of its residents as well as the community as a whole is of critical importance to the City and the surrounding area; now, therefore,

**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA:**

**SECTION 1.** That the City Commission adopts each of the findings of facts set forth above.

**SECTION 2.** That the City Commission determines that the Nominated Area shall be that portion of the City of Pompano Beach described as follows:

Pompano Beach – Non-Contiguous – Area #1 – The land within Census Tracts 304.011, 304.021, 308.011, and 308.012 bordered by the CSX railroad on the west side, McNab Road on the south side, I-95 on the east side and Copans Road on the north side,

**SECTION 3.** The City Commission finds that the Nominated Area meets the criteria set forth in Section 290.0055(4), Florida Statutes. The Nominated Area has been determined to be an area of approximately 6.22 square miles and has a continuous boundary. A map of the Nominated Area is attached and incorporated by reference to this Resolution as Exhibit "A". In each Census Geographic Block Group within the Nominated Area, the poverty rate is not less than twenty percent (20%) and in at least fifty percent (50%) of the Census Geographic Block Groups within the Nominated Area, the poverty rate is not less than thirty percent (30%). The unemployment rate for the Nominated Area is not less than the State of Florida's average rate of unemployment. The Nominated Area suffers a high incidence of crime, abandoned structures and deteriorated infrastructure or a substantial population decline.

**SECTION 4.** That the City Commission finds that the Nominated Area chronically exhibits extreme and unacceptable levels of poverty, unemployment, physical deterioration and economic disinvestment. The City Commission determines that the rehabilitation, conservation or redevelopment, or a combination of such actions within the Nominated Area is necessary in the interest of the public health, safety and welfare of the residents of the Nominated Area and the surrounding community. The City Commission determines that the revitalization of the Nominated Area can occur only if the private sector can be induced to invest its own resources in productive enterprises that build or rebuild the economic viability of the area.

**SECTION 5.** That the City Commission directs that an application for the Nominated Area to be considered for designation as an Enterprise Zone be developed and submitted to the proper authorities and that the Mayor, or Vice Mayor in the Mayor's absence, is authorized to sign all required documents to effectuate the submission of such application.

**SECTION 6.** That the City Clerk is directed and authorized to file a certified copy of this Resolution with all involved authorities

**SECTION 7.** This Resolution shall become effective upon passage.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

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**LAMAR FISHER, MAYOR**

**ATTEST:**

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**MARY L. CHAMBERS, CITY CLERK**

GBL/jrm  
9/17/09  
l:reso/2009-340