

Legislation Text

File #: 20-658, Version: 1

Broward County Commission Regular MeetingDirector's Name:Glenn Wiltshire (Acting Director)Department:Port EvergladesDivision:Business Administration

Information

Requested Action

<u>MOTION TO APPROVE</u> Broward County's Application to the U.S. Foreign-Trade Zones Board requesting approval of a Minor Boundary Modification of Foreign-Trade Zone No. 25 under the Alternative Site Framework to designate a new non-contiguous zone site consisting of 3,450 square feet of warehouse located at 10428 West State Road 84, Unit 1, Davie, Florida 33324; and authorize the Port Everglades Department Chief Executive & Port Director to take all necessary administrative actions to effectuate same.

Why Action is Necessary

Broward County Board of County Commissioners ("Board") approval is required to submit an Application for a Minor Boundary Modification to the U.S. Foreign-Trade Zones Board.

What Action Accomplishes

Authorizes the Port Everglades Department Chief Executive & Port Director to submit an Application to the U.S. Foreign-Trade Zones Board for a Minor Boundary Modification of Foreign-Trade Zone No. 25 to designate a non-contiguous FTZ site in Davie, FL.

Is this Action Goal Related

Yes

Previous Action Taken

None

Summary Explanation/Background

THE PORT EVERGLADES DEPARTMENT RECOMMENDS APPROVAL.

This action supports the Broward County Board of County Commissioners' ("Board") Value of "Ensuring economic opportunities for Broward's diverse population and businesses" and the Goal to "Increase the economic strength and impact of revenue-generating County enterprises balancing economic, environmental, and community needs."

The Board is the Grantee of Foreign-Trade Zone ("FTZ") No. 25 ("Grantee") as authorized by the U.S. Foreign-Trade Zones Board ("FTZB"). The FTZB approves the boundaries where FTZ activity may take place under Broward County's FTZ Grant of Authority. FTZ No. 25 has approximately 81 activated acres of the designated 435 acres within Broward County. Under the Alternative Site

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Framework, the FTZB authorized the standard 2,000-acre activation limit for FTZ No. 25.

Broward County, as Grantee of FTZ No. 25, is seeking approval of a Minor Boundary Modification to designate a new non-contiguous FTZ site, consisting of 3,450 square feet of warehouse space located at 10428 West State Road 84, Unit 1, Davie, Florida 33324 (see Exhibit 1). Old Liquors, Inc. ("Old Liquors"), leases the proposed site and has expressed a need to utilize FTZ status. The owner of the site, 595 Flex LLC, has provided its concurrence.

Old Liquors was established in the State of Florida in 2017. Old Liquors' planned FTZ activities consist of the import and wholesale of wine and spirits. FTZ designation for the property must first be obtained from the FTZB for Old Liquors' plans to proceed. The Grantee is seeking FTZ designation for the site through an Application for Minor Boundary Modification (see Exhibit 2). Before submitting the Application for Minor Boundary Modification to the FTZB, Port staff will request a concurrence letter from the U. S. Customs and Border Protection (see Exhibit 3).

The FTZB's approval will make it possible for Old Liquors to improve its business offering, fostering job creation and investments in local buildings and equipment. Since this new FTZ activity will take place outside of the on-port FTZ in Port Everglades, operation of the non-contiguous FTZ site will be authorized pursuant to the FTZ No. 25 Tariff No. 4 and an agreement approved by the Port Everglades Department Chief Executive & Port Director for a term not to exceed three years.

Source of Additional Information

Jorge Hernández, Director of Business Administration, Port Everglades Department, (954) 468-3501

Fiscal Impact

Fiscal Impact/Cost Summary

Old Liquors, Inc., will pay a FTZ Activation Fee of \$2,500 and FTZ Transaction Fees, as provided for in the FTZ No. 25 Tariff No. 4.