

ORDINANCE NO. 5 - 2018 SERIES

AN ORDINANCE AMENDING ORDINANCE NO. 14-2006 SERIES AND ORDINANCE NO. 4-1996 SERIES, RELATING TO THE ESTABLISHMENT OF A JOINT CITY/COUNTY ECONOMIC/INDUSTRIAL DEVELOPMENT AUTHORITY

WHEREAS, the County of Franklin and the City of Frankfort desire to establish a joint economic/industrial development authority and further mutual cooperation and revenue sharing between the County and City; and

WHEREAS, certain issues have arisen between the County and City relating to annexation of County property; and

WHEREAS, the joint authority was established previously to further the goal of economic development between the County and City and the authority was and shall be known as the "Capital Community Economic/Industrial Development Authority; and

WHEREAS, the purpose of the Authority shall be to develop and carry out an economic development program to: (1) address the need to upgrade gainful employment opportunities, and (2) furnish advice and assistance to existing and new businesses wishing to alter, expand or locate new business within the City and County.

NOW, THEREFORE, BE IT ORDAINED BY THE FISCAL COURT OF THE COUNTY OF FRANKLIN, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

SECTION I. The Authority shall be named "Capital Community Economic/Industrial Development Authority", hereinafter referred to by the Ordinance as "Authority", with Authority having the same meaning as set forth in KRS 154.50-310.

SECTION II. The Authority shall consist of six (6) members, with the Mayor to appoint three (3) members and three (3) to be appointed by the County Judge/Executive.

SECTION III. The initial term of the Authority members shall be staggered so that one (1) County and one (1) City member are appointed for two (2) years, one (1) County and one (1) City member are appointed for three (3) years, and one (1) County and one (1) City member are appointed for a four (4) year term. The County and City member appointed for the initial four (4) year term ~~and thereafter, as long as this Ordinance remains in effect~~, shall be appointed from a list of six nominations made by the private contributors. Upon the expiration of these staggered terms, the members shall serve for a term of four (4) years, or until his or her successor is appointed and qualified. The Mayor and County Judge/Executive shall be ex-officio, non-voting members of the Authority for coordination between governments.

- (a) An Authority member may be replaced by the appointing executive upon a showing of such appointed executive of misconduct of the Authority member or upon conviction of a felony.
- (b) The County Judge/Executive and Mayor shall appoint the members and designate the initial term to be served by each on the Authority, subject to the foregoing provisions.
- (c) The members of the Authority shall elect such officers, hold such meetings and establish such rules and regulations as they deem necessary and proper to carry out the Authority's functions under KRS 154.50-301 through KRS 154.50-346. The Authority shall adopt by-laws covering such matters as election of officers; hiring of staff; establish the place and time of regular meetings, and for procedures including notice to the members to be followed for special meetings including compliance with Kentucky Revised Statutes 61.805 through 61.850; and adopting standards of conduct by the Authority members and staff; and setting the operating procedures for handling business inquiries. The by-laws may be adopted or amended at any regular meeting or special meeting by the appropriate vote of two-thirds of the voting members of the Authority. Otherwise, two-thirds of the membership of the Authority at a regular or duly noticed special meeting shall be a Quorum for the purpose of conducting business.
- (d) Should any Authority member become a candidate for public office, his or her position on the Authority shall forthwith be deemed vacant.
- (e) The Authority through its chairperson, who shall be elected by the Authority members, shall act in a supervisory capacity to the Authority Director.
- (f) The role of the Authority shall be to: (1) develop and periodically update a strategic plan for economic developments; (2) establish goals and objectives based upon community and professional input; (3) set policy for operations; (4) rent office space; (5) determine the type and frequency of the staff liaison to be mounted between meetings to keep the Authority members informed of the progress; (6) assemble advisory committees; and (7) periodically report progress to the appointing Authorities.
- (g) The Authority Director shall implement the plan and program. He or she shall have the latitude to additionally provide staff support for the Franklin County Development Cooperation, and the Industrial Foundation.
- (h) Expenses of the Authority shall be paid by the Authority, including cost of office space, equipment, salaries, benefits, health insurance, worker's compensation, industrial surveys, report preparation, audits, etc.

SECTION IV. The Authority shall have the purpose, duties and powers provided in KRS 154.50-301 through the KRS 154.50-346; provided however, that the Authority shall not incur indebtedness in excess of approved operating budget without prior approval of the Frankfort City Commission and the Franklin County Fiscal Court.

- (a) There is hereby created a fund to be known as the Industrial Fund, which shall be used for the purpose of financing and exercising the powers provided for in this Ordinance. The fund shall consist of such sums of money as may be hereafter appropriated by the City of Frankfort, the County of Franklin or other government sources and private contributors; and all of the rentals, interest, income, dividends, earnings and monies available from the sale, lease, conveyance, or other disposition of any property acquired pursuant to the powers exercised by the Authority under the terms of this Ordinance; and such other sums as may be provided by Ordinance or Kentucky Revised Statutes or the laws of the United States of America.
- (b) The share of the appropriated/contributed funds for the Authority's operating budget shall not exceed \$60,000 each per year for the first five (5) years by the Fiscal Court and City Commission and shall not be less than \$40,000 per year from the private sector. Private sector contributions shall be non-refundable if private sector contributions are less than \$40,000 for any fiscal year. The Frankfort City Commission and the Franklin County Fiscal Court may elect to withhold public funding for the following fiscal year. Appropriation for any partial year will be prorated.
- (c) The Authority shall function on a fiscal year basis of July 1 to June 30. However, the first year of operation shall be considered to start upon receipt of the contributed funds and shall continue through the next following June 30.
- (d) The Authority shall cause all accounts, records, and books concerning the management, operation, and disbursement of said fund and of properties acquired thereby to be accounted for in the manner provided for by KRS 154.50-336. In addition thereto, the appointing Authorities shall require an annual audit, the expense of which shall be borne by the Authority.
- (e) The Authority shall prepare an operating budget for each fiscal year, and shall submit such budget to the City Commission of the City of Frankfort and Franklin County Fiscal Court for approval not less than three (3) months prior to the commencement of the fiscal year.
- (f) The Authority shall work affirmatively with the Planning Commission and the City and County Planning Departments and shall rely on what the agencies provide in such areas:
 - (1) The Comprehensive Plan;
 - (2) Zoning designed to identify potential industrial and

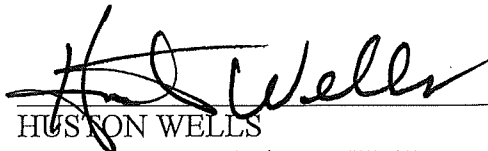
- commercial sites and protect them against types of development that would lessen their attractiveness or their compatibility with surrounding uses;
- (3) Provisions of adequate governmental facilities to serve industrial sites.
- (g) Unless and until superseded by a more comprehensive occupation tax sharing agreement between the City and County, all occupational taxes received by the City from the Parkside Development after June 30, 2006, and all other occupational taxes received by the City and/or County from new businesses and new industries obtaining business licenses after September 30, 2006, shall be deemed to be generated by the Authority's recruitment effort, regardless of where located, and shall be shared by the City and County on a 50-50 basis. Such tax sharing, however, shall apply only to new businesses and new industries. Expansions by existing businesses/industries shall not apply. Likewise, governmental expansions or shifts of State governmental office locations between the City and County shall not come under the tax sharing requirement. However, in the event that governmental office locations change due to annexation by the City or are in a location de-annexed by the City in favor of the County, the City and County shall share the occupational taxes generated from the effected State governmental office on a 50-50 basis.
- (1) For purposes of this ordinance, "new businesses and new industries" shall be defined as those which, after September 30, 2006, (a) are created in the City or County, (b) obtain or are required to obtain a business license in the respective jurisdiction because of a move by the business or industry into either the City or County from another jurisdiction, or (c) because the location of the business or industry changed jurisdictions due to an annexation, de-annexation or expansion by the City or County.
- (h) The Authority shall keep Minutes of the meetings including the number of inquiries received and the actions taken. Details of the inquiries together with Executive Session Minutes shall be subject to the confidentiality requirements specified by the clients or prospects, not inconsistent with the Kentucky Open Meetings and Open Records Law and copies of Minutes and the monthly report of receipts and disbursements shall be furnished to the City and County by the tenth day following the month reported upon.

SECTION V. By appropriate resolution, the Frankfort City Commission or the Franklin County Fiscal Court may request for dissolution of the Authority, whereupon all funds, property, and other assets held by the Authority shall be divided between the City and the County in the same proportions as the cumulative aggregate contributions of each to the Authority, including interest, paid on any indebtedness of the Authority; provided however,

that no dissolution shall be made until all legal obligations of the Authority shall be satisfied and all existing commitments fulfilled.

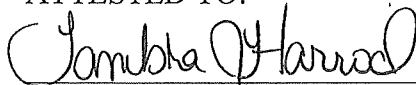
INTRODUCED, AND GIVEN FIRST READING IN SUMMARY at a duly convened meeting of the Fiscal Court of Franklin County, Kentucky, held on the 9 day of January, 2018.

GIVEN SECOND READING AND ADOPTION at a duly convened meeting of the Fiscal Court of Franklin County, Kentucky, held on the 2 day of February 2018, and of record in Fiscal Court Order Book 28, page 265.



HUSTON WELLS
COUNTY JUDGE/EXECUTIVE

ATTESTED TO:



FISCAL COURT CLERK