

MUNICIPAL ORDER 20-2021

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 METALSA STRUCTURAL PRODUCTS, INC. 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, Metalsa Structural Products, Inc. (Metalsa) has made application 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, Metalsa is a corporation that is headquartered in Michigan, but registered to do business in Kentucky. Metalsa is a key parts supplier in the automotive industry in both Owensboro and the Commonwealth of Kentucky and produces steel pickup truck frames; and

WHEREAS, Metalsa has agreed to create 113 new jobs, and to also preserve the existing 211 jobs at their 4010 Airpark location. In addition, Metalsa is planning to expand their existing facility and invest over \$30 million in equipment ; and

WHEREAS, as an incentive and an inducement for Metalsa 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 Metalsa Structural Products, Inc. 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 Metalsa Structural Products, Inc., 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 4010 Airpark 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 \$87,500. 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 Metalsa Structural Products, Inc., 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 211 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 4th day of May, 2021.

Thomas H. Watson, Mayor

ATTEST:

Kim Tignor, Acting City Clerk