

AN ORDINANCE RELATING TO AND ESTABLISHING THE  
FRANKLIN-SIMPSON INDUSTRIAL AUTHORITY

WHEREAS, The Simpson County Fiscal Court and the city of Franklin, have decided to jointly establish the Franklin-Simpson Industrial Development Authority pursuant to the terms and provisions of KRS 154.50-301 to 154.50-346 to provide a coordinated effort to promote economic development on a sustained basis for Simpson County, Kentucky and the City of Franklin, Kentucky.

NOW, THEREFORE, be it ordained by the Fiscal Court of the County of Simpson, and by the City of Franklin, Kentucky:

1. The name of the organization hereby created shall be the Franklin-Simpson Industrial Development Authority (hereinafter the "authority").

2. The purpose of the authority shall be to promote economic development, including, but not limited to, industrial, agricultural, tourism and small business in Franklin and Simpson County, and to work with all Federal, State, and local agencies and groups to accomplish said purposes.

3. The Franklin-Simpson Industrial Development Authority shall be governed by a board composed as follows:

A. Six members, three of whom shall be appointed by the Mayor of Franklin, and three by the Simpson County Judge Executive.

B. Members of the authority shall serve for a term of four years each and until their successors are appointed and qualified provided, however, that the initial appointment shall be made so that two members are appointed for two years, two members for three years and two members for four years. Upon expiration of these staggered terms successors shall be appointed for a term of four years.

C. An industrial development authority member may be replaced by the appointing authority upon a showing to the appointing authority of misconduct as an authority member or upon conviction of a felony.

D. Members of the authority shall serve without compensation but may be reimbursed for any actual and necessary expenses incurred by them in the conduct of the affairs of the authority. The authority shall, upon the appointment of its members, organize and elect officers. The authority shall choose a chairman and vice-chairman who shall serve for a term of one year. The authority may fix a salary for the secretary-treasurer, and the secretary-treasurer shall execute an official bond to be set and approved by the authority, and the cost thereof shall be paid by the authority.

E. The secretary-treasurer shall keep minutes of all meetings of the authority and shall also keep a set of books showing the receipts and expenditures of the authority. The secretary-treasurer shall preserve on file duplicate vouchers of all expenditures and shall present to the authority, upon request, complete reports of all financial transactions and financial condition of the authority. Such books and vouchers shall at all times be subject to examination by the legislative bodies by whom the authority was created. The secretary-treasurer shall transmit at least once annually a detailed report of all acts and doings of the authority to the legislative bodies by whom the authority was created.

4. The following persons shall be ex-officio non-voting members of the authority: (i) the Mayor of the City of Franklin; (ii) the County Judge Executive of Simpson County; (iii) the President of the Franklin-Simpson Chamber of Commerce; (iv) the Superintendent of the Franklin-Simpson Schools; and in addition the Mayor and The County Judge Executive shall each appoint one

additional at large non-voting member from the community for a term not to exceed four (4) years.

5. The authority may employ necessary counsel, agents and employees to carry out its work and functions and prescribe such rules and regulations as it deems necessary.

6. A quorum for the transaction of the business of the authority shall consist of four voting members. Meetings of the authority may be called by the chairman or by four voting members. In case of tie voting by the authority, the issue shall be deemed to have failed passage.

7. The authority shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with and do all things reasonable or necessary to effectively carry out the duties prescribed by KRS 154.50-301 to 154.50-346.

8. The purpose, duties, and powers of the authority shall be to:

A. Acquire, retain, and develop land for industrial and commercial purposes in Kentucky; aid in the development and promotion of industrial sites, parks, and subdivisions to meet industrial and commercial needs in Kentucky.

B. Encourage the acquisition, retention, and development of land for industrial and commercial needs in Kentucky by other local development organizations, both public and private.

C. Cooperate with the United States Army Corps of Engineers and other federal agencies in formulating development plans and in acquiring and development land for industrial and commercial purposes in accordance with these plans.

D. Acquire by contract, lease, purchase, gift, condemnation, or otherwise any real or personal property or rights therein, necessary or suitable for establishing industrial sites, parks, or subdivisions. The authority may dispose of any real or personal property, or rights therein, which in the opinion of the authority are no longer needed to carry out the purposes of KRS 154.50-301 to 154.50-346. The authority may lease, sell, or convey any or all industrial sites, parks, and subdivisions owned or optioned by it to any public or private organization, governmental unit, or industry for the purpose of constructing and/or operating any manufacturing, industrial, or commercial facility. Provided, however, that no sale or conveyance of any land shall be made to a private organization or industry without such organization or industry first having executed a written contract with the authority providing that if no actual construction of an industrial facility is commenced within ten years, the organization or industry shall reconvey the land, free and clear of liens and encumbrances, to the authority, and the authority shall return to the organization or industry 95% of the purchase price paid therefore.

9. Upon the adoption by the authority of a resolution reciting that property is needed for industrial sites, parks, and subdivisions and cannot be acquired by negotiation and purchase at its fair market value, the governmental units in which such land is located may direct and institute condemnation proceedings in the name of such governmental units for the use and benefit of the authority. The procedure for condemnation shall conform to the procedure set out in the Eminent Domain Act of Kentucky. Upon acquisition of the property, the governmental unit shall convey the property to the authority upon payment by the authority to the governmental unit of an amount of money equal to the judgment and costs paid by the governmental unit.

10. Notwithstanding any other provision or section of KRS 154.50-301 to 154.50-346, no governmental unit shall have the power to condemn the property under KRS 154.50-301 to 154.50-346 unless the governmental unit has

first given proper public notice as required by law stating the specific purpose for which the property to be condemned shall be used and said purposes shall be pleaded and proved in such condemnation action. The property shall be developed within a period of five years pursuant to the propose stated, and the failure of the authority to so develop shall entitle the person or persons whose property was condemned to repurchase the property at the price the authority paid to the governmental unit for the same. The person from whom the land is taken by condemnation shall have the right to reacquire the land as aforementioned by application to the court of competent jurisdiction, if such procedure be necessary, and shall be entitled to recovery of his costs and reasonable attorneys fees necessary to reacquire said land.

11. The authority will be the organization responsible for industrial recruitment for a local government. All other agencies involved in industrial recruitment should coordinate their activities through the authority.

12. A. In the event that the City of Franklin or the County of Simpson, Kentucky, desires to withdraw from participation in the authority, then the remaining participant may choose a successor member or members of the authority. No such withdrawing City or County shall be entitled to the return of any money or property advanced such authority.

B. Notwithstanding the provisions of subsection A. of this section, the City and County having established a joint industrial development authority as provided for herein, may provide a mutual written agreement between such City and County and the joint industrial development authority, that such joint industrial development authority may be dissolved and may further provide that upon such complete termination, all funds, property, and other assets held by the joint industrial development authority shall be returned to the City and County in the same proportions as the contributions of funds, property, and other assets were made by such City and County. This sections shall not apply and no dissolution shall be made until such time as all legal obligations of the joint authority shall be satisfied and all existing commitments fulfilled.

13. A. In order to provide money for the purchase of property necessary to develop industrial sites, parks, and subdivisions, the legislative bodies of the City and County may make annual appropriations from their respective general funds for such industrial development. Any appropriation shall be made by the legislative body in such amounts, in such proportion, and upon such terms as the legislative body may determine. All funds derived from such appropriation shall be turned over to the industrial development authority for the purpose of carrying out the duties and powers of the authority.

B. The authority may borrow money and issue notes and other financial instruments on its own credit. The authority may pledge the appropriations or income anticipated or the industrial site, parks, and subdivisions, or other, as security for its debt.

C. The authority is authorized to defray the costs of acquiring and developing any industrial sites, parks, and subdivisions through the issuance of revenue bonds issued under the terms, conditions, and procedures set forth in KRS 103.200 to 103.285.

D. The authority may, as an alternative method and in addition to all other methods provided by law, acquire and develop land for industrial and commercial use, and issue revenue bonds in connection therewith under the terms and provisions of KRS Chapter 58; and under said law "Governmental Agency" means the authority and the term "Public Project" means industrial sites, parks, and subdivisions.

14. The title to all property acquired by the authority shall vest in the authority. All property acquired for the development of industrial sites, parks, and subdivisions shall be exempt from taxation to the same extent as other

property used for public purposes. All revenues collected by the authority shall also be exempt from taxation.

15. The acquisition of any lands for the purpose of developing industrial sites, parks, and subdivisions is hereby declared to be a public and governmental function, exercised for a public purpose and a matter of public necessity, and such lands and other property, easements and privileges acquired in the manner and for the purposes enumerated in KRS 154.50-301 to 154.50-346, shall and are hereby declared to be acquired and used for public and governmental purposes and as a matter of public necessity.

If any section, subsection, sentence, clause, or phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate distinct and independent provision and such holding shall not affect the validity of the remaining portions.

All ordinances or parts of ordinances in conflict herewith are, to the extent of such conflict, hereby repealed.

July 6, 1999 FIRST READING

July 13, 1999 SECOND READING

At a meeting of the Fiscal Court of the County of Simpson, Commonwealth of Kentucky held July 13, 1999, on motion made by Honorable Kenneth Utley, and seconded by Honorable Charles McCutchen, the foregoing ordinance was adopted, after full discussion, by the following vote:

<u>Aye</u>	LARRY RANDOLPH
<u>Aye</u>	JIM BROWN
<u>Aye</u>	KENNETH UTLEY
<u>Aye</u>	CHARLES McCUTCHEN

APPROVED:

BY: Jim Henderson  
JIM HENDERSON, COUNTY JUDGE EXECUTIVE  
COUNTY OF SIMPSON, COMMONWEALTH OF KENTUCKY

ATTEST:

Jada Neely  
JADA NEELY, Fiscal Court Clerk,  
County of Simpson, Commonwealth of Kentucky

I, Jada Neely, Clerk of the Simpson County Fiscal Court do hereby certify that the foregoing instrument was this day lodged to be and is with this foregoing certificate duly recorded in my office. Given under my hand this 14th day of July, 1999.

Jada Neely  
FISCAL COURT CLERK