MUNICIPAL ORDER 36-2026

A MUNICIPAL ORDER AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A MEMORANDUM OF AGREEMENT WITH THE THREE HUNDREDS, LLC, PROVIDING THAT THE CITY SHALL PAY THE THREE HUNDREDS, LLC AN INCENTIVE PER RESIDENTIAL UNIT BUILT ON PROPERTY LOCATED AT 316 WEST THIRD STREET.

WHEREAS, The Three Hundreds, LLC is the owner of real property located at 316 West Third Street (hereafter "the Property"); and

WHEREAS, The Three Hundreds, LLC intends to develop the Property by building eight (8) residential units, which will have substantial benefit to the citizens of Owensboro, and the City desires to provide an incentive for The Three Hundreds, LLC to develop the Property.

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

Section 1. That the Mayor be, and he hereby is authorized and directed to execute a Memorandum of Agreement with The Three Hundreds, LLC providing that the City will pay The Three Hundreds, LLC an incentive per residential unit built on the Property. A copy of said Memorandum of Agreement is attached hereto and incorporated by reference herein.

INTRODUCED, PUBLICLY READ AND FINALLY APPROVED ON ONE READING, this the 3rd day of November, 2026.

_____
Thomas H. Watson, Mayor

ATTEST:

_____
Beth Davis, City Clerk

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT made and entered into this _____ day of November, 2026, by and between CITY OF OWENSBORO, KENTUCKY, a municipality of the home rule class, 101 East Fourth Street, P. O. Box 10003, Owensboro, Kentucky 42302-9003, (hereafter referred to as "City"), and The Three Hundreds, LLC, 2960 Fairview Drive, Owensboro, Kentucky 42303, (hereafter referred to as "Developer"). City and Developer are each a "Party" and collectively the "Parties".

RECITALS

WHEREAS, Developer is the owner of a certain tract of real property consisting of approximately 0.251 acres, more or less, which is located at 316 W. 3rd Street, Owensboro, Kentucky (hereinafter referred to as "Subject Property"); and

WHEREAS, Developer intends to develop the Subject Property for residential purposes, which will have substantial benefit to the citizens of Owensboro; and

WHEREAS, the City of Owensboro has a need for additional residential units within the City, particularly in the downtown area; and

WHEREAS, the City desires to provide an incentive for Developer to develop residential units on the Subject Property; and

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants and conditions contained herein, the Parties agree as follows:

SECTION 1. INCENTIVE: Developer agrees to build a total of eight (8) residential units on the Subject Property. Developer shall begin construction of the residential units being located upon the Property within one year of the date of this Agreement, and will complete said residential development upon the Property within twenty-four (24) months of the start of construction (the "Incentive Term"). City agrees to pay $7,500.00 per residential unit as follows:

> Upon completion of fifty percent (50%) of a unit, City agrees to pay Developer $3,750.00 (one-half of the incentive). The City shall have the right to inspect the work that has been performed prior to making this installment payment. Upon issuance of a Certificate of Occupancy for a unit, the City will pay the remaining $3,750.00 to Developer. Provided, however, no incentive will be paid to Developer for units for which the Certificate of Occupancy is issued after the Incentive Term ends. Further, to be entitled to incentive payments, Developer must obtain and maintain an active City business license, timely pay all taxes and other fees, as well as comply with all contractual and financial obligations under this Agreement.

It is understood that all payments provided for in this Agreement shall be made solely to the present Developer and not to any subsequent developer, purchasers, tenants, or other interests present or future.

SECTION 2. TERM: This Agreement shall commence upon its execution by both Parties and in the absence of a default by either Party, shall remain in full force and effect for the duration of the two (2) year Incentive Term.

SECTION 3. DEFAULT; REMEDIES: This Agreement may be terminated by the City, by written notice, in the event Developer breaches any one or more of the terms and conditions set forth herein, including failure to timely commence construction in accordance with Section 1. This Agreement may be terminated by Developer in the event the City fails to pay Developer the incentive on the terms

and conditions set forth herein, and fails to cure said breach within a reasonable time after written notice thereof by Developer.

Upon a material breach of this Agreement by either Party, the non-breaching Party shall be entitled to all remedies at law or equity, including but not limited to, specific performance or mandatory injunctive relief, rescission, or compensatory and consequential damages arising therefrom; provided, however, the City's total liability shall not exceed the total incentive for eight (8) units, or $60,000.00.

SECTION 4. NOTICES: Any written notices or requests required under the terms of this Agreement shall be given to the following:

CITY:
City of Owensboro
Attention: City Manager
P. O. Box 10003
101 East 4th Street
Owensboro, Kentucky 42302-9003

DEVELOPER: The Three Hundreds LLC
Attention: Matthew R. Hayden
2960 Fairview Drive
Owensboro, KY 42303

SECTION 5. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement and understanding between the Parties and supersedes all prior agreements, promises, communications, representations, whether oral or written, by any employee, officer, or representative of either Party hereto. There are no promises, representations, covenants, undertakings, restrictions, or conditions, other than those expressly set forth herein. Any subsequent amendment hereto shall be in writing and executed by authorized

representatives of both Parties. This Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their respective successors and assigns, provided, however, that this Agreement shall not be transferred or assigned at any time by Developer without the express written consent of the City.

SECTION 6: APPLICABLE LAW: This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Kentucky. The Parties hereby agree that the state courts of Daviess County and the Commonwealth of Kentucky shall have exclusive jurisdiction to hear and determine any claims or disputes.

SECTION 7. SEVERABILITY: The provisions of this Agreement are independent of and severable from each other, and no provision shall be affected or rendered invalid or unenforceable by virtue of the fact that for any reason, other provisions herein may be invalid or unenforceable, in whole or in part. If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable as written, a court may interpret, construe, rewrite or revise such provision, to the fullest extent allowed by law, so as to make it valid and enforceable consistent with the intent of the Parties. In the event a court of competent jurisdiction finally determines that any portion of this Agreement is invalid or unenforceable as written, neither Party shall have any liability to the other as a result thereof.

IN WITNESS WHEREOF, the Parties have executed this Memorandum of Agreement as of the day and year first hereinabove written.

CITY OF OWENSBORO:

By: _____
Thomas H. Watson, Mayor

ATTEST:

_____
Beth Davis, City Clerk

DEVELOPER:

The Three Hundreds, LLC

By: _____
Matthew R. Hayden, Managing Member