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MUNICIPAL ORDER

14-2021

April 6, 2021

A MUNICIPAL ORDER ESTABLISHING AN INDUSTRIAL INCENTIVE DISTRICT; AUTHORIZING AND DIRECTING THE RETENTION OF UP TO ONE-HALF OF ALL OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF HOPKINSVILLE, KENTUCKY, FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO THE NEW EMPLOYEES IN SAID INDUSTRIAL INCENTIVE DISTRICT FOR A PERIOD OF TEN YEARS; AND FURTHER AUTHORIZING AND DIRECTING THE RETENTION OF EIGHTY PERCENT OF ANY INCREASE IN AD VALOREM TAXES DUE AND PAYABLE TO THE CITY OF HOPKINSVILLE, KENTUCKY, ON REAL PROPERTY OWNED BY BRAZEWAY, LLC, FOR A PERIOD OF TWENTY YEARS

WHEREAS, the City of Hopkinsville, Kentucky, is authorized to levy and impose an annual license fee upon all persons, associations, corporations, or other entities engaged in any occupation, trade, profession or other activity in the City for the privilege of engaging in such occupation, trade, profession or activity; and

WHEREAS, the City of Hopkinsville, Kentucky, is authorized to levy and impose ad valorem taxes on all real property located within the City; and

WHEREAS, Brazeway, LLC ("Company") has proposed to expand their current facility located at 310 Bill Bryan Blvd., Hopkinsville, Kentucky; and

WHEREAS, Company estimates an investment of at least \$5,100,000.00 in said development, which will result in approximately thirty-eight (38) new jobs; and

WHEREAS, said development will promote economic development, will provide much needed industrial space in Hopkinsville, Christian County, and will provide additional revenue to the City through the collection of occupational license fees and ad valorem tax revenue; and

WHEREAS, as an incentive to support Brazeway, LLC in said industrial development, the City hereby agrees to authorize Brazeway, LLC, and/or its assigns, to retain through a rebate fifty percent (50%) of the total occupational license fee revenues otherwise derived by the City from salaries, wages, and other compensation paid to new employees in newly created positions in the industrial development district for a period of ten (10) years after commencement; and

WHEREAS, as an additional incentive and an inducement for Brazeway, LLC, and/or its assigns, to develop the expansion and create jobs in Hopkinsville, the City hereby agrees to authorize the Company and/or its assigns to retain through a rebate eighty percent (80%) of any increase in ad valorem tax revenue otherwise derived by the City from any increased assessment of the real property owned by Company located within the district located at 310 Bill Bryan Blvd., Hopkinsville, Kentucky within the City for a period of twenty (20) years after commencement; and

WHEREAS, the development of the industrial expansion through the hiring of new employees for newly created positions, increases the net profits and occupational license fee revenues and enhances overall economic prosperity in the community.

NOW, THEREFORE, BE IT ORDERED as follows:

There is hereby established for the purpose of calculating and rebating occupational license fees an industrial incentive district hereinafter referred to as “Brazeway, LLC”, the boundaries of which are the properties owned by Brazeway, LLC, located at 310 Bill Bryan Blvd, Hopkinsville, Kentucky.

The City Council of Hopkinsville, Kentucky hereby authorizes a rebate of fifty percent (50%) of the occupational license fees imposed and levied on wages, salaries, or other compensation paid in the Brazeway, LLC incentive district to new employees in newly created positions, for a period of ten (10) years from the commencement of said rebates. Said rebates shall be paid to Brazeway, LLC and/or its assigns; and

The City Council of Hopkinsville further states that the occupational license fee rebates referenced above shall not apply to any employees transferring from existing positions at Brazeway, LLC within the City of Hopkinsville; and the retention and rebate of occupational license fees authorized and directed herein shall not apply to other income or net profits of Brazeway, LLC or other entities within the retail incentive district, and only applies to occupational license fees on wages, salaries and other compensation paid to new employees in newly created positions in said district.

The City Council of Hopkinsville further authorizes Brazeway, LLC and/or its assigns to retain through a rebate eighty percent (80%) of any increase in ad valorem tax revenue otherwise derived by the City resulting from any increased assessment after January 1, 2021 of any real property owned by Company and located within the industrial incentive district, for a period of twenty (20) years.

The City Council of Hopkinsville further states that the retention and rebate of ad valorem taxes and/or occupational license fees as authorized and directed herein shall commence upon written notification from Company to activate said incentives within twelve (12) months of the execution of this Municipal Order, and shall not apply in the event Company fails to expand its facilities within the retail incentive district within twenty-four (24) months of the execution of this Municipal Order, fails to comply with local, state or federal laws, or otherwise fails to comply with the terms hereof.

PASSED AND APPROVED THIS _____ DAY OF _____, 2021.

ATTEST: _____

**Christine Fletcher, MMC
City Clerk**