



Louisville Metro Government

Legislation Text

File #: O-370-22, Version: 1

ORDINANCE NO. _____, SERIES 2022

AN ORDINANCE APPROVING ENTERING INTO A LOCAL PARTICIPATION AGREEMENT, AUTHORIZING THE PAYMENT OF THE "RELEASED AMOUNT" PURSUANT TO THE TERMS AND CONDITIONS OF THE LOCAL PARTICIPATION AGREEMENT, REQUIRING THE SUBMISSION OF REGULAR REPORTS TO THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS AND THE TAKING OF ANY OTHER ACTIONS NECESSARY TO ACCOMPLISH THE PURPOSES AUTHORIZED BY THIS ORDINANCE.

SPONSORED BY: COUNCIL PRESIDENT DAVID JAMES

WHEREAS, the Kentucky General Assembly enacted KRS 65.500-65.506 (the "Act") relating to tax increment financing and urban redevelopment, which Act established the Development Area (the "Development Area") to support the revitalization of and investment in the Development Area; and

WHEREAS, pursuant to KRS 65.500 and KRS 65.501(4) ("the Act"), the Commonwealth of Kentucky (the "Commonwealth") has established the Development Area (the "Development Area"); and

WHEREAS, the West End Opportunity Partnership ("WEOP") is organized and incorporated by the Commonwealth pursuant to KRS 65.502(1) as a public corporation and a public body corporate and politic, and pursuant to the Act, WEOP has been designated as the entity responsible for receiving and distributing incremental local tax revenues generated within the Development Area; and

WHEREAS, the actions that WEOP is authorized to take pursuant to KRS 65.502, which actions will be funded, at least in part, by incremental revenues, as that term is defined in KRS

65.501, from Louisville/Jefferson County Metro Government (“Louisville Metro”) and the Commonwealth, will be of benefit to the Development Area; and

WHEREAS, pursuant to KRS 65.502(2)(c), WEOP is to ensure that all projects in the Development Area include the employment of area residents, both in short-term construction jobs and long-term employment in businesses locating within the Development Area; and

WHEREAS, pursuant to KRS 65.029(2), WEOP was not authorized to take any development actions in the Development Area until a minimum investment of \$20 million was received from private sector investors and Louisville Metro; and

WHEREAS, pursuant to KRS 65.029(2)(b), upon verification that the minimum investment of \$20 million was received by WEOP, the Commonwealth would appropriate an additional \$10 million for use by WEOP; and

WHEREAS, in the capital budget (Ordinance No. 88, Series 2021) for 2021-22 previously approved by the Legislative Council of the Louisville/Jefferson County Metro Government (the “Council”) on June 24, 2021, \$5 million was appropriated for WEOP, with another \$5 million to be appropriated if \$10 million was raised by private sector investors; and

WHEREAS, the minimum investment has been made by private sector investors and Louisville, which minimum investment has been verified by the Commonwealth; and

WHEREAS, pursuant to KRS 65.504(1), once the \$30 million was received by WEOP, Louisville Metro pledged 80% of the incremental revenues, as that term is defined in KRS 65.501(6) (a), to WEOP; and

WHEREAS, pursuant to KRS 65.504(2), Louisville Metro agrees to enter into this Agreement to pay to WEOP 80% of the incremental revenues for use solely for the purposes more particularly described in the Act.

NOW THEREFORE BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:

SECTION I: That the Mayor is authorized to negotiate and enter into a Local Participation Agreement with WEOP for the release to WEOP of a portion of the new ad valorem real property taxes and new occupational withholding license fees expected to be derived by Louisville Metro from the Development Area (“Released Amount”) substantially in the form attached hereto as Exhibit A.

SECTION II: That the Mayor and other appropriate Louisville Metro officials, and each of them, for and on behalf of Louisville Metro, are hereby authorized, empowered and directed to do and perform any and all things necessary to effect the execution of the Local Participation Agreement, the performance of all obligations of Louisville Metro under and pursuant to the Local Participation Agreement and any related documents, and the performance of all other actions of whatever nature necessary to effect and carry out the authority conferred by this Ordinance and the Local Participation Agreement. The Mayor and other appropriate Louisville Metro officials, and each of them are hereby further authorized, empowered and directed for and on behalf of Louisville Metro to execute all papers, letters, documents, undertakings, certificates, assignments, forms, instruments and closing papers that may be required for the carrying out and effectuation of the authority conferred by and for the purposes of this Ordinance and the Local Participation Agreement, or to evidence said authority and purposes, and to exercise and otherwise take all action necessary to the full realization of the rights and purposes of Louisville Metro under the Local Participation Agreement and related documents and to perform all of the obligations of Louisville Metro under the Local Participation Agreement and related documents.

SECTION III: 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 the Ordinance.

SECTION IV: This Ordinance shall take effect upon its passage and approval or otherwise

becoming law.

Sonya Harward Metro Council Clerk

David James President of the Council

Greg Fischer Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

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