

ORDINANCE NO. 2021 -

AN ORDINANCE OF THE COUNTY OF BOONE, KENTUCKY (THE "COUNTY") ESTABLISHING A LOCAL DEVELOPMENT AREA FOR ECONOMIC DEVELOPMENT PURPOSES WITHIN THE COUNTY OF BOONE, KENTUCKY, TO BE KNOWN AS THE DIXIE HIGHWAY LOCAL DEVELOPMENT AREA #2, (THE "LOCAL DEVELOPMENT AREA") APPROVING THE LOCAL DEVELOPMENT AREA; ESTABLISHING AN INCREMENTAL TAX SPECIAL FUND FOR PAYMENT OF REDEVELOPMENT ASSISTANCE; DESIGNATING THE FINANCE DEPARTMENT OF THE COUNTY OF BOONE AS THE AGENCY RESPONSIBLE FOR OVERSIGHT, ADMINISTRATION, AND IMPLEMENTATION OF THE LOCAL DEVELOPMENT AREA; AND AUTHORIZING THE COUNTY JUDGE/EXECUTIVE AND OTHER OFFICIALS TO TAKE SUCH OTHER APPROPRIATE ACTIONS AS ARE NECESSARY OR REQUIRED IN CONNECTION WITH THE ESTABLISHMENT OF THE LOCAL DEVELOPMENT AREA.

WHEREAS, the County of Boone, Kentucky (the "County") by pursuant to KRS 65.7041 to 65.7083, as may be amended (the "Act"), is authorized to, among other things, (1) establish a local development area or development areas to encourage investment in and development of areas of the County, (2) enter into agreements in connection with the establishment and development of a development area or local development area, (3) establish a special fund for deposit of incremental revenues resulting from the development of a local development area or development areas, and (4) designate an agency to oversee, administer and implement projects within a local development area or development areas; and

WHEREAS, the County has identified a contiguous tract of undeveloped land consisting of not more than 1,000 acres within the County, specifically described in Exhibit A hereto; and

WHEREAS, the County desires to establish a local development area as defined in the Act, to be known as the Dixie Highway Local Development Area #2 ("Local Development Area") to encourage investment and development within the Local Development Area; and

WHEREAS, the County has agreed to support and encourage development within the Local Development Area by pledging certain Incremental Revenues (hereinafter defined) to promote the development of the Local Development Area under an Agreement (hereinafter defined); and

WHEREAS, the County pursuant to the Act held a public hearing on May 25, 2021, after giving proper notice concerning the County's intention to establish the Local Development Area; and

WHEREAS, the establishment of the Local Development Area is for a public purpose and that the establishment and creation of the Local Development Area within the County is for the benefit and welfare of the County's citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF THE COUNTY OF BOONE, COMMONWEALTH OF KENTUCKY:

SECTION 1 - Definitions

1.1 The capitalized terms set forth below when used herein shall have the following meanings:

“Act” means Kentucky Revised Statutes, Sections 65.7041 to 65.7083.

“Agency” means the Finance Department of the County of Boone, Kentucky.

“Agreement” shall mean the Local Development Area Agreement among the County, the Agency and the developer attached as Exhibit “B” hereto.

“Establishment Date” means the date that the Local Development Area is established pursuant to the Act and this Ordinance.

“Financing Costs” shall mean principal, interest, costs of issuance, debt Service reserve requirements, underwriting discount, costs of credit enhancement or liquidity instruments, and other costs directly related to the issuance of bonds or debt for Redevelopment Assistance and Project Costs.

“Incremental Revenues” means the amount of revenues received by the County with respect to the Local Development Area by subtracting Old Revenues from New Revenues in a calendar year and more specifically defined in the Agreement.

“Public Infrastructure Costs” means those costs as defined in the Agreement that are eligible to be paid for or reimbursed by Incremental Revenues.

“Pledged Revenues” means that portion of the Incremental Revenues which are pledged by the County pursuant to the Local Development Area Agreement, to pay for redevelopment assistance and related to the Local Development Area, as set forth in the Agreement.

1.2 All capitalized terms used herein and not defined above or in the recitals to this Ordinance shall have the meaning as set forth in the Act, as of the effective date of this Ordinance.

SECTION 2 - Findings and Determinations.

In accordance with the Act, the County hereby makes the following findings and determinations with respect to the Local Development Area:

2.1 The Local Development Area consists of a contiguous tract of land that is less than 1,000 acres. The actual size of the Local Development Area is 374.004 acres;

2.2 The Local Development Area constitutes undeveloped land that is being developed;

2.3 The establishment of the Local Development Area will not cause the assessed taxable value of real property within the Local Development Areas and within all “development areas” and “local development areas” established by the County (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within the County. The assessed value of taxable real property within all local development areas in the County is significantly less than twenty percent (20%) of the assessed value of taxable real property within the County.

SECTION 3 - Establishment, Name, Boundaries

All that area described herein by Exhibit A attached hereto and made a part hereof, is located within the County and is hereby established and designated as the “Dixie Highway Local Development Area #2”. At the time of the enactment of this Ordinance the Local Development Area is less than 1,000 acres, being 374.004 acres in size.

SECTION 4 - Establishment Date, Commencement Date, Termination Date

The Establishment Date is the effective date of this Ordinance. The Commencement Date of the Local Development Area is the date of execution of the Local Development Area Agreement and the Termination Date shall be exactly thirty (30) years subsequent to the Activation Date of the Agreement relating to the Local Development Area. However, the Termination Date for the Local Development Area shall in no event be more than forty (40) years from the Establishment Date.

SECTION 5 - Agreement

The County Judge/Executive of the County is hereby authorized and directed to execute, acknowledge and deliver on behalf of the County a Local Development Area Agreement, a form of which is attached as Exhibit B and made a part hereof, among the County, the Agency, and the Developer authorizing the pledge of a portion of the Incremental Revenues of the County from the Local Development Area to the

payment of Public Infrastructure Costs, but not to exceed the amount as set forth in the Agreement. The form of Local Development Area Agreement to be signed by the County Judge/Executive on behalf of the County shall be substantially in the form attached hereto, subject to further negotiations and changes therein that are not inconsistent with this Ordinance and not substantially adverse to the County. The approval of such changes by said officers, and that such changes are not substantially adverse to the County, shall be conclusively evidenced by the execution of such Local Development Area Agreement by such officials.

SECTION 6 - Job Assessment Fee

Pursuant to the provisions of KRS 65.7056, the County hereby establishes as a condition of employment within the Local Development Area, a job assessment fee of two percent (2%) of the gross wages of newly created employees as a result of the Project within the Local Development Area. The job assessment fee shall be withheld by employers within the Local Development Area and paid to the County in accordance with the requirements and procedures established by the county. The job assessment fee shall be used to pay Public Infrastructure Costs as provided by a Local Development Area Agreement and the Act.

SECTION 7 - Special Fund

There is hereby established a Special Fund of the County to be known as the Dixie Highway Local Development Area #2 Tax Increment Fund, into which the County covenants to deposit, and into which the County officials are hereby authorized and directed to deposit all Pledged Revenues. The County shall maintain the Special Fund unencumbered except for the purposes set forth in Section 7 hereof. Funds deposited in the Special Fund shall be disbursed in accordance with the Act, this Ordinance and the Local Development Area Agreement and related documents to pay for Public Infrastructure Costs related to the Project, within the Local Development Area.

SECTION 8 - Use of Pledged Revenues

Pledged Revenues shall be deposited by the County into the Special Fund created under Section 7 hereof and shall be used solely to pay for Public Infrastructure Costs in accordance with the Local Development Area Agreement as same may be amended from time to time.

SECTION 9 - Periodic Accounting / Analysis

Any entity, other than the County, 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 County in accordance with the Act and the documents controlling such grant, loan or loan

guarantee. The governing body of the County shall be required to review and analyze the progress of the development activity in the Local Development Area on a quarterly basis. Such review and analysis shall at a minimum include a review of the progress in meeting the stated goals of the Local Development Area. The County Judge/Executive and other officials of the County shall report to the governing body of the County 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 10 - Designation of Oversight Agency

Pursuant to the Act, the County hereby designates the Finance Department of the County of Boone, Kentucky, as the Agency for purposes of oversight, administration and review responsibility of this Local Development Area Ordinance and the Local Development Area Agreement and the Local Development Area established hereby. The Agency shall act on behalf of the County 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.

SECTION 11 - 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 12 - Repeal of Conflicting Orders and Ordinances

All prior resolutions, orders or ordinances or parts of any resolution, order or ordinance in conflict herewith are hereby repealed.

SECTION 13 - Effective Date

This Ordinance shall be in effect and in full force from and after its passage, publication and recording, according to law.

GIVEN FIRST-READING APPROVAL AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF BOONE, KENTUCKY, held on the 25th day of May, 2021.

GIVEN SECOND READING AND ADOPTED AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF BOONE, KENTUCKY, held on the 8th day of June, 2021, and on the same occasion signed by the County Judge/Executive as evidence of his approval, attested by the Clerk, published and filed as required by law, and declared to be in full force and effect from and after its adoption and approval according to law.

GARY W. MOORE
Boone County Judge/Executive

Attest:

SHARON BURCHAM
Fiscal Court Clerk

EXHIBIT "A"

ITEM VI. D
Exhibit "1"

DIXIE HIGHWAY LOCAL DEVELOPMENT AREA #2

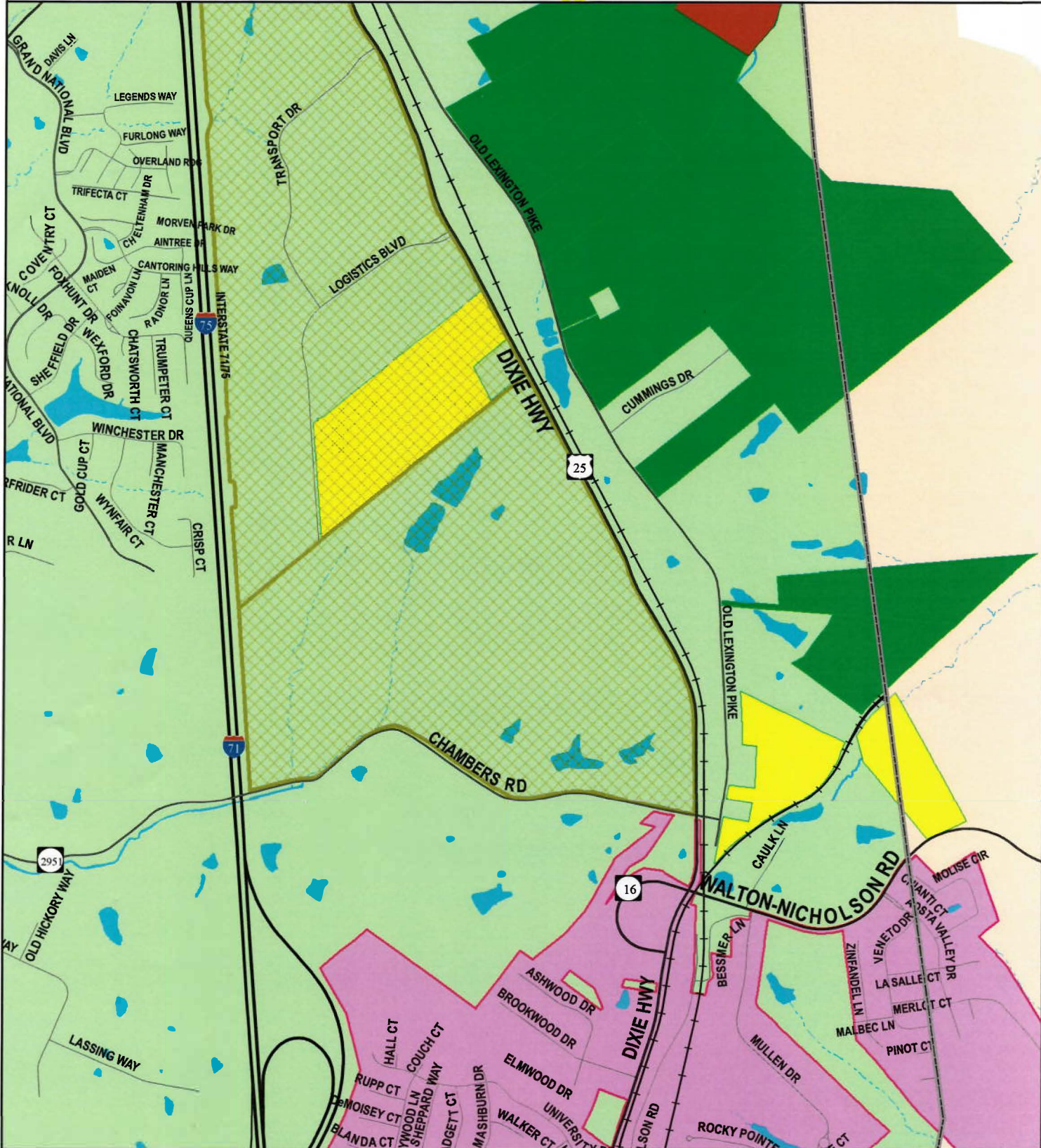
DESCRIPTION OF 374.004 ACRES

Located in Boone County, Kentucky lying in the west side of U.S. Highway 25 and the north side of Chambers Road approximately 1.25 miles south of Richwood and is mote particularly described as follows:

Beginning at a point in the westerly right-of-way line of U.S Highway 25 at the most northerly corner of Paul Tagher (Deed Book 216, page 609), 30.00 feet as measured perpendicular to the centerline; thence with said right-of-way line S 27°29'10" E 907.91 feet to a point; thence S 27°28'04" E 1391.72 feet to a point; thence with a curve turning to the right with an arc length of 195.37 feet, a radius of 1365.69 feet, a chord bearing of S 23°22'11" E, and a chord length of 195 20 feet; thence S 19°16'17" E 162.25 feet to a point; thence with a curve turning to the left with an arc length of 205.27 feet, a radius of 1040.11 feet, a chord bearing of S 24°55'31" E, and a chord length of 204.94 feet; thence S 30°34'45" E 709.00 feet to a point; thence with a curve turning to the right with an arc length of 573.27 feet, a radius of 2400.41 feet, a chord bearing of S 23°44'15" E, and a chord length of 571.91 feet, thence S 14°48'35" E 100.61 feet to a point; thence S 08°51'06" E 167.30 feet to a point; thence S 01°00'48" E 121 06 feet to a point; thence S 00°40'41" E 1058.53 feet to a point in the centerline of Chambers Road; thence with said centerline N 79°29'05" W 393.17 feet to a point; thence N 77°20'37" W 449.15 feet to a point; thence N 77°00'25" W 263.63 feet to a point; thence with a curve turning to the left with an arc length of 171.77 feet, a radius of 1192.25 feet, a chord bearing of N 81°08'04" W, and a chord length of 171.62 feet; thence N 85°15'52" W 30.34 feet to a point; thence with a curve turning to the left with an arc length of 182.96 feet, a radius of 667.25 feet, a chord bearing of S 86°52'48" W, and a chord length of 182 39 feet; thence S 79°01'37" W 318.31 feet to a point; thence with a curve turning to the right with an arc length of 572.55 feet, a radius of 732.75 feet, a chord bearing of N 78°35'18" W, and a chord length of 558.10 feet; thence N 56°12'14" W 316 73 feet to a point; thence with a curve turning to the right with an arc length of 218.49 feet, a radius of 5252.50 feet, a chord bearing of N 55°00'44" W, and a chord length of 218.47 feet; thence N 53°49'14" W 336.74 feet to a point; thence with a curve turning to the left with an arc length of 314.64 feet, a radius of 2027.76 feet, a chord bearing of N 58°15'57" W, and a chord length of 314.32 feet; thence with a curve turning to the left with an arc length of 45.95 feet, a radius of 265.03 feet, a chord bearing of N 67°40'39" W, and a chord length of 45.89 feet; thence with a curve turning to the left with an arc length of 174.28 feet, a radius of 288.35 feet, a chord bearing of S 89°37'26" W, and a chord length of 171.64 feet; thence S 72°18'32" W 79 06 feet to a point; thence with a curve turning to the left with an arc length of 197.36 feet, a radius of 496.41 feet, a chord bearing of S 60°55'10" W, and a chord length of 196.96 feet; thence S 49°31'47" W 364.89 feet to a point; thence S 47°47'15" W 252.33 feet to a point; thence with a curve turning to the right with an arc length of 144.03 feet, a radius of 209.15 feet, a chord bearing of S 67°30'54" W, and a chord length of 141.20 feet; thence S 87°14'33" W 93.60 feet to a point; thence S 84°04'03" W 20.12 feet to a point; thence leaving said centerline to a point in the north right-of-way line of Chambers Road; thence with said light-of-way line N 05°55'57" W 30.00 feet to a point thence S 84°04'03" W 16.82 feet to a point; thence with a curve turning to the left with an arc length of 174 79 feet, a radius of 1175.92 feet, a chord bearing of S 79°48'34" W, and a chord length of 174.63 feet; thence S 75°33'04" W 404.35 feet to a point in the east right-of-way line of Interstate 75/71; thence with said right-of-way line N 04°03'26" W 2123,48 feet to a point; thence leaving said right-of-way line N 50°28'45" E 3994 39 feet to a point; thence N 45°58'20" E 265 09 feet to the point of beginning containing 374.004 acres.

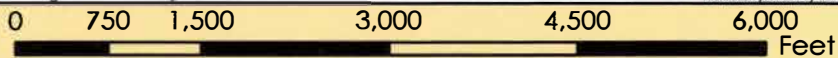
Dixie Highway TIF District No. 2

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1 inch = 1,538 feet



Boone County GIS - Putting Northern Kentucky on the Map

Map Created: xx/xx/2021

Map Document . mxd

LOCAL DEVELOPMENT AREA AGREEMENT
FOR
DIXIE HIGHWAY LOCAL DEVELOPMENT AREA #2
BY AND AMONG
COUNTY OF BOONE, KENTUCKY
AND
FINANCE DEPARTMENT OF THE COUNTY OF BOONE, KENTUCKY

June 1, 2021

Exhibit A – Map and Legal Description of the Local Development Area
Exhibit B – Parcels and Tax Assessments Within the Local Development Area

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TO
LOCAL DEVELOPMENT AREA AGREEMENT
DATED
JUNE 1, 2021

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**LOCAL DEVELOPMENT AREA AGREEMENT
Dixie Highway Local Development Area #2**

THIS LOCAL DEVELOPMENT AREA AGREEMENT (this "Agreement") is made as of the 1st day of June, 2021 (the "Effective Date") by and among the COUNTY OF BOONE, KENTUCKY, a Kentucky county organized under the laws of the Commonwealth of Kentucky (the "County"), and the FINANCE DEPARTMENT OF THE COUNTY OF BOONE, KENTUCKY, a duly established department of the County (the "Agency", and collectively (the "Parties");

RECITALS

WHEREAS, pursuant to the Act as hereinafter defined, the County on the _____ day of _____, 2021, adopted Ordinance Number _____, (the "Local Development Area Ordinance"), whereby it established the Dixie Highway Local Development Area #2 (the "Local Development Area") for the purpose of promoting an industrial and commercial park development within the County that is being planned for development; and

WHEREAS, the State has determined in KRS 65.7041 that the establishment of local development areas or development areas contribute to increased employment opportunities and increased economic development in communities across the Commonwealth and serves a public purpose; and

WHEREAS, the Parties desire to set forth the duties and responsibilities of the Parties with respect to the administration, financing and pledging of Incremental Revenues [as hereinafter defined] in support of the development of the Project within the Local Development Area; and

WHEREAS, pursuant to the Local Development Area Ordinance, the Fiscal Court of the County has authorized the County Judge/Executive to execute and enter into this Agreement between the County and the Agency; and

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto, and in consideration of the premises and the mutual covenants and undertakings contained herein, it is agreed and covenanted by and among the Parties hereto as follows:

SECTION I.
Preambles

The Parties hereto agree that the above “preambles” or “preamble clauses” are incorporated herein by reference as if fully restated herein and form a part of the agreement among the Parties hereto.

SECTION II.
Definitions

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

1. “Act” or “the Act”. Shall mean KRS 65.7041 to KRS 65.7083.
2. “Activation Date”. Shall have the meaning as defined by the Act, and as provided in Section XI of this Agreement.
3. “Administrative Fee”. Shall be two percent (2%) of the Incremental Revenues which shall be retained by the County to cover its costs of administration and implementation of the Local Development Area.

4. “Agency”. Shall mean the Finance Department of the County of Boone, Kentucky.
5. “Agreement”. Shall mean this Local Development Area Agreement, including all Exhibits attached hereto.
6. “Bonds”. Shall mean the bonds or notes, secured and supported by the Incremental Revenues, issued by the County to pay for Redevelopment Assistance within the Local Development Area, in accordance with this Agreement.
7. “Bond Documents”. Shall mean all of the documents constituting the bond transcript of proceedings in connection with the Bonds.
8. “Capital Investment”. Shall have the meaning as set forth under the Act, and shall include any capital cost incurred to construct the Project.
9. “County”. Shall mean the County of Boone, Kentucky.
10. “Developer”. Shall mean one or more private developers, or their successors or assigns that may undertake all or part of the Local Development Area.
11. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.
12. “Excess Incremental Revenues”. Means Incremental Revenues in excess of the amounts required to support the payment of Bonds and to meet any coverage tests as set forth in the Bond Documents.
13. “Financing Plan”. Shall mean the plan for financing the Project as described in SECTION X of this Agreement, as it may be amended with the approval of the County and the Agency.

14. “General Payroll Tax.” Shall mean the County’s occupational tax on gross salaries of employees working in Boone County, as set forth in Section 110.03 of the Code of Ordinances of the County, but shall not include the special occupational tax set forth in Section 110.27 of the Code of Ordinances of the County.

15. “Incremental Revenues.” Shall mean the amount of tax revenues received by the County from the Special Payroll Tax Assessment, after deducting therefrom the General Payroll Tax applicable to the gross wages from employees subject to the Special Payroll Tax Assessment, generated from the Local Development Area in each calendar year after the Activation Date, established in accordance with Section XI of this Agreement.

16. “KEDFA.” Shall mean the Kentucky Economic Development Finance Authority, a State agency assigned for administrative purposes to the Kentucky Economic Development Cabinet.

17. “Local Development Area.” Shall have the meaning given in the Recitals to this Agreement, and more specifically described on Exhibit A attached hereto.

18. “Local Development Area Ordinance.” Shall mean the ordinance referred to in the Recitals section of this Agreement.

19. “Project.” Shall mean the anticipated development that will be undertaken by a Developer within the Local Development Area described in SECTION IX of this Agreement.

20. “Project Costs.” Shall mean any capital investment as defined in the Act, necessary to construct the Project.

21. “Public Infrastructure Costs”. Shall mean site development costs, stream mitigation expenses, public and private utilities, including, but not limited to sanitary sewer facilities, storm water facilities, natural gas and electric facilities, street and road improvements, including any dedicated public right-of-way, including the interest or financing costs thereon, which shall be constructed by a Developer, and which are approved to be paid or reimbursed from by Incremental Revenues, pursuant to an agreement with the County and Agency; provided, however, that the interest costs recoverable from Incremental Revenues shall not exceed six percent (6%) per annum.

22. “Redevelopment Assistance”. Shall be the costs pledged by the County to be paid for or reimbursed by Incremental Revenues, which shall include the Administrative Fee, the Public Infrastructure Costs and other costs as set forth in the Local Development Ordinance, and in accordance with SECTION VII of this Agreement.

23. “Special Payroll Tax Assessment”. Shall be the two percent (2%) Special Occupational Payroll Tax applicable to the new jobs created by the Project in the Local Development Area established by the Local Development Area Ordinance, authorized by KRS 65.7057 of the Act.

24. “Special Fund”. Shall mean Dixie Highway Local Development Area #2 Special Fund established by the County and maintained by the Agency for the purpose of holding and disbursing the Incremental Revenues pledged herein.

25. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

30. “Unavoidable Delays”. Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, inability to obtain construction materials or energy, fire, or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

SECTION III.
Parties

The Parties to this Agreement shall be the County, the Agency and the Developer.

SECTION IV.
Duties and Responsibilities of County

The County shall have the following duties and responsibilities in connection with the development of the Local Development Area:

1. Provide for the establishment of the Special Fund to be maintained by the Agency for the collection of Incremental Revenues pledged herein from County within the Local Development Area.

2. Pledge one hundred percent (100%) of the County's Incremental Revenues generated within the Local Development Area for a thirty (30) year period beginning with the Activation Date to pay for Redevelopment Assistance within the Local Development Area, which pledge is made in SECTION VII herein.

3. Act as the issuer of Bonds, in the event that Bonds are issued, to pay for Redevelopment Assistance within the Local Development Area.

4. Designate the Agency as the entity responsible for the oversight, administration, and implementation of the Local Development Area Ordinance.

5. Meet as necessary with the Developer and the Agency for the purpose of reviewing the progress of the development of the Local Development Area and prepare an analysis of such progress for distribution to the respective Fiscal Court of the County.

6. Execute, along with the Agency, agreements with the Developer(s) related to the use of Incremental Revenues to pay for or reimburse Public Infrastructure Costs.

SECTION V.
Duties and Obligations of the Agency

1. The Agency shall have the responsibility for the oversight, administration of the Local Development Area Ordinance, including the obligation to maintain the Special Fund for the deposit and disbursement of Incremental Revenues in accordance with this Agreement, and the Act.

2. The Agency shall hold and expend the Incremental Revenues in accordance with this Agreement to pay for Redevelopment Assistance within the Local Development Area.

3. The Agency shall prepare by no later than June 1st of each year during the term of this Agreement an annual report and provide same to the Fiscal Court of the County that shall include, but not be limited to: (a) the total real property taxes, and occupational taxes collected within the Local Development Area during the previous calendar year; (b) a determination of Incremental Revenues and other tax revenues collected within the Local Development Area during the previous calendar year; (c) a summary of debt service paid on outstanding Bonds during the previous calendar year;

(d) the amount, if any, of Bonds issued during the previous calendar year, and (e) if no Bonds are issued, the amount, if any, of Incremental Revenues expended from the Special Fund on Redevelopment Assistance.

4. On or before June 1 after the end of the first calendar year after the Activation Date, and then each year thereafter by June 1, so long as the pledge of Incremental Revenues as provided in this Agreement is in effect, the Agency shall calculate the Incremental Revenues from the Local Development Area for the previous calendar year to the County, and shall calculate and provide written notice to the County the Incremental Revenues that are due from the County and by June 30 of that year and each June 30 thereafter, so long as the pledge of Incremental Revenues as provided in this Agreement is in effect.

5. If approved by the County, the Agency shall comply with any agreement with a Developer related to the payment of Public Infrastructure Costs incurred with the development of the Local Development Area.

SECTION VI.
Duties and Obligations of the Developer

It is anticipated that the Project and development of the Local Development Area will be undertaken by one or more Developers and that prior to the disbursement of any Incremental Revenues to a Developer to pay Public Infrastructure Costs, a separate agreement (the "Development Agreement") will be executed among the County, Agency and Developer that will govern the payment of Incremental Revenues. Each Developer:

1. Shall be responsible for constructing and paying for the cost of the Project and the Public Infrastructure Costs as defined in the respective Development

Agreement, subject to the pledge of the Incremental Revenue as set forth in this Agreement.

2. The project approved pursuant to a Development Agreement shall be constructed in accordance with all applicable zoning, building and other related governmental permits and approvals required for the development of property in Boone County and the State.

3. Each Developer shall not less than annually, until their respective Project is fully constructed, submit to the Agency certified statements of costs that have been expended by the Developer or its assigns for Capital Investment for the Project, including the cost expended for Public Infrastructure Costs.

4. Each Developer shall meet as requested by the County to provide updates to the County as to its progress in construction of the Project, and shall provide information as requested by the County and Agency to enable the Agency to provide its required annual reports to the Boone County Fiscal Court.

5. Each Developer shall assist the Agency as necessary with the computation of the Incremental Revenues. In that regard businesses within the Local Development Area shall be required to maintain separate County occupational license accounts (assuming they have more than one business location in the County) for their operation within the Local Development Area to make it easier for the County and Agency to track and compute Incremental Revenues.

6. Each Developer acknowledges that the County, at its option, may decide to expand the boundaries of the Local Development Area to include additional property.

Each Developer agrees to cooperate with the County to allow the Local Development Area to be expanded.

SECTION VII.
Identification and Pledge of Incremental Revenues

1. The County hereby pledges the Incremental Revenues, generated within the Local Development Area, to pay for Redevelopment Assistance within the Local Development Area for a thirty (30) year period starting from the Activation Date.

2. Incremental Revenues pledged by the County in this SECTION VII shall be deposited annually, no later than each June 30th after the first calendar year after the Activation Date, to the Special Fund and used solely for the payment of Redevelopment Assistance in accordance with the following priority:

a. First to the payment of the Administrative Fee due to the County; and

b. Secondly, to the Developer to pay for or reimburse Public Infrastructure Costs documented by the Developer, after being paid to the Agency in accordance with SECTION VI of this Agreement and the Development Agreement; with the understanding that any Incremental Revenues due the Developer shall first be used to pay the annual required debt service on the Bonds, in the event Bonds are issued.

3. All amounts in the Special Fund, together with interest accruing thereon, are hereby irrevocably pledged to the payment of Redevelopment Assistance, including principal, interest and premium, if any, on Bonds issued to pay for Redevelopment Assistance in the event that Bonds are issued to pay for Redevelopment Assistance.

4. If Bonds are issued, this Agreement or the Development Agreement may be pledged and assigned by the Agency, the County and the Developer to a Trustee

under a certain Trust Indenture for the Bonds, by and between the County, Agency and the Trustee, as it may be amended or restated from time to time, and made a part of the trust estate established thereunder for the security of the Bonds as more particularly set forth therein.

5. If Bonds are not issued, or if Bonds are issued, but there are Excess Incremental Revenues, Incremental Revenues may be utilized by the Agency, to pay for Public Infrastructure Costs expended by the Developer in accordance with the Development Agreement that are not paid for by Bonds.

6. Any Incremental Revenues due the Developer in accordance with SECTION VII (1) of this Agreement and the Development Agreement shall be paid to the Developer and/or Trustee (in the event Bonds are issued) within thirty (30) days from the date of their receipt by the Agency.

7. After the Public Infrastructure Costs expended by the Developer have been fully paid, including any Bonds, any Incremental Revenues may be used to reimburse any other costs authorized by the County or the County may, at its option, terminate the Local Development Area and this Agreement.

8. At the Termination Date, as defined in the Act and as provided in SECTION VII of this Agreement, all amounts not needed to pay the Bonds or to pay Redevelopment Assistance as authorized by this Agreement, shall be transferred to the General Fund of the County.

SECTION VIII.
Anticipated Benefits to the County

The County anticipates receiving substantial benefits as a result of the pledge of its Incremental Revenues to support development of the Project and the Local Development Area as set forth herein. The taxable assessment for calendar year 2020 for the Local Development Area is \$3,127,770, and that generated only approximately \$3,139.00 in real property taxes to the County based on the County's calendar year 2020 real property tax rate. Assuming the Project is developed like similar industrial parks in Boone County, the full development and construction of the Project should increase taxable assessments in the County by over \$100 million and create hundreds of new jobs, which will generate significant new tax revenues to the County. The Project will generate significant new occupational taxes from the growth in employment and new businesses within the Local Development Area as a result of the Project, and significant new tangible property taxes. The net tax impact will increase over time as assessments and new payroll increase. In addition, the net tax impact or benefit to the County will also increase from tax revenues not subject to the pledge of Incremental Revenues as provided by this Agreement, including the tangible taxes, etc., and will greatly increase the taxes to the other State and local taxing districts.

The maximum amount of Incremental Revenues to be paid by the County shall be one hundred percent (100%) of the Incremental Revenues from the Local Development Area. The maximum number of years the payment of Incremental Revenues to support the payment of Redevelopment Assistance within the development of the Local Development Area is thirty (30) years.

A detailed description of the Local Development Area is set forth in Exhibit A hereto and a listing of parcels within the Local Development Area, and their respective taxable assessments are attached at Exhibit B.

SECTION IX.
Description of Project; Costs

The Project planned for the Local Development Area is a phased industrial and business park that will include industrial, office, commercial and related service uses, which will be undertaken by one or more Developer.

SECTION X.
Financing Plan

It is anticipated by the Parties that the construction of the Project will take place over time and require a combination of funding from the Incremental Revenues pledge herein, private financing, and private equity. Except for the Incremental Revenues pledge herein to pay debt service on Bonds and/or to reimburse the Developer for Public Infrastructure Costs, the cost and financing of the Project shall be the responsibility of the Developer or its assigns. In the event that Bonds are issued to pay for Public Infrastructure Costs, any Incremental Revenues pledged by the County under this Agreement shall first be used to pay any required debt service on the Bonds as provided in the Bond Documents; and any Excess Incremental Revenues, may be expended to pay for other Redevelopment Assistance in accordance with this Agreement or as determined by the Agency with approval of the County.

IT IS UNDERSTOOD SPECIFICALLY BY THE PARTIES, THAT THE NOTES OR BONDS THAT MAY BE ISSUED BY THE COUNTY PURSUANT TO THIS AGREEMENT AND SECURED SOLELY BY INCREMENTAL REVENUES SHALL

NOT CONSTITUTE A DEBT OF THE COUNTY OR THE AGENCY OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE COUNTY, AND THE COUNTY SHALL HAVE NO OBLIGATION TOWARD THE PAYMENT OF SUCH BONDS BEYOND THE PLEDGE OF INCREMENTAL REVENUES AS PROVIDED IN THIS AGREEMENT.

SECTION XI.

Commencement Date; Activation Date; Termination Date

This Agreement shall commence and be effective on June 1, 2021. The Activation Date for the pledge of Incremental Revenues as set forth in SECTION VII hereof shall be set by action of the County and Agency, with approval by the Developer, on the first day of the calendar year, but not more than four (4) years after the Effective Date. This Agreement shall terminate thirty (30) years after the Activation Date. This Agreement shall not terminate upon the execution of any deeds or other agreements required or contemplated by this Agreement, or referred to herein, and the provisions of this Agreement shall not be deemed to be merged into the deeds, or any other such deeds or other agreements, it being the intent of the parties hereto that this Agreement shall survive the execution and delivery of any such agreements.

SECTION XII.

Default

If the County (a "Defaulting Party") shall default in its obligation to make payments of Incremental Revenues set forth herein or in the Bond Documents, the Agency (unless it is the Defaulting Party) and/or the indenture trustee or trustees for outstanding Bonds secured by such Incremental Revenues shall have the power to enforce the provisions of this Agreement or the Bond Documents against the Defaulting Party. If any Party materially breaches or defaults on any of its obligations under this Agreement, any other party and/or the indenture trustee or trustees for the outstanding

Bonds may give notice that remedial action must be taken within thirty (30) days. The Defaulting Party shall correct such breach or default within thirty (30) days after such notice, provided however that if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within thirty (30) days and (ii) the Defaulting Party proceeds as promptly as reasonably possible after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy the default shall be extended for such period of time as may be necessary to remedy the same with all due diligence.

However, notwithstanding any other provision of this Agreement in the event of a default no remedy shall permit the withholding by the County of the payment of any Incremental Revenues pledged in this Agreement if Increment Bonds or other debt are outstanding that are secured by a pledge of those Incremental Revenues.

SECTION XIII.
Governing Law

The laws of the State shall govern as to the interpretation, validity and effect of this Agreement.

SECTION XIV.
Severability

If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties essential objectives as expressed herein.

SECTION XV.
Force Majeure

The County, Agency or Developer shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the non-performance of such obligation shall be directly caused by Unavoidable Delays; provided, that within fifteen (15) days after the commencement of such Unavoidable Delay, the non performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the non-performing party shall have taken or planned to take to eliminate such Unavoidable Delay. Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default. All provisions of any construction schedule shall be adjusted in accordance with such Unavoidable Delay.

SECTION XVI.
Notices

Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to the County: County Judge/Executive
2950 Washington Street
Burlington, Kentucky 41005

With a Copy to: County Attorney
P.O. Box 900
2950 Washington Street
Burlington, Kentucky 41005

If to the Agency: Finance Department of the County
2950 Washington Street
Burlington, Kentucky 41005

SECTION XVII.
Approvals

Whenever a party to this Agreement is required to consent to, or approve, an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within thirty (30) business days and shall not be unreasonably withheld or delayed by the party from whom such approval or consent is required.

SECTION XVIII.
Entirety of Agreement

As used herein, the term "Agreement" shall mean this Local Development Area Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the Parties hereto with respect to the subject matter herein contained, and supersedes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intention has been made by any party which has not been embodied in this Agreement, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This

Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the parties hereto, and any of the terms, provisions, and conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any part.

SECTION XIX.
Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns; provided that any assignment by the Developer of the rights under this Agreement to a third-party purchaser of the Project shall require the consent of the County, which consent shall not be unreasonably withheld.

SECTION XX.
Headings and Index

The headings in this Agreement and the Index are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

SECTION XXI.
Exhibits

All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

SECTION XXII.
No Waiver

No waiver of any condition or covenant of this Agreement to be satisfied or performed by the County or Agency shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of any party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party.

SECTION XXIII.
Construction

No provisions of this Agreement shall be construed against a party by reason of such party having drafted such provisions.

SECTION XXIV.
Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

SECTION XXV.
Relationship of the Parties

Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the Parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association among any of the Parties of this Agreement.

SECTION XXVI.
No Third Party Beneficiary

Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the Parties and their successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

SECTION XXVII.
Diligent Performance

With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof. Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

(Signature Pages Follow)

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands on the date and year first above set forth herein, to be effective as of the Effective Date.

COUNTY OF BOONE, KENTUCKY

By: _____
Gary W. Moore
County Judge/Executive

FINANCE DEPARTMENT OF THE COUNTY OF
BOONE, KENTUCKY, Acting by and through
Gary W. Moore, County Judge/Executive

By: _____
Gary W. Moore
County Judge/Executive

Exhibit A: The Local Development Area Map

Exhibit B: Parcels and Tax Assessments Within the Local Development Area

PIDN	ASSESSVALU	GISACRES	LEGALDESCR	SITEADD1	SITEADD2
076.00-00-033.00	\$29,960.00	17.19	17.256 AC US 25 (76-33)		
076.00-00-033.01	\$7,600.00	27.14	25.66 AC ON CHAMBERS RD (76-33A)		
076.00-00-033.02	\$179,000.00	1.58	1.58 AC ON US 25 (76-33B)	11759 DIXIE HWY	
076.00-00-033.03	\$221,100.00	8.17	9.209 AC ON US 25 (76-33C)	11761 DIXIE HWY	
076.00-00-033.04	\$167,320.00	16.44	16.621 AC US 25 (76-33D)	11763 DIXIE HWY	
076.00-00-033.05	\$425,000.00	3.57	3.5681 AC ON US 25	11767 DIXIE HWY	
076.00-00-033.06	\$10,000.00	0.97	0.9657 AC ON US 25		
076.00-00-033.07	\$261,000.00	4.53	4.5338 AC ON US 25	11755 DIXIE HWY	
076.00-00-033.08	\$209,840.00	4.88	5.0 AC ON US 25 (76-33)	11765 DIXIE HWY	
076.00-00-033.09	\$500.00	0.17	0.174 AC US 25		
076.00-00-033.10	\$50,000.00	4.29	4.288 AC US 25		
076.00-00-033.11	\$50,000.00	4.16	4.281 AC US 25 (76-33)		
076.00-00-034.00	\$7,500.00	24.69	25 AC ON US 25 (76-34)		
076.00-00-035.02	\$18,100.00	60.25	60.50 AC ON US 25 (76-35B)		
076.00-00-053.00	\$125,000.00	0.37	LOT US 25 (0.367 AC) (76-53)	12109 DIXIE HWY	
076.00-00-054.00	\$92,500.00	0.37	0.367 AC ON US 25 (76-54)	12103 DIXIE HWY	
076.00-00-055.00	\$99,900.00	1.18	1.17 AC ON US 25 (76-55)	12097 DIXIE HWY	
076.00-00-056.00	\$156,150.00	17.39	17.399 AC ON US 25 (76-56)	12119 DIXIE HWY	
076.00-00-057.00	\$180,200.00	1.80	ALL OF PARCELS 1 & 2 AND PART OF PARCEL 3 CHAMBERS RD (76-57,58A1)		
076.00-00-058.00	\$171,200.00	2.93	2.995 AC ON CHAMBERS RD (76-58)	118 CHAMBERS RD	
076.00-00-058.01	\$90,000.00	1.22	1.63 & 0.51 IN CHAMBERS HEIGHTS (76- 58A,58C)	12159 DIXIE HWY	
076.00-00-058.03	\$80,000.00	0.93	1.06 AC ON CHAMBERS RD (76-58B)	136 CHAMBERS RD	
076.00-00-059.00	\$390,020.00	28.07	27.03 AC ON CHAMBERS RD (76-59)	262 CHAMBERS RD	BUILDING B
076.00-00-059.02	\$41,320.00	96.28	95.92 AC ON CHAMBERS RD (76-59B)		
076.00-00-059.03	\$64,560.00	42.60	43.45 AC ON CHAMBERS RD (76-59B1)		
TOTALS:	\$3,127,770.00	371.18			

ORDINANCE NO. 2021 - 18

AN ORDINANCE OF THE COUNTY OF BOONE, KENTUCKY (THE "COUNTY") ESTABLISHING A LOCAL DEVELOPMENT AREA FOR ECONOMIC DEVELOPMENT PURPOSES WITHIN THE COUNTY OF BOONE, KENTUCKY, TO BE KNOWN AS THE DIXIE HIGHWAY LOCAL DEVELOPMENT AREA #2, (THE "LOCAL DEVELOPMENT AREA") APPROVING THE LOCAL DEVELOPMENT AREA; ESTABLISHING AN INCREMENTAL TAX SPECIAL FUND FOR PAYMENT OF REDEVELOPMENT ASSISTANCE; DESIGNATING THE FINANCE DEPARTMENT OF THE COUNTY OF BOONE AS THE AGENCY RESPONSIBLE FOR OVERSIGHT, ADMINISTRATION, AND IMPLEMENTATION OF THE LOCAL DEVELOPMENT AREA; AND AUTHORIZING THE COUNTY JUDGE/EXECUTIVE AND OTHER OFFICIALS TO TAKE SUCH OTHER APPROPRIATE ACTIONS AS ARE NECESSARY OR REQUIRED IN CONNECTION WITH THE ESTABLISHMENT OF THE LOCAL DEVELOPMENT AREA.

WHEREAS, the County of Boone, Kentucky (the "County") by pursuant to KRS 65.7041 to 65.7083, as may be amended (the "Act"), is authorized to, among other things, (1) establish a local development area or development areas to encourage investment in and development of areas of the County, (2) enter into agreements in connection with the establishment and development of a development area or local development area, (3) establish a special fund for deposit of incremental revenues resulting from the development of a local development area or development areas, and (4) designate an agency to oversee, administer and implement projects within a local development area or development areas; and

WHEREAS, the County has identified a contiguous tract of undeveloped land consisting of not more than 1,000 acres within the County, specifically described in Exhibit A hereto; and

WHEREAS, the County desires to establish a local development area as defined in the Act, to be known as the Dixie Highway Local Development Area #2 ("Local Development Area") to encourage investment and development within the Local Development Area; and

WHEREAS, the County has agreed to support and encourage development within the Local Development Area by pledging certain Incremental Revenues (hereinafter defined) to promote the development of the Local Development Area under an Agreement (hereinafter defined); and

WHEREAS, the County pursuant to the Act held a public hearing on May 25, 2021, after giving proper notice concerning the County's intention to establish the Local Development Area; and

WHEREAS, the establishment of the Local Development Area is for a public purpose and that the establishment and creation of the Local Development Area within the County is for the benefit and welfare of the County's citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF THE COUNTY OF BOONE, COMMONWEALTH OF KENTUCKY:

SECTION 1 - Definitions

1.1 The capitalized terms set forth below when used herein shall have the following meanings:

“Act” means Kentucky Revised Statutes, Sections 65.7041 to 65.7083.

“Agency” means the Finance Department of the County of Boone, Kentucky.

“Agreement” shall mean the Local Development Area Agreement among the County, the Agency and the developer attached as Exhibit “B” hereto.

“Establishment Date” means the date that the Local Development Area is established pursuant to the Act and this Ordinance.

“Financing Costs” shall mean principal, interest, costs of issuance, debt Service reserve requirements, underwriting discount, costs of credit enhancement or liquidity instruments, and other costs directly related to the issuance of bonds or debt for Redevelopment Assistance and Project Costs.

“Incremental Revenues” means the amount of revenues received by the County with respect to the Local Development Area by subtracting Old Revenues from New Revenues in a calendar year and more specifically defined in the Agreement.

“Public Infrastructure Costs” means those costs as defined in the Agreement that are eligible to be paid for or reimbursed by Incremental Revenues.

“Pledged Revenues” means that portion of the Incremental Revenues which are pledged by the County pursuant to the Local Development Area Agreement, to pay for redevelopment assistance and related to the Local Development Area, as set forth in the Agreement.

1.2 All capitalized terms used herein and not defined above or in the recitals to this Ordinance shall have the meaning as set forth in the Act, as of the effective date of this Ordinance.

SECTION 2 - Findings and Determinations.

In accordance with the Act, the County hereby makes the following findings and determinations with respect to the Local Development Area:

2.1 The Local Development Area consists of a contiguous tract of land that is less than 1,000 acres. The actual size of the Local Development Area is 374.004 acres;

2.2 The Local Development Area constitutes undeveloped land that is being developed;

2.3 The establishment of the Local Development Area will not cause the assessed taxable value of real property within the Local Development Areas and within all "development areas" and "local development areas" established by the County (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within the County. The assessed value of taxable real property within all local development areas in the County is significantly less than twenty percent (20%) of the assessed value of taxable real property within the County.

SECTION 3 - Establishment, Name, Boundaries

All that area described herein by Exhibit A attached hereto and made a part hereof, is located within the County and is hereby established and designated as the "Dixie Highway Local Development Area #2". At the time of the enactment of this Ordinance the Local Development Area is less than 1,000 acres, being 374.004 acres in size.

SECTION 4 - Establishment Date, Commencement Date, Termination Date

The Establishment Date is the effective date of this Ordinance. The Commencement Date of the Local Development Area is the date of execution of the Local Development Area Agreement and the Termination Date shall be exactly thirty (30) years subsequent to the Activation Date of the Agreement relating to the Local Development Area. However, the Termination Date for the Local Development Area shall in no event be more than forty (40) years from the Establishment Date.

SECTION 5 - Agreement

The County Judge/Executive of the County is hereby authorized and directed to execute, acknowledge and deliver on behalf of the County a Local Development Area Agreement, a form of which is attached as Exhibit B and made a part hereof, among the County, the Agency, and the Developer authorizing the pledge of a portion of the Incremental Revenues of the County from the Local Development Area to the

payment of Public Infrastructure Costs, but not to exceed the amount as set forth in the Agreement. The form of Local Development Area Agreement to be signed by the County Judge/Executive on behalf of the County shall be substantially in the form attached hereto, subject to further negotiations and changes therein that are not inconsistent with this Ordinance and not substantially adverse to the County. The approval of such changes by said officers, and that such changes are not substantially adverse to the County, shall be conclusively evidenced by the execution of such Local Development Area Agreement by such officials.

SECTION 6 - Job Assessment Fee

Pursuant to the provisions of KRS 65.7056, the County hereby establishes as a condition of employment within the Local Development Area, a job assessment fee of two percent (2%) of the gross wages of newly created employees as a result of the Project within the Local Development Area. The job assessment fee shall be withheld by employers within the Local Development Area and paid to the County in accordance with the requirements and procedures established by the county. The job assessment fee shall be used to pay Public Infrastructure Costs as provided by a Local Development Area Agreement and the Act.

SECTION 7 - Special Fund

There is hereby established a Special Fund of the County to be known as the Dixie Highway Local Development Area #2 Tax Increment Fund, into which the County covenants to deposit, and into which the County officials are hereby authorized and directed to deposit all Pledged Revenues. The County shall maintain the Special Fund unencumbered except for the purposes set forth in Section 7 hereof. Funds deposited in the Special Fund shall be disbursed in accordance with the Act, this Ordinance and the Local Development Area Agreement and related documents to pay for Public Infrastructure Costs related to the Project, within the Local Development Area.

SECTION 8 - Use of Pledged Revenues

Pledged Revenues shall be deposited by the County into the Special Fund created under Section 7 hereof and shall be used solely to pay for Public Infrastructure Costs in accordance with the Local Development Area Agreement as same may be amended from time to time.

SECTION 9 - Periodic Accounting / Analysis

Any entity, other than the County, 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 County in accordance with the Act and the documents controlling such grant, loan or loan

guarantee. The governing body of the County shall be required to review and analyze the progress of the development activity in the Local Development Area on a quarterly basis. Such review and analysis shall at a minimum include a review of the progress in meeting the stated goals of the Local Development Area. The County Judge/Executive and other officials of the County shall report to the governing body of the County 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 10 - Designation of Oversight Agency

Pursuant to the Act, the County hereby designates the Finance Department of the County of Boone, Kentucky, as the Agency for purposes of oversight, administration and review responsibility of this Local Development Area Ordinance and the Local Development Area Agreement and the Local Development Area established hereby. The Agency shall act on behalf of the County 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.

SECTION 11 - 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 12 - Repeal of Conflicting Orders and Ordinances

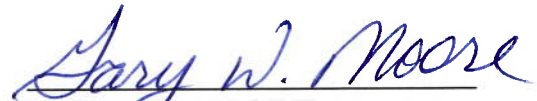
All prior resolutions, orders or ordinances or parts of any resolution, order or ordinance in conflict herewith are hereby repealed.

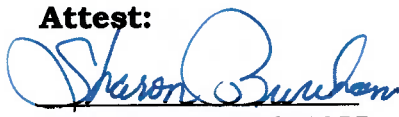
SECTION 13 - Effective Date

This Ordinance shall be in effect and in full force from and after its passage, publication and recording, according to law.

GIVEN FIRST-READING APPROVAL AT A DULY CONVENED MEETING OF THE FISCAL COURT OF THE COUNTY OF BOONE, KENTUCKY, held on the 25th day of May, 2021.

GIVEN SECOND READING AND ADOPTED AT A DULY CONVENEED MEETING OF THE FISCAL COURT OF THE COUNTY OF BOONE, KENTUCKY, held on the 8th day of June, 2021, and on the same occasion signed by the County Judge/Executive as evidence of his approval, attested by the Clerk, published and filed as required by law, and declared to be in full force and effect from and after its adoption and approval according to law.


GARY W. MOORE
Boone County Judge/Executive

Attest:

SHARON BURCHAM
Fiscal Court Clerk