The Gadsden Times

Hearing planned on River Trace development incentives

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A hearing likely will be next month seeking court validation of the $10 million incentive package the Gadsden City Council approved last year for the development of a portion of the River Trace Golf Course in East Gadsden.

The case will be heard by Etowah County Circuit Judge Billy Ogletree, who will be asked to validate the agreement, or "warrant," with Blackwater Resources of Birmingham. The city council approved the agreement Nov. 29.

Under the agreement, the city would rebate the company 50 percent of sales tax revenue from the development up to $10 million during a 15-year period.

The company plans up to a 180,000-square-foot development with an investment of $30 million and estimated sales of $30 million annually. It will develop about 28 acres of the roughly 100-acre parcel.

The sales tax rebate will begin after 75 percent of the development is leased.

When the agreement was approved, John Abernathy of Blackwater said construction would begin in June and stores and restaurant would begin opening in October 2013.

According to the suit, Ogletree is to set a hearing no less than 20 or more than 40 days after the petition was filed. The petition was filed Wednesday.

At the hearing, District Attorney Jimmie Harp and residents will have an opportunity to present evidence why the agreement should or shouldn't be validated by the court.

Attorneys representing the city will present evidence as to why the agreement should be validated.

The city also had sought validation of the incentives given Academy Sports and Jos. A. Bank.