Baldwin County Commission

Legislation Details (With Text)

File #:	22-1500	**Version:** 2	
Type:	Consent	**Status:**	Agenda Ready
File created:	9/8/2022	**In control:**	Baldwin County Commission Regular
On agenda:	9/20/2022	**Final action:**	
Title:	*Resolution #2022-174 - First Amended Tax Abatement Agreement between Baldwin County Commission and Novelis Corporation		
Indexes:			
Attachments:	1. Resolution #2022-174-First Amended Tax Abatement Agreement Novelis 20220920, 2. First Amended Tax Abatement Agreement Executed 20220920, 3. *CA2-Resolution 2022-174-SIGNED.pdf		

Date	Ver.	Action By	Action	Result
9/20/2022	1	Baldwin County Commission Regular		

Meeting Type: BCC Regular Meeting
Meeting Date: 9/20/2022
Item Status: Replacement
From: Ronald J. Cink, Budget Director / County Administrator
Submitted by: Anu Gary, Administrative Services Manager

ITEM TITLE

*Resolution #2022-174 - First Amended Tax Abatement Agreement between Baldwin County Commission and Novelis Corporation

STAFF RECOMMENDATION

Take the following actions:

1) Adopt Resolution #2022-174 which amends Resolution #2022-147 adopted by the Commission on August 2, 2022, granting a tax abatement to Novelis Corporation; and

2) Approve the First Amended Tax Abatement Agreement between the Baldwin County Commission (the “County”) and Novelis Corporation (the “Company”), to amend that certain Tax Abatement Agreement dated as of August 2, 2022, between the County and the Company. The effective date of the amendment is August 2, 2022; and

3) Forward to the Office of the Revenue Commissioner of Baldwin County and the Office of Probate Judge of Baldwin County, Resolution #2022-174 and associated attachments informing the Probate Judge and Revenue Commissioner of the aforementioned grant of such Amended Tax Abatement; and

4) Authorize the Chairman to execute any and all documents deemed necessary to effect such amended abatement.

BACKGROUND INFORMATION

Background: Reason for replacement Item: Resolution number corrected throughout item due to incorrect assignment of Resolution number

The County and Novelis previously entered into an Agreement, whereby the County approved Novelis' application for abatement of noneducational and non-hospital taxes and construction-related transaction taxes, with the exception of taxes levied for educational purposes or for capital improvements for education.

At this time, Novelis has amended its application for abatement to include the abatement of all taxes relating to mortgage and recording taxes.

GENERAL BACKGROUND:

Section 40-9B-1, et seq., Code of Alabama (1975), or what is commonly referred to as the "Tax Incentive Reform Act of 1992," authorizes certain entities to grant "Tax Abatements" in their respective effort to attract new industries, and encourage existing industries to expand their pursuits in their varied jurisdictions. Section 40-9B-5, Code of Alabama (1975), which is entitled "Granting of Abatement," provides:

"(d) Any abatement of county taxes granted by a municipality or municipal industrial authority shall not be valid until the expiration of (1) 10 days following the date of physical delivery to the county commission or (2) 13 days following the date of mailing by certified mail to the county commission of a copy of the resolution granting such abatement. Proof of delivery by affidavit of service, in the case of physical delivery, or by certified mail receipt, in the case of mailing by certified mail, shall be furnished to the Department of Revenue at the same time as the filing of the abatement agreement under Section 40-9B-6. If the procedures herein prescribed are followed, any such abatement shall be effective as of the date granted."

Previous Commission action/date:

August 2, 2022, BCC Regular Meeting - Commission took the following actions:

1) Adopted Resolution #2022-147, which grants a tax abatement to Novelis Corporation; and 2) Approved the Tax Abatement Agreement between the Baldwin County Commission and Novelis Corporation; and 3) Forwarded to the Office of the Revenue Commissioner of Baldwin County and the Office of Probate Judge of Baldwin County, Resolution #2022-147 and associated attachments informing the Probate Judge and Revenue Commissioner of the aforementioned grant of such Tax Abatement; and 4) Authorized the Chairman to execute any and all documents deemed necessary to effect such abatement.

FINANCIAL IMPACT

Total cost of recommendation: N/A

Budget line item(s) to be used: N/A

If this is not a budgeted expenditure, does the recommendation create a need for funding?
N/A

LEGAL IMPACT

Is legal review necessary for this staff recommendation and related documents?
Yes, legal review and approval necessary.

Reviewed/approved by: Amended Agreement and Resolution approved by Patrick Dungan, Adams & Reese 09/09/2022

Additional comments: N/A

ADVERTISING REQUIREMENTS

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Is advertising required for this recommendation? N/A

If the proof of publication affidavit is not attached, list the reason: N/A

FOLLOW UP IMPLEMENTATION

For time-sensitive follow up, select deadline date for follow up: N/A

Individual(s) responsible for follow up: N/A

Action required (list contact persons/addresses if documents are to be mailed or emailed):

1) Mail copy of Resolution #2022-174 and First Amended Tax Abatement Agreement with Exhibit A to:

Novelis Corporation
Attn: Cindy Jacovetty
3560 Lenox Road, Suite 2000
Atlanta, Georgia 30326

cindy.jacovetty@novelis.com

Cc: Britton Bonner, Adams & Reese
Patrick Dungan, Adams & Reese

2) Email and Courier copy of Amended Tax Abatement Application, Resolution #2022-174, and First Amended Tax Abatement Agreement with Exhibit A to:

The Honorable Teddy Faust, Revenue Commissioner
Baldwin County, Alabama
Post Office Box 1389
Bay Minette, Alabama 36507

The Honorable Harry D'Olive, Judge of Probate
Baldwin County, Alabama
Post Office Box 459
Bay Minette, Alabama 36507

Cc:

Lee Lawson
Ron Cink
Cian Harrison
Heather Gwynn

3) Upload to BCAP without Exhibit A

Additional instructions/notes: N/A