

ORDINANCE NO. 826-2017

AN ORDINANCE OF THE CITY OF DRY RIDGE, KENTUCKY CREATING AND AUTHORIZING A TAX INCREMENT FINANCE LOCAL DEVELOPMENT AREA TO BE KNOWN AS THE "FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA"; DESIGNATING (THE DRY RIDGE TAX INCREMENT FINANCE DEVELOPMENT AUTHORITY), AS THE AGENCY AS DEFINED IN KRS 65.7045 TO ACT FOR AND ON BEHALF OF THE CITY IN ADMINISTERING THE FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA AND TO TAKE ALL OTHER APPROPRIATE ACTIONS NECESSARY FOR THE IMPLEMENTATION AND EXECUTION OF THE PUBLIC PURPOSES FOUND HEREIN WITH RESPECT TO THE FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA; APPROVING A LOCAL DEVELOPMENT AGREEMENT AMONG THE CITY, THE COUNTY OF GRANT, KENTUCKY AND (developer); ESTABLISHING AN INCREMENTAL TAX SPECIAL FUND FOR PAYMENT OF REDEVELOPMENT ASSISTANCE AND PROJECT COSTS; ESTABLISHING AN OCCUPATIONAL TAX (PAYROLL TAX) WITHIN THE LOCAL DEVELOPMENT AREA; AND, AUTHORIZING THE MAYOR AND OTHER OFFICIALS TO TAKE SUCH OTHER APPROPRIATE ACTIONS AS ARE NECESSARY OR REQUIRED IN CONNECTION WITH THE ESTABLISHMENT OF THE LOCAL DEVELOPMENT AREA.

RECITALS

WHEREAS, The City of Dry Ridge, Kentucky, a municipal corporation and a political subdivision existing under the laws of the Commonwealth of Kentucky (the "City") is authorized under the Incremental Financing for Economic Development Act, Kentucky Revised Statutes, Sections 65.7041 to 7083, as amended, (the "Act") to create a "Local Development Area" as defined in the Act wherein certain incremental revenues may be released to a designated agency of the City in order to promote the economic development and improvement in a development area which results in the increase in the value of property located in the area and increased employment opportunity in and around the development area all in furtherance of the public purposes as provided in KRS 65.7043; said incremental taxes to be dedicated to development costs, project costs and finance costs incurred within the Local Development Area; and

WHEREAS, the City has agreed to support and encourage development within the local development area by pledging certain incremental revenues to payment of incremental bonds or to otherwise pay for redevelopment assistance and project costs if bond are not issued, under a Local Development Area Agreement; and,

WHEREAS, the City has identified a contiguous tract of undeveloped land consisting of not more than one thousand (1,000) acres within the City, specifically described in Exhibit "A" hereto; and,

WHEREAS, the establishment of the local development area will not cause the assessed value of taxable real property within all local development areas and development areas of the city to exceed twenty percent (20%) of the assessed value of all taxable real property within its jurisdiction, which complies with the Act.

WHEREAS, prior to establishing the Local Development Area a public hearing must be held pursuant to KRS 65.7047 by the City or its designee, at which interested parties are afforded reasonable opportunity to express their views on the proposed creation of the development area and its boundaries and determining that the proposed development area will result in the increase in the value of property located in the development area and will result in increased employment within and around the development area; and

ORDINANCE NO. 826-2017

WHEREAS, evidence has been presented to the City that such public hearing was held____, 2017, following notification to the public and the public was afforded reasonable opportunity to express such views and that there were no objections to the establishment of the FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA; and

WHEREAS, the Act authorizes the City to designate a department, division or development authority of the City to act as the designated agency in administering the development area and any grant contracts entered into on behalf of the City and it has been determined that the (Dry Ridge Tax Increment Finance Development Authority), to be created as a Kentucky non-profit corporation, with members to be appointed by the City Council pursuant to Exhibit B attached hereto, (the "Authority"), shall best serve the public purposes by acting as such designated agency; and

WHEREAS, the City desires to develop the proposed development area as described in Exhibit A as facilities for commercial, industrial, public recreational and other uses or for open space or for any combination thereof which is determined all to be contributing to the economic development, benefit and welfare of the City's citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DRY RIDGE, KENTUCKY, AS FOLLOWS:

**SECTION 1
Public Purposes.**

The City finds and declares that the creation of the FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA with boundaries contained in Exhibit A attached hereto and made a part hereof, will further the public purposes of the Act by supporting the economic development and improvement of the development area and result in increased employment opportunities in and around the development area. The project consists of commercial, hospitality, retail and/or mixed use businesses.

**SECTION 2
Creation of the Local Development Area.**

The FERGUSON BOULEVARD TAX INCREMENT FINANCE DEVELOPMENT AREA, the geographic boundaries of which are attached hereto and made a part hereof as Exhibit A, is hereby declared to be in existence commencing from the effective date of this Ordinance ("establishment date"). The commencement date of the Local Development Area is the date of execution of the Local Participation Agreement and the termination date shall be twenty (20) years subsequent to such date; provided, however, that if the Local Development Area Agreement relating to the Local Development Area has a termination date that is later than the termination date established in this Ordinance, the termination date for the Local Development Area shall be extended to the termination date of the Local Development Area Agreement. However, the termination date for the Local Development Area shall in no event exceed forty (40) years from the establishment date.

**SECTION 3
Size and Taxable Value**

The Local Development Area is a previously undeveloped contiguous tract land of land, ____ acres in actual size. The total acres approved as a development area in Grant County in the prior 12 month period does not exceed 1,000 acres. The establishment of the Local Development Area will not cause the assessed value of taxable real property within all local

ORDINANCE NO. 826-2017

development areas and development areas of the city to exceed twenty percent (20%) of the assessed value of all taxable real property within its jurisdiction, in compliance with the Act. More specifically, the assessed value of the real property within the Local Development Area for calendar year 2016 was \$_____. The total assessed value of taxable real property within the City for the calendar year 2016 is approximately \$_____.

**SECTION 4
Authorization of Local Development Agreement.**

In furtherance of and as specifically authorized by the Ordinance, the Mayor and the City Clerk of the City are hereby authorized and directed to execute, acknowledge and deliver on behalf of the City a Local Development Agreement among the City, the County and (developer) setting out the terms and conditions and obligations of parties and the terms and conditions of the release of incremental taxes to cover approved project costs as provided herein and therein, a copy of which is attached hereto and made a part hereof as Exhibit B.

**SECTION 5
Job Assessment Fee.**

Pursuant to the provision of KRS 65.7056 there is hereby instituted as a condition of employment within the Local Development Area a job assessment fee of an additional 0.75 percent be added to the existing one and one-quarter percent (1.25%) existing occupational tax, for a total assessment of two percent (2.0%) of the gross wages of newly created employees as a result of the project within the Local Development Area. The job assessment fee shall take effect upon the activation of the Local Development Agreement and shall be used to pay approved project costs as defined by said Agreement and the Act. The ___ is hereby authorized to promulgate regulations relating to the collection procedures for the collection of the job assessment fees.

**SECTION 6
Special Fund.**

There is hereby established a Special Fund of the City to be known as _____, into which the City covenants to deposit, and into which the City officials are hereby authorized and directed to deposit, all pledged revenues. The City shall maintain the Special Fund unencumbered except for the purposes set forth herein. Funds deposited in the Special Fund shall disbursed in accordance with the Act, the Ordinance and the Local Development Agreement and related documents to pay for project costs related to the project and within the Local Development Area.

**SECTION 7
Use of Pledged Revenues.**

Pledged revenues shall be deposited by the City into the Special Fund created under Section 6 hereof and shall be used solely to: (a) pay directly project costs, as those terms are defined in the Act and herein, as determined from time to time by the City in accordance with the Local Development Area Agreement; (b) pay debt service and costs of issuance on Increment Bonds, including financing costs, which may be issued by the City, or agency created by the City to issue increment bonds, issued to finance project costs and (c) for such other purposes as may be determined by the City and that are appropriate and in compliance with the purposes set forth in this Ordinance, and the Local Development Area Agreement, as the same may be amended from time to time

ORDINANCE NO. 826-2017

**SECTION 8
Periodic Accounting/Analysis**

Any entity, other than the City that receives financial assistance pursuant to the provisions of this Ordinance, whether in the form of a grant or loan or loan guarantee shall make a periodic accounting to the governing body of the City in accordance, with the Act and the documents controlling such grant, loan or loan guarantee. The governing body of the City shall be required to review and analyze the progress of the development activity in the Local Development Area on an annual basis. Such reports shall, at a minimum, include a review of the progress in meeting the stated goals of the Local Development Area. The Mayor and other officials of the City shall report to the governing body of the City during such reviews and shall when necessary invite developers to participate in the review process to report on the progress of their developments within the Local Development Area.

**SECTION 9
Designation of Oversight Agency.**

Pursuant to the Act, the City hereby designates itself as the Agency for purposes of oversight, administration and review responsibility of this Local Development Area Ordinance, the Local Development Area Agreement and the Local Development Area established hereby. The Agency shall act on behalf of the City in administering the Local Development Area, entering into Local Development Area Agreements, and other related agreements, with respect to the development of the Local Development Area and the financing of Project Costs therein.

**SECTION 10
Further Acts and Deeds.**

The Mayor and City Clerk of the City, and other appropriate officers of the City, including the City Attorney, are hereby authorized and directed to execute, acknowledge, and deliver on behalf of the City any and all papers, instruments, certificates, affidavits and other documents and to do and cause to be done any and all acts and things necessary or proper for entering into and effecting this Ordinance and the grant contracts releasing any taxes to be released or wage assessments to be released.

**SECTION 11
Prior Conflicting Actions Superseded.**

To the extent that any ordinance, resolution, order or part thereof is in conflict with the provisions of this Ordinance, the provisions of this Ordinance shall prevail and be given effect.

**SECTION 12
Severability.**

The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

**SECTION 13
Definitions**

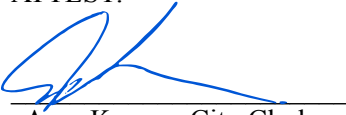
ORDINANCE NO. 826-2017

**SECTION 14
Effective Date.**


This Ordinance shall become effective upon its passage, approval, attestation and publication.

First Reading: January 30, 2017
Second Reading: March 6, 2017
Publication: March 9, 2017

ATTEST:



Amy Kenner, City Clerk



James Wells, Mayor