

ORDINANCE NO. 22-23

AN ORDINANCE OF THE CITY OF RICHMOND, KENTUCKY (THE "CITY") ESTABLISHING A LOCAL DEVELOPMENT AREA FOR ECONOMIC DEVELOPMENT PURPOSES WITHIN THE CITY OF RICHMOND, KENTUCKY, TO BE KNOWN AS THE GOGGINS LANE LOCAL DEVELOPMENT AREA (THE "LOCAL DEVELOPMENT AREA"); APPROVING A LOCAL DEVELOPMENT AREA AGREEMENT; ESTABLISHING AN INCREMENTAL TAX SPECIAL FUND FOR PAYMENT OF REDEVELOPMENT ASSISTANCE; DESIGNATING THE FINANCE DEPARTMENT OF THE CITY OF RICHMOND, KENTUCKY, AS THE AGENCY RESPONSIBLE FOR OVERSIGHT, ADMINISTRATION, AND IMPLEMENTATION OF 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.

WHEREAS, the City of Richmond, Kentucky (the "City"), 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 and development in the City, (2) enter into agreements in connection with the establishment 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 area, and (4) designate an agency to oversee, administer and implement projects within a local development area or development area; and

WHEREAS, the Kentucky General Assembly 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 City desires to establish a "local development area" as defined in the Act, to be known as the Goggins Lane Local Development Area (the "Local Development Area") to encourage investment and development within such Local Development Area; and

WHEREAS, the City has agreed to support and encourage development within the Local Development Area by pledging Incremental Revenues [hereinafter defined] to pay for Infrastructure Costs [hereinafter defined] to promote the development of the Local Development Area under an Agreement and Master Development Agreement [hereinafter defined]; and

WHEREAS, the City, in accordance with the Act held a public hearing on May 24, 2022, after giving proper notice concerning the City'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 City is for the benefit and welfare of the City's citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF RICHMOND, 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 City of Richmond, Kentucky.

"Agreement" shall mean the Local Development Area Agreement among the City and the Agency attached as Exhibit "B" hereto.

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

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

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

"Local Development Area" means a contiguous geographic area of land being developed, located within the geographical boundaries of the City, which is created for economic development purposes by this Ordinance to support the Project proposed to be developed and consisting of approximately 717 acres, as more specifically described in Exhibit A attached hereto, to be known as the "Goggins Lane Local Development Area".

"Pledged Revenues" means the Incremental Revenues which are pledged by the City as provided in the Agreement, to pay for Redevelopment Assistance related to the Local Development Area, as set forth in the Agreement.

"Project" means the development of the Local Development Area for residential development, a public school and as a public park as more fully described 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 City 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 approximately 127.651 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 Area and within all “development areas” and “local development areas” established by the City (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within the City. The assessed value of taxable real property within the Local Development Area for calendar year 2021 was \$0.00 and the total assessed value of taxable real property within the City for the calendar year 2021 was \$2,110,286,265. The City has established one other development area being The Downtown Richmond Development Area, in addition to the Local Development Area, which at the time of its establishment had a taxable real property assessment of \$26,942,299. When the taxable real property assessment of The Downtown Richmond Development Area is combined with the taxable real property assessment of the Local Development Area, the City’s total taxable real property assessment being within a local development area or development area will be \$26,942,299. When that amount is compared to the City’s total taxable real property assessment in calendar year 2021, the total, the assessed value of taxable real property within a development area of local development area is significantly less than twenty percent (20%) of the assessed value of taxable real property within the City.

SECTION 3. Establishment, Name, Boundaries. All that area described herein by Exhibit A attached hereto and made a part hereof, is located within the City and is hereby established and designated as the “Goggins Lane Local Development Area”. At the time of the enactment of this Ordinance the Local Development Area is less than 1,000 acres, being approximately 717 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 Mayor of the City is hereby authorized and directed to execute, acknowledge and deliver on behalf of the City an Agreement, a form of which is attached as Exhibit B and made a part hereof, among the City and the Agency,

authorizing the pledge of the Incremental Revenues of the City from the Local Development Area to the payment of Infrastructure Costs. The form of the Agreement to be signed by the Mayor on behalf of the City shall be in substantially the form attached hereto, subject to further negotiations and changes therein that are not inconsistent with this Ordinance and not substantially adverse to the City. The approval of such changes by said officers, and that such changes are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Agreement by such officials.

SECTION 6. Special Fund. There is hereby established a Special Fund of the City to be known as Goggins Lane Local Development Area Tax Increment Fund, 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 in Section 7 hereof. Funds deposited in the Special Fund shall be disbursed in accordance with the Act, this Ordinance, the Agreement, and related documents to pay for Infrastructure Costs 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 pay Infrastructure Costs in accordance with the Agreement, as the same may be amended from time to time.

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 review and analysis 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 the Finance Department of the City of Richmond, Kentucky, as the Agency for purposes of oversight, administration and review responsibility of this Local Development Area Ordinance, the 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 the Agreement, and other related agreements, with respect to the development of the Local Development Area.

SECTION 10. 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.

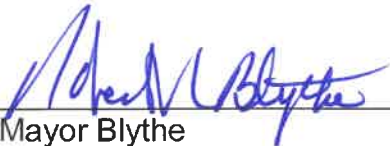
SECTION 11. Repeal of Conflicting Orders and Ordinances. All prior resolutions, municipal orders or ordinances or parts of any resolution, municipal order or ordinance in conflict herewith are hereby repealed.

SECTION 12. Effective Date. This Ordinance shall be in full force and effect from and after its passage, attestation, recordation and publication of a summary hereof pursuant to KRS Chapter 424.

DATE OF FIRST READING: June 14, 2022
MOTION BY: Commissioner Arnold
SECONDED BY: Commissioner Newby


DATE OF SECOND READING: June 28, 2022
MOTION BY: Commissioner Arnold
SECONDED BY: Commissioner Newby

VOTE	YES	NO
Commissioner Arnold	X	
Commissioner Brewer	X	
Commissioner McDaniel	X	
Commissioner Newby	X	
Mayor Blythe	X	




Mayor Blythe

ATTEST:



City Clerk, Lisa Cassity

Approved as to form:



City Attorney, Tyler Frazier