



## City Commission Called Meeting Highlights

Monday, April 28, 2008

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### **Contingent Liability for Fountain Avenue Spec Homes**

A municipal order was approved that recognizes the contingent liability of \$674,107. That figure is the amount the City would have to spend to purchase the four homes in Fountain Avenue in which the City has buy-back guarantees with contractors. (NOTE: This municipal order does not approve the purchase of any home. It just recognizes the full amount that the City would have to spend if the four homes had to be purchased by the City. Construction of the homes is not finished.)

To spur construction growth in the Fountain Avenue area, the City approved as part of the Fountain Avenue Neighborhood Redevelopment Plan a provision that would help absorb the risk for the initial contractors who build houses or rehab existing structures. The City has buy-back contracts for three homes with Mindspring Development (homes valued at \$165,648; \$188,019; and \$165,648). Another buy-back contract is with Brent Lamo for a home valued at \$154,791. The contracts state that once the home is finished and the certificate of occupancy is issued, the contractor will try to sell it for six months. If the home is not sold by the end of six months, the City will purchase the home. The Fountain Avenue budget has a reserve of \$140,000 that, if needed, would be used to discount the selling price of a home.

### **Create Zone Board (Commission will vote on May 13)**

An ordinance was introduced to create the 15 member Zone Board. On April 1, 2008, Commissioners adopted a Resolution authorizing City staff to reorganize Paducah Main Street and the LowerTown Artist Relocation Program into a single administrative organization. The board members will be appointed at a later date. The Zone Board replaces the Paducah Main Street Board. Until now, Lowertown was not represented by a board. Some of the duties of the Zone Board include recruiting artists, recruiting downtown businesses, marketing, managing events and festivals in the downtown area, managing the farmer's market, overseeing the maintenance of floodwall murals, overseeing volunteers, supporting Paducah School for the Arts, conducting fundraising events for downtown area, and maintaining communication with artists, businesses, residents, and other stakeholders in the downtown Renaissance area.

### **Approve 14<sup>th</sup> and Madison Memorandum of Understanding (MOU) (Commission will vote on May 13)**

An ordinance was introduced to approve a MOU between the City of Paducah and Achievement Company, LLC. On January 15, 2008, the Urban Renewal Board agreed to transfer property at 14<sup>th</sup> and Madison Street (6.5 acres) to Achievement Company. The property won't be transferred until a financial commitment letter from Achievement's bank is submitted and approved by Urban Renewal. However, Achievement's bank requests the approval of a MOU before it will send the financial commitment.

In the MOU, Achievement Company will develop the land bounded by North 13<sup>th</sup> Street, North 14<sup>th</sup> Street, Martin Luther King Jr. Drive, and Madison Street. The project is called "14<sup>th</sup> & Madison" and is located in the Fountain Avenue neighborhood. This site is the former site of the Paducah Housing Authority Martin Luther King Jr. Community. The project involves three components: 30 townhomes, 10 live/work townhome units, and 21,000 square feet of office space with 16



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apartments above the offices. Each townhouse would be 1200-1500 square feet with an estimated price of \$150,000 to \$175,000. The project also includes greenspace and de-emphasizes parking by placing it behind the units. Achievement agrees to have the majority of the project completed by March 2011 and plans to invest at least \$9 million. Site work could start as early as August. Achievement will also provide the City with progress reports. As part of the MOU, the City agrees to make improvements to North 13<sup>th</sup> Street and North 14<sup>th</sup> Street to allow for on-street parking. The City also will install sidewalks and lighting. The City will not spend more than \$300,000 on these improvements. The City will also provide grant incentives toward the sale of a selected six of the townhomes.

### **Commission Discussion of Fire Chief Selection and Recruitment**

Commissioners discussed the process of recruiting and selecting a new Fire Chief for the Paducah Fire Department. Fire Chief Redell Benton announced at the April 8 City Commission Meeting that he is retiring after working for the Paducah Fire Department since 1971. Benton has been Chief for almost 12 years. His retirement date is set for May 30, 2008.

Commissioners discussed whether or not to conduct a national search for a new Fire Chief or to limit the search to existing employees. Mayor Paxton made a motion that the City conduct an outside search **and** allow applications of existing Fire Department employees. Mayor Paxton also wants the City Manager and Human Resources Director, Herschel Dungey, to report to the Commission at a later meeting on how to conduct the national search. The motion was approved by a 3-2 vote. The two Commissioners who voted against the motion wanted to limit the initial search of Fire Chief candidates to existing employees. Commissioners then went into Executive Session to discuss an interim Fire Chief. The interim Fire Chief will be named at a Commission meeting in May.



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