



**TO:** Linda Gorton  
Mayor

**FROM:** Kevin Atkins  
Chief Development Officer

**DATE:** April 27, 2020

**RE:** Approve agreement with Baptist Healthcare Systems, Inc. to incentivize construction of Hamburg Campus location

**Request:**

Authorization to allow an inducement to Baptist Healthcare Systems, Inc. as a local incentive, which includes a 20-year rebate of a portion of the Local Occupation Tax. Baptist Healthcare Systems will construct healthcare and medical office facilities related to its operation. The incentive would activate/begin on December 31, 2023 or upon issuance of the certificate of occupancy if that occurs earlier.

**Why are you requesting:**

Baptist Healthcare Systems, Inc. will construct office and related healthcare facilities and related improvements as part of their Hamburg Project. The Baptist Healthcare project is projected to be a total capital investment at full build out exceeding One Billion Dollars leading to the creation of at least 600 new jobs and an annual payroll of at least \$55,000,000 along with the economic impact of the construction jobs related to the project. This incentive agreement is being proposed because this is a legacy project due to the economic impact of new jobs and new payroll being created by Baptist Healthcare and because it should encourage additional future capital investment and employment growth in an area which has not developed at the same pace of other areas of Fayette County. The incentive agreement will rebate 1.25% of the payroll tax in years 1-5 of the agreement and 1.125% of wages in all other years. As part of the agreement Baptist Healthcare Systems, Inc. will convey three (3.0) acres of land for construction of a new LFUCG fire/EMS station on Polo Club Boulevard. The agreement also provides that Baptist Healthcare annually provide free flu shots to LFUCG employees during the activation period of the incentive.



**What is the cost in this budget year and future budget years?**

The cost of FY2020 is: Revenue to be rebated. Tax expenditure, not actual cost

The cost for future FY is: Revenue to be rebated. Tax expenditure, not actual cost

**Are the funds budgeted?**

N/A

**Director/Commissioner:**

Kevin Atkins

