

ORDINANCE NO. 2284

AN ORDINANCE OF THE CITY OF ERLANGER, KENTON COUNTY, KENTUCKY PROVIDING FOR A CREDIT OF ITS OCCUPATIONAL LICENSE FEE FOR NEW EMPLOYEES AS PART OF AN ECONOMIC DEVELOPMENT PROJECT UNITED DAIRY FARMERS, INC. UNDER THE KENTUCKY JOBS DEVELOPMENT ACT (KRS 154.24.010-.160, KRS 141.120, KRS 141.350 and KRS 141.407).

WHEREAS, United Dairy Farmers, Inc. ("UDF") plans to expand its existing 126,000 square foot distribution facility on Crescent Springs Road in the City of Erlanger, Kenton County, Kentucky, by adding an additional 104,400 square feet as part of a separate facility. UDF plans to create **40 new full-time jobs with average gross wages of \$30,888** during the term of the program. This project will have an approximate **total investment of \$1,892,550**.

WHEREAS, United Dairy Farmers is soliciting the City of Erlanger for support of its application under the Kentucky Jobs Development Act (KJDA) under KRS 154.24.010-.160, KRS 141.120, KRS 141.350 and KRS 141.407. The location of UDF has received preliminary approval from the Kentucky Jobs Development Authority as an approved Economic Development Project on February 22, 2007.

WHEREAS, KRS 154.24-110 (2) permits that the "approved company may require each employee, subject to state tax imposed by KRS 141.020, as a condition of employment, to agree to pay a service and technology job creation assessment fee up to five percent (5%) of the gross wages exclusive of any non cash benefits provided to an employee for each employee whose job has been deemed by the authority to be created as a result of the economic development project."

WHEREAS, City of Erlanger Mayor Thomas L. Rouse indicated in writing on or about January 24, 2007 his willingness to support a **0.4% credit** of the City of Erlanger Occupational License Fees on new jobs created by United Dairy Farmers, Inc. as part of this Economic Development Project for a ten-year period; such credit applying only to the new Kentucky-resident jobs created by the project. This local credit of **0.4%** will cause a **1.6% Kentucky personal income tax credit** on such new jobs under KJDA and thus a total **2.0% credit**.

WHEREAS, KRS 154.24.110 also entitles each employee paying the wage assessment fee to an equal credit against his/her Kentucky income tax and an equal credit against his/her local occupational license fee both for ten years. United Dairy Farmers, Inc., under KRS 154.24.110, will impose a 2.0% wage assessment as a condition of employment and shall be authorized to deduct the 2.0% assessment from each payment of wages to qualified employees, with such assessment only to be utilized as permitted by KRS 154.24.130.

NOW, THEREFORE BE IT ORDAINED BY THE CITY OF ERLANGER, COUNTY OF KENTON, COMMONWEALTH OF KENTUCKY:

Section One

The City of Erlanger authorizes a credit of its occupational license tax pursuant to the Kentucky Jobs Development Act (KRS 154.24.010-.160, KRS 141.120, KRS 141.350 and KRS 141.407) for and throughout a ten-year period (beginning and ending as stipulated in the Service and Technology Agreement executed between the Kentucky Jobs Development Authority and the approved company) equal to four-tenths of one percent (0.4%) on the wages of the new United Dairy Farmers, Inc. Kentucky-resident employees created as part of this Economic Development Project.

Section Two

That if any section or part of any section or any provision of this Ordinance shall be declared invalid by a Court of appropriate jurisdiction, for any reason, such declaration shall not invalidate, or adversely affect, the remainder of this Ordinance. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed to the extent of said conflict.

Section Three

This ordinance shall be in effect and in full force from and after its passage, publication and recording, according to law.

Adopted this _____ day of _____, 2007.

First Reading - _____ Yes _____ No _____

Second Reading - _____ Yes _____ No _____

CITY OF ERLANGER

THOMAS L. ROUSE
Mayor

ATTEST:

CITY CLERK

CERTIFICATION

The undersigned, Linda Carter, City Clerk of the City of Erlanger, in Kenton County, Kentucky, hereby certifies as follows:

1. The foregoing Ordinance No. ____ was introduced in writing and read to the City Council for the City of Erlanger at regular or special meetings thereof on the __ of _____, 2007 and the ____ of _____, 2007, at which quorums were present; and said ordinance was enacted by the City Council of the City of Erlanger upon the affirmative vote of at least a majority of a quorum thereof, at the meeting thereof on the __ of _____, 2007, with the vote of each member of the City Council entered upon the official record of such meeting; and
2. After the passage and adoption of the foregoing Ordinance by the City Council of the City of Erlanger, it was submitted to the Mayor of the City of Erlanger who approved said Ordinance by affixing his signature thereto within ten (10) days after the submission thereof to him; and
3. The foregoing Ordinance was published on the __ day of _____, 2007 in THE KENTUCKY POST, a newspaper qualified therefor, pursuant to the provisions K.R.S. Chapter 424.

Linda Carter, City Clerk