

RESOLUTION R21-12-26

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF EL MIRAGE, ARIZONA, AUTHORIZING THE CITY MANAGER TO ISSUE A LETTER OF SUPPORT FOR FOREIGN TRADE ZONE (FTZ) TAX TREATMENT FOR THE PROPERTY LOCATED AT MCR PARCEL # 501-45-981, EL MIRAGE ARIZONA.

WHEREAS, since 2013 the City of El Mirage has been a member of the Greater Maricopa FTZ Inc. known as FTZ No. 277 in western and northern Maricopa County;

WHEREAS the City of El Mirage supports the continued utilization of this FTZ and believes that use of Zone status serves as a means to encourage new businesses to locate within the City as well as encourage the retention and expansion of local businesses involved in international commerce;

WHEREAS, under A.R.S. 42-12006, the State of Arizona allows real and personal property within an approved and activated foreign trade zone to be reclassified with Class 6 and assessed for taxation purposes at a reduced value;

WHEREAS, the City Council of the City of El Mirage is authorized by the Grantee to establish local policy regarding the reclassification of real and personal property within its City’s jurisdiction for the use of this FTZ and any approved special-purpose subzones that may apply; and

WHEREAS the Council wishes to grant certain authority to the El Mirage City Manager to pre-authorize sites with FTZ No. 277 to help market sites within the zone;

Now, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of El Mirage, as follows:

The City of El Mirage hereby authorizes the El Mirage City Manager, or her designee to execute a letter of support for FTZ tax treatment for # 501-45-981 FTZ designation and recognizes it is consistent with the City’s goals and objectives. The City of El Mirage supports the approved and activated foreign trade zone to parcel # 501-45-981 be reclassified with Class 6 and assessed for taxation purposes at a reduced value.

The applicant agrees in writing that the reclassification FTZ tax assessment ratio (rate) will be applied only to new property, fixed assets and equipment that will be added to the Zone after a baseline date; and that the previous year’s taxes shall apply to all real and personal property that was assessed and taxed prior to the baseline date at the same taxable rate which will apply, had there not been an FTZ applied for and activated on the property, for any subsequent tax years. The baseline date for tax value shall be the date of completion of the following: (1) the applicant signing a Tax Policy Agreement with the City; and (2) the applicant paying the required fees to the Grantee.

APPROVED AND ADOPTED this _____ day of _____, 2021.

Alexis Hermosillo, Mayor

ATTEST

APPROVED AS TO FORM

Sharon Antes, City Clerk

Justin Pierce, City Attorney