



# City Commission Meeting Highlights

Tuesday, January 20, 2015 at City Hall

## Hotel Project Statement and Development Agreement Extension

After passing a resolution regarding the downtown hotel project which extended the development agreement between the development team and the City, Mayor Gayle Kaler summarized the contents of the resolution in the following statement:

*The Commissioners and I with the assistance of the City Manager and staff have made a decision regarding the downtown hotel project.*

*We are giving the developers a strict deadline of Thursday, January 29 to complete the closing of their loan with the bank. Also, we are asking the developers to wait until the completion of this year's Quilt Show to break ground. The pavilion will be used to house the vendors this year. We talked with the developers today, and they have agreed to these terms.*

*From the very beginning everyone knew that the planning and development of a downtown, six-story hotel would take time, significant effort, and the coordination of various financing packages ranging from city-issued bonds, state tax credits, and private financing.*

*We know that it takes time to get the investors here locally and outside of Paducah. We look forward to seeing them complete this fundraising. We are optimistic that all the pieces will fall into place.*

## Macco Settlement Agreement and Release

In September of last year, Macco Organiques Corporation announced that it would not proceed with the investment in bringing 40 jobs to the area and utilizing the existing 60,000 square foot spec building located at 5455 Commerce Drive in the I-24 Logistics Park (also known as Industrial Park West). With the decision not to proceed, the City, County, and Paducah Economic Development (PED) have been working with Macco to complete a final settlement agreement and mutual release of claims. A municipal order was approved by the Mayor and Commissioners at this meeting for that document. As part of the settlement, Macco will pay \$121,673 which will be divided among the City, County, and PED. The City of Paducah will be receiving \$64,922.96 of that amount. The primary expenses for the City were the costs to issue bonds and the accumulated interest since the bond sale. As an economic incentive for the project, the City had issued bonds in 2013 to fund a portion of the cost of upgrading the spec building.

## Application for 2015 Affordable Housing Trust Fund Grant

The Mayor and Commissioners approved a municipal order to submit an application to the Kentucky Housing Corporation requesting \$120,000 to be used in the rehabilitation of two existing homes in the Fountain Avenue neighborhood. The homes are located at 416 and 527 Harahan Boulevard. This application will be a partnership between the City and the Midtown Alliance of Neighbors. If awarded, the City as the grant recipient would have financial administration and construction oversight of each rehab. The Midtown Alliance of Neighbors as the grant sub-recipient would coordinate the day-to-day administration of the projects. There is no required funding match for this competitive grant application.

## Quick Highlights

- Ruth Baggett appointed to the Paducah Monument Committee.
- Municipal order approved for the declaration and sale of surplus property located at 2820 Bradley Street. The City advertised for bids for the property with a bid opening on January 5. For a complete listing of surplus properties, visit [www.paducahky.gov](http://www.paducahky.gov).
- Ordinance approved accepting the Paula Nye Memorial Education Grant for Bicyclist and Pedestrian Safety in the amount of \$5000. There is no local match required. Funds would be used to create an after school program through the Parks Department to educate children on bike safety and the importance of physical activity. Funds also would be used for an awareness campaign to educate the public about the Greenway Trail.
- Ordinance approved accepting the Kentucky Office of Homeland Security grant in the amount of \$75,000. The funds will be used to purchase and install an emergency generator at the Paducah Police Department. The grant pays for about 40% of the project. The Police Department has set aside funds in its budget for the grant match to complete the project.



Pam Spencer, Public Information Officer

City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002

270/444-8669 • Office 270/443-5058 • Fax

Website: <http://paducahky.gov> Email: [pspencer@paducahky.gov](mailto:pspencer@paducahky.gov)

- Ordinance introduced (vote January 27) accepting the Kentucky Office of Homeland Security Law Enforcement Protection Program grant in the amount of \$9310. The funds would be used to purchase body armor vests for the Paducah Police Department. No local match is required.
- Ordinance introduced (vote January 27) for Change Order #1 with Harper Construction, LLC in the amount of \$17,123.27 for the Greenway Trail project. Harper was approved in September 2013 to construct the 1.2 mile segment of trail between Noble Park and U.S. 45 including the underpass. The original contract amount was \$672,502.45. This change order finalizes the project with the final contract amount at \$689,625.72. The change order is due to final adjustments in quantities with the additional cost mainly due to additional handrails and backfill.

###



Pam Spencer, Public Information Officer  
City of Paducah • P.O. Box 2267 • Paducah, Kentucky 42002  
270/444-8669 • Office 270/443-5058 • Fax  
Website: <http://paducahky.gov> Email: [pspencer@paducahky.gov](mailto:pspencer@paducahky.gov)