

## **MUNICIPAL ORDER 33-2020**

**A MUNICIPAL ORDER AUTHORIZING THE RETENTION OF ONE PERCENT (1%) OF ALL NEW OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF OWENSBORO, KENTUCKY FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO NEW EMPLOYEES OF OWENSBORO GRAIN COMPANY, LLC (FORMERLY APPROVED AS OG&A BIOSPECIALTIES, LLC), FOR A PERIOD OF TEN (10) YEARS, PROVIDED SAID CORPORATION MEETS THE CRITERIA SET FORTH IN ITS APPLICATION FOR INCENTIVES UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM.**

**WHEREAS**, under Article II, Section 16-21 of the Owensboro Municipal Code, the City of Owensboro, Kentucky, is authorized to levy and impose an annual license fee upon all persons, associations, corporations, or other entities engaged in any occupation, trade, profession or other activity in the City for the privilege of engaging in such occupation, trade, profession or activity; and

**WHEREAS**, Owensboro Grain Company, LLC (formerly approved as OG&A BioSpecialties, LLC), has made application and received approval for certain benefits and incentives available to it under the Kentucky Business Investment Program (KBI) as a result of its commitment to expand and create jobs and investments in Owensboro, Kentucky, as set forth in KRS 154.28-010, et seq.; and

**WHEREAS**, Owensboro Grain Company, LLC is a fourth generation soybean processing and grain merchandising company in operation since 1906, and is interested in ways to diversify its product line, by producing a spectrum of products made from renewable sources such as refined soybean oil and soy methyl ester (Biodiesel). The site of the operation is located at 1145 Ewing Road with total investment costs of approximately \$8,100,000 for the KBI program; and

**WHEREAS**, Owensboro Grain Company, LLC has agreed to create approximately ten (10) new jobs and has started the hiring process. The Company reported one hundred fifty-four (154) full-time positions as of the application date of January 27, 2017; and

**WHEREAS**, as an incentive and an inducement for Owensboro Grain Company, LLC to expand and improve its operations in Owensboro, the City hereby authorizes the Company to retain up to one percent (1%) of the total occupational license fees imposed and levied by the City on all salaries, wages and other compensation paid by said Company to qualified employees to the City for a period of ten (10) years or until the maximum amount allowed under the KBI has been retained.

**NOW, THEREFORE, BE IT ORDERED BY THE CITY OF OWENSBORO, KENTUCKY, AS FOLLOWS:**

**Section 1.** That the City of Owensboro, Kentucky hereby approves the application of Owensboro Grain Company, LLC (formerly approved as OG&A BioSpecialties, LLC), for economic benefits and incentives available to it under the KBI, including the application by said Company to retain up to one percent (1%) of the total occupational license fee revenues derived by the City from salaries, wages and other compensation received by the City for qualified employees.

**Section 2.** That the City does hereby authorize Owensboro Grain Company, LLC, to retain up to one percent (1%) of the occupational license fees imposed and levied by the City on all wages, salaries and other compensation paid by said Company to the City which are attributable to its qualified new employees at the 1145 Ewing Road location, for a period of ten (10) years or until the maximum amount allowed under the KBI Program has been reimbursed. The annual maximum amount to be reimbursed by the City is

\$5,000. Additionally, to be approved, the Company shall provide to the City a copy of all submissions made to the State related to their KBI Program Incentive and all other documentation requested by the City to support their application.

**Section 3.** It is further ordered that the up to one percent (1%) rebate of Occupational License Fees authorized herein shall not apply to other income or net profits of Owensboro Grain Company, LLC, and only applies to Occupational License Fees on wages, salaries or other compensation paid by said Company to its eligible new employees hired over the baseline of one hundred fifty-four (154) existing positions in conjunction with the expansion and improvements of its business operation in the City of Owensboro, Kentucky.

**INTRODUCED, PUBLICLY READ AND FINALLY APPROVED ON ONE READING,** this the 20th day of October, 2020.

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Thomas H. Watson, Mayor

ATTEST:

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Beth Cecil, City Clerk