

ORDINANCE 11-2018

AN ORDINANCE AUTHORIZING AND DIRECTING THE REBATE OF ONE PERCENT (1.0%) OF ALL OCCUPATIONAL LICENSE FEES DUE AND PAYABLE TO THE CITY OF OWENSBORO, KENTUCKY, BY ORDINANCE, FROM THE SALARIES, WAGES AND OTHER COMPENSATION TO BE PAID TO NEW EMPLOYEES HIRED BY UNIFIRST CORPORATION PROVIDED SAID COMPANY MEETS THE CRITERIA SET FORTH IN ITS APPLICATION FOR INCENTIVES UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM.

WHEREAS, under Article II, Section 16-21 of the Owensboro Municipal Code, the City of Owensboro, Kentucky, is authorized to levy and impose an annual license fee upon all persons, associations, corporations, or other entities engaged in any occupation, trade, profession or other activity in the City for the privilege of engaging in such occupation, trade, profession or activity; and

WHEREAS, UniFirst Corporation, has made application for certain benefits and incentives available to it under the Kentucky Business Investment Program (KBI) of the Kentucky Economic Development Finance Authority (KEDFA) as a result of its commitment to expand and create jobs and investments in Owensboro, Kentucky, as set forth in KRS 154.24-010, et seq.; and

WHEREAS, UniFirst Corporation is one of the largest workwear and textile service companies in the world; renting, leasing, and selling uniforms, protective apparel, career wear, and facility service products to businesses in all industries. UniFirst has a state-of-the-art centralized distribution center in Owensboro, Kentucky; and

WHEREAS, UniFirst Corporation has agreed to invest Four Million Dollars (\$4,000,000) for an approximate forty thousand (40,000) square foot expansion to their existing three-hundred twenty thousand (320,000) square foot service technology facility,

and Eight Million Dollars (\$8,000,000) to equip the facility with updated equipment to increase production capability at their facility at 2801 UniFirst Drive; and

WHEREAS, UniFirst Corporation, will create a minimum of twenty-five (25) new jobs, and will also play an important role in preserving the existing three hundred forty-five (345) jobs, thus securing a long-term presence for the company in the City of Owensboro; and

WHEREAS, as an incentive and an inducement for UniFirst Corporation, to improve and grow its facility in Owensboro, the City hereby agrees to rebate to the Company one percent (1.0%) of the total occupational license fee revenues otherwise derived by the City from salaries, wages and other compensation paid to the qualifying new employees hired by UniFirst Corporation; and

WHEREAS, the growth and development of UniFirst Corporation, through the hiring of new employees, increases the net profits and occupational license fee revenues and enhances overall economic prosperity in the community.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF OWENSBORO, KENTUCKY, AS FOLLOWS:

Section 1. That the City of Owensboro, Kentucky, hereby approves the application of UniFirst Corporation, for economic benefits and incentives available to it under the Kentucky Business Investment Program of the Kentucky Economic Development Finance Authority (KEDFA), including the application by said Company for one percent (1.0%) of the wages, salaries or other compensation paid by the Company to qualified new employees.

Section 2. That the City of Owensboro does hereby agree to rebate to UniFirst Corporation, one percent (1.0%) of the occupational license fees imposed and levied on all wages, salaries and other compensation paid by said Company to qualified new employees, for a period of ten (10) years or until the maximum amount allowed under the Kentucky Business Investment Program has been reached, whichever first occurs. The annual maximum amount to be reimbursed by the City is Twelve Thousand Five Hundred Dollars (\$12,500). Additionally, to be approved for the rebate, Unifirst shall provide to the City a copy of all submissions made to the State related to their KBI Program Incentive and all other documentation requested by the City to support their application.

Section 3. It is further ordained that the one percent (1.0%) rebate of occupational license fees authorized and directed herein shall not apply to other income or net profits of UniFirst Corporation, and only applies to occupational license fees on wages, salaries or other compensation paid by said Company to its new employees hired in conjunction with the establishment and expansion of its business operations in the City of Owensboro, Kentucky.

INTRODUCED AND PUBLICLY READ ON FIRST READING, this the 12th day of June, 2018.

PUBLICLY READ AND FINALLY APPROVED ON SECOND READING, this the 19th day of June, 2018.

Thomas H. Watson, Mayor

ATTEST:

Beth Cecil, City Clerk