

ORDINANCE NO. 2288

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 TOYOTA BOSHOKU AMERICA, INC. UNDER THE KENTUCKY JOBS DEVELOPMENT ACT (KRS 154.24.010-.160, KRS 141.120, KRS 141.350 and KRS 141.407).

WHEREAS, Toyota Boshoku America, Inc. ("TBA") plans to lease 23,000 s.f. for their Home Office (Corporate) headquarters at the Dolwick Business Center, 1360 Dolwick Drive, located in the City of Erlanger, Kenton County, Kentucky. TBA plans to create 100 new full-time jobs within two years of activation of this program with average gross wages of \$52,000.

WHEREAS, TBA 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 TBA has received preliminary approval from the Kentucky Jobs Development Authority as an approved Economic Development Project on March 29, 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 March 13, 2007 his willingness to support a 1.0% credit of the City of Erlanger Occupational License Fees on new jobs created by TBA 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 1.0% will cause a 4.0% Kentucky personal income tax credit on such new jobs under KJDA and thus a total 5.0% 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. TBA, under KRS 154.24.110, will impose a 5.0% wage assessment as a condition of employment and shall be authorized to deduct the 5.0% 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 one percent (1.0%) on the wages of the new Toyota Boshoku America, 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