



March 5, 2024

Via Certified Letter # 9589 0710 5270 0695 4802 52

Jamey Schropp, President
Midwest Dental Arts, Inc.
1291 Highway 965
Swisher, IA 52338

Dear Mr. Schropp,

On September 6, 2018, Palm Bay City Council granted Midwest Dental Arts, Inc., also known as Project Rainbow, an ad valorem tax exemption for a period of 8 years at 80 percent on real and tangible property added to the County's assessment roll at 1490 Treeland Boulevard SE, Palm Bay, Florida. Companies that participate in the City's Ad Valorem Tax Exemption Program must maintain their eligibility as set forth in Ordinance 2018-36. The City annually reviews the eligibility of each company. During the annual review, the City examines a company's annual report along with employment verification information such as an Employer's Quarterly Federal Tax Return (Form 941) and the records of the Brevard County Property Appraiser's Office.

Based on the information provided in Midwest Dental Arts, Inc.'s 2023 Annual Report, the Company no longer qualifies for the City's Ad Valorem Tax Exemption program. The original application for the ad valorem exemption stated that the Company planned to create 30 new jobs (in addition to maintaining the 28 employees that were working within Brevard County at the time of adoption) with an average wage of \$46,000 within three (3) years and invest \$5.1 million in improvements to real property and additional tangible personal property added to the assessment rolls. However, as reported in the 2023 Annual Report, the Company reported 9 total new jobs over the past three (3) years (28 to 37), therefore not meeting the minimum job creation requirement. City staff is considering recommending that the Palm Bay City Council revoke the City's Ad Valorem Tax Exemption granted to Midwest Dental Arts, Inc. during the Council meeting on Thursday, March 21, 2024, at 6:00 p.m. If you have compelling reasons for the City to reconsider the revocation, please provide the information to my office at your earliest convenience.

Should you have any questions or wish to discuss this matter further, please contact my office directly.

Sincerely,

Suzanne Sherman
City Manager

cc: Nancy Bunt, Director of Community & Economic Development
Patricia Smith, City Attorney



