

RESOLUTION NO. 2022-275

A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES RELATED TO THE BLUEOVAL SK, LLC PROJECT INCLUDING THE DEFERRAL OF THE IMPOSITION OF A 1% NET PROFITS TAX AND A 1% OCCUPATIONAL LICENSE TAX IN EXCHANGE FOR CERTAIN LUMP SUM PAYMENTS TO THE COUNTY OF HARDIN, KENTUCKY

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, BlueOval SK, LLC (the "Developer"), a Delaware limited liability company, is undertaking the construction and operation of two new EV battery production facilities in Glendale, Hardin County, Kentucky, consisting of an investment of approximately \$5.8 billion and the creation of 5,000 full time jobs paying an average hourly wage of \$21.61, excluding benefits (the "Project"); and

WHEREAS, the Fiscal Court adopted Ordinance No. 327, Series 2021, as amended ("Ordinance No. 327, Series 2021"), creating a 1% net profits tax (the "Net Profits Tax") and a 1% occupational license tax (the "Occupational License Tax", which together with the Net Profits Tax, collectively, the "Taxes") 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 County has expressed its willingness to provide incentives to the Developer with respect to the Project, including the County's deferral (the "Deferral") of the collection of its Net Profits Tax on contractors involved in the construction phase of the Project

and its Occupational License Tax on employees working at the Project during the period of construction of the Project; and

WHEREAS, the County would be willing to undertake the Deferral in exchange for the Developer paying to the County an aggregate of \$8,000,000 (the "Lump Sum Payments") payable in the amounts of \$6,000,000 in 2023 and \$2,000,000 in 2024; and

WHEREAS, the Deferral will terminate upon the issuance of the Certificate of Occupancy with respect to the first of the 2 facilities of the Project to be completed at which time both Taxes will be reimposed, but that the Deferral shall continue only for Barton Malow Company, a Michigan corporation, and any affiliates or construction subcontractors, to the extent of its construction activities until the issuance of the Certificate of Occupancy for the second facility of the Project upon its completion; and

WHEREAS, the Fiscal Court finds that offering the Deferral for the purpose of attracting businesses is in furtherance of the public purposes of the County and will benefit the County by providing the Lump Sum Payments to the County and creating new sources of tax revenue for the support of the public services provided by the County.


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 Deferral.

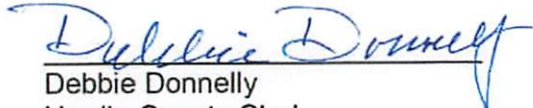
SECTION II: That the County Judge/Executive and other appropriate officers and employees of Hardin County are authorized and directed to execute, acknowledge and deliver on behalf of the County any and all papers, instruments, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for the implementation of the Deferral as authorized by this Resolution.

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

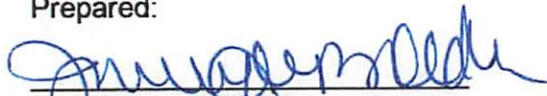
ADOPTED, by the Hardin County, Kentucky Fiscal Court on this 29th day of December, 2022.


Harry L. Berry
Hardin County Judge/Executive

Attest:


Debbie Donnelly
Hardin County Clerk

Prepared:


Jennifer B. Oldham
Hardin County Attorney