

BUSINESS IMPACT ESTIMATE

This Business Impact Estimate is provided in accordance with Florida Statutes §125.66(3)(a).

Meeting Date: June 10, 2025 BCC Public Hearing.

Proposed Ordinance Title/Reference: Economic Development Ad Valorem Tax Exemption Ordinance - Finfrock

Summary of Proposed Ordinance and Statement of Public Purpose to be Served:

An Ordinance of the Board of County Commissioners (BCC) of Palm Beach County, Florida, authorizing the BCC to grant property tax exemptions to Finfrock, a new business, to encourage economic development and create new jobs for the benefit of the County. The tax exemptions shall serve the public health, safety, morals, and welfare of the County.

Estimate of Direct Economic Impact on Private, For Profit Businesses:

- a. Estimate of direct business compliance costs: Finfrock applied for the AVTE program voluntarily and is a new and eligible applicant that will spur economic development and will create new jobs in Palm Beach County. Pursuant to Florida Statutes §196.1995(12), and County policy, eligible businesses approved under this program will be required to enter into a written tax exemption agreement, to include timeframes for reporting improvements to real property, the actual number of new, full-time jobs created and their actual wages. Such agreements may be for a period of up to ten-years, subject to submittal and approval of an annual report and AVTE form 418 for the property appraiser, in accordance with Florida Statutes §196.011. Required information includes verifying proposed improvements to property for which an exemption is requested, and information on jobs created that employers already report to the State of Florida for State Unemployment Insurance laws, or similar. As such, any business compliance costs will be de minimis.
- b. New charges or fee on businesses impacted: No new charges or fees are being proposed by the County’s Department of Housing and Economic Development (HED) at this time. The AVTE program was initially established by the BCC in 1994 pursuant to a Referendum approved by County voters, for a ten-year period as authorized by Florida Statutes §196.1995. The BCC re-authorized the AVTE program for 2004, 2014, which established a \$2,000 application fee, and 2025. Finfrock paid this \$2,000 fee at the time it submitted the application.
- c. Estimate of regulatory costs: DHED administers several economic development incentive programs and coordinates with local, state and federal agencies to seek grants and tax incentives for business development or expansion, and job creation or retention. On average, the County has historically processed one or fewer AVTE applications on an annual basis since program inception in 1994. As such, any additional costs to administer the AVTE program will be coincidental to overall HED economic development efforts and/or addressed by existing fees.

Any Additional Information: N/A.