

**CITY OF JEFFERSONTOWN
JEFFERSON COUNTY, KENTUCKY**

ORDINANCE NO. 1374, SERIES 2017

**AN ORDINANCE AMENDING ORDINANCE 1302, SERIES 2014
REGARDING ECONOMIC DEVELOPMENT INCENTIVES**

WHEREAS, the City of Jeffersontown, Kentucky adopted Ordinance 1302, Series 2014 to create an incentive programs for the recruitment and retention of certain types of employment, and

WHEREAS, certain amendments are needed to clarify the administration of the program.

**NOW, THEREFORE, IT IS HEREBY ORDAINED BY THE CITY COUNCIL OF
JEFFERSONTOWN, KENTUCKY, AS FOLLOWS:**

Ordinance 1302, Series 2014 is hereby amended by the language set forth in bold print and underlined:

Section I. Definitions. For purposes of this Ordinance, the following definitions shall apply unless the context clearly indicates or requires another meaning.

- (1) The definitions set forth in Section 110 of the Jeffersontown Code of Ordinances are restated and incorporated herein by reference as if set forth in full.
- (2) The definitions set forth in KRS 154.32.010 are incorporated herein by reference as if set forth in full. To the extent a definition set forth therein conflicts with a definition set forth in Section 110 of the Jeffersontown Code of Ordinances, the definition set forth in Section 110 shall control.
- (3) “Applicant” shall mean a business seeking an occupational fee withholdings rebate pursuant to this Ordinance.
- (4) “Approved Applicant” shall mean an Applicant approved by the City.
- (5) “Authority” shall mean the Jeffersontown Economic Development Authority.
- (6) “Director” shall mean the Executive Director of the Authority.

(7) "Employee withholdings" shall mean the occupational license fee withholdings from an employee's wages, salaries, bonuses or commissions which are withheld pursuant to Section 110 of the Jeffersontown Code of Ordinances.

(8) "Panel" shall mean the City Incentive Review Panel created by this Ordinance for the restricted purpose of reviewing applications to receive an occupational withholding rebate pursuant to this Ordinance and making recommendations to the Mayor for approval or denial of the rebate application.

Section II. Creation of City Incentive Review Panel. There is hereby created the City Review Panel which shall be comprised of the Director, the City Clerk, and the City Attorney. The Panel shall meet not less than quarterly at times and places called by either the Director or the Mayor, at which time the Panel shall review applications for rebates pursuant to this Ordinance, and make recommendations to the Mayor as to whether the application should be approved or denied. Any such recommendation shall not be binding upon the Mayor, who shall approve or deny applications. If the value of the proposed incentive over five years is less than \$20,000, the City may enter into an incentive agreement with the Applicant without further action being required. If the value of the incentive over five years is equal to or greater than \$20,000, then the agreement may be entered into following adoption by the City Council of a Resolution approving the proposed incentive. The Panel shall report to the City Council or its designee at least quarterly as to incentives authorized or denied pursuant to this Ordinance.

Section III. Creation of Economic Development Incentives Program. There is hereby created an economic development incentives program whereby an Approved Applicant may receive a rebate of fifty per cent (50%) of employee withholdings annually for a period not to exceed five years.

Section IV. Conditions for Approval. To be eligible to receive the rebate referred to in Section III, the Employer must meet the following qualifications:

(1) The Applicant is not directly or indirectly eligible to receive benefits under any other economic development program sponsored by a government agency in which the City is a participant, such as the Kentucky Business Investment Program; **and**

(2) The Applicant has an aggregate **new** annual payroll of greater than ~~\$127,500~~, 135,000 the average individual annual wage of employees exceeds ~~\$42,500.00~~ 45,000.00 per employee, and seeks to employ not less than three (3) individual employees for whom the Applicant will be subject to withhold Jeffersontown Occupational License Fees; **and**

(3) The Applicant is otherwise current with all tax and fee obligations to the City of Jeffersontown; **and**

(4) The Applicant has agreed that the City may audit the Applicant's books and records to ensure compliance with the terms and conditions of this Ordinance and any incentive agreement.

All of the foregoing conditions must be met by the Applicant and failure to meet any one of them shall be a basis to disqualify the Applicant from receiving the incentive rebate.

Section V. Making Application.

(1) Applicants shall apply to participate in the Program on a form which may be obtained from the Director, and shall submit such form with accompanying documents to the Director as instructed by the Director. In no case may the Application be submitted after the employment of any person for whom the Applicant is seeking to receive a rebate of amounts withheld.

(2) Incentives may be paid by the approved Applicant submitting its W-2 forms to the Jeffersontown Revenue Department for a given calendar year and making a written request for payment. The request for payment must be submitted not later than June 30 of the year succeeding the year for which the incentive is claimed. (Example: A request for payment for 2017 must be submitted prior to June 30, 2018). No request for payment may be made, and no incentive shall be paid, later than seven (7) years from the date of approval of the application.

Section VI. Events of Default. The following shall constitute events of default which may be declared by the City:

(1) Failure of an Approved Applicant to report or to pay employee withholdings as required by Ordinances, whether from new jobs or existing jobs;

(2) Failure of an Approved Applicant to satisfy the projected schedule of employee withholdings submitted with its application or as set forth in the program agreement;

(3) Failure of an Approved Applicant to pay any tax, license fee, lien, penalty or other charge or obligation to the City pursuant to the Code of Ordinances;

(4) Failure of the Approved Applicant to comply with any term, condition or obligation of the incentive program agreement; **or**

(5) Making any material misrepresentation of any statement or fact in connection with the application, regardless of whether such misstatement was relied upon by the Director, the Panel, the Mayor or the City.

Section VII. Remedies.

(1) In the event of default, the City may suspend the approval until such time as the default is cured or the City may terminate and/or withdraw approval. If the approval is terminated, the City shall be entitled to recover the amount of employee withholdings rebated to the Approved Applicant up to the date of termination of the approval. The failure of the City to declare a default shall not constitute a waiver thereof.

(2) In the event the City shall institute legal proceedings to enforce any provision of this Ordinance or any term of any agreement entered into pursuant to this Ordinance, the City shall have all legal and equitable rights afforded to it by law, and shall recover its reasonable expenses incurred in connection therewith.

Section VIII. Effective Dates. Although applications may be accepted and considered upon passage of this Ordinance, incentives may not be activated for the period preceding July 1, 2014

INTRODUCED AND READ AT A MEETING OF THE CITY COUNCIL OF THE CITY OF JEFFERSONTOWN, KENTUCKY AT A MEETING HELD ON THE 19th DAY OF DECEMBER, 2017.

READ, PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF JEFFERSONTOWN, KENTUCKY AT A MEETING HELD ON THE 2nd DAY OF JANUARY, 2018

VETOED:

APPROVED:

BILL DIERUF, MAYOR



BILL DIERUF, MAYOR

DATE: _____

DATE: 1/4/18

ATTEST:



BILL FOX, CITY CLERK