



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Details (With Text)

File #: 1083-17 **Version:** 1 **Name:** IMS KBI Inducement
Type: Resolution **Status:** Approved
File created: 10/2/2017 **In control:** Urban County Council
On agenda: 10/26/2017 **Final action:** 10/26/2017
Enactment date: 10/26/2017 **Enactment #:** R-652-2017

Title: A Resolution approving the granting of an inducement to Innovative Mattress Solutions, LLC, pursuant to the Ky. Business Investment Act (KRS Subchapter 154.32), whereby the Lexington-Fayette Urban County Government agrees to rebate one percent (1%) of the Occupational License Fee related to the project for a term of not longer than ten (10) years from the activation date, subject to proper documentation being provided the limitations contained in the Act, and any agreement Innovative Mattress Solutions, LLC, has with the Ky. Economic Development Finance Authority or the Urban County Government related to the project, and taking other related action. [Mayor's Office, Atkins]

Sponsors:

Indexes:

Code sections:

Attachments: 1. Memo Innovative Mattress Solutions KBI.pdf, 2. 00589300.pdf, 3. RESOLUTION - 652-2017.pdf

Date	Ver.	Action By	Action	Result
10/26/2017	1	Urban County Council	Approved	Pass
10/12/2017	1	Urban County Council	Received First Reading	
10/10/2017	1	Urban County Council Work Session	Approved and Referred to Docket	Pass

A Resolution approving the granting of an inducement to Innovative Mattress Solutions, LLC, pursuant to the Ky. Business Investment Act (KRS Subchapter 154.32), whereby the Lexington-Fayette Urban County Government agrees to rebate one percent (1%) of the Occupational License Fee related to the project for a term of not longer than ten (10) years from the activation date, subject to proper documentation being provided the limitations contained in the Act, and any agreement Innovative Mattress Solutions, LLC, has with the Ky. Economic Development Finance Authority or the Urban County Government related to the project, and taking other related action. [Mayor's Office, Atkins]

Authorization to allow an inducement to Innovative Mattress Solutions as local participate in the Kentucky Business Investment Program, which includes a 10-year local 1% wage assessment through KBI. Revenue to be rebated. Tax expenditure, not actual cost. (L0183-17) (Atkins)

Budgetary Implications : NO

Advance Document Review:

Law: {No documents to review}}

Risk Management: {No}

Fully Budgeted : N/A

Account Number: N/A

This Fiscal Year Impact: \$0

Annual Impact: \$0

Project:

Activity:

Budget Reference:

Current Balance:

WHEREAS, the General Assembly has created the Kentucky Business Investment Program pursuant to KRS Subchapter 154.32 (the “Act”) to induce certain economic development qualifying projects that would create jobs in Kentucky; and

WHEREAS, the Kentucky Economic Development Finance Authority has preliminarily approved the participation of Innovative Mattress Solutions, LLC, in the Kentucky Business Investment Program (the “Program”); and

WHEREAS, the Lexington-Fayette Urban County Government is willing to Grant an inducement to Innovative Mattress Solutions, LLC, pursuant to the Act, whereby the government would rebate one percent (1%) of the occupational license fee no later than one year after it is collected that would otherwise be due to it related to the employees who meet the requirements of the Program; and

WHEREAS, Innovative Mattress Solutions, LLC, May retain the Lexington-Fayette Urban County Government’s inducement for a term of not longer than ten (10) years from the activation date established by the Program, subject to the limitations contained in the Act and any Agreement it has related to the Program.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That the Granting of an inducement to Innovative Mattress Solutions, LLC, be and hereby is approved pursuant to the Kentucky Business Investment Program of the Kentucky Jobs Development Act (KRS Subchapter 154.32).

Section 2 - That pursuant to the Kentucky Business Investment Program and KRS 154.32-090, the Lexington-Fayette Urban County Government hereby agrees to rebate, and authorizes Innovative Mattress Solutions, LLC, to request the one percent (1%) of the occupational license fee due from the wages of those employees whose jobs meet the criteria related to the qualifying project under the program (as determined by the Kentucky Economic Development Finance Authority) no later than one year after it is collected, for a term of not longer than ten (10) years from the activation date established by the program, subject to the limitations contained in KRS Chapter 154.32 and any Agreement Innovative Mattress Solutions, LLC has with the Authority or the Lexington-Fayette Urban County Government related to the project.

Section 3 - That Innovative Mattress Solutions, LLC, pursuant to its Agreement with the Kentucky Economic Development Finance Authority and/or the Lexington-Fayette Urban County Government, shall simultaneously be entitled to a credit against the local occupational tax equal to the one percent (1%) of its taxable wages.

Section 4 - That the Mayor, the Clerk of the Urban County Council, and any other appropriate officers and employees of the Lexington-Fayette Urban County Government are hereby authorized to execute, acknowledge and deliver any Agreements, documents and such other instruments and papers and to take such other actions as May be necessary or desirable, on behalf of the Lexington-Fayette Urban County Government, to effect the transactions authorized above.

Section 5 - That the preamble to this Resolution is incorporated herein as if set out in full.

Section 6 - The Company shall provide the Lexington-Fayette Urban County Government with copies of records it provides to the Finance Authority in order to verify activation and eligibility for the

rebate prior to the rebated funds being issued. If no record is required by the Authority, the Company shall provide documentation acceptable to the Lexington-Fayette Urban County Government to verify eligibility for the rebate.

Section 7 - The Company must request its rebate within one year of payment or the Company will no longer be entitled to a rebate for those license fees.

Section 8 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL