



November 30, 2020

Mr. Russ Blackburn
City Manager
City of Port St. Lucie
121 S.W. Port St. Lucie Boulevard
Port St. Lucie, Florida 34984

Re: Request to Modify and Amend Existing Incentive Ordinance for and Related Agreements with City Electric Supply Company/TAMCO ("CES")

Dear Mr. Blackburn,

With appreciation for the City's efforts in recent years in connection with the attraction and expansion of CES's facilities in Port St. Lucie and related incentives in support of those efforts – and following consultation with the City's economic development staff related to this matter – please accept this letter as CES's request for action by the City Council in furtherance of limited modifications to:

- the Ad Valorem Tax Exemption previously granted to CES by the City pursuant to Ordinance 20-26 (the "**Ad Valorem Ordinance**"); and
- that certain City of Port St. Lucie Impact Fee Mitigation Agreement dated as of August 15, 2018, entered into between the City and CES pursuant to the authority granted by Ordinance 17-R78 (the "**Impact Fee Mitigation Agreement**").

The Ad Valorem Ordinance and the Impact Fee Mitigation Agreement granted CES an exemption from a percentage of the ad valorem taxes and impact fees that would otherwise have been payable by CES, in consideration of CES's agreement to construct a new 400,000 square foot TAMCO factory in the City, the maintenance of 210 base line jobs that existed in 2019 for a period of 10 years, and the creation of 50 new jobs over a five-year time period, beginning with 10 new jobs in 2021, 8 in 2022, 12 in 2023, 10 in 2024, and 10 in 2025.

Due to the impact of COVID-19 on CES's business in 2020, CES will not be able to maintain the 210 base line jobs during 2020 nor create an additional 10 new jobs in 2021. Although the company remains committed to the overall business growth and job creation targets contemplated by the Ad Valorem Ordinance and Impact Fee Mitigation Agreement, CES respectfully requests that: (i) the Ad Valorem Ordinance and Impact Fee Mitigation Agreement be amended by the City in order to waive the 210 jobs baseline maintenance requirement for 2020; and (ii) extend the time frames otherwise provided by both the Ad Valorem Ordinance and Impact Fee Mitigation Agreement for the creation of 50 new jobs for a period of one year – so that the first job creation milestone would be applicable for calendar year 2022 (rather than 2021), with the remaining job creation schedule being extended by one year through 2026 (rather than 2025).

Thank you for your consideration in this matter. If you should have any questions, please feel to call CES's representative, Mark Beattie, or me.

Sincerely yours,

Meg S. Shockley
General Counsel