

3-1956

## Industrial Resources - Franklin County - Frankfort

Kentucky Library Research Collections  
Western Kentucky University, [spcol@wku.edu](mailto:spcol@wku.edu)

Follow this and additional works at: [https://digitalcommons.wku.edu/franklin\\_cty](https://digitalcommons.wku.edu/franklin_cty)

 Part of the [Business Administration, Management, and Operations Commons](#), [Growth and Development Commons](#), and the [Infrastructure Commons](#)

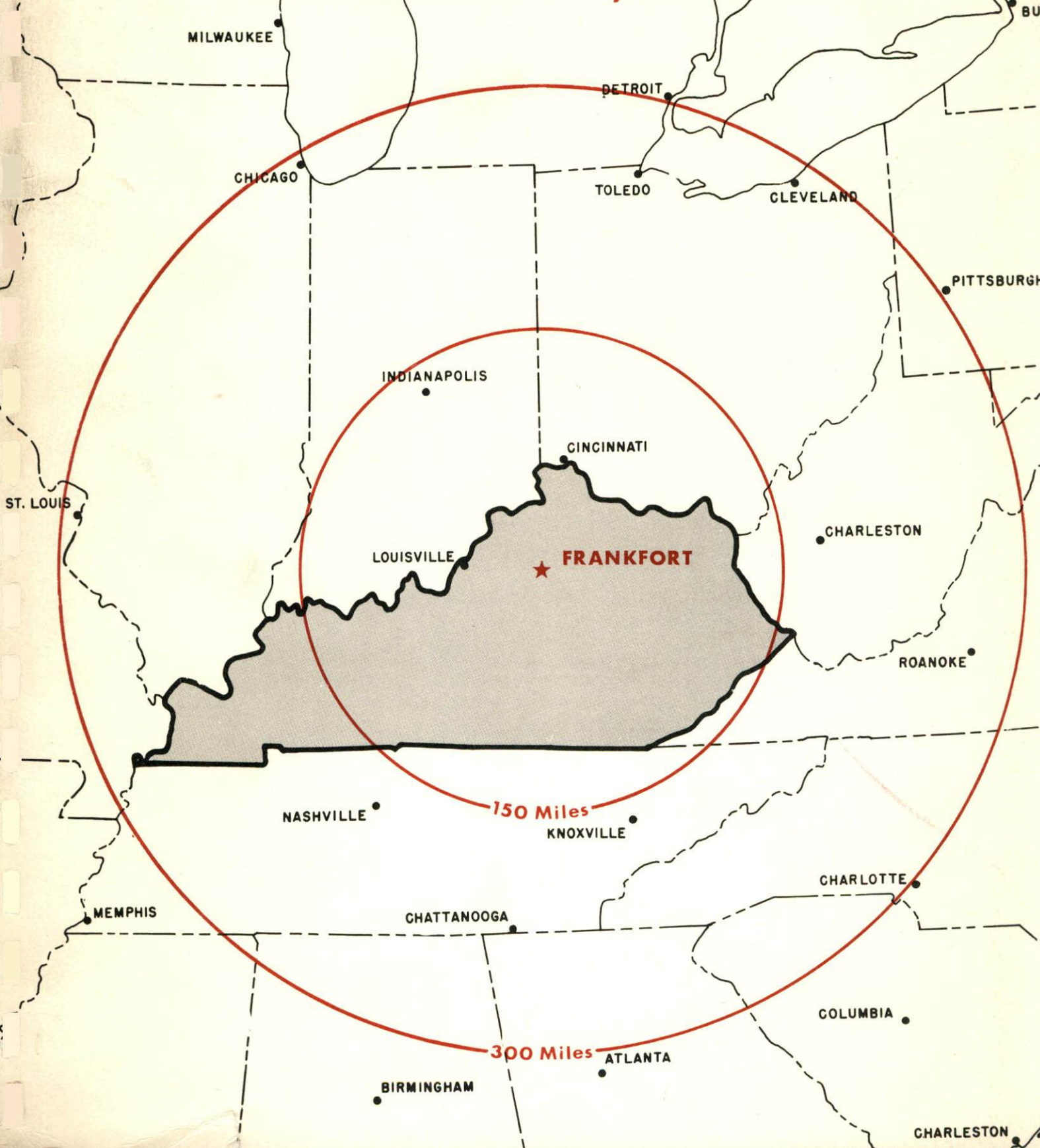
---

### Recommended Citation

Kentucky Library Research Collections, "Industrial Resources - Franklin County - Frankfort" (1956). *Franklin County*. Paper 16.  
[https://digitalcommons.wku.edu/franklin\\_cty/16](https://digitalcommons.wku.edu/franklin_cty/16)

This Report is brought to you for free and open access by TopSCHOLAR®. It has been accepted for inclusion in Franklin County by an authorized administrator of TopSCHOLAR®. For more information, please contact [topscholar@wku.edu](mailto:topscholar@wku.edu).

# INDUSTRIAL RESOURCES FRANKFORT, KENTUCKY



INDUSTRIAL RESOURCES  
FRANKFORT, KENTUCKY

Prepared by  
Frankfort Chamber of Commerce  
and  
The Agricultural and Industrial Development Board of Kentucky  
Frankfort, Kentucky  
March, 1956

# INDUSTRIAL RESOURCES - FRANKFORT, KENTUCKY

## CONTENTS

	<u>Page</u>
Summary Data	1
Population and Labor	3
Existing Industry	5
Transportation	6
Utilities	7
Fuel	9
Communications	9
Industrial Sites	10
Local Government and Services	10
Taxes	11
Local Considerations	12
Resources	15
Markets	17
Climate	18
Bibliography	
Appendix	
A. History	
B. Employment by Industry Division	
C. Economic Characteristics of the Population	
D. Climatic Data	
E. Kentucky Corporation Taxes	
E-1 Taxes Applicable to a Manufacturing Concern	
F. City Bond Issues for Industrial Building	
G. Instructions for Filing Articles of Incorporation	
H. Cooperating State Agencies	

*Gift*

*Apr. 9-56*

## SUMMARY DATA FOR FRANKFORT, KENTUCKY

POPULATION, 1950: Frankfort - 11, 949; Franklin County - 23, 308.  
1955 (est.) Frankfort - 22, 600; Franklin County - 26, 173.

FRANKFORT LABOR SUPPLY AREA: Includes Franklin and all adjoining counties. Estimated number of workers available for industrial jobs in the labor supply area - 1, 400 men and 3, 000 women.  
Number of workers available from Franklin County - 400 men and 550 women.

### TRANSPORTATION:

Railroads: Louisville and Nashville Railroad, Frankfort and Cincinnati Railroad Company. Passenger service by Chesapeake & Ohio.

Air: Capital City Airport, Frankfort, Ky. ; Frankfort-Lexington Airport, 20 miles east on U.S. 60. Commercial service will begin in 1956 at the Capital City Airport. Frankfort-Lexington Airport is served by Eastern, Piedmont and Delta-Chicago and Southern Airlines.

Trucks: Trucks serving Frankfort include Hayes Freight Lines, Ecklar-Moore Express, Claxon Truck Lines, Huber and Huber, Reliance Truck Lines, Hulette Transfer Lines, Parrish Transfer Company and Kentucky Truck Lines.

Buses: Southeastern Greyhound; Trailways and Midway Bus Lines.

### UTILITIES:

Electricity: Frankfort is served by the Frankfort Electric and Water Plant Board, whose source of supply is the Kentucky Utilities Company. Franklin County is supplied power by Kentucky Utilities Company and Fox Creek RECC.

Natural Gas: Frankfort is served by the Central Kentucky Gas Company, whose suppliers are Gulf Interstate and Tennessee Gas Transmission Corp.

Water: Water is supplied by the Frankfort Electric and Water Plant Board. Source is the Kentucky River. The water is pumped into a 7, 000, 000 gallon reservoir. Maximum daily use is 3, 500, 000 gallons.

Sewerage: Frankfort has started a large expansion and modernization program of the present sewerage facilities. After improvements are made, treatment capacity will be approximately 4, 500, 000 gallons. Storm and sanitary sewers will be 90% combined and 10% separate. The sewage will be given primary treatment and discharged into the Kentucky River.

## POPULATION AND LABOR

### Population

The 1950 population of Frankfort was 11,949. Table 1 shows population and recent rates of growth in Frankfort, Franklin County and Kentucky.

Table 1. Population Growth in Frankfort, Franklin County and Kentucky:  
1900-1950

Year	Frankfort		Franklin County		Kentucky
	Population	% Increase	Population	% Increase	% Increase
1900	9,487		20,852		
1910	10,465	9.4	21,135	1.3	6.6
1920	9,805	-6.7	19,357	-9.2	5.5
1930	11,626	15.7	21,064	9.2	8.2
1940	11,492	-1.2	23,308	9.6	8.8
1950	11,949	3.8	25,936	10.1	3.5
1955 (est.)	*22,600	47.1	26,173 <sup>1/</sup>	.9	0.03

\*Estimated population increase due largely to annexation of suburbs  
by city of Frankfort in 1953

### Labor Force <sup>2/</sup>

Definition and Population Trend. The Frankfort labor supply area is defined to include Franklin and the following six adjoining counties: Anderson, Henry, Owen, Scott, Shelby, and Woodford. This is a fairly tight knit geographical area with the population centers of all counties within thirty miles of Frankfort. It is an area from which large numbers of workers could be recruited immediately for jobs located at Frankfort, with a large proportion of these workers commuting to their employment at least during the early stages of production.

The population of the area was 100,331 in 1950, with Franklin County accounting for 25,933 of this number. There are indications that the population has decreased since the last Census as estimates prepared by the University of Kentucky put the 1953 population at 94,786.

Area net outmigration has been heavy over the years with 7,769 persons lost to the area between 1940 and 1950 and 16,807 between 1940 and 1953. There is little question but what this heavy outward movement in population was caused by an insufficient number of local jobs to absorb a constantly growing labor force.

Economic Characteristics of the Area. Economically the area is heavily agricultural, with 14,700 jobs in this industry according to the 1950 Census of Agriculture. Franklin County had 1,580 employed in farming in that year. The area farm economy is based heavily on burley tobacco and is generally of a higher income class than is the case for many other parts of Kentucky.

Manufacturing employment in the area is relatively thin, with 4,111 jobs in June of 1955. Franklin County, with 2,270 employed in manufacturing in that month, dominates the industrial proportion of the area economy. State government also has between 2,000 and 3,000 jobs in Frankfort.

Incomewise the area is somewhat higher than in most other predominantly rural Kentucky counties. Per capita income in 1953 ranged from \$885 in Owen County to \$1,445 in Franklin County. This compares with the Kentucky average of \$1,187 and the United States average of \$1,709.

During the second quarter of 1955, the average weekly wage in all jobs covered by unemployment insurance was \$58.68 in Franklin County and \$64.49 for the manufacturing portion of covered employment. The relatively high paying distilling industry exerts considerable influence on the average weekly wage in manufacturing in Franklin County. During the second quarter of 1955, the average weekly covered wage for all industries was \$67.25 in Kentucky and \$75.89 in the manufacturing industries. This is roughly \$10 lower than the national average.

Estimated Labor Potential for Industrial Jobs. There are three major components of the estimated area labor supply: 1) The current unemployed measured here by unemployment insurance claimants which is a minimum figure; 2) men who would shift from low paying jobs such as farming and women not now in the labor force but who would enter the labor force if jobs were available; 3) the future labor supply due to the growth of the labor force and measured here by the number of boys and girls becoming 18 years of age during the next 10 years.

It is estimated that there are 1,400 men and 3,000 women in this area who could be immediately recruited for industrial employment. This includes 445 men and 414 women who were claimants for unemployment insurance in January, 1956. Franklin County could probably supply 400 men and 550 women almost immediately.

Due to the fact that many workers could not conveniently commute to jobs located at Frankfort, it is estimated that only 900 of the men and 1,900 of the women would be immediately available for employment located at that town.

In addition to the above labor supply which could be organized rapidly, large numbers of workers would move to the area from outlying counties if major industrial installations were located at Frankfort and undoubtedly many of the persons who have migrated out of the area would return home if job opportunities became plentiful. This has been the case in other Kentucky communities where large manufacturing facilities were added.

The current labor supply will be supplemented by 8,700 boys and 8,500 girls who will become 18 years of age in this area during the next ten years. Based on national participation rates, it is likely that at least 40 percent of the girls and from 80 to 90 percent of the boys will desire employment upon reaching working age. These younger workers would probably be available for employment at any point in the area due to their great job mobility.

Wages. Some examples of wages in the area are: Clerical and secretarial - \$.75 to \$1.50 per hour; laborer - \$.80 to \$1.00; semi-skilled - \$1.00 to \$1.25; skilled - \$1.50 to \$2.25.

Labor-Management Relations. Labor-management relations in Frankfort are described locally as excellent.

## EXISTING INDUSTRY

### Existing Firms, Products and Employment

The following list of manufacturing firms indicates something of the demand for labor and products available in the immediate area of Frankfort.

Firm	Product	Employment		
		Male	Female	Total
Bryan Mfg. Co.	Precision metal parts	10	3	13
George W. Gayle & Son	Precision metal parts	10	3	13
General Shoe Corp.	Ladies' shoes	170	305	475
H. B. Milk Co.	Dairy products	35	5	40
Ken-Wel, Inc.	Phonograph pickups & transformers	20	200	220
Old Grand Dad Distillery	Whiskey	180	60	240
Pennington Bros. Bakery	Bakery products	50	7	57
Rocky Ford Distillery	Whiskey	30	70	100
Southern Mouldings Corp.	Auto trim	106	94	200
Geo. T. Stagg Co.	Whiskey	450	250	700
Union Underwear Co.	Men's underwear	73	488	561



## Unionization

Unions represented in the area include: United Automotive Workers (AF of L), Distillers and Wine Workers Union (AF of L), Communication Workers of America (CIO).

## TRANSPORTATION

### Railroads

Railroads serving Frankfort are the Louisville and Nashville Railroad and Frankfort and Cincinnati Railroad. The Frankfort and Cincinnati Railroad connects with main north-south line of the Southern Railway System at Georgetown, Kentucky. It connects with Louisville and Nashville Railroad in Frankfort and Paris, Kentucky. Passenger service is rendered by the Chesapeake & Ohio Railroad.

Table 3. Railway Transit Time from Frankfort, Kentucky 3/

To	Arrive	To	Arrive
	F&C & L&N		F&C & L&N
Atlanta, Ga.	3 days	Louisville, Ky.	1 day
Birmingham, Ala.	3 days	Los Angeles, Calif.	13 days
Chicago, Ill.	3 days	Nashville, Tenn.	3 days
Cincinnati, Ohio	1 day	New Orleans, La.	4 days
Cleveland, Ohio	3 days	New York, N. Y.	4 days
Detroit, Mich.	3 days	Pittsburgh, Pa.	3 days
Knoxville, Tenn.	3 days	St. Louis, Mo.	2 days

### Highways

The city is served by U.S. Routes 60, 421 and 460, and by Kentucky Route 35. The transportation map on the following page shows railroads, major highways, navigable waterways and recreation areas in Kentucky.

Table 4. Highway Distances from Frankfort

To	Miles	To	Miles
Atlanta, Ga.	431	Lexington, Ky.	24
Birmingham, Ala.	478	Louisville, Ky.	49
Chicago, Ill.	303	Nashville, Tenn.	230
Cincinnati, Ohio	89	New York, N. Y.	717
Detroit, Mich.	325	Pittsburgh, Pa.	372
Indianapolis, Ind.	148	St. Louis, Mo.	317
Knoxville, Tenn.	198		

Truck Lines. Frankfort is served by Hayes Freight Lines, Ecklar-Moore Express, Claxon Truck Lines, Huber and Huber, Reliance Truck Lines, Hulette Transfer Lines, Parrish Transfer Company, and Kentucky Truck Lines. All have terminals located in Frankfort.

Bus Lines. Bus lines serving the city are Southeastern Greyhound, Trailways and Midway Bus Line, Frankfort to Lexington. Southeastern Greyhound and Trailways provide service to all parts of the United States.

### Airways

Capital City Airport will be completed in the near future at an estimated cost of \$1,100,000. There will be a paved runway of 4,000' x 100', adjoining taxiway, and 2 aprons of 150' x 150'. Equipped with OMNI Homing facility, the airport is lighted and has an administration building, weather station and hangar service. Commercial service will begin in 1956.

Lexington-Frankfort Airport, 20 miles east on U.S. 60, has paved landing strips. Delta-Chicago and Southern, Eastern and Piedmont presently serve the airport. The airport is lighted and has an administration building and weather station. Instrument landing equipment is being installed.

## UTILITIES

### Electricity

Frankfort is furnished electricity by the Frankfort Electric and Water Plant Board, whose source of supply is the Kentucky Utilities Company.

Kentucky Utilities Company serves all or part of 75 Kentucky counties. It has a generating capacity of 430,500 KW and has started construction of a new plant which will have an ultimate capacity of an additional 424,000 KW. The company is interconnected with Louisville Gas and Electric Company, Ohio Power Company, Kentucky Power, Electric Energy, Inc., Central Illinois Public Service Company, TVA, and indirectly through Louisville Gas and Electric Company with Ohio Valley Electric Corporation. Current prices are as follows:

### Large Power Service

City and Rural:

#### Demand Charge

First 50 KW per month, per KW @ \$1.50

Over 50 KW per month, per KW @ 1.25  
plus

### Energy Charge

First 10,000 KWH per month, per KWH @ .014  
Next 10,000 KWH per month, per KWH @ .0125  
Next 10,000 KWH per month, per KWH @ .01  
Over 30,000 KWH per month, per KWH @ .009

### Minimum Charge

The demand charge, but in no case less than for 5 KW.

Fuel Clause. The energy charge is based on coal at \$2.00 per ton. An additional charge will be added to adjust the coal to this basic price.

For small power service rates, contact the Agricultural and Industrial Development Board.

### Natural Gas

Natural gas is supplied in Frankfort by the Central Kentucky Gas Company, whose suppliers are Gulf Interstate and Tennessee Gas Transmission Corporation. Transmission lines average from 8" to 12" and distribution lines in Frankfort average from 2" to 10". Average BTU content per cubic foot is 1050, with specific gravity of approximately 0.60. Pressure is maintained at 100 psi. Current prices are as follows:

First	1,000 cu. ft.	\$1.25
Next	49,000 cu. ft.	.64 per MCF
Next	50,000 cu. ft.	.61 per MCF
Next	200,000 cu. ft.	.58 per MCF
All over	300,000 cu. ft.	.54 per MCF
Minimum monthly bill		1.25

### Water

The water system is municipally owned by the Frankfort Electric and Water Plant Board. Water is obtained from the Kentucky River and pumped to a 7,000,000 gallon reservoir. The filtration plant has a capacity of 7,000,000 gallons daily. Maximum daily use is 3,500,000 gallons. Average pressure is 120 pounds psi with 20" pump lines and 14" feeder lines. There are 5,500 water connections. Current rates are as follows:

Applicable to: all water service.

		<u>Rural</u> - outside
First	5,000 gallons per month @ .30/M gal.	.40 city limits
Next	20,000 gallons per month @ .20/M gal.	.20
Next	175,000 gallons per month @ .15/M gal.	.15
Next	800,000 gallons per month @ .12/M gal.	.12
Next	1,000,000 gallons per month @ .08/M gal.	.08
Excess	@ .06/M gal.	.06

Minimum Bill:

5/8 and 3/4" meters - \$1.00 Month 1.25

Booster Pumping (Outside city) - plus - 20%

Sprinkler Service and Private Fire Hydrants

Size of Service - 2"	\$12.00 per year
Size of Service - 4"	30.00 per year
Size of Service - 6"	60.00 per year

## FUEL

### Fuel Oil

There are ample supplies of crude oil in Kentucky, West Virginia and Ohio sufficient to meet the petroleum needs of any industry locating in the area. Because there are so many types and grades of fuel oil and prices change from time to time, this information is not included. Prices in car load lots on any grade of fuel oil will be furnished by the Agricultural and Industrial Development Board.

### Coal

Eastern and Western Kentucky coal fields supply the area with bituminous coal. In 1953, Kentucky's mines produced 63,535,507 tons of coal. 4/ Current prices will be supplied by the Agricultural and Industrial Development Board. High grade coke is available from nearby sources.

## COMMUNICATIONS

### Postal Facilities

Frankfort has a first class post office, with 50 employees. There are 10 city routes, 4 rural routes, and 1 star route. Postal receipts for 1954 totaled \$424,000.00.

## Telephone and Telegraph

Frankfort is served by the Southern Bell Telephone Company, on a dial system, with 9,700 subscribers.

Telegraph service is provided by Western Union Offices. Messages are delivered within the city limits.

## SAMPLE INDUSTRIAL SITES

Site #1. John C. Noel property. 80 acres in one tract and 15 acres in another, located on Switzer Road, Forks of Elkhorn. The Frankfort and Cincinnati Railroad is located on the northeast side of the site. Power is available. Elkhorn Creek bounds the site on the southeast.

Site #2. Charlie Black property. 75 acres of level to rolling land located on U.S. 460, one-fourth mile from water. Power lines in front of the site. The site is three-fourths mile from Frankfort and Cincinnati Railroad, which may be extended to the site.

Many smaller sites are available and other larger ones can be acquired to fit particular requirements.

## LOCAL GOVERNMENT AND SERVICES

### Type Government

Frankfort is governed by a mayor, elected for 4 years, and 12 councilmen, elected for 2 years. Effective May 1, 1956, Frankfort is a second class city.

### Laws Affecting Industry

Exemption to Industry. As provided by state law, Frankfort by an ordinance may allow a five-year property tax exemption to new industry, located in the corporate limits, which cannot be extended.

Planning and Zoning. A planning and zoning ordinance was adopted in 1952 by the Capital Planning and Zoning Commission. Zoning ordinances were created for residential, commercial and industrial areas.

## City Services

Fire Protection. The department consists of a chief, 2 assistant chiefs, and 17 full-time firemen and 12 active volunteer firemen. Equipment includes a 1948 LaFrance 750 gpm pumper, a 1927 LaFrance 750 gpm pumper and a 1951 Federal hose truck with 5,700' of 2 1/2" hose and 800' of 1 1/2" hose. They also have one auxiliary pumper, a 1941 Ford 500 gpm. There are 3 fire stations and 265 fire hydrants. Frankfort has a 7th class fire insurance rating.

Police Protection. The police department is comprised of a chief, 2 assistant chiefs, 21 full-time patrolmen and three part-time patrolmen. Equipment consists of 6 pieces of motorized equipment. All vehicles have 2-way radios. The main office of the Kentucky State Police is located in Frankfort.

Garbage and Sanitation. Frankfort has municipal garbage collection twice weekly. There is a city dump used for disposal. The dump is maintained by the city.

Sewerage. Frankfort has started a \$2,500,000 expansion and modernization program of the present sewerage facilities. After improvements are made, the capacity will be approximately 4,500,000 gallons. A new treatment plant will give the sewage primary treatment and discharge it into the Kentucky River. Storm and sanitary sewers will be 90% combined and 10% separate. Mains will range in size from 8" to 27". The construction will be financed by revenue bonds.

Streets. A crew of a foreman and 12 men maintain Frankfort's 61 miles of paved streets under the supervision of the Public Works Department. Frankfort has a 110-car municipal off-street parking lot. A full-time civil engineer is employed by the city.

## TAXES

Table 5 shows the property taxes applying in Frankfort and Franklin County for 1954-55.

	<u>Frankfort</u>	<u>Franklin County</u>
County	\$ .50	\$ .50
State	.05	.05
City	1.20	
School	1.78	1.50
Total	<u>\$3.53</u>	<u>\$2.05</u>

Ratio of Assessment. Frankfort - 35%  
Franklin County - 38.7% (farm land owned by  
industries can be assessed as farm land)

Total Assessment. Frankfort - \$20,162,863  
Franklin County - \$46,272,665

City Income (1954-55). \$366,813.45.

City Expenditures (1954-55). \$340,046.73

City Bonded Indebtedness. July 1955 - \$256,500, flood pumps;  
\$148,000 in Sinking Fund.

County Income, fiscal year 1954. \$614,573.68.

County Expenditures, fiscal year 1954. \$444,210.65.

County Bonded Indebtedness, 1954. \$10,000.00.

## LOCAL CONSIDERATIONS

### Housing

Frankfort has a number of housing units for rent and several hundred for sale. The rental range of houses is \$40 to \$85. The construction cost of most two and three-bedroom houses is from \$7,500 to \$15,000 depending on design, materials and location. There is public housing in Frankfort.

### Health

Hospitals. The city and surrounding area is served by Kings Daughters Hospital. It has 75 beds. A \$820,000 enlargement program has been financed and construction will start in the near future. Frankfort has 16 M.D.'s, of which 4 are surgeons; 11 dentists, 30 R.N.'s.

Public Health Service. Franklin County has a full-time health department with a staff of 2 nurses, 1 clerk, 1 sanitarian, and 1 full-time health officer. The program includes venereal disease and tuberculosis control, maternal and child health service, sanitation services, and general public health activities.

## Education

Graded Schools. Frankfort and Franklin County have a total enrollment of 4,841 students. For credit purposes, the Kentucky Department of Education gives "A" rating to all the high schools. This rating means all the courses through grade 12 are accredited.

Table 6. Schools, Enrollment and Number of Teachers in Frankfort and Franklin County 5/

System	Enrollment	Number of Teachers
Franklin County Elementary (total)	1,881	64
Franklin County High (total)	1,045	57
Franklin Elementary (total)	978	33
Frankfort High (total)	294	19
Good Shepherd (Parochial)	254	10

Colleges. Institutions of higher learning in the area include: Kentucky State College, Frankfort, Ky.; Georgetown College, Georgetown, 18 miles; University of Kentucky, Transylvania College, College of the Bible, Lexington, 24 miles; Midway Junior College, Midway, 12 miles; University of Louisville, Nazareth College, Ursuline College, Bellarmine College, Southern Baptist Theological Seminary, Louisville, 49 miles; Kentucky Bible College, Winchester, 43 miles; Asbury College, Wilmore, 30 miles; Eastern State College, Richmond, 50 miles; Centre College, Danville, 42 miles.

Vocational Education. Kentucky's vocational education program utilizes 13 specialized regional schools, which are partly integrated with secondary education. These special area schools prepare Kentuckians for a variety of trade and industrial occupations. Frankfort is served by the Lafayette Vocational School, located at Lexington, Ky., 24 miles. Courses offered are auto mechanics, drafting, electricity, machine shop, radio, sheet metal, television and woodwork.

## Libraries

The Frankfort Public Library, maintained principally by the Women's Club, has 25,000 volumes and a yearly circulation of 23,131 volumes. There is also the Library of the Kentucky Historical Society. Frankfort and Franklin County are served by a Bookmobile.

## Churches

Frankfort has 17 churches representing the following denominations: Baptist, Christian Science, Catholic, Presbyterian, Methodist, Episcopal, Christian, Nazarene, Assembly of God, Church of Christ, Pentecostal, and Salvation Army.



## Newspapers, Radio and Television

The State Journal, daily except Saturday, has a circulation of 6,000. The Franklin County News, weekly, has a circulation of 4,200. The Lexington Herald-Leader and Louisville Courier-Journal and Times are also delivered in Frankfort.

The radio station is WFKY.

Television reception is received from WLEX-TV, WHAS-TV, WAVE-TV, WCPO-TV, WLW-TV and WKRC-TV.

## Clubs and Organizations

Business - Chamber of Commerce.

Civic - Kiwanis Club, Rotary Club, Lions Club, Optimist Club, East Frankfort Kiwanis Club, Jaycees, Franklin Community Council.

Fraternal - Elks Club, Masonic, IOOF, Moose, Eagles, Knights of Columbus, Knights of Pythias, American Legion, VFW.

Women's Clubs - American Legion Auxiliary, VFW Auxiliary, DAR, Eastern Star, Homemakers, Garden Club, Daughters of Confederacy, Younger Women's Club, B&PW Club, War Mothers, Young Mothers, Newcomers Club.

Youth Clubs - YMCA, Boy Scouts, Girl Scouts, 4-H Club, FFA.

Other - Music Club, Writers, Art, Confederate, Frankfort Country Club, Boat Club, National Guard and Reserves.

## Recreation

The Frankfort Recreation Department is a member of the National Recreation Association. It has a paid staff of a full-time director, an assistant director, 10 playground supervisors, a movie operator and maintenance crew.

The Department, at present, operates 10 splendidly equipped neighborhood playgrounds. The Department teaches and schedules programs in tennis, baseball, softball, swimming, square and ballroom dancing, arts and crafts.

The Municipal Park and Recreation Board has a \$500,000 program to expand the community-wide recreation facilities. They have purchased a 180 acre tract of land where a swimming pool, golf course, tennis courts, and other facilities are now being built.

Private camps are located along the banks of the Kentucky River, a favorite place for fishing and boating. Another good fishing spot is Elkhorn Creek.

Area recreational facilities include many historic, scenic and recreational areas.

Banks

	<u>Total Assets</u>	<u>Total Deposits</u>
	(as of June 30, 1955)	
Farmers Bank & Capital Trust Company	\$56,896,535.90	\$54,116,291.78
State National Bank	5,573,346.73	5,032,427.26

RESOURCES

Agricultural Products

Franklin County has a land area of 211 square miles and the 1950 census lists 1,359 farms with the average size of 92.5 acres. Chief crops are tobacco, corn, lespedeza hay and alfalfa hay. Livestock and livestock products also provide a major source of farm income. The following table shows the agricultural statistics for Franklin County for 1950.

Table 7. Agricultural Statistics for Franklin County, 1950 6/

Crops	Acres	Production	Farm Value (dollars)
Corn (bu.)	5,100	255,000	446,000
Tobacco (all types) (lbs.)	3,930	4,520,000	2,260,000
Wheat (bu.)	1,000	16,000	33,400
Soybeans (bu.)	90	1,400	3,700
Alfalfa Hay (tons)	3,880	7,180	243,000
Clo-Tim Hay (tons)	2,900	3,620	102,000
Lespedeza Hay (tons)	7,690	9,610	245,000
Livestock	Number on Farms January 1, 1951		Farm Value (dollars)
All cattle and calves	13,100		1,755,000
Milk cows	4,500		832,000
Hogs and pigs	9,950		268,600
Sheep and lambs	11,900		313,000
Chickens	58,400		70,000
Livestock Products		Production During 1950	Farm Value (dollars)
Eggs (doz.)		494,700	158,300
Milk (lbs.)		17,212,000	602,000
Wool (lbs.)		59,100	34,300

#### Forests

Franklin County has 46,000 acres of forested land. This covers 34 percent of the land area of the county. Chief tree type found in the area is red cedar.

Kentucky's forests are one of its largest resources. Both the amount of timber cut and the proportion used in manufacture within the state could well be increased. The total annual net growth of Kentucky forests is substantially greater than the amount of drain, and less than one-quarter of the lumber, veneer and bolts produced (611 million board feet in 1948) is used in manufacture in the state.

#### Mineral Resources

Limestone is the principal mineral resource of Franklin County. It is found in quantity and quality suitable for general road construction, building purposes, and agricultural lime. Two quarries are operated (1956). Each is a year-round operation.

Other minerals in the County include clay and shale; vein minerals in the form of galena; sphalerite, fluorite, calcite, and barite; limited amounts of sand and gravels along the Kentucky River, and small non-commercial amounts of natural gas.

Local clays are of quality suitable for brick and, possibly, pottery manufacture. However, these are not known to occur in commercial quantities. Vein minerals occur only in very small amounts and are not considered to be worthy of commercial consideration at present.

Kentucky. In 1950, Kentucky ranked 8th in the nation in the production of minerals. Total production was valued at \$460 million and the principal minerals were coal, petroleum, gas and stone. In addition to the minerals shown in Table 8, significant amounts of lead, zinc and native asphalt are mined.

Table 8. Kentucky Mineral Production, 1950 7/

Mineral	Unit	Amount
Coal	Thousand short tons	78,496
Petroleum	Thousand 42 gal. bbls.	10,381
Natural Gas	Million cubic feet	73,316
Stone (except limestone for cement)	Thousand short tons	7,417
Clays	Thousand short tons	719
Fluorspar	Short tons	80,137
Sand and gravel	Thousand short tons	2,383
Natural gas liquids	Thousand 42 gal. bbls.	1,779

## MARKETS

An extensive network of major highways, railroads, and airlines provides area manufacturers access to large industrial markets. Cincinnati, Louisville, Detroit, St. Louis, Nashville, Pittsburgh, Knoxville are within a 300 mile radius of Frankfort. The 1950 population of Kentucky and nine states lying wholly to the south was 28 million. Over 26 million people live in Kentucky and seven states adjacent to it.

In 1954, retail sales in Franklin County were estimated at \$22,544,000. Effective buying income was estimated at \$1,440 per person and \$4,836 per family. 8/

## CLIMATE

The average annual precipitation in Kentucky ranges from 38-40 inches in the northern part of the state to 50 inches or more in the south-central part. Late summer is normally the driest part of the year.

Winter is usually relatively open with midwinter days averaging 32 degrees F. in the northern parts, to 40 degrees F. in the southern for about six weeks duration. Midsummer days average 74 degrees F. in the cooler uplands, to 79 degrees F. in the lowland and southern areas. The growing season varies from 180 days in the North to 210 in the South. Seasonal heating degree days average about 4,500 for the state. Sunshine prevails for an average of at least 52 percent of the year, and increases to 60 percent or more to the southwest.

Kentucky's climate is temperate. The climatic elements of sunlight, heat, moisture, and winds are all in moderation without prolonged extremes. Rainfall is abundant and fairly regular throughout the year. The seasons differ markedly, though warm to cool weather prevails with only short periods of extreme heat and cold.

## BIBLIOGRAPHY

- 1/ Kentucky Agricultural Experiment Station, Population Estimates for Kentucky Counties, June 30, 1955.
- 2/ Kentucky Department of Economic Security, Damon W. Harrison, Labor Supply Statement for Frankfort, Franklin County, Kentucky Area.
- 3/ Frankfort and Cincinnati Railroad Company, General Traffic Manager, Frankfort, Kentucky. Louisville and Nashville Railroad, Traffic Agent, Lexington, Kentucky
- 4/ Department of Mines and Minerals, Annual Report, December 31, 1953, Lexington, Kentucky.
- 5/ Kentucky Public School Directory, 1954-55, Department of Education, December, 1954, Frankfort, Kentucky.
- 6/ Kentucky Agricultural Statistics, 1950 (Kentucky Crop and Livestock Reporting Service).
- 7/ Minerals Yearbook 1950 (Bureau of Mines, 1953).
- 8/ Sales Management Magazine (May 10, 1955).

## APPENDIX

History	Appendix A
Employment by Industry Division	Appendix B
Economic Characteristics of the Population	Appendix C
Climatic Data	Appendix D
Kentucky Corporation Taxes	Appendix E
Taxes Applicable to a Manufacturing Concern	Appendix E-1
City Bond Issues for Industrial Building	Appendix F
Instructions for Filing Articles of Incorporation	Appendix G
Cooperating State Agencies	Appendix H

## HISTORY

Frankfort is the Capital City of the Commonwealth of Kentucky; it was so designated by the General Assembly in 1792.

According to history, Christopher Gist was the first white man known to enter what is today Frankfort. That was in 1751 and Gist was merely passing through. Nineteen years later, Daniel Boone crossed the Kentucky River and killed an Indian warrior within what is now the city's corporate limits.

Robert McAfee and his brother James arrived in 1773 with their surveyor, Captain Taylor, and conducted the first surveys of land in the area. The survey included the site of the present State Capitol. Other visitors during the next few years were George Rogers Clark, Captain James Harrod and his party of 40 men, and the Lee brothers, Hancock and Willis, for whom Leestown--now a part of Frankfort--was named.

A party of pioneers passed through in 1780 on its way to Mann's Lick for a supply of salt. They reached the fording place on the Kentucky River about dusk and made camp for the night. In the darkness they were surprised by Indians and during the fighting which ensued, one of the frontiersmen, Stephen Frank, was killed. From that moment the place gained notoriety and was soon known far and wide as "Frank's Ford." This term and pronunciation was generally used by all who knew it until about 1835, although the legal title became Frankfort only six years after the incident--in 1786--when the town was established by the Virginia legislature. The lands upon which the city was officially founded were owned at the time by General James Wilkinson and it was he who proposed the name Frankfort to the Virginia General Assembly.

Today one finds the City of Frankfort scenically situated down on the banks of the famous Kentucky River, and up on the limestone bluffs overlooking the even more noted Blue Grass Country. The river performs an "S" curve as it winds through the main business section.

The city is easily approached from north, east and south by a beautiful four-lane divided boulevard which begins outside the city limits and guides the motorist to the downtown area and Memorial Bridge. Turning onto the bridge from the northside, one faces the majestic Capitol one-half mile up Capital Avenue, which is another four-lane drive divided by islands of grass and shrubbery and lined by lovely old shade trees.



The New Capitol stands three stories high and closely resembles the National Capitol in design. Constructed of Bedford stone and Vermont granite, it was completed in 1910 after space in the old Capitol was deemed inadequate, and was completely renovated in 1955.

To the left of the Capitol, at the edge of the spacious grounds, is the Executive Mansion--built in 1912. Its three stories are faced with Kentucky limestone, and its architecture blends harmoniously with that of the Capitol.

The Old State House is located on Broadway, one block from the main business intersection. Completed in 1828, it is now the home of the Kentucky Historical Society and contains the Commonwealth's archives and museum exhibits. Among the most interesting relics are Daniel Boone's rifle and the pistol with which Aaron Burr slew Alexander Hamilton in their famous duel.

Other places usually of great interest to visitors are the "Corner of Celebrities," Daniel Boone's grave, and Liberty Hall Museum.

The "Corner of Celebrities" is actually a three-block area in which--it is claimed--more famous people have lived than any other area of the same size in the world, excluding the official residences of government heads and royalty.

In this area lived two U. S. Supreme Court Justices, two Cabinet Officers, nine U. S. Senators, seven Governors, six Congressmen, seven Foreign Representatives, three Admirals and three Generals.

Until about 1940, practically the entire settled area of the city was hemmed in by the limestone bluffs overhanging the river bottom. However, growth and development of recent years, especially since World War II, has sent the community sprawling over the bluegrass farms to the west and particularly to the east.

While Frankfortians are naturally proud of their city's history and tradition, they are primarily concerned with the future and continuously strive to make their community meet the needs of modern living.

## Appendix B

Covered Employment by Major Industry Division, Franklin County, Kentucky				
Industry, June, 1954	Franklin County		Kentucky	
	Number	Percent	Number	Percent
All Industries	5,236	100.0	402,684	100.0
Mining & Quarrying	62	1.2	39,647	9.8
Contract Construction	271	5.2	33,418	8.3
Manufacturing	2,293	43.8	149,032	37.0
Food and kindred products	1,071	20.5	24,944	6.2
Tobacco			9,781	2.4
Clothing, Tex. & Leather	932	17.8	23,716	5.9
Lumber & furniture	17	.3	14,166	3.5
Printing, Pub. & paper	53	1.0	8,302	2.1
Chemicals, petroleum, coal & rubber	7	.1	12,539	3.1
Stone, clay & glass	16	.3	4,810	1.2
Primary metals			6,991	1.7
Machinery, metal & equip.	197	3.8	40,417	10.0
Other			3,366	0.8
Transportation, Communication & Utilities	266	5.1	28,759	7.1
Wholesale & Retail Trade	1,134	21.7	104,391	25.9
Finance, Ins. & Real Estate	157	2.9	15,487	3.8
Services	838	16.0	30,743	7.6
Other	215	4.1	1,207	0.3

## Appendix C

Economic Characteristics of the Population for Franklin County and Kentucky:  
1950

Subject	Franklin County		Kentucky	
	Male	Female	Male	Female
Total Population	12, 756	13, 177	1, 474, 987	1, 469, 819
<b>EMPLOYMENT STATUS</b>				
Persons 14 years old & over	9, 703	10, 289	1, 039, 654	1, 048, 459
Labor force	7, 281	3, 528	799, 094	214, 162
Civilian labor force	7, 275	3, 527	777, 155	213, 916
Employed	7, 021	3, 397	748, 658	206, 328
Private wage & salary	3, 762	2, 160	437, 752	156, 377
Government workers	1, 257	1, 056	45, 354	28, 787
Self-employed	1, 869	156	235, 407	15, 104
Unpaid family workers	113	25	30, 145	6, 060
Unemployed	254	130	28, 497	7, 588
Experienced workers	252	125	28, 082	7, 281
New workers	2	5	415	307
Not in labor force	2, 422	6, 761	240, 560	834, 297
Keeping house	21	4, 936	5, 495	665, 564
Unable to work	546	357	70, 583	38, 564
Inmates of institutions	573	388	14, 764	7, 223
Other and not reported	1, 282	1, 080	149, 718	122, 946
14 to 19 years old	647	729	84, 410	85, 890
20 to 64 years old	506	303	47, 447	28, 952
65 and over	129	48	17, 861	8, 104
<b>MAJOR OCCUPATION GROUP OF EMPLOYED PERSONS</b>				
All Employed	7, 021	3, 397	748, 658	206, 328
Professional & technical	591	359	34, 405	25, 410
Farmers & farm mgrs.	1, 177	13	169, 728	2, 264
Mgrs., officials & props.	731	85	57, 432	9, 706
Clerical & kindred wkrs.	484	1, 113	33, 228	47, 520
Sales workers	317	180	35, 141	20, 534
Craftsmen and foremen	1, 144	109	107, 292	3, 096
Operatives & kindred wkrs.	944	779	152, 280	37, 609
Private household wkrs.	24	278	1, 584	21, 408
Service workers	541	367	30, 522	28, 000
Farm laborers, unpaid fam.	130	14	29, 165	3, 260
Farm laborers, other	259	12	38, 358	788
Laborers, ex. farm & mine	629	35	49, 848	1, 843
Occupation not reported	50	45	9, 675	4, 890

Source: Bureau of the Census, 1950 Census of Population (Washington, 1952),  
Vol. II, Part 17, Tables 25, 28, and 43.

CLIMATIC DATA FOR FRANKLIN COUNTY, KENTUCKY

Month	Temperature Norm 1/	Total Prec. Norm 1/	Average Relative Humidity Readings 2/	
	Degrees Fahrenheit	Inches	6:30 AM	6:30 PM (CST)
January	35.1	4.12	83	73
February	36.8	3.37	82	68
March	45.9	4.42	80	65
April	55.6	3.93	75	60
May	65.1	3.75	76	64
June	73.8	3.97	78	66
July	77.2	4.09	78	67
August	75.6	3.52	81	67
September	69.5	2.85	81	65
October	57.6	2.49	79	62
November	46.3	3.14	80	68
December	37.0	3.37	84	70
Annual Norm	56.3 degrees F.	43.02 inches		

1/ Station Location: Frankfort, Franklin County, Kentucky

2/ Station Location: Lexington, Kentucky

Length of record - 6:30 AM readings - 51 years; 6:30 PM readings - 16 years

Days Cloudy or Clear: 129 days clear, 106 days partly cloudy, 130 days cloudy.

Percent of Possible Sunshine: (34 years of record) - Annual - 52 percent.

Days with Precipitation over 0.01 Inch: (66 years of record) - 133 days.

Days with 1.0 or More Snow, Sleet, Hail: (62 years of record) - 6 days.

Days with Thunderstorms: (62 years of record) - 44 days.

Days with Heavy Fog: (44 years of record) - 11 days.

Prevailing Wind: (62 years of record) - Southwest.

Seasonal Heating Degree Days: (49 years of record) - Approximate long-term means - 4,763 degree days.

## KENTUCKY CORPORATION TAXES

### Corporation Organization Tax

Domestic corporations having capital stock divided into shares are required to pay an organization tax to the Secretary of State at the time of corporation. The tax is based upon the number of shares authorized:

	<u>Rate Per Share (Par Value)</u>	<u>Rate Per Share (No Par Value)</u>
First 20,000 shares	1¢	1/2¢
20,001 through 200,000 shares	1/2¢	1/4¢
Over 200,000 shares	1/5¢	1/5¢

The minimum tax is \$10. If additional shares are authorized the tax is computed on the basis of the total number of shares, as amended, and the tax due in excess of that already paid must be paid at the time the amendment to the articles of incorporation is filed.

The tax applies to the capital of foreign corporations in case of merger or consolidation with a Kentucky corporation.

### Corporation License Tax

All corporations except foreign insurance companies, domestic life insurance companies, building and loan associations, banks and trust companies, race track corporations, and franchise paying corporations are liable for the state corporation license tax of 70¢ on each \$1,000 value of capital stock represented by property owned or business transacted in Kentucky. The minimum license tax is \$10. An annual report of facts concerning the corporation and its business is required to be filed with the Department of Revenue not later than the 15th day of the 4th month following the close of the corporation's taxable year. The amount of the tax is computed from this return. The corporation income and license tax returns have been consolidated. Tax payment is due within 30 days after certification of the assessment of its capital stock.

### Corporation Income Tax

The corporation income tax of 4 1/2% applies to the entire net income allocable to this state. Federal income taxes are allowed as a deduction. State and national banks, trust companies, domestic building and loan associations, insurance companies, and non-profit corporations are exempt from the tax. Payment is due on the 15th day of the fourth month after the close of the tax year. Payment of one-third of the tax may be deferred until the 15th day

of the seventh month and an additional one-third until the 15th day of the 11th month following the close of the tax year without interest.

Interest, dividends, rents and royalties, and capital gains not received in connection with the regular business of a corporation are subject to taxation by this state only when such income is received from sources within this state.

Kentucky's portion of taxable corporate income derived from public utilities and the manufacture and sale of tangible property is determined by applying to net income an average of the ratios of the value of tangible property, payroll, and amount of sales in this state to the total value of tangible property, payroll, and amount of sales of the corporation.

In general, this same method is used for allocating taxable income of corporations engaged in other types of business.

#### Franchise Company Taxes

Property of franchise companies (public service companies, railroad companies, common carrier trucking companies, etc.) is subject to taxation at the following rates per \$100 value: real, 5¢; tangible personal, 50¢; non-operating intangible property, 25¢; manufacturing machinery, 50¢; franchise and rolling stock of car line companies, \$1.50; and franchise (value over and above the actual value of tangible property), 50¢. With the exception of manufacturing machinery, franchise and rolling stock of car line companies, and non-operating intangibles, such property is also subject to local taxation.

Franchise companies must, between January 1 and March 31, file an annual report of their operations during the past calendar year. Assessment of franchise property is made by the Department of Revenue as of December 31 of each year. The total over-all value of the company is fixed by various means, among which are (1) capitalizing net utility operating income and (2) determining the market value of the company's stocks and bonds.

Tax payment is due within 30 days after the department's assessment becomes final.

#### General Property Taxes

Kentucky's constitution provides that all property, unless specifically exempt, shall be subject to property taxation. Classification is provided and assessments are required to be at fair cash value. However, Kentucky courts have consistently held that uniformity takes precedence over full value. As of 1955, the statewide assessment level on real estate and tangible personalty is about 35 per cent, and on intangible personalty is approximately full value.

State ad valorem tax rates, applicable to the various classes of property, are shown on the table below. Property which may be taxed locally, subject to constitutional or statutory limits, is indicated by the designation "full" or by the maximum rate which may be levied on a particular class of property.

	Rate Per \$100 Assessed Value			
	State	County	City	School
Annuities	\$ .05	\$ No	\$ No	\$ No
Bank deposits	.10	No	No	No
Bank shares	.50	.20	.20	.40
Brokers accounts receivable	.10	No	No	No
Building and loan association capital stock	.10	No	No	No
Car lines	1.50	No	No	No
Distilled spirits	.50	Full (1)	Full	Full
Farm products in storage	.25	.05 (tobacco) .15 (other)	.05 (tobacco) .15 (other)	No
Farm products in the hands of producers or agent	.25	No	No	No
Intangibles, franchise	.50	Full	Full	Full
Intangibles, franchise nonoperating	.25	No	No	No
Intangibles, not elsewhere specified	.25	No	No	No
Livestock and poultry	.50	No	No	No
Machinery, agricultural and manufacturing	.50	No	No	No
Raw materials and products in course of manufacture	.50	No	No	No
Real property	.05	Full	Full	Full
Tangible personalty, not elsewhere specified (2)	.50	Full	Full	Full

(1) County rates have a maximum of 70¢ but average 62¢; school rates average \$1.45 with a maximum of \$1.50 except for special voted levies not to exceed 50¢. City rates average about 75¢ with a maximum of \$1.50 for cities over 15,000 population.

(2) Includes automobiles and trucks, merchants inventories and manufacturers finished goods, business furniture and fixtures, etc.

The Department of Revenue assesses bank deposits in Kentucky banks as of September 1 and distilled spirits and marginal accounts as of January 1. Tax payment is due on bank deposits on or before November 1 following the assessment date and on marginal accounts within 30 days after the department renders its tax bill to the taxpayer. The tax on distilled spirits may be paid tri-annually on January 1, May 1, and September 1, or annually between September 1 and January 1.

Other property is assessed for state, county, and county school taxes by county tax commissioners, and must be listed as of January 1 between January 1 and March 1. Tax payment is due between the following September 15 and January 1; if rendered before November 1 a discount of 2% applies. Exceptions are money in hand, deposits in out-of-state banks, and tobacco, which are assessed as of September 1; tax payments are due the second succeeding September 15.

City and city school assessment and payment dates vary.

#### Special Taxes

Banks and trust companies, building and loan associations, and insurance companies, which are exempt from corporation license and income taxes, are subject to special taxes.

Banks - Each bank and trust company is required to pay for its stockholders an annual state tax of 50¢ per \$100 value of its capital stock. An annual report to the Department of Revenue and to the assessing officer of the county, city, and school district in which it is located is required by February 1. Tax payment, subject to a 2% discount if paid by November 1, is due between September 15 and December 31 following the assessment date. The assessed value of tangible property may be deducted from the total value of its shares.

Maximum local rates per \$100 are: counties, 20¢; cities, 20¢; and school districts, 40¢.

Building and Loan Associations - A state tax of 10¢ per \$100 is levied on capital stock of domestic building and loan associations in lieu of all other state and local taxes. A report to the Department of Revenue as of January 1 is required by January 31 of each year. Tax payment is due by July 1 of the same year. Shares of borrowing members where the amount borrowed equals or exceeds the amount paid in by those members are exempt from taxation.

Foreign building and loan associations are required to pay an annual tax of \$3 on each \$100 received from shareholders residing in this state, less the amount loaned to shareholders residing in the state. A report must be filed with the Department of Banking on January 1 each year.



**KENTUCKY STATE AND LOCAL TAXES  
APPLICABLE TO A MANUFACTURING CONCERN**

	<u>State</u>	<u>Local</u>									
Business Taxes	<p>1. Corporation income tax of 4 1/2% on entire net income allocated to Ky. <u>after</u> deduction of Federal corporation income tax.</p> <p>2. Corporation license tax of 70 cents on each \$1,000 of that part of the value of capital stock represented by property owned or business transacted in Kentucky; minimum tax \$10.</p>	There are no local taxes levied on business firms outside corporate limits of Kentucky cities.									
Personal & Individual	Individual income tax ranging from 2% on the first \$3,000 of net income to 6% on net income in excess of \$8,000 <u>after</u> the deduction of Federal individual income tax payments. Employers are required to withhold state individual income tax payments.	There are no local individual income taxes levied outside the corporate limits of Ky. cities.									
Real Estate	Five cents on each \$100 of assessed valuation. The average county assessment ratio is approximately 33 percent of current market value.										
Machinery & Equipment	Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 percent of current market value.	No local taxing jurisdiction allowed to impose a property tax on manufacturing machinery and equipment.									
Inventory	Fifty cents on each \$100 of assessed valuation. The average assessment ratio is approximately 33 percent of current market value.	No local taxing jurisdiction is allowed to impose a property tax on manufacturing inventories, raw materials and goods in process.									
Sales & Use	None	None									
Intangible Property	<p>The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follows:</p> <table border="0" style="margin-left: 20px;"> <tr> <td>Bank Deposits</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">10¢</td> </tr> <tr> <td>Stocks &amp; Bonds</td> <td style="text-align: center;">100</td> <td style="text-align: center;">25</td> </tr> <tr> <td>Accounts Receivable</td> <td style="text-align: center;">85</td> <td style="text-align: center;">25</td> </tr> </table>	Bank Deposits	100%	10¢	Stocks & Bonds	100	25	Accounts Receivable	85	25	No local taxing jurisdiction is allowed to impose a property tax on intangible property.
Bank Deposits	100%	10¢									
Stocks & Bonds	100	25									
Accounts Receivable	85	25									

KENTUCKY REVISED STATUTES  
1948

103.200 - 103.280

INDUSTRIAL BUILDINGS FOR CITIES GENERALLY

103.200 Definitions for KRS 103.200 to 103.280. As used in KRS 103.200 to 103.280, "industrial building" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, to be rented or leased to an industrial concern by the city by which it is acquired.

103.210 Issuance of Bonds. In order to promote the reconversion to peace-time economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

103.220 Interest on Bonds; terms. (1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body before issuing the bonds.

103.230 Bonds negotiable; disposal; payable only from revenue. Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer, before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city legislative body deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. In no event shall any bonds be negotiated on a basis to yield more than 6% except as provided in subsection (2) in KRS 103.220. The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city within the meaning of the Constitution.

It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city within the meaning of the constitution.

103.240 Use of proceeds of bonds. All money received from the bonds shall be applied solely for the acquisition of the industrial building, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during the first three years following the date of the bonds.

103.250 Receiver in case of default. If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city, with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210.

103.260 Application of revenue; charges for use. (1) At or before the issuance of bonds the city legislative body shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account.

103.270 Depreciation account. (1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body to the depreciation account, to be used for improvements, extensions or additions to the building.

(2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body may designate, and if invested the income from such investment shall be carried into the depreciation account.

103.280 Additional Bonds. (1) If the city legislative body finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such acquisition, provide for additional bonds for extensions and permanent improvements, to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded.

The Following Amendment was made to KRS 103.200 to 103.280 by the 1952 Kentucky Legislature.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE COMMONWEALTH OF KENTUCKY:

Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.280, "industrial building" or "buildings" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant, or fabricating plant, and/or the necessary operating machinery and equipment, to be rented or leased to an industrial concern by the city by which it is acquired.

COMMONWEALTH OF KENTUCKY  
DEPARTMENT OF STATE  
Secretary of State, Frankfort, Kentucky

INSTRUCTIONS FOR FILING ARTICLES  
OF  
INCORPORATION FOR FOREIGN CORPORATIONS  
IN KENTUCKY

1. Original articles of incorporation and all existing and subsequent amendments to original articles must be filed with the Secretary of State of Kentucky, certified by the Secretary of State of the state of incorporation, as of the current date, in chronological order. A \$25.00 filing fee for original articles and amendments is required. A fee of \$10.00 is required for recording articles and amendments.
2. A statement of corporation designating a process agent and place of business in Kentucky required, for which the filing fee is \$5.00. Our Constitution requires that the process agent reside at the place of business.
3. Photostatic copies will be accepted for filing and recording, if they are **PLAINLY LEGIBLE** and in proper legal form with respect to size, durability, etc., and of such size and quality as to permit them to be rephotostated.

For further information write to

Thelma L. Stovall,  
Secretary of State,  
Commonwealth of Kentucky.

## COOPERATING STATE AGENCIES

As a state, Kentucky realizes the importance of industry in developing her many resources. In addition to the Agricultural and Industrial Development Board, which was created for the express purpose of promoting the economic development of the Commonwealth, there are many state agencies actively engaged in programs, which, directly or indirectly, contribute materially to the solution of problems which affect our industrial growth. Since it is a statutory function of the A&ID Board "to coordinate development plans," contact with the following state agencies and others concerned may be established through the Board.

The Kentucky Highway Department, in planning its program of development and expansion, gives every consideration to the needs of existing and proposed industries. During the year 1954, 2,222 miles of highway and bridges were placed under contract at a total cost of \$41,347,000. This figure does not include \$30,000,000 which will be spent on a new turnpike between Louisville and Elizabethtown, Kentucky. Kentucky has ranked in the upper fourth of all states in recent years in both the number of miles of highway construction and in the amount of money spent.

The Department of Economic Security will furnish data regarding potential labor supply, prevailing wage rates, characteristics of labor supply and employment and economic characteristics for any area in the State. The Department's Division of Employment Service with offices in 24 cities in the State is available at all times to assist in recruitment of workers for industry both old and new. All local offices in the State are equipped to administer specific aptitude tests for 270 different occupations as a part of the recruitment process. These tests facilitate getting the "round peg" into the "round hole" thereby helping to reduce worker turnover and training time.

The Kentucky Department of Industrial Relations has been highly successful in its relations with both management and labor. Representatives of this department are available at all times to consult with industries on any matter in which they can be of service.

The Kentucky Department of Revenue offers the services of its tax consultants to industries seeking locations within the state, as well as to resident industries.

The Kentucky Agricultural and Industrial Development Board takes pride, not only in the services it has to offer to industries seeking locations in Kentucky, but in the service it attempts to render on a continuing basis to existing industry. Established industries have found the state to be considerate of their welfare and we welcome the opportunity to introduce representatives of prospective new industries to our present family of industries.