

## RESOLUTION

**WHEREAS**, FOF QOZB One, LLC, an Alabama limited liability company (the “Company”), has announced plans to acquire, construct, improve, develop, equip, furnish, and operate a full-service tourist-destination hotel and conference center under the Reverb by Hard Rock™ brand at 400 South Court Street, Florence, Alabama 35630 (the “Project”), which is currently expected to consist of approximately 155 total hotel rooms across 8 floors plus restaurant space, meeting facilities, live entertainment areas, a courtyard, a rooftop patio, and a parking area;

**WHEREAS**, as a full-service destination hotel and conference center operating under the Reverb by Hard Rock™ brand, the Project is designed to attract visitors from inside and outside the State of Alabama to celebrate the musical heritage, history, and culture of the City of Florence, Alabama (the “City”), and the surrounding region by providing entertainment and amusement opportunities as well as hotel and conference space;

**WHEREAS**, the Company estimates that it will invest approximately \$76,634,643 in the new Project, that it will create approximately 573 jobs during construction, and that it will create approximately 237 annual full-time jobs at the Project once operations commence;

**WHEREAS**, the Company will file an application with the Alabama Tourism Advisory Board and/or Alabama Tourism Department regarding the Project seeking the maximum benefits allowed under the Sweet Home Alabama Tourism Investment Act, Alabama Code § 40-18-470 et seq., as amended (the “Act”);

**WHEREAS**, the City Council (the “Governing Authority”), the governing body of the City, acting for and on behalf of the City, acknowledges that the Governing Authority is in full support of the Project and supports the application by the Company to the Alabama Tourism Advisory Board and/or Alabama Tourism Department seeking the maximum benefits allowed under the Act;

**WHEREAS**, the Governing Authority acknowledges that the Company has represented that it anticipates making a sufficient capital investment in the Project so as to meet the requirements of a “certified tourism destination project” in accordance with the Act and the Act’s governing regulations, guidelines, and application promulgated by the Alabama Tourism Department and Alabama Department of Revenue (collectively, and together with the Act, the “Tourism Incentive Program”) and that the Project will provide a significant impact to and upon the economy of the City, the County of Lauderdale, the State of Alabama, and the surrounding region;

**WHEREAS**, Section 40-18-473(b)(5) of the Act requires the Governing Authority acknowledge that a portion no less than twenty percent (20%) of the tax rebates allowed by the Act will be comprised of municipal taxes, and, subject to the terms set forth herein, the Governing Authority hereby acknowledges the same;

**WHEREAS**, the Governing Authority acknowledges that a maximum of 20% of City sales and use and lodging taxes collected from the Project and the facility will be diverted to the Tourism Project Sales Tax Incentive Fund for a period of up to ten (10) years; and

**WHEREAS**, in light of the foregoing, the Governing Authority, acting for and on behalf of the City, commits to the Project, for purposes of the Tourism Incentive Program, 20% of the noneducational portion of City sales and use and lodging taxes generated by, or arising within, the Project.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Authority, acting for and on behalf of the City, as follows:

1. That the findings, conclusions, and statements of fact contained in the preamble of this resolution are hereby approved, adopted, confirmed, ratified, and incorporated herein by reference.
2. That the City hereby acknowledges its support and approval of the Project and the facility for purposes of the Tourism Incentive Program.
3. That the City hereby acknowledges its support and approval of the Company’s application to the Alabama Tourism Advisory Board and/or Alabama Tourism Department seeking the benefits allowed pursuant to the Act.

**WHEREAS**, FOF QOZB One, LLC, an Alabama limited liability company (the “Company”), has announced plans to acquire, construct, improve, develop, equip, furnish, and operate a full-service tourist-destination hotel and conference center under the Reverb by Hard Rock™ brand at 400 South Court Street, Florence, Alabama 35630 (the “Project”), which is currently expected to consist of approximately 155 total hotel rooms across 8 floors plus restaurant space, meeting facilities, live entertainment areas, a courtyard, a rooftop patio, and a parking area;

**WHEREAS**, as a full-service destination hotel and conference center operating under the Reverb by Hard Rock™ brand, the Project is designed to attract visitors from inside and outside the State of Alabama to celebrate the musical heritage, history, and culture of the City of Florence, Alabama (the “City”), and the surrounding region by providing entertainment and amusement opportunities as well as hotel and conference space;

**WHEREAS**, the Company estimates that it will invest approximately \$76,634,643 in the new Project, that it will create approximately 573 jobs during construction, and that it will create approximately 237 annual full-time jobs at the Project once operations commence;

**WHEREAS**, the Company will file an application with the Alabama Tourism Advisory Board and/or Alabama Tourism Department regarding the Project seeking the maximum benefits allowed under the Sweet Home Alabama Tourism Investment Act, Alabama Code § 40-18-470 et seq., as amended (the “Act”);

**WHEREAS**, the City Council (the “Governing Authority”), the governing body of the City, acting for and on behalf of the City, acknowledges that the Governing Authority is in full support of the Project and supports the application by the Company to the Alabama Tourism Advisory Board and/or Alabama Tourism Department seeking the maximum benefits allowed under the Act;

**WHEREAS**, the Governing Authority acknowledges that the Company has represented that it anticipates making a sufficient capital investment in the Project so as to meet the requirements of a “certified tourism destination project” in accordance with the Act and the Act’s governing regulations, guidelines, and application promulgated by the Alabama Tourism Department and Alabama Department of Revenue (collectively, and together with the Act, the “Tourism Incentive Program”) and that the Project will provide a significant impact to and upon the economy of the City, the County of Lauderdale, the State of Alabama, and the surrounding region;

**WHEREAS**, Section 40-18-473(b)(5) of the Act requires the Governing Authority acknowledge that a portion no less than twenty percent (20%) of the tax rebates allowed by the Act will be comprised of municipal taxes, and, subject to the terms set forth herein, the Governing Authority hereby acknowledges the same;

**WHEREAS**, the Governing Authority acknowledges that a maximum of 20% of City sales and use and lodging taxes collected from the Project and the facility will be diverted to the Tourism Project Sales Tax Incentive Fund for a period of up to ten (10) years; and

**WHEREAS**, in light of the foregoing, the Governing Authority, acting for and on behalf of the City, commits to the Project, for purposes of the Tourism Incentive Program, 20% of the noneducational portion of City sales and use and lodging taxes generated by, or arising within, the Project.

**NOW, THEREFORE, BE IT RESOLVED** by the Governing Authority, acting for and on behalf of the City, as follows:

1. That the findings, conclusions, and statements of fact contained in the preamble of this resolution are hereby approved, adopted, confirmed, ratified, and incorporated herein by reference.
2. That the City hereby acknowledges its support and approval of the Project and the facility for purposes of the Tourism Incentive Program.
3. That the City hereby acknowledges its support and approval of the Company’s application to the Alabama Tourism Advisory Board and/or Alabama Tourism Department seeking the benefits allowed pursuant to the Act.



4. That the City hereby acknowledges that, for purposes of the Tourism Incentive Program, a maximum of 20% of the City sales and use lodging taxes collected from the Project will be diverted to the Tourism Project Sales Tax Incentive Fund for a period of up to ten (10) years.

5. That the City hereby commits to the Project, for purposes of the Act and the tax rebates authorized thereby, twenty percent (20%) of the noneducational portion of the City sales and use and lodging taxes generated by, or arising within, the Project.

6. That the City hereby adopts, consents to, and approves of the terms attached hereto as **Exhibit A** outlining the mechanism by which the City intends to disburse the tax rebates authorized by the Tourism Incentive Program to the Company with respect to taxes not administered by the Alabama Department of Revenue.

7. That the City hereby commits to its obligations under this Resolution and the Tourism Incentive Program, including but not limited to submitting the recurring certifications required by the Tourism Incentive Program.

8. That the Mayor and City Clerk are hereby authorized and directed to take any and all actions on behalf of the City as may be necessary or desirable to effect the transactions authorized by this Resolution or as may be requested by the Alabama Tourism Department or the Alabama Department of Revenue, including the execution of all agreements, notices, certificates, or other documents, and their signatures thereon shall be conclusive evidence of the due exercise of their authority.

9. That the various provisions of this Resolution are hereby declared to be severable. In the event any provision hereof shall be held invalid by a court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other portion of this Resolution.

10. The City Council does hereby acknowledge and reaffirm that certain, Project Development Agreement, executed September 24, 2024 (the "Project Development Agreement"), whereunder the City committed certain incentives in furtherance of the Project to include tax rebates of a percentage of certain non-educational transactional taxes pursuant to Amendment 772 of the Constitution of Alabama of 1901. It is the Governing Body's intention that the instant resolution constitutes a separate and distinct commitment, so that none of the benefits or incentives herein shall be deemed to displace or satisfy the City's obligations set forth in the Project Development Agreement.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

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CITY COUNCIL

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
MAYOR

ADOPTED & APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
CITY CLERK-TREASURER

### Exhibit A

For purposes of Alabama Admin. Code r. 810-17-1-.02(03) regarding non-state administered local transactional taxes, the following shall apply:

- For so long as City transactional taxes are administered directly by the City or on the City's behalf by a third party administrator (the City or such third-party administrator are hereinafter referred to as an "Administrator") such as Avenu Insights & Analytics or another third party, the City will cause the Administrator to hold 20% of the City transactional taxes generated by or arising within the Project in an escrow account until the City instructs the Administrator to disburse the rebate to the Company no later than July 31 and December 31 of every year the rebate is valid.