

RESOLUTION NO. 2022-250, SERIES 2022

A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES TO BLUEOVAL SK, LLC PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32 AS MODIFIED BY SENATE BILL 5, 2021 SPECIAL SESSION, 2021 KY. ACTS CHAPTER 3 (KY. 2021).

WHEREAS, the Fiscal Court of the County of Hardin, Kentucky (the "Fiscal Court") finds that it is a legitimate public purpose of the County of Hardin, Kentucky (the "County") to undertake activities for the purpose of attracting and retaining jobs for residents of this community; and

WHEREAS, the Kentucky General Assembly in 2009 enacted KRS 154.32-010 to 154.32-100 (the "Act") establishing the Kentucky Business Investment Program (the "KBI Program") for the purpose of encouraging the development and expansion of manufacturing facilities in Kentucky; and

WHEREAS, under Senate Bill 5, 2021 Spec. Sess., 2021 Ky. Acts. Ch. 3, (Ky. 2021) enacted by the Kentucky General Assembly on September 9, 2021 ("SB5") and a Forgivable Loan Agreement (the "Forgivable Loan Agreement") between the Kentucky Economic Development Finance Authority (the "Authority") and BlueOval SK, LLC ("BlueOval"), a Delaware limited liability company, the Authority has agreed to provide a forgivable loan (the "Forgivable Loan") to BlueOval in the amount of \$250,000,000 subject to the terms of the Forgivable Loan Agreement; and

WHEREAS, the Forgivable Loan may be offered as the net present value of and as a substitute for economic incentives offered under the KBI Program, among other programs, subject to the terms of SB5; and

WHEREAS, the Fiscal Court adopted Ordinance No. 327, Series 2021, as amended ("Ordinance No. 327, Series 2021"), creating a 1% local occupational license tax (the "Occupational License Tax") on any person or business entity engaged in any business for profit that is required to make a filing with the Internal Revenue Service or the Kentucky Revenue

Cabinet for the privilege of engaging in such activities within the Industrial Tax District (comprised of the tracts described in the eighth recital herein) created under Ordinance No. 326, Series 2021 of the Fiscal Court; and

WHEREAS, the KBI Program encourages local governments to participate in these incentives for businesses within their jurisdictions; and

WHEREAS, the Fiscal Court finds that offering the local incentives authorized by the KBI Program for the purpose of attracting and retaining businesses is in furtherance of the public purposes of the County and will benefit the County by creating new sources of tax revenue for the support of the public services provided by the County; and

WHEREAS, BlueOval has acquired forty-seven (47) tracts of contiguous real property comprising approximately 1,551 acres and generally located in Glendale, Hardin County, Kentucky in connection with the location of an economic development project to develop two electric battery plants and be known as the BlueOval SK Battery Park (the "Project").

NOW, THEREFORE, BE IT RESOLVED BY THE FISCAL COURT OF THE COUNTY OF HARDIN, KENTUCKY AS FOLLOWS:

SECTION I: That the Fiscal Court does hereby approve participating in the grant of incentives to BlueOval under the KBI Program as modified by SB5.

SECTION II: That the Fiscal Court does hereby agree to participate in the grant of incentives under the KBI Program, as modified by SB5, by contributing to BlueOval the one percent (1.0%) Occupational License Tax created by Ordinance No. 327, Series 2021 beginning on January 1, 2027 and for a period limited to the earlier of (i) the termination of the Forgivable Loan Agreement or (ii) BlueOval having received \$27,000,000 from wage assessments equal to the 1% Occupational License Tax from no greater than 5,000 employees working at the Project.

SECTION III: That the County Judge/Executive and other appropriate officers and employees of Hardin County are authorized and directed to execute, acknowledge and deliver on behalf of the County 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 the grant of incentives as authorized by this Resolution.

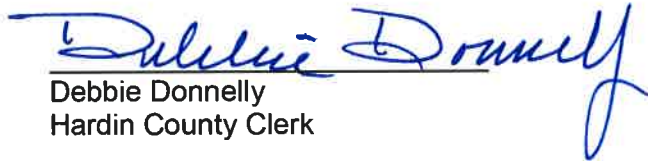
SECTION V: This Resolution shall be effective upon its passage and approval or otherwise becoming law.

ADOPTED, by the Hardin County, Kentucky Fiscal Court on this 13th day of December, 2022.



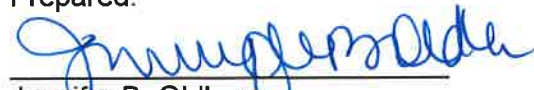
Harry L. Berry
Hardin County Judge/Executive

Attest:



Debbie Donnelly
Hardin County Clerk

Prepared:



Jennifer B. Oldham
Hardin County Attorney