

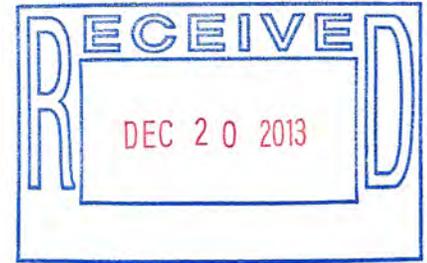
Subzone Application
under
Foreign-Trade Zone No. 221
for
Apple Inc.

Submitted by:
City of Mesa
Office of Economic Development
Grantee, Foreign-Trade Zone No. 221

December 20, 2013



20 E Main St. Suite 201
PO Box 1486
Mesa, Arizona 85211-1486



December 16, 2013

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., N.W., Room 21013
Washington, D.C. 20230

RE: Project Cascade's Request for Subzone Approval
Transmittal Letter

Dear Mr. McGilvray:

By this letter and the enclosed application and attachments, City of Mesa, Grantee of Foreign-Trade Zone No. 221, hereby requests Zone designation as a Subzone site for Project Cascade.

The site being proposed for designation is located at 3740 S. Signal Butte Rd. in Mesa, Arizona. Phase I will include the designation of an initial 83+/- acres, with the ability to expand the site in subsequent phases to a maximum size of 433+/-acres. This request is being made to meet the demands of Project Cascade which is currently seeking activation of their production facility at this location, and a definite need to expand to the full 433 acres when the land acquisitions are complete. All of the affected taxing entities have agreed for the full 433 acres, but at this time we need to expedite this application and have started with just Phase 1.

We respectfully request your timely review and approval of this Zone application. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Shea Joachim".

Shea Joachim
FTZ #221 Administrator

Enclosures:
Subzone Application & Attachments



December 6, 2013

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., NW, Room 21013
Washington, D.C. 20230

RE: LETTER OF INTENT

Dear Mr. McGilvray:

Apple Inc. (Project Cascade) will employ up to 700 new employees at the site located at 3740 S. Signal Butte Rd., Mesa (Maricopa County), Arizona, which is applying for FTZ status within Zone # 221. We are writing this letter of intent as the zone user that will use the active site immediately upon approval. The operator will either be Apple or our facility manufacturer, GT Advance Technologies.

We will be utilizing this site as a high tech manufacturing and distribution facility utilizing imported components and are aware that a production authority must be approved prior to any manufacturing activity at the site.

We request that you expedite the approval of our Subzone site within FTZ 221, as we will begin bringing in production equipment very soon.

Sincerely,

A handwritten signature in black ink, appearing to read "James Patton", is written over a horizontal line.

James Patton
Director - Global Trade Compliance



6 December, 2013

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., NW, Room 21013
Washington, D.C. 20230

Dear Mr. McGilvray:

I am writing to express my concurrence as landowner of the proposed Subzone site being requested by the City of Mesa, Grantee of Foreign-Trade Zone No. 221. This request will designate our facility located at 3740 S. Signal Butte Rd. in Mesa, AZ, as a Subzone within FTZ No. 221. Project Cascade will begin the Activation process of the facility immediately upon approval of this Application.

Your immediate attention and favorable response to this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Patton', is written over a horizontal line.

James J. Patton
Director, Global Trade Compliance

Apple
1 Infinite Loop
Cupertino, CA 95014

T 408 996 1010
F 408 996 0275
www.apple.com



20 E Main St Suite 200
PO Box 1466
Mesa, Arizona 85211-1466

December 16, 2013

**Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., NW, Room 21013
Washington, DC 20230**

**RE: Project Cascade's. Request for Subzone Approval
Tax Certification Letter**

Dear Mr. McGilvray:

This letter is to certify that the following taxing jurisdictions have been contacted regarding the proposed FTZ designation for the Subzone Site being proposed by Project Cascade at 3740 South Signal Butte Road in Mesa, Arizona. Once the propose site is designated as a subzone, Project Cascade intends to apply to become an activated FTZ user. The State of Arizona allows real and personal property within an activated FTZ or Subzone to be reclassified as Class 6 property under A.R.S. 42-12006 which carries a 5% assessment ratio. The eight taxing entities for this proposed site include:

- Maricopa County (Maricopa County collects on behalf of multiple jurisdictions)**
- City of Mesa**
- Maricopa Community College**
- Gilbert Unified School District**
- Maricopa Special Health Care District**
- Central Arizona Project**
- Electrical District 6**
- East Valley Institute of Technology**

The list above is a complete list of all the parties that would be affected by this particular request.

The approvals from each of these taxing jurisdictions are for the entire project, encompassing 433+/- acres and shall serve as support for all Phases of this multi-staged project. The initial acreage being designated under Phase I (this application) will include the designation of an initial 83+/- acres, with the ability to expand the site in subsequent phases to a maximum site size of 433+/-acres. These tax letters shall be used on each subsequent request(s) for additional acres as the subsequent phases are applied for.



20 E Main St Suite 200
PO Box 1466
Mesa Arizona 85211 1466

If you have any questions regarding this listing, current status or the process and procedures utilized to ensure taxing entity notification by the Grantee, please let us know.

Thank you for your continued support of the FTZ No. 221 project.

Sincerely,

A handwritten signature in black ink, appearing to read "Shea Joachim". The signature is fluid and cursive, with a long horizontal stroke at the end.

**Shea Joachim
FTZ #221 Administrators**



Maricopa County

County Manager's Office

301 West Jefferson Street
10th Floor
Phoenix, AZ 85003-2143
Phone: 602-506-1950
Fax: 602-506-3328
www.maricopa.gov

October 23, 2013

Mr. William Jabjiniak
Director
Office of Economic Development
City of Mesa
20 E. Main St., Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

Dear Mr. Jabjiniak:

Maricopa County has supported three Foreign Trade Zone (FTZ) projects in Arizona: FTZ 75, FTZ 221, and the new FTZ 277. In these FTZs, the reclassification has resulted in exceptional growth and positive economic development for our county and the cities within.

Maricopa County submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade. We are aware that as an activated user of the FTZ, the property will be reclassified as a Class 6 property. Our analysis shows that the additional tax revenues from this significant project will more than offset the impact of the reclassification.

We are submitting this letter on behalf of:

1. Maricopa County,
2. Flood Control District of Maricopa County,
3. Maricopa County Library District,
4. State Equalization Tax, and
5. Fire District Assistance Tax.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Manos".

Tom Manos
County Manager



20 E Main St Suite 750
PO Box 1466
Mesa, Arizona 85211-1466

October 23, 2013

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., NW, Room 21013
Washington, DC 20230

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

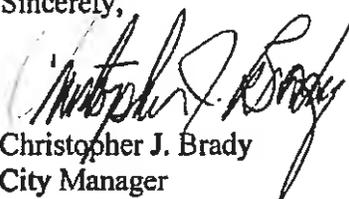
Dear Mr. McGilvray,

The City of Mesa submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on the City of Mesa.

We are aware that as an activated user of the FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,



Christopher J. Brady
City Manager



MARICOPA
COMMUNITY
COLLEGES®

Rufus Glasper
Chancellor

2411 W. 14th Street, Tempe, Arizona 85281-6942 • T 480.731.8100 • F 480.731.8120 • r.glasper@domail.maricopa.edu

October 18, 2013

Mr. William Jabjiniak
Director
City of Mesa, Office of Economic Development
20 E. Main St., Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

Dear Mr. Jabjiniak,

The Maricopa Community College District submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on the Maricopa Community College District.

We are aware that as an activated user of the FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,

Rufus Glasper, Ph.D., CPA
Chancellor

cc: Debra Thompson, Vice Chancellor for Business Services

Ten colleges and two skill centers dedicated to student success.

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Rio Salado | Scottsdale | South Mountain | Maricopa Skill Center | SouthWest Skill Center

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John J. Keegan, Jr.,
Ed.D.

GPS Governing
Board

President
Staci Burk
Clerk
Julie Smith
Members
Daryl Colvin
Jill Hompherys
Lity Tram

November 18, 2013

Mr. Bill Jablinskiak
Director
City of Mesa, Office of Economic Development
20 E. Main Street, Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 E. Signal Butte Road, 433+/-acres

Dear Mr. Jablinskiak,

The School Board of Gilbert Unified School District, which covers the site in the proposed Foreign Trade Zone, approved a motion to express no-objection to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on the District. This was approved at the November 18, 2013, Board meeting.

We are aware that as an activated user of FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

Sincerely,



Staci Burk
Governing Board President



**MARICOPA
SPECIAL HEALTH
CARE DISTRICT**

Count on us to care.

November 25, 2013

Board of Directors

Chairman
Mary A. Harden, R.N.
District 1

Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-1241
Fax: 602-344-0892

Vice Chairman
Mark Dewane
District 2

Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-1241
Fax: 602-344-0892

Director
Susan Gerard.
District 3

Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-1241
Fax: 602-344-0892

Director
Elbert Bicknell
District 4

Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-1241
Fax: 602-344-0892

Director
Terence McMahon
District 5

Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-1241
Fax: 602-344-0892

**Executive Director of
Board Operations and
Clerk of the Board**
Melanie Talbot
Maricopa Medical Center
2601 E. Roosevelt Street
Phoenix, Arizona 85008
Phone: 602-344-5177
Fax: 602-344-0892

www.mihc.org

Mr. William Jabjiniak, Director
City of Mesa, Office of Economic Development
20 E. Main St., Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

Dear Mr. Jabjiniak,

The Maricopa Integrated Health System submits this letter to express “no-objection” to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on Maricopa Integrated Health System.

We are aware that as an activated user of the FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,

Mary A. Harden, R.N.
Chairman, Board of Directors
Maricopa County Special Health Care District



October 24, 2013

Mr. William Jabjiniak, Director
City of Mesa, Office of Economic Development
20 E. Main St., Suite 200
Mesa, Arizona 85201

Subject: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

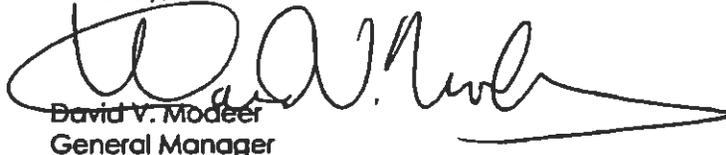
Dear Mr. Jabjiniak:

The Central Arizona Project (CAP) submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade.

We understand that the property will be reclassified as Class 6 property for assessment purposes.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,



David V. Modeer
General Manager

copy to: Ted Cooke
Jay Johnson





October 23, 2013

Mr. William Jabjiniak
Director
City of Mesa, Office of Economic Development
20 E. Main St., Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

Dear Mr. Jabjiniak,

The Electrical District 6 submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on Electrical District 6.

We are aware that as an activated user of the FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,

Jim V. Wales
President, Board of Directors
Electrical District 6



October 18, 2013

SUPERINTENDENT

Sally E. Downey, Ed.D.

ASST. SUPERINTENDENT

David Schapira

PRINCIPAL

Gregory Copeland

GOVERNING BOARD

President

Norman L. Colbert

Clerk

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James M. Candland

Robert T. Covington

Carolyn N. Crandell

Garry D. Hays

Erwin C. Heimbuck

Monty C. Hogle

Wayne H. Taysom

Mr. William Jabjiniak
Director
City of Mesa, Office of Economic Development
20 E. Main St., Suite 200
Mesa, AZ 85201

RE: Foreign Trade Zone No. 221
Subzone Application
3740 S. Signal Butte Rd., 433 +/- acres

Dear Mr. Jabjiniak,

The East Valley Institute of Technology (EVIT) submits this letter to express "no-objection" to the proposed FTZ Subzone for Project Cascade. We believe that this Subzone will result in a positive economic impact on EVIT.

We are aware that as an activated user of the FTZ the property will be reclassified as a Class 6 property and we are comfortable with revenues that will come from such classification.

We support the Application for inclusion of the Project Cascade facility as a Subzone within FTZ No. 221.

Sincerely,

Dr. Sally E. Downey, Ed.D.
Superintendent/CEO

APPLICATION FOR SUBZONE DESIGNATION

(Traditional Site Framework or Outside Alternative Site Framework Service Areas)

QUESTIONS

1. *Please mark the appropriate space below to indicate whether you are requesting that the proposed subzone be subject to your zone's activation limit. (See instructions above for further explanation.)*

Subject to zone's activation limit (3-month process)

Not subject to zone's activation limit (5-month process)

2. *List the address of the site(s), including the jurisdiction in which the site falls (town, city, county).*

3740 S. Signal Butte Rd., Mesa, Maricopa County, Arizona

3. *State the proposed acreage of the site(s).*

Phase I will include the designation of an initial 83.17+/- acres, with the ability to expand the site in subsequent phases to a maximum site size of 433+/-acres. These subsequent phases can be in small acreage as expansion, storage and development occur or in large lump increases as major initiatives are undertaken.

4. *Indicate the company for which the site(s) will be designated.*

Apple Inc., its subsidiaries and contractor is the company seeking Subzone designation. This Application was prepared while the Grantee was required to maintain confidentiality with Project Cascade. Project Cascade and Apple Inc., its subsidiaries and contractors are now publicly known and are one and the same, and used within this Application and accompanying letters interchangeably.

5. *Provide a summary of the company's planned activities.*

The proposed Operator, Project Cascade, is a leader in high tech manufacturing. This company will be producing high tech components for export.

In accordance with FTZ Board regulations, a separate Interim Production Notification Application is being prepared for the production activities which will be conducted at this facility. Project Cascade fully understands that approval of Zone designation does NOT constitute approval of the production process and will manage the activities at the Subzone Site accordingly, until the Production Notification request is granted under a separate approval by the FTZ Board. However,

the Grantee and Subzone Applicant are requesting expedited approval to begin start-up operations sooner, if possible.

6. ***Indicate the current zoning and the existing and planned buildings (including square footage) for the site(s). (Note: Sites (or areas within a site) with inappropriate zoning – such as agricultural, retail, or residential – are not eligible for FTZ status and should not be proposed in any subzone application.)***

The site is currently zoned light industrial. The building on the current site being requested for Subzone status includes a 1.3 million square foot manufacturing facility which is being retrofitted and enhanced in order to serve as an appropriate facility for the Operator's needs. It is the intent of Project Cascade to use the remaining acreage as areas for expanding their manufacturing operations, and for providing power and power management for the manufacturing facility.

7. ***Confirm that FTZ designation or the use of FTZ procedures is not a requirement or a precondition for future activity or construction at the site(s).***

FTZ designation or the use of FTZ procedures is not a requirement or pre-condition for future activity or construction at the proposed Site.

8. ***List the owner(s) of the site(s). (If a site(s) is not owned by the grantee or the company planning to use the site(s) – as named in response to Question 4 above – then provide a "Right to Use" attachment with documentation demonstrating the right to use the site. Such evidence could be a signed letter from the proposed operator on its letterhead attesting to its right to use the property or a letter of concurrence from the owner of the new site.)***

The landowner of the property being requested for Subzone designation is Platypus Development LLC a wholly owned subsidiary of Apple, Inc.

9. ***Do you commit to work with U.S. Customs & Border Protection (CBP), as appropriate, to meet current and future CBP requirements for its automated systems (such as ACE) and to meet any CBP security requirements related to activation?***

In accordance with the request of CBP, Project Cascade would like to state its commitment to the establishment of an electronic interface with CBP through any and all applicable systems, when the specifications and requirements of those interfaces have been developed and implemented by CBP. We understand that this commitment is also applicable to our agents and our CBP brokers. It is also understood, that if this interface is not established by the Operator, once CBP has gotten the interface established, CBP will not activate any portion of the approved Zone sites covered by its Application.

ATTACHMENTS

Attach the documents listed below (items 10 and 11, plus 12 if applicable) directly behind the text of your request.

10. In an attachment called "Legal Authority for Application," include a copy of: 1) the state's current enabling legislation regarding FTZs and 2) the section(s) of the zone grantee's charter or organization papers pertinent to FTZ sponsorship. (For grantees that are non-public, also provide evidence of the organization's current legal standing with the state. This can include a letter or documentation from an appropriate state official or from the state's official website.)

Included within this Application document.

11. Attach a clear and detailed site map showing existing and planned structures. The site boundaries must be outlined clearly in red. Note that if streets or similar landmarks are not legible on the site map, you will also need to provide a detailed street map with the proposed site's boundaries in red. Any map should be no larger than letter-sized (8 1/2" x 11") and clearly labeled, with legends provided for any markings.

Included within this Application document.

12. If your state (such as TX, KY, AZ) has one or more taxes for which collections will be affected by the proposed FTZ designation of the new site(s), please attach all of the following:

A. An explanation of the specific local taxes that will be affected;

Property in an approved and activated FTZ are re-classed to Class 6 property, reducing the valuation to 5%.

B. A stand-alone letter that:

- Lists all of the affected parties;
- Includes a statement below the list certifying that this is a complete list of all parties that would be affected by this particular request; and,
- Is signed by an official of the grantee organization.

Included within this Application document.

C. Correspondence from all of the affected parties (such as a local school board) indicating their concurrence (or non-objection) regarding the proposed FTZ designation.

Included within this Application document.

ARIZONA
REVISED STATUTES



ANNOTATED

*Prepared Under Legislative Authority
Laws 1956, Chapter 129*

Volume 14

Title 44
Trade and Commerce

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CHAPTER 18
FOREIGN TRADE ZONES

ARTICLE 1. IN GENERAL

Section

44-6501. Authorization to apply for foreign trade zone.

Chapter 18, Foreign Trade Zones, consisting of Article 1, § 44-6501, was added by Laws 1978, Ch. 21, § 1, effective May 1, 1978.

ARTICLE 1. IN GENERAL

§ 44-6501. Authorization to apply for foreign trade zone

The state of Arizona and any county, city or town within the state or a public or private corporation or any combination thereof may apply to the foreign trade zones board, United States department of commerce, for the right to establish, operate and maintain a foreign trade zone and subzones¹ and may acquire land for the purposes of this section. For the purposes of this section, such foreign trade zone or subzone may be incorporated outside the boundaries of a municipality or be made up of areas from adjoining counties.
Added by Laws 1978, Ch. 21, § 1, eff. May 1, 1978.

¹ See 19 U.S.C.A. § 81a et seq.

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44-6501. Authorization to apply for foreign trade zone

The state of Arizona and any county, city or town within the state or a public or private corporation or any combination thereof may apply to the foreign trade zones board, United States department of commerce, for the right to establish, operate and maintain a foreign trade zone and subzones and may acquire land for the purposes of this section. For the purposes of this section, such foreign trade zone or subzone may be incorporated outside the boundaries of a municipality or be made up of areas from adjoining counties.

CHAPTER 13

FOREIGN TRADE ZONE

SECTION:

- 9-13-1: **PURPOSE**
- 9-13-2: **DEFINITIONS**
- 9-13-3: **CREATION OF FOREIGN TRADE ZONE**
- 9-13-4: **FTZ BOUNDARY MODIFICATION**
- 9-13-5: **APPLICATION TO OPERATE UNDER FOREIGN TRADE ZONE**
- 9-13-6: **ACTIVATION AND DEACTIVATION**
- 9-13-7: **FEES AND TARIFF SCHEDULE**
- 9-13-8: **PROCEDURES**
- 9-13-9: **CONFIDENTIALITY**
- 9-13-10: **APPEALS**
- 9-13-11: **PENALTY**

9-13-1: **PURPOSE:**

The purpose of this Chapter is to promote economic development through the creation of a foreign trade zone ("FTZ"). (3404)

9-13-2: **DEFINITIONS:**

Unless the context requires otherwise, the following words and phrases shall have the following meanings: (3404)

- (A) **ACT:** The Foreign Trade Zones Act of June 18, 1934 (48 Stat. 998 - 1003; 19 U.S.C. 81A-81U), as amended by Public Law 397, 73rd Congress, approved June 18, 1950. (15 CFR §400.2[A]). (3404)
- (B) **BOARD:** The Foreign Trade Zones Board created by the Act to carry out the provisions thereof. The Foreign Trade Zones Board shall consist of the Secretary of the Department of Commerce, who shall be the chairman, the Secretary of the Treasury, and the Secretary of the Army. (15 CFR §400.2[B]). (3404)
- (C) **FOREIGN TRADE ZONES (FTZ):** Restricted-access sites in or near ports of entry that are licensed by the Foreign Trade Zones Board and operated under the supervision of the U.S. Customs Service. (3404)
- (D) **GRANTEE:** The grantee of Foreign Trade Zone No. 221 is the City of Mesa, Arizona, an organization to which the privilege of establishing, operating, and maintaining a foreign trade zone has been granted by Order 883 of the Foreign Trade Zones Board. (3404)
- (E) **PORT DIRECTOR, U.S. CUSTOMS:** The Port Director of the U.S. Customs Service located in Phoenix, Arizona, or representative. (3404)
- (F) **SUBZONE:** A special purpose zone established as part of a zone project for a limited purpose, that cannot be accommodated within an existing zone. Foreign merchandise may be admitted to the area without the payment of U.S. Customs duties and taxes or the imposition of U.S. quotas; domestic merchandise is allowed in the area. No U.S. Customs duties, taxes, or quotas apply if the merchandise is exported; U.S. Customs duties, taxes, and quotas are applicable if the merchandise is imported into the U.S. Customs territory either on the basis of the imported materials or the finished product, depending on the zone status designation. (3404)

- (G) **TARIFF:** A Customs term for an approved schedule of fees charged by the grantee of the FTZ or subzone. (3404)
- (H) **ZONE OPERATOR:** The City of Mesa or an organization, corporation, partnership, or person that operates under the terms of an agreement with the City of Mesa. (3404)
- (I) **ZONE USER:** A person or firm using a zone for storage, handling, or processing of merchandise. (3404)
- (J) **ZONE YEAR:** Each zone operator may choose its own zone year. September 30 is the year-end for Foreign Trade Zones Board annual report purposes. (3404)

9-13-3: CREATION OF FOREIGN TRADE ZONE:

In conjunction with the Foreign Trade Zones Board and the U.S. Customs Service, the City Council hereby creates Foreign Trade Zone No. 221 at Williams Gateway Airport. The exterior boundaries of the FTZ shall be coterminous with the exterior boundaries of Williams Gateway Airport. The zone is to provide trade assistance to those businesses locating at the airport. The City may also assist those businesses that request trade assistance outside of the airport proper through the use of a foreign trade subzone with all applicable rights and privileges of the general purpose zone when approved by the City of Mesa. (3404)

9-13-4: FTZ BOUNDARY MODIFICATION:

The zone grantee may submit to the Foreign Trade Zones Board an application to modify the boundary of an existing zone or subzone. This process involves the exchange, not an increase, of like acreage/square footage. (3404)

9-13-5: APPLICATION TO OPERATE UNDER FOREIGN TRADE ZONE:

- (A) Applications to operate under the FTZ guidelines must be made to the City of Mesa and approved by the City Council. (3404)
- (B) All applicable fees shall be received by the City prior to granting authorization to operate in a Mesa-approved FTZ or subzone. (3404)
- (C) Applications may be obtained from the Office of Economic Development, City of Mesa. (3404)

9-13-6: ACTIVATION AND DEACTIVATION:

- (A) The zone grantee, with the Port Director of Customs for Foreign Trade Zone Operations, may approve activating all or any portion of the zone approved by the Foreign Trade Zones Board pursuant to regulations of the U.S. Customs Service. (3404)
- (B) A zone operator may file a request with the Customs Port Director to deactivate all or a portion of an existing activated zone or subzone and shall cease to admit merchandise into the zone site in zone status. Final action and disposition of the merchandise must be made with the concurrence of the Customs Port Director. (3404)

9-13-7: FEES AND TARIFF SCHEDULE:

(A) The following list of fees and tariffs is adopted: (3404)

1. Application Fee: (3404)

Minor Boundary Modification	\$ 1,000.00
Major Boundary Modification	\$ 5,000.00
General Purpose	\$ 1,000.00
Subzone Mesa City Limits	\$ 5,000.00
Subzone Maricopa County	\$ 7,500.00
Subzone Outside Maricopa County	\$20,000.00

Deposit payable within ten (10) days after City of Mesa Council approval of application. Balance due within ten (10) days after filing of application with Foreign Trade Zones Board. (3404)

2. Activation Fee: (3404)

Minor Modification (Determined by U.S. Customs)	\$ 1,000.00
Major Modification (Determined by U.S. Customs)	\$ 1,000.00
General Purpose	\$ 1,000.00
Subzone Mesa City Limits	\$ 1,000.00
Subzone Maricopa County	\$ 1,000.00
Subzone Outside Maricopa County	\$ 1,000.00

Due to grantee within ten (10) days after filing of activation request with U.S. Customs. (3404)

3. Annual Fee: (3404)

Minor Modification (Term not to Exceed 10 Years)	\$ 2,000.00
Major Modification (Term not to Exceed 10 Years)	\$ 5,000.00
General Purpose	\$ (0)
Subzone Mesa City Limits	\$ 5,000.00
Subzone Maricopa County	\$ 6,000.00
Subzone Outside Maricopa County	\$ 7,500.00

(B) Charges and Services Fees. Service fees will be charged on all accounts receivable at thirty (30) days' age, checks returned due to "insufficient funds" in an account, etc. A list of such charges is available in the office of the zone operator. (3404)

(C) When Payable. Zone charges are due and payable as they accrue monthly. (3404)

9-13-8: PROCEDURES:

- (A) **Agreements.** All firms using the services of a foreign trade zone operator must enter into an operating agreement with the City of Mesa, the zone grantee. If there is a conflict between the operating agreement and this schedule, the agreement will prevail. Individual firms may be designated as their own operator. Copies of the agreements are available from the zone grantee/operator. (3404)
- (B) **Hours of Business and Service.** Hours of business and service, for U.S. Customs Service purposes, shall be prescribed by the zone operator. (3404)
- (C) **Independent Contractor Status.** Zone grantee, zone operator, and zone user are not and shall not be considered as joint ventures, partners, or agents of each other, and neither shall have the power to bind or obligate the other except as set forth in any written agreements. Zone grantee, zone operator, and zone user agree not to represent to anyone that they are agents of one another or have any authority to act on behalf of one another except as set forth in any written agreements. (3404)
- (D) **Procedures Manual.** The City Council shall approve a procedures manual at a regularly scheduled Council meeting set by request from a City Department or by a U.S. Customs-approved zone operator. All procedures manuals will remain on file with the Office of Economic Development. (3404)

9-13-9: CONFIDENTIALITY:

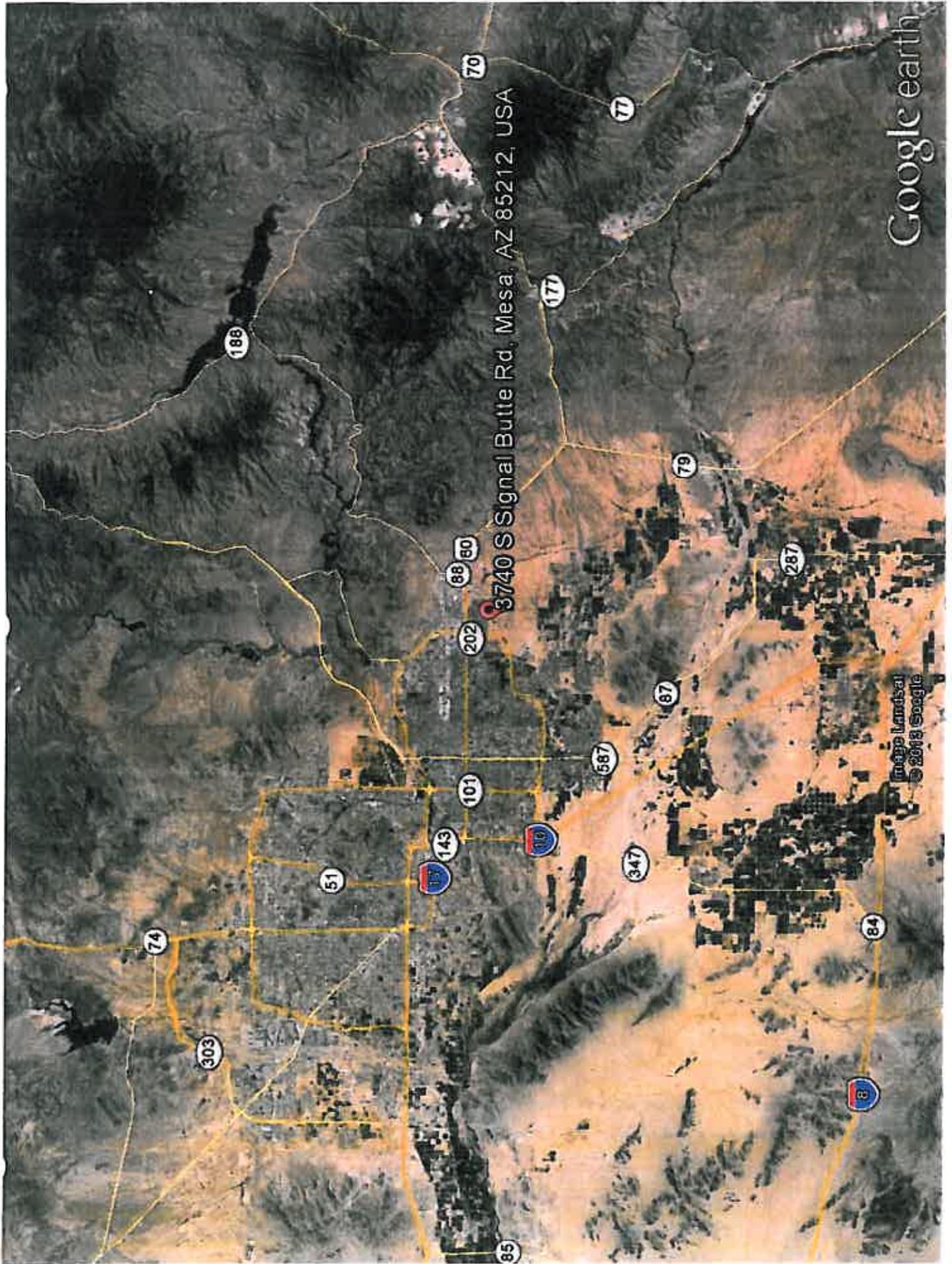
Under federal regulations, all foreign trade zone documentation shall be kept confidential except that which is required to be made public by the Foreign Trade Zones Board or U.S. Customs Service. (3404)

9-13-10: APPEALS:

- (A) Appeals may be filed for both approval or denial of an FTZ application or subzone application in accordance with the provisions of this Chapter. (3404)
- (B) Appeals may be filed with the Office of Economic Development within thirty (30) days of the Council taking action. (3404)
- (C) **Denials.** In the event of a denial for any application by the Port Director for any reason, the applicant, the zone grantee, or the zone operator of the zone may appeal the adverse ruling. If any revenue protection considerations are involved in such an application, the Foreign Trade Zones Board shall be guided by the determinations of the Secretary of the Treasury. (3404)

9-13-11: PENALTY:

- (A) Violations of this Chapter are civil under the City of Mesa authority and may also be subject to a federal action under the provisions and regulations of the U.S. Customs and Foreign Trade Zones Board of the U.S. Department of Commerce. Violations can result in the loss of foreign trade zone privileges, or consignee thereof, and/or may sell the goods by public auction, and/or pursue other remedies as may be provided by law. (3404)
- (B) Penalties of this Section are not exclusive. Persons violating this Chapter may also be subject to civil or criminal sanctions under other ordinances or laws. (3404)
- (C) **Termination-Conviction/Abandonment.** Foreign trade zone usage may be terminated if zone operator/user shall be convicted under any law of a felony as defined by such law; if the Foreign Trade Zones Board or U.S. Customs Service should suspend or terminate zone operator/user or the activated status of the zone; or if the zone operator/user shall voluntarily abandon, desert, or vacate the premises or discontinue its operations. Zone operator/user shall immediately provide all records and reports for zone grantee, the Foreign Trade Zones Board, and the U.S. Customs Service. (3404)

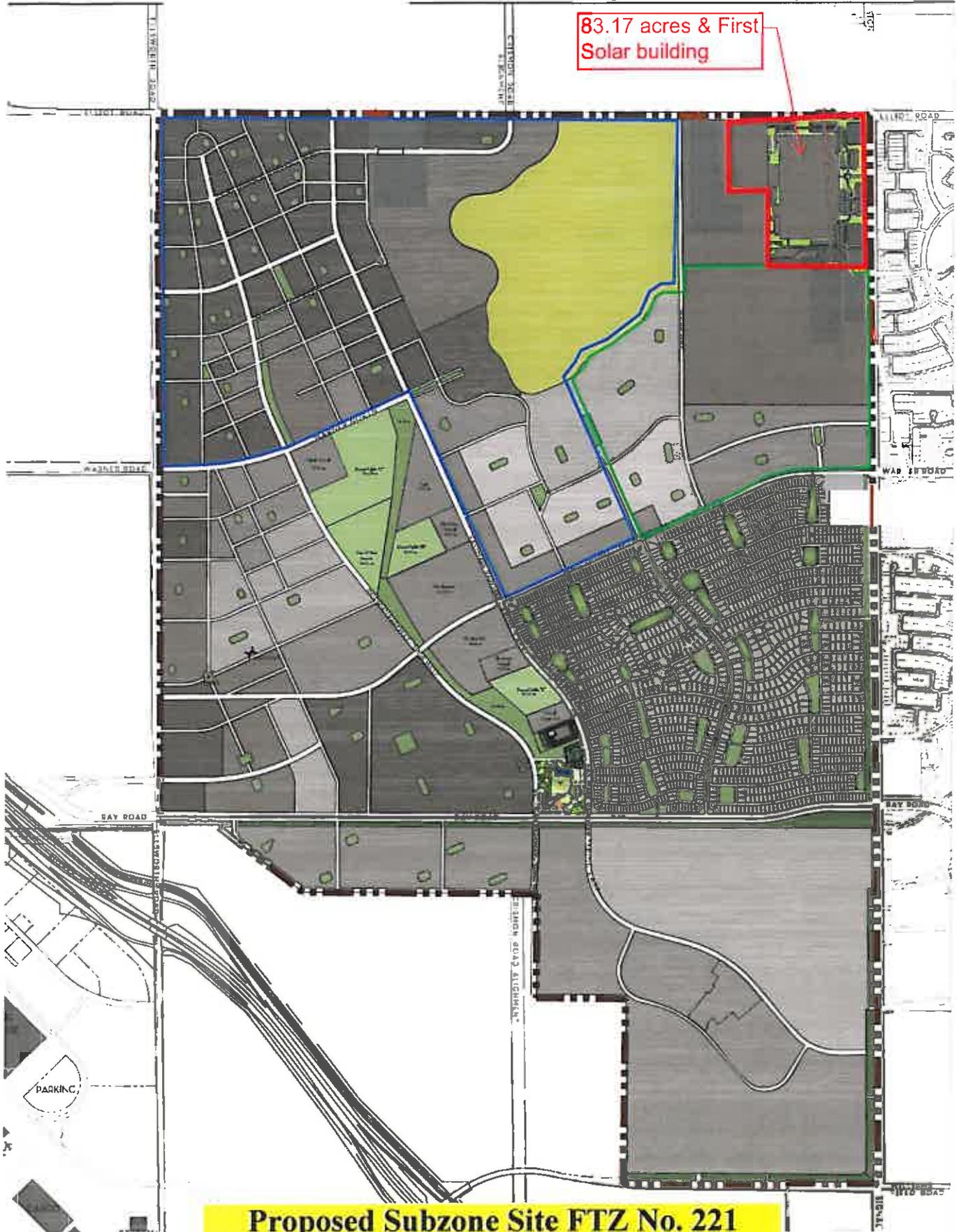


Google earth

Map data © 2018 Google

Conceptual Development Plan

83.17 acres & First Solar building



**Proposed Subzone Site FTZ No. 221
(Phase 1)**

