



Louisville Metro Government

Legislation Details (With Text)

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On agenda:	10/22/2020	Final action:		10/22/2020	
Title:	A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES TO VR VERTICAL, LLC AND ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32.				
Sponsors:	David Yates (D-25), Anthony Piagentini (R-19)				
Indexes:					
Code sections:					
Attachments:	1. R-124-20 V.1 100820 LOCAL INCENTIVES - VR VERTICAL, LLC.pdf, 2. OFFICE OF THE MAYOR.pdf, 3. Sonic Electronix, Inc.-Board Summary (1).pdf, 4. RES 102 2020.pdf				

Date	Ver.	Action By	Action	Result
10/22/2020	1	Metro Council	adopted	
10/13/2020	1	Labor and Economic Development Committee	recommended for approval	Pass
10/8/2020	1	Metro Council	assigned	

RESOLUTION NO. _____, SERIES 2020
A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES TO VR VERTICAL, LLC AND ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32.
SPONSORED BY: COUNCIL MEMBERS YATES AND PIAGENTINI

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the “Council”) finds that it is a legitimate public purpose of the Louisville/Jefferson County Metro Government (“Metro”) to undertake activities for the purpose of attracting and retaining jobs for residents of this community;

WHEREAS, the Kentucky General Assembly in 2009 enacted KRS 154.32-010 to 154.32-100 (the “Act”) establishing the Kentucky Business Investment Program (the “KBI Program”) for the purpose of encouraging the development and expansion of the service and technology industry in Kentucky;

WHEREAS, the KBI Program provides state incentives to businesses which locate or expand

in the Commonwealth, including regional or national headquarters, thus creating and preserving jobs for Kentuckians;

WHEREAS, the KBI Program encourages local governments to participate in these incentives for businesses within their jurisdictions;

WHEREAS, the Council finds that offering the local incentives authorized by KBI Program for the purpose of attracting and retaining businesses is in furtherance of the public purposes of Metro and will benefit Metro by creating new sources of tax revenue for the support of the public services provided by Metro;

WHEREAS, the California corporation Sonic Electronix, Inc. has applied for the benefits authorized under the KBI Program to relocate its headquarters to Louisville, KY so that the operational center for its online consumer electronics retail business will be closer to its distribution facility; and

WHEREAS, Sonic Electronix, Inc. intends to operate its business as a Kentucky domestic limited liability company named VR Vertical, LLC, and has undertaken the sufficient and necessary filings with the Kentucky Secretary of State to facilitate this transition.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (THE COUNCIL) AS FOLLOWS:

SECTION I: That the Council does hereby approve participating in the grant of incentives to VR Vertical, LLC (the “Company”), and any subsequent assignees and approved affiliates thereof, under the KBI Program, subject to the Company satisfying the requirements set forth in the Act, including minimum full time jobs, investment, and wage and employee benefits, and subject to the terms of this Resolution.

SECTION II: That the Council does hereby agree to participate in the grant of incentives under the KBI Program by contributing one percent (1.0%) of the local occupational tax pursuant to the provisions of KRS 154-32.090. The State to Local participation ratio in this grant of incentives shall

be 75% to 25%.

SECTION III: That the Mayor and other appropriate officers and employees of Louisville/Jefferson County Metro Government are authorized and directed to execute, acknowledge and deliver on behalf of Louisville/Jefferson County Metro any and all papers, instruments, certificates, affidavits and other documents, and to do and cause to be done any and all acts and things necessary or proper for the grant of incentives as authorized by the Act and this Resolution.

SECTION IV: No portion of the funds derived by the Company from the grant of incentives herein shall be used by the Company for any purposes designed to prevent, limit, discourage or restrict union activities within the Company.

SECTION V: This Resolution shall be effective upon its passage and approval.

Sonya Harward
Metro Council Clerk

David James
President of the Council

Greg Fischer
Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney

By: _____

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