

65.696 Development area grant contract -- Required provisions.

For any development area for which increments do not include revenues from the Commonwealth:

- (1) Upon establishment of a development area, any city or county may release, by a grant contract with any other city or county, increments expected to be collected by that city or county in the related development area for a period that does not extend beyond the termination date.
- (2) The grant contract shall include the following provisions:
 - (a) The identity of each city and county participating in the financing agreement;
 - (b) A detailed description of each project that is the subject of the grant contract, including an estimate of its costs of construction or acquisition and development;
 - (c) A detailed description of the development area;
 - (d) A detailed summary estimating old revenues collected and projected new revenues in the development area for each city and county that is a party to the grant contract, on an annual basis, for the term of the proposed grant contract;
 - (e) The maximum amount of increments to be released by the parties to the grant contract, if any, and the maximum number of years the release will be effective, including an agreement to deposit the increments in a special fund created for that purpose, which, if any increment bonds are to be issued, shall be held by the issuer of the increment bonds;
 - (f) The times and procedures for depositing increments and other funds, if any, in the special fund to be established for the development area and any provisions relating to the collection of the increments;
 - (g) Any covenants regarding additional funds or to pay the costs of the projects;
 - (h) Any covenants regarding completion of the project;
 - (i) Terms of default and remedies, except that no remedy shall permit the withholding by any party to the grant contract of any increments to be deposited in the special fund identified in the grant contract so long as any increment bonds are outstanding that are secured by a pledge of those increments;
 - (j) The commencement date;
 - (k) The termination date; and
 - (l) Any other provisions not inconsistent with KRS 65.680 to 65.699 that are deemed necessary or appropriate by the parties to the grant contract.

Effective: July 15, 2002

History: Amended 2002 Ky. Acts ch. 338, sec. 13, effective July 15, 2002. -- Created 2000 Ky. Acts ch. 358, sec. 9, effective July 14, 2000.