



Legislation Details (With Text)

**File #:** O-464-20      **Version:** 1      **Name:**  
**Type:** Ordinance      **Status:** Passed  
**File created:** 10/7/2020      **In control:** Labor and Economic Development Committee  
**On agenda:** 11/5/2020      **Final action:** 11/5/2020

**Title:** AN ORDINANCE AMENDING CHAPTER 37.75 OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES (“LMCO”) BY INCLUDING LOCAL TAX INCREMENT FINANCING PROJECTS IN THE DEFINITION OF TAXPAYER SUBSIDIZED PROJECTS.

**Sponsors:** Barbara Sexton Smith (D-4)

**Indexes:**

**Code sections:**

**Attachments:** 1. O-464-20 V.1 102220 TAX INCREMENT FINANCING PROJECTS IN -TAXPAYER SUBSIDIZED PROJECTS.pdf, 2. ORD 139 2020.pdf

| Date       | Ver. | Action By                                | Action                   | Result |
|------------|------|--|--------------------------|--------|
| 11/5/2020  | 1    | Metro Council                            | passed                   |        |
| 10/27/2020 | 1    | Labor and Economic Development Committee | recommended for approval | Pass   |
| 10/22/2020 | 1    | Metro Council                            | assigned                 |        |

**ORDINANCE NO. \_\_\_\_\_, SERIES 2020**  
**AN ORDINANCE AMENDING CHAPTER 37.75 OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES (“LMCO”) BY INCLUDING LOCAL TAX INCREMENT FINANCING PROJECTS IN THE DEFINITION OF TAXPAYER SUBSIDIZED PROJECTS.**

**SPONSORED BY: COUNCIL MEMBER BARBARA SEXTON SMITH**

**WHEREAS**, Chapter 37.75 of the Louisville/Jefferson County Metro Government Code of Ordinances (“LMCO”) pertains to fair labor standards for Taxpayer Subsidized Projects, as that term is defined in the ordinance, and includes a requirement that Taxpayer Subsidized Projects make good faith efforts to comply with the goals contained in LMCO 37.75(b); and

**WHEREAS**, LMCO 37.75 currently does not include local tax increment financing projects (“TIFs”) approved pursuant to KRS 65.7041-65.7083 in the definition of Taxpayer Subsidized Project; and

**WHEREAS**, recent local TIFs have been approved with the following negotiated provision

“while the Project is not subject to LMCO 37.75, the Developer intends to make a good faith effort to achieve the goals set forth in the ordinance with respect to minority participation, women participation, and residents within the Louisville MSA during the construction of the project,” as evidenced by the development plans that were part of Ordinance 162, Series 2017, Ordinance 242, Series 2017 and Ordinance 171, Series 2019; and

**WHEREAS**, both Metro Government and the Legislative Council of the Louisville/Jefferson County Metro Government (the “Council”) have expressed an expectation that future local TIFs would also comply with the requirements of LMCO 37.75; and

**WHEREAS**, the Council wishes to codify that expectation by including local TIFs in the definition of Taxpayer Subsidized Project; and

**NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:**

**SECTION I:** The definition of Taxpayer Subsidized Projects in LMCO Section 37.75 is hereby amended to read as follows:

**TAXPAYER SUBSIDIZED PROJECTS.**

(a) Any construction project located in Louisville Metro (i) approved by the Commonwealth of Kentucky for a Tax Increment Financing (TIF) District pursuant to KRS 154.30-050 or KRS 154.30-060, (ii) approved by Louisville Metro for a local TIF pursuant to KRS 65.7041-65.7083, or (iii) having a cost exceeding \$20,000,000 and receiving at least 25% of its funding from Louisville Metro.

(b) For purposes of this section, in the determination of project cost, a project cannot be divided into component parts or separate projects unless the projects are conceptually separate and unrelated to each other, or encompass independent and unrelated needs of Louisville Metro.

(c) Work performed as tenant finish shall be exempt from the provisions of this section. Further, tax credits or tax reductions provided by federal, state or city employment incentive programs (such as the Kentucky Jobs Development Act, KDFEA, KIDA) that are based on the payroll related to new jobs and tax abatements and benefits derived from Industrial Revenue Bonds, are exempt from the provisions of this section.

**SECTION II:** This Ordinance shall take effect upon its passage and approval.

\_\_\_\_\_  
Sonya Harward Metro Council Clerk

\_\_\_\_\_  
David James President of the Council

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\_\_\_\_\_  
Greg Fischer Mayor

Approval Date

**APPROVED AS TO FORM AND LEGALITY:**

Michael J. O'Connell  
Jefferson County Attorney

By: \_\_\_\_\_

O-464-20 - Fair Labor Standards for Local Tax Increment Financing Projects Ordinance (If)