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Industrial Resources: Kenton County - Covington

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INDUSTRIAL RESOURCES COVINGTON, KENTUCKY



INDUSTRIAL RESOURCES
COVINGTON, KENTUCKY

21825

Prepared by
The Covington-Kenton County Chamber of Commerce
and
The Department of Economic Development
Frankfort, Kentucky

February, 1957

INDUSTRIAL RESOURCES - COVINGTON, KENTUCKY

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SUMMARY DATA FOR COVINGTON, KENTUCKY

POPULATION, 1950: Covington - 64, 452; Kenton County - 104, 254.
1955 (est.) Kenton County - 114, 243.

LABOR SUPPLY AREA: Includes Kenton and all adjoining counties.
Estimated number of workers available for industrial jobs in
the labor supply area - 1, 500 men and 3, 500 women.

TRANSPORTATION:

Railroads: Louisville and Nashville Railroad; Chesapeake and Ohio;
Southern Railway System.

Air: The Greater Cincinnati Airport, located 3 1/2 miles from Erlanger
in Boone County, serves Covington and Cincinnati. Airlines serving
this airport are: American, Piedmont, Lake Central, Delta, Trans
World and AAA Freight Lines.

Trucks: Over 125 different truck lines provide Covington with contract
service to all parts of the United States.

Water: Covington is located on the Ohio River. Barge service is
available to all major ports.

UTILITIES:

Electricity: Electricity is provided by the Union Light, Heat & Power
Company, a subsidiary of the Cincinnati Gas and Electric Company.
Total capacity is 895, 000 kilowatts. Additional construction will
expand generating capacity to over 1, 250, 000 kilowatts.

Natural Gas: Covington is served by the Union Light, Heat & Power
Company. BTU per cubic foot is 1, 040. The gas comes from the
West Virginia, Ohio and Texas gas fields.

Water: The Kenton County Water Commission, District #1, serves
Covington. This Commission has begun the development of a new
water supply program for its consumers which will include a 500, 000
gallon storage supply tank and new and larger mains which will bring
about a 3, 000, 000 gallon per day water supply. This project will
cost \$2, 000, 000.

Sewerage: A modern sewage disposal plant to serve Sanitation District
#1 has been completed and will provide treatment for sewage to meet
the standards established by the Ohio River Valley Water Sanitation
Commission and the Kentucky State Department of Health.

POPULATION AND LABOR

Population

The 1950 population of Covington was 64,452. Table 1 shows population and recent rates of growth in Covington, Kenton County, and Kentucky.

Table 1. Population Growth in Covington, Kenton County and Kentucky, 1900-1950

Year	Covington		Kenton County		Kentucky
	Population	% Increase	Population	% Increase	% Increase
1900	42,938		63,591		
1910	53,270	24.1	70,355	10.6	6.6
1920	57,121	7.2	73,453	4.4	5.5
1930	65,252	14.2	93,534	27.3	8.2
1940	62,018	-5.0	93,139	-.4	8.8
1950	64,452	3.9	104,254	11.9	3.5
1955 (est.) 1/			114,243	9.6	1.9

Labor Force

Definition and Population Trend. The Covington labor supply area is defined for purposes of this statement to include Kenton and the following adjoining Kentucky counties: Boone, Campbell, Grant, and Pendleton. This is the geographical area from which workers could be expected to be drawn to jobs located in Covington. Due to the fact that Covington and Newport are a part of the Cincinnati Metropolitan Area, large numbers of workers would also undoubtedly be available from the Ohio side of the river. However, since economic data are not available for the Ohio counties, they have been excluded from this statement.

Population of the Covington area was estimated in 1955 by the University of Kentucky, Department of Rural Sociology, at 234,558 which was an increase of almost 22,000 since 1950. Kenton County population was at 114,243 in 1955, approximately 10,000 greater than in 1950.

Between 1950 and 1955 there was an immigration of population to the Covington area of 5,170 persons with 1,220 of these in Kenton County. All area counties experienced an inward movement of inhabitants except Pendleton which had a net outmigration of 408 persons.

Economic Characteristics of the Area. In March 1956, there were about 9,300 persons in the Covington area working in manufacturing jobs with 3,790 of these in Kenton County. Most of the remainder of the area's manufacturing is concentrated in Campbell County with slightly over 5,000 workers

in that industry. The number employed in manufacturing has changed little during the past five years.

According to the 1950 census of population there were about 7,400 persons in the area employed in farm jobs with 965 of this number in Kenton County. The 1954 census of agriculture listed 4,400 commercial farms in the area with 636 of these having cash sales below \$1,200.

Per capita income as estimated by the Bureau of Business Research of the University of Kentucky in 1954 was \$1,216 for the state as a whole. Area counties ranged from \$844 in Grant County to \$1,729 in Kenton County.

The average weekly wage in jobs covered by unemployment insurance during the first quarter of 1956 was \$69.86 for the state as a whole with the manufacturing average at \$78.06. Kenton County's average during that quarter was \$70.68 for all covered industries and \$83.58 for manufacturing.

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 ten years.

It is estimated that there are 1,500 men and 3,500 women in the Covington area as defined who could be recruited for industrial jobs including 325 men and 150 women who were claimants for unemployment insurance during October 1956. It is likely that substantially all of this labor supply would be available for employment at Covington due to the relatively close knit nature of the area.

There is also a strong possibility that a large number of residents of this area who are now working in Cincinnati would prefer jobs located on the Kentucky side of the river if available. There was an estimated 33,000 persons from the area who were working in Cincinnati in 1950 with 12,500 of these employed in manufacturing. This number is undoubtedly greater today.

In addition to the immediate supply of labor, about 17,600 boys and 16,800 girls in the area will become 18 years of age during the next ten years. This includes 8,000 boys and 7,900 girls living in Kenton County. From national labor force participation rates, it can reasonably be assumed that at least 80 percent of the boys and 40 percent of the girls will want jobs upon reaching working age. Due to their greater mobility, it is likely that these younger workers would accept employment anywhere in the area. 2/

Wages. Some examples of wages in the area are:

	<u>Industry Going Wage Rates (January, 1956)</u>					
	Male			Female		
	<u>Low</u>	<u>High</u>	<u>Average</u>	<u>Low</u>	<u>High</u>	<u>Average</u>
Unskilled	.75	1.39	1.25	.75	1.30	1.05
Semi-skilled	.90	1.74	1.49	.90	1.60	1.30
Skilled	1.35	2.39	1.88			

Prevailing Construction Wage Scales (January, 1956)

	<u>Union</u>	<u>Non-Union</u>
Labor, Excavation	2.10	1.25
Labor, Concrete	2.10	1.25
Carpenter	3.15	1.75
Painter	2.65	1.65
Plasterer	3.10	2.00
Brick Mason	3.40	2.00
Hod Carrier	2.40	1.45
Cement Finisher	2.95	1.75
Structural Iron Worker	3.20	1.65
Sheet Metal Worker	3.15	1.85
Plumber	3.27	2.00
Roofer-Slate & Tile	3.15	1.75
Roofer Composition	2.85	1.75
Truck Drivers	2.10	1.50

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 Covington.

Table 2. Manufacturing Firms, Products and Employment

Firm	Product	Employment		
		Male	Female	Total
A & Z Engineering Co.	Metal fabrication, tools & dies, stampings	9	0	9
Acorn Press	Printers & stationers	2	0	2
Advance Millwork Co.	Millwork of all types	7	1	8
Advertising Displays, Inc.	Window displays, wood cabinets, fixtures, counters, etc.	30	2	32
Andrews Machine Works, Inc.	Tools, dies, metal stampings, metal products	15	0	15
Anthe Machine Works	Woodworking cutters	7	0	7
Arco Wire Spring & Supply Co.	Upholstery springs	4	2	6
The Avey Drilling Machine Co.	Machine tools	138	12	150
Bavarian Brewing Co., Inc.	Beer & ale	237	17	254
The Bennett Lumber Co.	Wood products	10	3	13
Beuttel's Bakery	Bakery products	12	6	18
Blue Grass Provision Co., Inc.	Pork products	35	13	48
A. L. Boehmer Paint Co., Inc.	Paint	6	2	8
Bonnett Mfg. & Dist. Co.	Sheet metal work	15	2	17
The Borne Co., Inc.	Material handling equip.	15	1	16
Capco-Delux Generator Co.	Re-manufacture generators, starters & armatures	30	6	36
The Cincinnati Enquirer	Newspaper publisher	10	4	14
The Cincinnati Grain & Hay Co.	Horse, dairy & poultry feed	5	0	5
The Cincinnati Ventilating Co.	Sheet metal work	55	3	58
City Products Corp.	Ice (seasonal)	9	1	10
The Countryman Co., Inc.	Signs	34	1	35
The Covington Awning & Roofing Co.	Awnings, canvas products	15	5	20
Covington Cap Co.	Umpire & golf caps	3	0	3
Covington Cut Stone Co.	Fabricated stone	4	0	4
Covington Plating Works, Inc.	Metal finishing	7	0	7
Crescent Paper Tube Co., Inc.	Paper products	18	7	25
Crown Envelope Mfg. Co.	Envelopes	11	17	28
Dixie Sign Co.	Neon & painted signs	3	1	4
The Donaldson Art Sign Co.	Metal signs	49	20	69
Eaton Asphalt Paving Co.	Bituminous concrete, pre-coated mineral aggregate	18	2	20
Elgin Nat'l. Watch Co., Wadsworth Division	Anodizing & polishing	18	16	34
E. O. Eshelby Tobacco Co.	Chewing & smoking tobacco	7	14	21
Fries & Son Steel Construction & Engineering Co.	Steel jail & prison equip.	15	0	15
The Louis Fritz Mineral & Soda Water Co.	Carbonated beverages	11	0	11

(Continued)

Table 2. (Continued)

Firm	Product	Employment		
		Male	Female	Total
Gardner Display Co.	Advertising signs & displays - silk screen			
Gibson Wine Co.	Wine	34	16	50
Greswein & Schuler Co.	Ornamental iron	3	0	3
Hellmann Lumber & Mfg. Co.	General millwork	12	3	15
Highland Products Co.	Abrasive wheels	2	0	2
Inner-Tone Medicine Co., Inc.	Inner-Tone tonic, Inner-Aid laxative	1	1	2
R. A. Jones & Co., Inc.	Cartoning machines, soap presses	166	8	174
Kahmann & Rehkamp Dairy	Dairy products	21	2	23
The Kent Corp.	Metal bathroom & medicine cabinets	23	14	37
The Kenton Pharmacal Co., Inc.	Proprietary medicines, toilet preparations	4	6	10
The Kentucky Post	Newspaper publisher	25	1	26
Kentucky Times-Star	Newspaper publisher	22	4	26
Klaene Foundry Co.	Foundry	43	1	44
Kratz-Wilde Machine Co., Inc.	Dies, tools, stampings	12	6	18
L. & H. Tool & Die Co., Inc.	Tools & stamping dies	6	0	6
Latonia Bakery	Bakery products	13	5	18
Latonia Ice & Fuel Co.	Ice	10	1	11
Latonia Plating & Repair Co.	Metal plating & polishing			
The Liberty Cherry & Fruit Co.	Maraschino cherries, glaze or candied fruit	61	45	106
Lingo Mfg. Co.	Steel shelving, racks	18	2	20
Walter McBride	Candy	0	3	3
Martin Foundry Co.	Iron & steel castings	75	0	75
Marvel Janitor Supply	Brooms and mops	4	0	4
R. Michels Welding Co.	Welding, repair work	1	1	2
The Moeschl-Edwards Corrugating Co.	Rolling steel doors, sheet metal contracting	75	2	77
Monarch Ice Cream Co., Inc.	Ice cream	1	10	11
Monte Cassino Wine Co., Inc.	Wines	14	6	20
D. C. Morrison Co.	1" Key seaters	23	1	24
The Mosler Lock Co.	Locks	106	31	137
New Sanitary Bakery	Bakery goods	1	1	2
Northern Ky. Asphalt Co.	Asphaltic concrete	4	0	4
Northern Ky. Plating Co.	Plating & polishing	3	0	3
Ohio Scroll & Lumber Co.	Ornamental wood parts	39	4	43
Ortner Freight Car Repair Co.	Rebuild & repair freight cars	17	0	17
Chris A. Papas & Son Co.	Candy	2	6	8
Precision Casting Co.	Aluminum castings	5	0	5
The Precision Truing Tool & Mfg. Co., Inc.	Precision truing tools for dressing grinding wheels	10	0	10

(Continued)

Table 2. (Continued)

Firm	Product	Employment		
		Male	Female	Total
Premier Industries, Inc.	Paper products	35	35	70
Quesnell Awning & Mfg. Co.	Canvas products	3	0	3
R & B Handkerchief & Mfg. Co.	Sewing contractors	5	100	105
Ready Mixed Concrete Co.	Ready mix concrete	40	2	42
Reliance Dyeing & Finishing Corp.	Dyers & finishers of cotton & rayon goods	14	7	21
The Joseph N. Rice Co.	Slaughtering beef, veal and lamb	19	2	21
C. Rice Packing Co.	Beef, veal, lamb	31	1	32
The Riemeyer Wire & Iron Works	Wire window guards and partitions	1	0	1
H. J. Rolfes Printing Co.	Printing	6	2	8
Schenley Distillers, Inc., The New England Distilling Co.	Rum	28	3	31
Schram Printing Co.	Printing			
F. A. Seeds Co.	Wax and polishes	11	0	11
Seifert's Bakery	Bakery products	1	1	2
Siller's Bakery	Bakery products	1	0	1
Sipple Welding & Fabricating Co.	Metal septic & fuel oil tanks, coal hoppers	2	1	3
Sohio Petroleum Co.	Gasoline, heating oils, jet fuel, asphalt	264	8	272
Spati Industries, Inc.	Machinery & production tools	22	2	24
The Star Foundry Co., Inc.	Gray iron castings	40	2	42
The Stewart Iron Works Co.	Chainlink fence, jail & prison equip., fabricated metal specialties	147	15	162
Summe & Ratermann Co., Inc.	Milk, ice cream, non-fat milk solids	57	0	57
T & W Printing Co.	Job printing	4	0	4
Tate Builders Supply Con	Concrete & cinder blocks	43	7	50
William Tinglehoff	Bakery products	1	1	2
The Triangle Paper Bag Mfg. Co.	Paper bags	185	135	320
The Wadsworth Electric Mfg. Co., Inc.	Electric switches, service equip., panelboards, etc.			
W. W. Welch Co.	Electric fans	24	23	47
Frank Wenz	Bakery products	1	1	2
J. G. Winchester Co.	Granite monuments	2	0	2
Wissmann Bros.	Wood stairways	5	0	5
Wolff's Standard Printing Wks.	Printing	3	1	4
The Yates Lumber Co., Inc.	Millwork, lumber	2	0	2

Unionization

Unions represented in the Covington area are: United Steelworkers of America, CIO; Independent Shop Union, Local; International Brotherhood of Electrical Workers, CIO; Painters & Pictorial Union, AFL; Sheet Metal Workers, AFL; Warehousemen, AFL; International Association of Machinists, AFL; Metal Polishers & Buffers, AFL; Platers & Helpers International Association, AFL; Amalgamated Clothing Workers of America; International Moulders and Foundry Workers Union of North America, AFL; International Association of Bridge, Structural & Ornamental Ironworkers, AFL; and International Brotherhood of Pulp, Sulphide and Paper Mill Workers, AFL.

TRANSPORTATION

Railroads

The main lines of the Southern, Louisville & Nashville, and Chesapeake & Ohio Railroads pass through Covington. Connections with the Baltimore & Ohio, New York Central, Pennsylvania, Norfolk and Western, and Erie Railroads are made at Cincinnati. Covington is included in the Cincinnati Switching Limits which has the advantage of being in both official and southern freight rate territories. Shipping south from Covington, there is a freight rate advantage over cities to the north, and shipping north of Covington there is a freight rate advantage over southern cities. This same advantage applies to incoming shipments. As a result of this and its central location, this area has the lowest average freight rate to the entire U. S. as compared with other large distribution centers.

The L & N and C & O Railroads operate a store-door delivery and pick-up in Covington on LCL shipments. The Southern Railway offers a similar service through its affiliate, the Southeastern Express Company.

Express

The nation-wide service of the Railway Express Agency is available to all Covington manufacturers, as is also the service of the Southeastern Express Company, which operates mainly to and from points on the Southern Railway.

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

To	Arrive	To	Arrive
Atlanta, Ga.	2 days	Louisville, Ky.	1 day
Birmingham, Ala.	2 days	Los Angeles, Calif.	7 days
Chicago, Ill.	2-3 days	Nashville, Tenn.	2 days
Cleveland, Ohio	2 days	New Orleans, La.	2 days
Detroit, Mich.	2 days	New York, N. Y.	3 days
Knoxville, Tenn.	2 days	Pittsburgh, Pa.	2-3 days
		St. Louis, Mo.	2 days

Highways

National highways connecting Northern Kentucky with the Cincinnati-Covington industrial area are as follows: U.S. Route Numbers 22, 25, 42, 50, 52 and 126. Numerous state routes integrate the highway system of the Cincinnati-Covington area. The transportation map on the following page shows railroads, major highways, navigable waterways and recreation areas of Kentucky.

Table 4. Highway Distances from Covington

To	Miles	To	Miles
Atlanta, Ga.	475	Lexington, Ky.	71
Birmingham, Ala.	506	Louisville, Ky.	111
Chicago, Ill.	294	Nashville, Tenn.	301
Cincinnati, Ohio	1	New York, N. Y.	655
Detroit, Mich.	258	Pittsburgh, Pa.	290
Knoxville, Tenn.	266	St. Louis, Mo.	346

Truck Lines

Available within the area are over 125 motor freight common carriers and numerous contract carriers offering fast, dependable trucking service to all points of the country and next-day service to all points within a 400-mile radius of Covington and Kenton County.

Bus Lines

The Cincinnati, Newport & Covington Railway Company offers local transportation service in Kenton and Campbell Counties. Frequent service is provided on all lines. The Cincinnati terminus of these lines is the Dixie Terminal Building, a very convenient and central location. A belt line connects Covington with Newport and other cities in Campbell County. The Southeastern Greyhound lines operate a fast and frequent schedule throughout Kentucky and Ohio and make connections with the other services in the Greyhound System and any part of the United States.

Airways

The Greater Cincinnati Airport, a Class IV airport, serves the metropolitan area and is located three and one-half miles northwest of Erlanger in Boone County. Passenger flights are currently scheduled at the rate of 180 per day on all major airlines. Limousines and busses provide thirty-five minute service to downtown Covington and Cincinnati. Taxi service to any part of the Greater Cincinnati Area is also available. Over 1,021,377 passengers were carried in and out of the airport during 1955.

Size: The airport property comprises 1,200 acres, at a mean elevation of 890 feet -- making it free of haze, fog and smoke and other handicaps to aerial navigation and landings.

Field Facilities: Four main runways - each 5,500 feet long, 150 feet wide, and 22 inches thick,

Non-Stop Service To: Chicago, Miami, Knoxville, Columbus, Washington, D. C., Memphis, New York, Cleveland, Atlanta, Charleston, W. Va., Nashville, St. Louis and California.

Water Transportation

Covington is provided with excellent transportation facilities on the Ohio River. This stream is navigable the year around and a nine foot stage is maintained by means of a series of locks and dams.

The Mississippi Valley Barge Line operates a fleet of barges on definite schedule up the river to Wheeling and Pittsburgh, and down the river to Louisville, Memphis, New Orleans and other cities. This line has a large river-rail terminal at Cincinnati facilitating transfer of freight to and from the river. Three packet lines also operate at Cincinnati. As a general average, water rates are about two-thirds of the rail rates between points on the river.

UTILITIES

Electricity

Electric power is supplied by the Union Light, Heat and Power Company, a subsidiary of the Cincinnati Gas & Electric Company. Total electric generating capacity is presently 895,000 kilowatts, which is furnished from three generating stations located along the Ohio River. An additional generating unit is now under construction at the Walter C. Beckjord Station and a new unit is planned at the Miami Fort Station, both of which, when completed, will expand the total generating capacity to over 1,250,000 kilowatts. The company has major inter-connections with five adjacent utilities. The current rates are as follows:

Rates Applicable in Covington and Kenton County

General Service Large (Industrial)

<u>Demand Charge:</u>	First 20 Kilowatts of Demand or Less	\$36.00
	Next 80 " " "	1.60 per kilowatt
	Additional " " "	1.30 " "

Plus

<u>Energy Charge:</u>	First 1,000 Kilowatt Hours	1.5¢ per Kilowatt Hour
	Next 5,000 " " "	1.25¢ " " "
	Next 60 Kilowatt Hours per Kilowatt of demand	1.0¢ " " "
	Next 120 " " "	.8¢ " " "
	Next 120 " " "	.6¢ " " "
	Additional Kilowatt Hours	.5¢ " " "

Plus Fuel Charge

Minimum Charge: The demand charge based on a minimum of 20 kilowatts.

Primary Service (Industrial)

<u>Demand Charge:</u>	First 300 Kilowatts of Demand or Less	\$480.00
	Next 700 " " "	1.30 per kilowatt
	Additional " " "	1.10 " "

Plus

<u>Energy Charges:</u>	First 120 Kilowatt Hours per Kilowatt of Demand	.8¢ per Kwh
	Next 120 " " " " " " "	.5¢ " "
	Additional Kilowatt Hours	.4¢ " "

Plus Fuel Charge

Minimum Charge: The Demand Charge based on a minimum of 300 Kilowatts.

Natural Gas

The Union Light, Heat and Power Company supplies Covington with natural gas having a heating value of approximately 1,040 Btu. per cubic foot. The gas comes from West Virginia, Ohio and Texas. The Central Kentucky Natural Gas Company recently completed a 24 inch transmission line across Kenton and Campbell Counties which will improve the pressure and supply of natural gas in Northern Kentucky considerably. The Union Light, Heat and Power Company also has an oil-gas manufacturing plant and also storage facilities for natural gas and propane. The current rates are as follows:



INLAND WATERWAYS of the EASTERN UNITED STATES

NAVIGABLE BY COMMERCIAL CRAFT
SHOWING DISTANCES FROM

PADUCAH, KENTUCKY

CHANNEL DEPTH
 — 9 Feet & Over
 ~ Under 9 Feet
 - - - Proposed

SOURCE OF DATA:
Tennessee Valley Authority
U.S. Corps of Engineers

Miles
90 0 50 100 150 200

Compiled By
AGRICULTURAL and INDUSTRIAL
DEVELOPMENT BOARD
OF KENTUCKY
Frankfort—1951

First 1,000 cubic feet or less	\$1.10
Next 1,000 " "	7.0¢ per 100 cu. ft.
Next 4,000 " "	6.8¢ " " " "
Next 44,000 " "	6.4¢ " " " "
Next 50,000 " "	6.0¢ " " " "
Additional " "	5.6¢ " " " "

Minimum: \$1.10 per meter.

All rates are subject to change as ordered by the Public Service Commission.

Water

The Kenton County Water Commission, District No. 1, has begun the development of the new water supply program for its consumers, which will include a 500,000 gallon storage supply tank, new and larger capacity water mains. The Commission is also proceeding with the supply and treatment facilities and necessary transmission mains to bring about a 3 million gallon daily water supply to the area now being served, the cost of the program to be approximately \$2,000,000 to be financed by a revenue bond issue. The following new rate schedules are necessary in order to finance the above improvement program and also cover the increase of the Covington new water rate which has been invoked upon the District January 1, 1953. Water rates are as follows:

Kenton County Rates:	0	-	800 C. F. per Quarter	\$4.00 Min. Charge
	900	-	5,000 C. F. per Quarter	0.40 per 100 C. F.
	Over		5,000 C. F. per Quarter	0.30 per 100 C. F.

FUEL

Fuel Oil

There are ample supplies of crude oil in Ohio, Kentucky, West Virginia 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 CL lots on any grade of fuel oil will be furnished by the Department of Economic Development, Frankfort, Kentucky.

Coal

Covington receives its supply of coal from the Ohio, Eastern Kentucky and Pennsylvania coal fields. Current prices will be supplied upon request by the Department of Economic Development. High grade coke is also available in the area from nearby sources.

COMMUNICATIONS

Postal Facilities

Covington is served by a first class post office with 183 employees. There is one residential delivery, two business deliveries, 61 city routes, 4 rural routes and 2 star routes. Postal receipts for 1956 totaled \$ 560,000.

Telephone and Telegraph

Telephone service in Covington is provided by The Cincinnati and Suburban Bell Telephone Company. Current rates are as follows:

Telephone Rates

<u>Business:</u>	1-party Flat Rate	\$16.50
	1-party Message Rate (80 or less local messages)	7.50
	Additional Local Messages	.055 each
	Extensions: Flat Rate	1.50
	Message Rate	1.00
<u>Residence:</u>	1-party Flat Rate	\$ 5.65
	2-party Flat Rate	4.40
	2-party Message Rate (45 or less local messages)	3.40
	Additional Local Messages	.055 each
	Extensions	.75

Telegraph Service: Telegraph service is furnished by Western Union.

INDUSTRIAL SITES

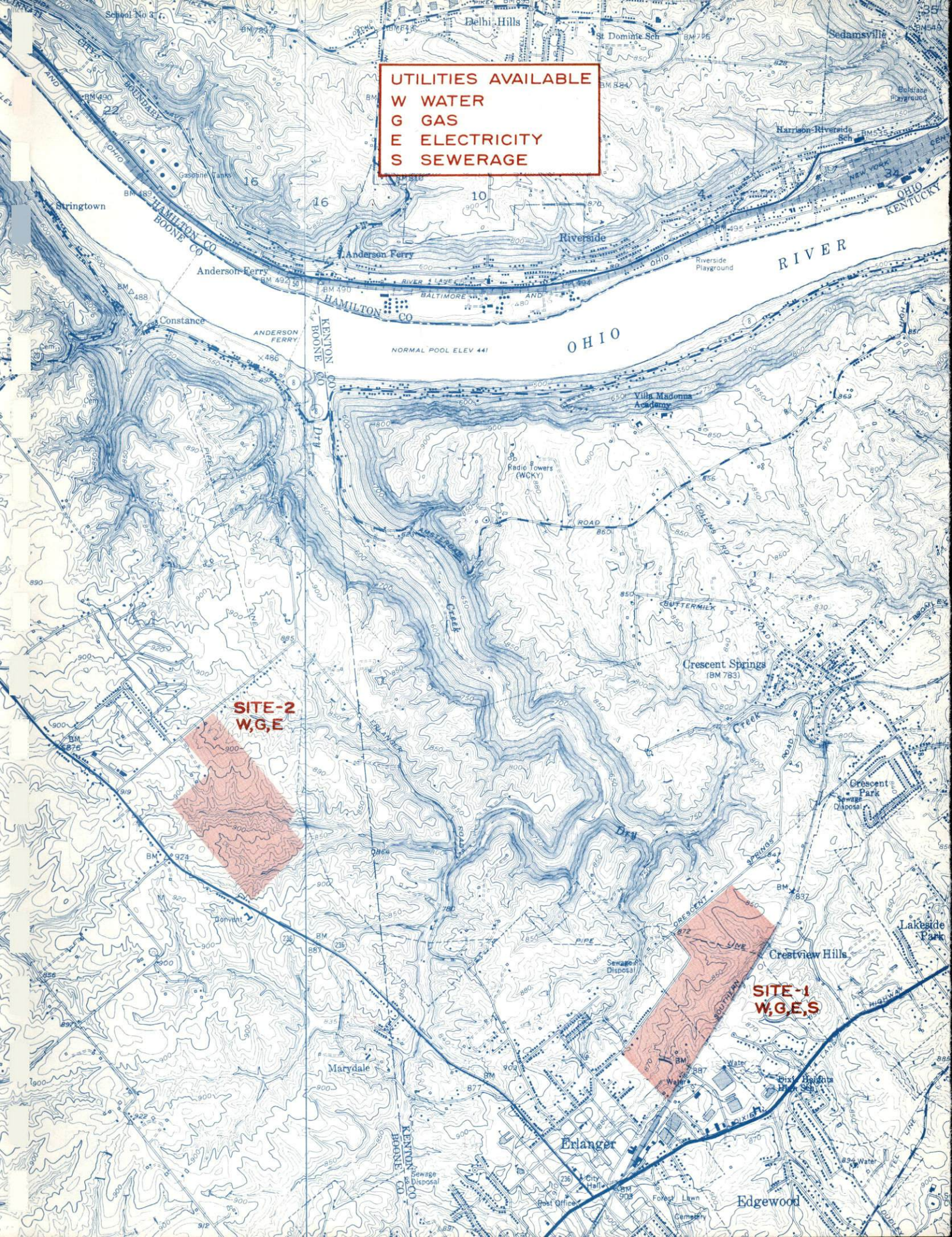
Site No. 1. 150 acres located on the Southern Railway System. City facilities include sewerage, water, gas and power. Approximately eight miles from the Greater Cincinnati Airport. Roadway access.

Site No. 2. 150 acres on Highway 236. All city facilities except sewerage. No rail service. Approximately three miles from Greater Cincinnati Airport.

Site No. 3. 11 acres owned by the L & N Railroad. All city facilities. Access by road.

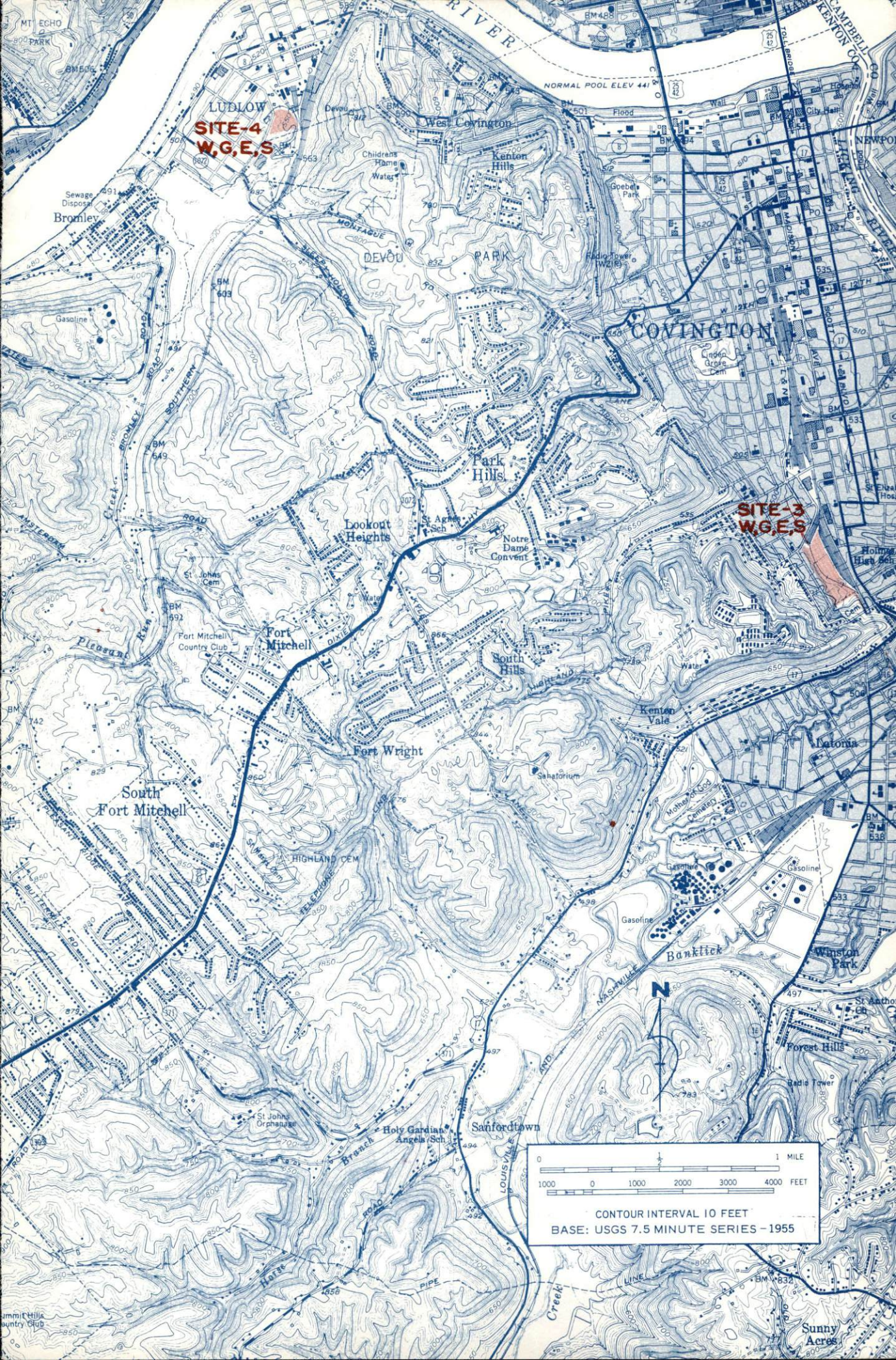
Site No. 4. 7-8 acres on the Southern Railway. All city facilities. Roadway access.

UTILITIES AVAILABLE
W WATER
G GAS
E ELECTRICITY
S SEWERAGE



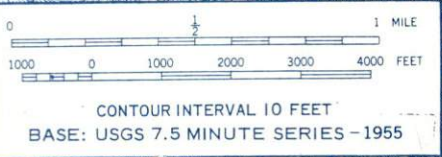
SITE-2
W,G,E

SITE-1
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LUDLOW
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LOCAL GOVERNMENT AND SERVICES

Type Government

Since 1930 the affairs of Covington, a second class city, have been managed by four Commissioners, a Mayor and a City Manager. The Commissioners and Mayor are elected for two-year terms.

Laws Affecting Industry

Exemption to Industry. As provided by state law, the City of Covington will give a new industry a five year property tax exemption which cannot be extended.

Business Licenses. Gross Receipts Tax.

Planning and Zoning. Covington has a Planning & Zoning Commission. Covington and the surrounding area have been zoned for light and heavy industry.

City Services

Fire Protection. The Covington Fire Department consists of 109 active men headed by a Chief and two Assistant Chiefs. These men are distributed among 6 stations in the city. The Department has an agreement with some incorporated areas in the county to render fire protection. Other communities in the county operate their own paid and volunteer fire departments. The Covington Fire Department operates three 1,000 gallon pumpers, four 750 gallon pumpers, three ladder trucks, one ambulance and several miscellaneous vehicles. Equipment includes gas masks, inhalators, and one iron lung.

Property losses within the city limits for 1955 totaled \$21,650.00 on a total property valuation of \$3,907,595.00 which speaks well for the efficiency of the Department. A move-up system throughout the county and northern Kentucky is in effect to safeguard all areas in cases of serious conflagration in the area.

Police Protection. The Covington Police Force consists of 82 men headed by a Chief, Assistant Chief, 4 Captains, 4 Lieutenants and 4 Sergeants. In addition, there are 10 Detectives and 1 Detective Chief, a Superintendent and 1 Assistant Superintendent for the Bureau of Identification. Equipment includes 16 police cars equipped with two-way radio and 3 motorcycles.

Business and Residential areas are patrolled at all times. The city maintains both a police court and a civil court, as well as a juvenile court center for all Kenton County.

Garbage and Sanitation. The City of Covington provides free garbage collection twice a week. The garbage is disposed of into a sanitary fill.

Sewerage. A modern sewage disposal plant serves Sanitation District No. 1 and provides treatment of sewage to meet the standards established by the Ohio River Valley Water Sanitation Commission and the Kentucky State Department of Health. Treatment consists of grit removal, comminution and plain sedimentation, augmented by chemical precipitation during periods when a higher degree of treatment is required. The system has been designed to handle sewage at the rate of 46.8 million gallons per day. Capacities of the system are based on the year 1980 with an estimated population in that year of 160,000 persons, plus an industrial load equivalent to 82,000 persons. Rates vary according to usage.

TAXES

Table 5 shows the property taxes applying in Covington and Kenton County for 1955.

Table 5. Property Tax Rates per \$100 of Assessed Value: Covington and Kenton County, 1955

	Covington	Kenton County
County	\$0.55	\$0.55
State	.05	.05
City	1.58	--
School	1.46	1.50
Other	.10*	.10*
Total	\$3.74	\$2.20

*Tuberculosis Sanatorium District (entire county) levy.

Ratio of Assessment. Covington - 60% of fair sale value.
Kenton County - 40% of true value.

Total Assessment, 1955. Covington - \$69,884,925.
Kenton County - \$181,344,222.

City Income. \$2,749,980.86

City Expenditures. \$2,733,447.84

City Bonded Indebtedness. \$2,600,000. By 1970 only \$320,000 worth of flood wall bonds will be outstanding.

County Income, fiscal year 1955. \$1,499,811.80.

County Expenditures, fiscal year 1955. \$1,228,246.51.

County Bonded Indebtedness. Tuberculosis Hospital Bonds \$16,000.
Road Bonds \$259,000.

LOCAL CONSIDERATIONS

Housing

Within the incorporated communities in Kenton County, approximately 330 building permits have been issued. The average sale price for new homes, mostly of brick construction, is \$14,500.

Health

Hospitals. Within Kenton County are two general hospitals having a total of 440 beds and 74 bassinets, in addition to a new tuberculosis sanatorium. Campbell County, adjoining Kenton, has one general hospital and one Veterans Administration Hospital. A new general hospital has been constructed in Campbell County. One of the finest and largest municipal hospitals in the U. S. is Cincinnati's General Hospital. Besides the numerous general hospitals within the area, there are excellent special hospitals, public and private for mental and tubercular patients, for the treatment of venereal diseases, and for the care and treatment of children. Children's Hospital in Cincinnati is one of the most modern of its kind in the country. Blue Cross Hospital Care Plan and other medical plans are available in the area.

County Public Health Service. The county health center is located in Covington, Kentucky. The public health program comprises immunization and tests, tuberculosis control program, venereal disease control program, maternal and child health services and sanitation and laboratory services.

Education

Graded Schools. Ample opportunities of superior character for all grades of education from kindergarten through college are provided in this area. Complete public and parochial school systems are maintained in the cities of Covington, Fort Mitchell, Erlanger and Ludlow. Covington, Erlanger and Ludlow's school system has been given an "A" rating by the Department of Education. This means that all courses are accredited through grade 12.

Table 6. Schools, Enrollment and Student-Teacher Ratio in Covington and Kenton County 4/

System		Enrollment	Number of Teachers
Covington Elementary	Total	7,188	264
Covington High	"	991	48
Erlanger Elementary	"	809	30
Erlanger High	"	452	22
Ludlow Elementary	"	471	13
Ludlow High	"	345	17

Colleges. Institutions of higher learning in the Covington area include: University of Cincinnati, Xavier University, Hebrew Union College, University of Kentucky Extension College and Villa Madonna College located in the Covington-Cincinnati area; Georgetown College, Georgetown, Kentucky, 59 miles distant; Kentucky State College, Frankfort, Kentucky, 85 miles distant; University of Kentucky, Transylvania and College of the Bible, Lexington, Kentucky, 71 miles distant; University of Louisville, Ursuline College, Bellarmine College, Nazareth College, Southern Baptist Theological Seminary, Louisville, Kentucky, 111 miles distant.

The largest of these, the co-educational University of Cincinnati, was the first municipally sponsored university in the United States. Perhaps its best known innovation is the co-op system for students, first initiated by the College of Engineering. In order to better serve Kentucky residents, the University of Kentucky established a Northern Kentucky Center at Covington in 1948. This branch offers the undergraduate day and evening classes of the college curriculum leading to a Bachelors degree. Graduate students may earn 1/3 of the credits required toward a Masters degree.

Vocational Schools. Kentucky's vocational program utilizes thirteen specialized regional schools which are partly integrated with secondary education. These special area schools prepare Kentuckians for a variety of trade and industrial occupations. Covington is served by the Northern Kentucky State Vocational School, Covington, Kentucky. Courses offered are: Auto mechanics, radio and television service, printing and woodworking.

Libraries. The Public Library of Covington, situated at Robbins and Scott Streets, was authorized by an act of the Legislature in 1898. The building was the voluntary gift of Andrew Carnegie, and was erected in 1901. The architecture of the building is Greek Revival and it is one of Covington's most beautiful structures. The first floor contains books for adults with plenty of room for tables and chairs. On the second floor are the children's department and a lecture room used for educational purposes. The main auditorium is rented for political meetings, church entertainments and civic activities, and has a seating capacity of 750 persons. In 1938 it became a county library and is maintained by appropriations from the city and county.

Churches. Kenton County is noted for its large number of churches in proportion to its population, there being a total of 115 churches, divided according to denominations as follows:

Adventist	2	Evangelical Congreg.	1
African MC	4	Hebrew	1
Baptist	18	Holiness	3
Catholic	18	Lutheran	3
Christian	8	Methodist	11
Christian Science	2	Nazarene	5
Church of Christ	8	Pentecostal	1
Church of God	8	Presbyterian	5
Episcopal	2	Reformed	2
Evangelical	2	Others	11

Banks

<u>Name</u>	<u>Assets (as of Mid-1955)</u>	<u>Deposits</u>
The Citizens National Bank	\$ 7,867,000	\$ 7,021,000
The Covington Trust & Banking Co.	4,589,000	4,106,000
The First National Bank & Trust Co.	12,022,000	10,850,000
The First National Bank of Latonia	2,783,000	2,533,000
The Peoples-Liberty Bank & Trust Co.	15,533,000	13,775,000
Security Savings Bank	1,752,000	1,384,000

Newspapers, Radio and Television

The three Cincinnati daily newspapers publish special Kentucky Editions covering news and activities in Northern Kentucky.

	<u>Kentucky Circulation</u>	<u>Total Circulation</u>
Enquirer Morning	28,045	206,408
Enquirer Sunday	39,542	279,780
Times Star Evening	21,366	164,646
Post Evening	41,828	154,314

Radio Stations. Covington is served by one radio station, WZIP, operating on 1,050 kilocycles with a power output of 250 watts. WZIP has no regular chain affiliations and operates from daylight to darkness, being only a daytime station.

Television. Television reception is good from Cincinnati, Dayton and Louisville.

Clubs and Organizations

Civic. Chamber of Commerce, Jr. Chamber of Commerce, Retail Merchants Association, Rotary, Kiwanis, Lions, Optimists, Kenton County Taxpayers League.

Fraternal. Elks, Odd Fellows, Masonic, Ministerial Association, V. F. W., American Legion.

Women's Clubs. Business and Professional Women's Club, Art Club, Literary Club, P. T. A., Y. W. C. A., Baker-Hunt Foundation, Daughters of America.

Recreation

Recreational advantages are available in Covington for everyone. The variety of facilities available are used by thousands daily. Commercial enterprises offer swimming, bowling, dancing, baseball, horseback riding, movies and other pastimes at popular prices. Many organizations offer sports, game rooms, club and hobby activities. Playgrounds, softball, amateur baseball, football, music and indoor recreation centers attract a large attendance daily.

Swimming Pools - outdoor	11
Swimming Pools - indoor	1
YMCA	2
YWCA	1
WMCA (Colored)	1
Playgrounds (under leadership)	10
Playgrounds (colored)	2
Athletic Fields	13
Night Softball	1
Golf Courses	2
Movie Houses	6
Bowling Alleys	3

Large City Park - Devou Park, a 550-acre rolling wooded park, with a natural amphitheater seating 50,000 people, is one of the most beautiful in the state. It also contains picnic grounds, a public golf course, target ranges, bridle paths, tennis courts, and athletic fields and concerts.

In nearby Cincinnati are additional recreational facilities. Cincinnati is noted for its well organized National League baseball club and its leadership in radio and television. Three television stations and six radio stations provide the area with a variety of telecasts and radio programs. 1951 witnessed the introduction of major league hockey at the Cincinnati Gardens, America's most modern sports arena, seating without obstructions 15,000 persons. The Garden also provides an excellent setting for collegiate and professional basketball, ice shows, circuses, boxing and wrestling. Not to be overlooked is Coney Island Amusement Park. Three of Ohio's best gridiron

teams play in Southern Ohio -- the University of Cincinnati, Xavier University and Miami University. Other important spectator sports are horse racing at River Downs, and professional and inter-collegiate boating races.

RESOURCES

Agricultural Products

Kenton County has a land area of 165 square miles. The 1950 census lists 1,186 farms with an average size of 70 acres. The chief crops are corn, tobacco and alfalfa hay. Livestock and livestock products are providing a major source of farm income. The following table shows the agricultural statistics for 1950:

Table 7. Agricultural Statistics for Kenton County, 1950 5/			
Crops	Acres	Production	Farm Value (dollars)
Corn (bu.)	4,900	216,000	376,000
Tobacco (all types) (lbs.)	980	1,225,000	576,000
Wheat (bu.)	500	7,500	15,700
Soybeans (bu.)	50	900	2,200
Alfalfa Hay (tons)	4,260	8,730	286,000
Clo-Tim Hay (tons)	3,020	3,930	107,000
Lespedeza Hay (tons)	1,320	1,520	38,900
Livestock	Number on Farms January 1, 1951		Farm Value (dollars)
All Cattle & Calves	10,200		1,459,000
Milk Cows	5,200		962,000
Hogs and Pigs	5,850		152,100
Sheep and Lambs	3,150		70,900
Chickens	67,700		88,000
Livestock Products	Production During 1950		Farm Value (dollars)
Eggs (doz.)	742,800		252,600
Milk (lbs.)	24,240,000		1,018,000
Wool (lbs.)	14,100		8,000

Forests

Kenton County has 24,000 acres of forested land. This covers 23% of the total land area.

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

The mineral resources of Kenton County are limestones, sands and gravels, clays and shales.

Limestones. Large quantities occur but they are of questionable quality.

Sands and Gravels. Sands and gravels, suitable for general construction purposes, are available. Considerable amounts of the county's sands have been used for molding purposes.

Clays and Shales. Local flood plain and residual clays are of quality suitable for brick manufacture but are not used under present economic conditions. Upland shales offer some possibilities for use in brick and tile making.

In 1950 Kentucky ranked eighth 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 6/

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

Covington is located in the northern part of Kenton County and is situated on the south bank of the Ohio River and the west bank of the Licking River which

joins the Ohio River at Covington. Directly across the Ohio River and connected by 4 highway bridges and 3 railroad bridges is Cincinnati, Ohio. This area is often referred to as the "Gateway to the South." Within 400 miles of Kenton County lies 40% of the population of the United States. Within a radius of 300 miles lie Detroit, Chicago, Knoxville, Louisville and Pittsburgh. In 1955 retail sales in Kenton County were estimated at \$182,393,000. Effective buying income was estimated at \$1,582 per person and \$5,052 per family. 7/

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.

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APPENDIX

History	Appendix A
Employment by Industry Division	Appendix B
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HISTORY

Kenton County is one of the newest and smallest counties in the state. It was the 90th in order of formation and was organized in 1840 out of the west half of Campbell County. It is divided by the Licking River. The County is only 6 to 12 miles wide and 25 miles long. It is situated in the extreme northern part of the state, opposite Cincinnati, Ohio, and is bounded on the N by the Ohio River, E by the Licking River which separates it from Campbell County, S by Pendleton and Grant Counties, and W by Boone County. The lands along the Lexington Turnpike are of very superior quality. Kenton County was named after a famous Kentucky pioneer, Simon Kenton.

Covington, Kentucky is the chief city of Kenton County and the second in population in the state. It was founded as late as 1815. Covington is named after General Leonard Covington of Maryland, a gallant and distinguished cavalry officer of the War of 1812, and was incorporated in 1815. General George Rogers Clark, Daniel Boone, and other famous pioneers camped here on occasion.

Appendix B

Covered Employment by Major Industry Division, Kenton County, Kentucky				
Industry, March 1956	Kenton County		Kentucky	
	Number	Percent	Number	Percent
All Industries	11,346	100.0	429,846	100.0
Mining & Quarrying	5	0.0	39,090	9.1
Contract Construction	753	6.6	26,977	6.3
Manufacturing	3,790	33.4	169,303	39.4
Food and kindred products	592	5.2	24,478	5.7
Tobacco	12	0.1	9,244	2.2
Clothing, Tex. & Leather	217	1.9	24,156	5.6
Lumber & furniture	144	1.3	16,140	3.8
Printing, Pub. and paper	566	5.0	8,589	2.0
Chemicals, petroleum, coal & rubber	237	2.1	13,232	3.1
Stone, clay & glass	1	0.0	4,985	1.2
Primary metals	180	1.6	9,051	2.1
Machinery, metal & equip.	1,715	15.1	56,015	13.0
Other	126	1.1	3,413	.8
Transportation, Communication & Utilities	1,001	8.8	30,392	7.1
Wholesale & Retail Trade	4,313	38.0	112,625	26.2
Finance, Ins. & Real Estate	612	5.4	16,725	3.9
Services	869	7.7	33,488	7.8
Other	3	0.0	1,246	.3

Appendix C

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

Subject	Kenton County		Kentucky	
	Male	Female	Male	Female
Total Population	49,952	54,302	1,474,987	1,469,819
EMPLOYMENT STATUS				
Persons 14 years old & over	37,446	41,942	1,039,654	1,048,459
Labor force	30,630	12,669	799,094	214,162
Civilian labor force	30,598	12,664	777,155	213,916
Employed	29,427	12,303	748,658	206,328
Private wage & salary	24,623	10,947	437,752	156,377
Government workers	1,443	734	45,354	28,787
Self-employed	3,280	508	235,407	15,104
Unpaid family workers	81	114	30,145	6,060
Unemployed	1,171	361	28,497	7,588
Experienced workers	1,153	354	28,082	7,281
New workers	18	7	415	307
Not in labor force	6,816	29,273	240,560	834,297
Keeping house	161	23,607	5,495	665,564
Unable to work	1,706	1,367	70,583	38,564
Inmates of institutions	178	157	14,764	7,223
Other and not reported	4,771	4,142	149,718	122,946
14 to 19 years old	2,460	2,534	84,410	85,890
20 to 64 years old	1,309	1,131	47,447	28,952
65 and over	1,002	477	17,861	8,104

MAJOR OCCUPATION GROUP
OF EMPLOYED PERSONS

All Employed	29,427	12,303	748,658	206,328
Professional & technical	1,577	1,007	34,405	25,410
Farmers & farm mgrs.	653	11	169,728	2,264
Mgrs., officials & props.	2,868	441	57,432	9,706
Clerical & kindred wkrs.	3,159	4,244	33,228	47,520
Sales workers	2,066	1,395	35,141	20,534
Craftsmen and foremen	7,713	371	107,292	3,096
Operatives & kindred wkrs.	6,637	3,312	152,280	37,609
Private household wkrs.	38	642	1,584	21,408
Service workers	2,048	1,595	30,522	28,000
Farm laborers, unpaid fam.	64	37	29,165	3,260
Farm laborers, other	214	14	38,358	788
Laborers, ex. farm & mine	2,070	70	49,848	1,843
Occupation not reported	320	164	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 KENTON COUNTY, KENTUCKY

Month	Temperature Norm 1/	Total Prec. Norm 1/	Average Relative Humidity Readings 2/	
	Degrees Fahrenheit	Inches	7:30 AM	7:30 PM (EST)
January	32.3	3.48	83	74
February	35.4	2.99	82	70
March	42.8	3.89	82	62
April	54.3	3.12	79	59
May	65.1	3.70	82	61
June	73.7	3.66	84	65
July	77.7	3.31	86	61
August	75.5	3.41	88	64
September	69.0	2.65	90	67
October	57.0	2.51	89	67
November	44.6	2.85	83	69
December	36.4	2.98	83	73
Annual Norm	55.2°F.	38.55		

1/ Station Location: Cincinnati, Ohio

2/ Station Location: Cincinnati, Ohio

Length of record - 7:30 AM readings - 12 years; 7:30 PM readings - 12 years.

Days Cloudy or Clear: (8 yrs. of record) - 88 days clear; 109 days partly cloudy; 168 days cloudy.

Percent of Possible Sunshine: (36 years of record) - Annual 58%.

Days with Precipitation over 0.01 Inch: (36 years of record) - 132 days.

Days with 1.0 or More Snow, Sleet, Hail: (36 years of record) - 6 days.

Days with Thunderstorms: (36 years of record) - 53 days.

Days with Heavy Fog: (36 years of record) - 18 days.

Prevailing Wind: (30 years of record) - SW

Seasonal Heating Degree Days: (51 years of record) - Approximate long-term means - 4,897 degree days.

KENTUCKY CORPORATION TAXESCorporation 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</u> <u>(Par Value)</u>	<u>Rate Per Share</u> <u>(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 rate is 5% on the first \$25,000 of taxable net income and 7% on all over \$25,000 taxable net income. Taxable net

income is that portion of the corporation's entire net income which is attributable to Kentucky operations. Federal income taxes are allowed as a deduction in arriving at taxable net income to the extent that such Federal income tax is applicable to Kentucky operations.

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.

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 corporation 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 associa-				
tion capital stock	.10	No	No	No
Car lines	1.50	No	No	No
Distilled spirits	50	Full <u>1/</u>	Full	Full
Farm products in storage	.05	.05 (tobacco)	.05 (tobacco)	No
		.15 (other)	.15 (other)	
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 else-				
where 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 <u>2/</u>	.50	Full	Full	Full

1/ County rates have a maximum of 70¢ but average 62¢; school rates average \$1.56 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 5% on first \$25,000 and 7% on all over \$25,000 of taxable net income which is allocated to Kentucky, <u>after</u> deduction of Federal corporation income tax attributable to Kentucky operations.</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 consisting of: (1) a normal tax which ranges 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, which is reduced by a tax credit of \$12 for each exemption; and (2) a surtax which ranges from 10% on the first \$25 normal tax to 30% on all over \$100 normal tax.	There are no local individual income taxes levied outside the corporate limits of Kentucky 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	The assessment ratios and tax rates per \$100 of assessed value for the various classes of intangible property are as follows: <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 & 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 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 reversion 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 Department of Economic Development, 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 Department of Economic Development "to coordinate development plans," contact with the following state agencies and others concerned may be established through this agency.

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 1955, 2,560 miles of highway and bridges were placed under contract at a total cost of \$49,133,000. This figure does not include \$30,000,000 which was spent on a new turnpike opened in August 1956, 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 Department of Economic Development 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.