

COMMISSIONERS ORDINANCE NO. O-2025-05

AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY AMENDING SECTION 37.094 OF THE CODE OF ORDINANCES CONCERNING OCCUPATIONAL LICENSES TO INCLUDE SUBSECTION (C) TO PROVIDE FOR A CREDIT OF THE OCCUPATIONAL LICENSE FEE FOR NEW EMPLOYEES AS PART OF AN ECONOMIC DEVELOPMENT PROJECT BY NEXIGEN COMMUNICATIONS, LLC UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM PURSUANT TO KRS 154.32-010 THROUGH 154.32-100.

WHEREAS, there continues to be a growing demand for IT services; and,

WHEREAS, Nexigen Communications, LLC, as an existing business with its headquarters located in Newport, intends to purchase additional buildings for office space usage and hire additional employees as part of their expansion efforts; and,

WHEREAS, Nexigen Communications, LLC intends to employ several new full-time Kentucky resident employees at their various locations having an estimated average annual salary of approximately \$80,000 with a combined total exceeding \$6,000,000 over the next five years; and,

WHEREAS, Nexigen Communications, LLC is soliciting the City of Newport for support of its application under the Kentucky Business Investment Program (KBI) pursuant to KRS 154.32-010 – KRS 154.32-100 and the location of Nexigen Communications, LLC received preliminary approval from the Kentucky Economic Development Finance Authority (KEDFA) as an approved Economic Development Project on June 28, 2012; and,

WHEREAS, KRS 154.32-010 (3) (b) permits that the “approved company or, with the authority’s consent, an affiliate of an approved company may require that each employee subject to tax imposed by KRS 141.020, whose job is determined by the authority to be created as a result of the economic development project, as a condition of employment, agree to pay an assessment of up to four percent (4%) of taxable wages”, and,

WHEREAS, the City has indicated its willingness to support a 1.0% credit of the City of Newport Occupational License Fees on new Kentucky resident jobs created by Nexigen Communications, LLC as part of this Economic Development Project for a ten-year period after project completion and that this local credit of 1.0% will cause a 3.0% Kentucky personal income tax credit on such new jobs under KBI and thus a total 4.0% credit; and,

WHEREAS, KRS 154.32-010 also entitles each employee paying the wage assessment fee to an equal credit against his/her Kentucky income tax and an equal credit against his/her local occupational license fee, both for ten years and Nexigen Communications, LLC under KRS 154.32-010, will impose a 4.0% wage assessment as a condition of employment and shall be authorized to deduct the 4.0% assessment from each payment of wages to qualified employees, with such assessment only to be utilized as permitted by KRS 154.32-010 – KRS 154.32-100.

NOW, THEREFORE BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF NEWPORT, KENTUCKY, AS FOLLOWS:

SECTION I

That Section 37.094 of the Code of Ordinances shall be and is hereby amended to read as follows:

OCCUPATIONAL LICENSE

§ 37.094 CREDIT OF OCCUPATIONAL LICENSE FEE PAYMENT REQUIREMENT

(C) The City hereby authorizes a credit of its occupational License Fee payment requirement, pursuant to the Kentucky Business Investment Program (KBI), as set forth in KRS 154.32-010 through 154.32-100, for and throughout a ten-year period, beginning and ending as stipulated in the Wage Assessment Agreement executed between the Kentucky Economic Development Finance Authority (KEFDA) and the approved company, equal to 1.0% on the wages of Nexigen Communications, LLC resident employees created as part of the Economic Development Project.

SECTION II

That this Ordinance shall be signed by the Mayor, attested to by the City Clerk, recorded, published, and effective upon publication.

1st READING: February 24, 2025

2nd READING: April 7, 2025

Thomas L. Guidugli Jr., Mayor

ATTEST:

Tiffany Myers, City Clerk