



Broward County

Legislation Text

File #: 20-1707, Version: 1

Broward County Commission Regular Meeting

Director's Name: Jonathan Daniels

Department: Port Everglades

Division: Business Administration

Information

Requested Action

MOTION TO AUTHORIZE submittal of an 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 noncontiguous zone site consisting of 20,584 square feet of warehouse located at 2820 SW 42nd Street, Hollywood, FL 33312; 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") authorization 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 Hollywood, 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

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 noncontiguous FTZ site ("New Site") consisting of 20,584 square feet of warehouse space located at 2820 SW 42nd Street, Hollywood, FL 33312 (see Exhibit 1). Southeastern International Services, Inc ("Southeastern"), is an existing FTZ User located in the on-port FTZ in Port Everglades, which is scheduled to be demolished as part of the Southport Turning Notch Extension Project. Southeastern will be relocating their business to the New Site. The owner of the New Site, TA Realty, LLC, has provided its concurrence.

Southeastern was established in the State of Florida in 2002. Southeastern's FTZ activities consist of receiving and distributing liquor, tobacco products, medical supplies, and medical devices. FTZ designation for the New Site must first be obtained from the FTZB before U.S. Customs and Border Protection ("CBP") can activate the New Site as an FTZ. The Grantee is seeking FTZ designation for the New 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 CBP (see Exhibit 3).

The FTZB's approval will make it possible for Southeastern to continue its business offering, maintaining jobs and investments in local buildings and equipment. Since this 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

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