

COMMISSIONERS ORDINANCE NO. O-2024-01

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AMENDING SECTION 37.094 OF THE CODE OF ORDINANCES CONCERNING OCCUPATIONAL LICENSES TO AMEND SUBSECTION (A) TO PROVIDE FOR A CREDIT OF THE OCCUPATIONAL LICENSE FEE FOR NEW EMPLOYEES AS PART OF AN ECONOMIC DEVELOPMENT PROJECT BY P.L. MARKETING, INC. UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM PURSUANT TO KRS 154.32-010 THROUGH 154.32-100.

WHEREAS, P.L. Marketing, Inc. leases office space in Newport, Kentucky and employs or intends to employ 180 or more persons at this facility over the next ten years at qualifying annual salaries; and,

WHEREAS, P.L. Marketing, Inc. has previously been approved by the City for participation in the KBI pursuant to Ordinance No. O-2013-012, due to expire in 2025, and now desires to enter into a new agreement with KEDFA in replacement or incorporation thereof; and,

WHEREAS, the City's JDIP Committee met on December 21, 2023 and unanimously recommended approval of P.L. Marketing's continuing participation in the program; and,

WHEREAS, P.L. Marketing is again soliciting the City of Newport for support of its application under the Kentucky Business Investment Program (KBI) pursuant to KRS 154.32-010-KRS 154.32-100 and the location of P.L. Marketing received preliminary approval from the Kentucky Economic Development Finance Authority (KEDFA) as an approved Economic Development Project on _____; and,

WHEREAS, KRS 154.32-010 (3) (b) permits that the "approved company or, with the authority's consent, an affiliate of an approved company may require that each employee subject to tax imposed by KRS 141.020, whose job is determined by the authority to be created as a result of the economic development project, as a condition of employment, agree to pay an assessment of up to four percent (4%) of taxable wages"; and,

WHEREAS, the City has indicated its willingness to support a 1.0% credit of the City of Newport Occupational License Fees on new Kentucky resident jobs created by P.L. Marketing as part of this Economic Development Project for a ten-year period after project completion and that this local credit of 1.0% will cause a 3.0% Kentucky personal income tax credit on such new jobs under KBI and thus a total 4.0% credit; and,

WHEREAS, KRS 154.32-010 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 and P.L. Marketing, under KRS 154.32-010, will impose a 4.0% wage assessment as a condition of employment and shall be authorized to deduct the 4.0% assessment from each payment of wages to qualified employees, with such assessment only to be utilized as permitted by KRS 154.32-010-KRS 154.32-100.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY, AS FOLLOWS:

SECTION I

That Section 37.094 (A) of the Code of Ordinances shall be and is hereby amended to read, as follows:

OCCUPATIONAL LICENSE

§ 37.094 CREDIT OF OCCUPATIONAL LICENSE FEE PAYMENT REQUIREMENT

(A) The City hereby authorizes a credit of its Occupational License Fee payment requirement, pursuant to the Kentucky Business Investment Program (KBI), as set forth in KRS 154.32-010 through 154.32-100, for and throughout a ten-year period, beginning and ending as stipulated in the Wage Assessment Agreement executed between the Kentucky Economic Development Finance Authority (KEDFA) and the approved company, equal to 1.0% on the wages of the P.L. Marketing Systems, Inc., of its new Kentucky resident employees created as a part of the Economic Development Project, all as of the effective date of activation of the KBI. Additionally, ~~as a result hereof, the provisions of paragraph 10 of the Memorandum of Understanding between the City of Newport and P.L. Marketing, Inc., dated September 27, 2012, as authorized by Commissioners Order R-2012-058 on September 10, 2012, shall take effect and control.~~

In replacement or incorporation thereof, upon the effective date of activation with KEDFA of this KBI, the City shall undertake to repeal Ordinance No. O-2013-012.

SECTION II

That this Ordinance shall be signed by the Mayor, attested to by the City Clerk, recorded, published, and become effective upon publication.

PASSED 1st READING: January 22, 2024

PASSED 2nd READING: February 26, 2024

Thomas L. Guidugli Jr., Mayor

ATTEST:

Tiffany Myers, City Clerk