



BOARD OF COUNTY COMMISSIONERS

County Manager's Office

2725 Judge Fran Jamieson Way
Building C, Room 301
Viera, Florida 32940

April 17, 2024

Via Certified Letter # 7020 1810 0001 3178 9736

Steven Shanks, Chief Financial Officer
Erchonia Corporation
650 Atlantis Avenue
Melbourne, FL 32904

Re: Brevard County's Economic Development Ad Valorem Tax Exemption Program
Ordinance Numbers. 2015-20 and 2017-04

Dear Mr. Shanks,

On July 21, 2015, the Board of County Commissioners approved Ordinance 2015-20 which granted Erchonia Corporation an ad valorem tax exemption for a period of 8 years and 80 percent on the company's facility expansion and tangible personal property to be installed at Digital Light Drive in Melbourne. On March 21, 2017, the Board of County Commissioners approved Ordinance 2017-04 which amended Ordinance 2015-20 to reflect that Erchonia Corporation instead intended to construct the improvements and tangible personal property subject to the tax exemption at 650 Atlantis Road in Melbourne.

During the annual review process, Erchonia Corporation placed Brevard County on notice that Erchonia Corporation had relocated out of state. In accordance with Section 1(e) of County Ordinance 2015-20, this letter is to provide notice that the Company no longer qualifies for the County's Ad Valorem Tax Exemption program because it is no longer located in Brevard County. Therefore, County staff is recommending the Brevard County Board of County Commissioners, during a Public Hearing, revoke the County's Ad Valorem Tax Exemption granted to Erchonia Corporation, at the Board's meeting on Tuesday, May 21, 2024, at 9:00 a.m. Attached is a draft of the Agenda Report that will be submitted for the Board's consideration. You may address your correspondence to the following address: 2725 Judge Fran Jamieson Way, Building C, Room 301, Viera, Florida 32940 or you may call Karen Conde at 321-633-2001 if you need additional information.

Sincerely,

Frank Abbate

County Manager

Enclosure

cc: Briana Bruneau
Erchonia Corporation
112 Southchase Boulevard
Fountain Inn, SC 29644



Agenda Report

Public Hearing

DRAFT

2725 Judge Fran Jamieson
Way
Viera, FL 32940

5/21/2024

Subject:

Ordinance rescinding the Economic Development Ad Valorem Tax Exemption for Erchonia Corporation.

Fiscal Impact:

The fiscal impact associated with this action is Erchonia Corporation would no longer be eligible to receive future ad valorem tax exemptions at the property designated in Ordinance 2017-04, for the economic development incentive granted under Ordinance 2015-20.

If approved, the County would seek claw back of the 2023 exemption granted, in the amount of \$722.10.

Dept/Office:

County Manager

Requested Action:

It is recommended that the Board of County Commissioners consider adopting an Ordinance rescinding the Economic Development Ad Valorem Tax Exemption for Erchonia Corporation and seeking claw back of the 2023 exemption granted, in the amount of \$722.10.

Summary Explanation and Background:

On July 21, 2015, the Board of County Commissioners granted Erchonia Corporation, an ad valorem tax exemption for a period of 8 years and 80 percent on the company's facility expansion and tangible personal property added to the County's assessment roll. In order to remain eligible for the County's Ad Valorem Tax Exemption Program, Erchonia Corporation, would need to maintain their eligibility as set forth in Ordinances 2015-20 and 2017-04 (as amended). This includes maintaining the expansion of the company's business throughout the entire exemption period.

During the annual review process, Brevard County was placed on notice that Erchonia Corporation relocated out of state in October 2023 and ceased all operations in Brevard County.

On April 17, 2024, a certified letter was sent to Erchonia Corporation, notifying them that the Board of County Commissioners would consider rescinding their tax exemption based upon Erchonia Corporation no longer operating at the location where the economic development ad valorem tax exemption was approved.

Clerk to the Board Instructions:

Upon approval by the Board, execution by the Chair, and attestation by the Clerk, file the ordinance with the Department of State as required by law within the 10-day deadline. Please return a copy of the executed ordinance with the Department of State's official acknowledgement of filing to the County Manager's Office, the County Attorney's Office, and the EDC of Florida Space Coast at 6525 3rd Street, Suite 304, Rockledge,

Florida 32955.

DRAFT