



City Commission Meeting Highlights

Tuesday, May 19, 2015 at 5:30 p.m. at City Hall

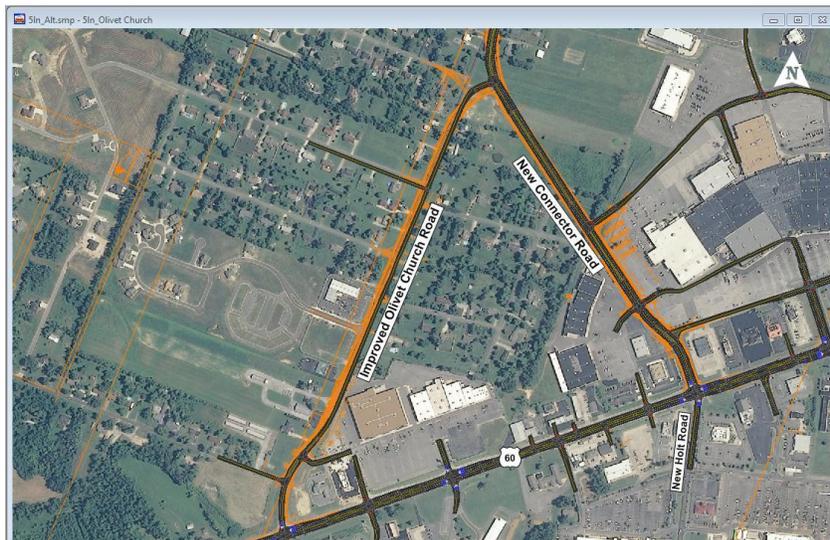
Note: Commissioner Carol Gault was unable to attend the meeting.

Riverfront Redevelopment Project Phase I-B Agreement with Kentucky Transportation Cabinet

The Paducah Board of Commissioners approved an ordinance to execute the contract between the City and the Kentucky Transportation Cabinet for the Riverfront Redevelopment Project Phase I-B. This contract authorizes the City to be reimbursed up to \$3,920,000 in Federal Highway Administration (FHWA) funds for the project. The funds will be administered by the Kentucky Transportation Cabinet with the City being reimbursed after the work has been completed. Currently, the project is advertised for bids with a bid opening scheduled for May 27. This FHWA grant in addition to the Boating Infrastructure Grant (BIG) and its local match provide more than \$5 million for Phase I-B of the project. This phase includes the addition of rock, fill, and topsoil to finish the expansion of Schultz Park along the riverfront. This park will provide more than a square block of additional park space. This project also includes the construction of a gangway and the 20-foot wide, 400-foot long transient dock with boater amenities including fuel, electricity, and sanitary sewer pump-out. In 2013, the first phase of the project was completed with the building of the base of the park and the placement of 12, 36-inch steel pilings to support the gangway.

Construction Contract for Olivet Church Road Improvement Project

The Paducah Board of Commissioners approved an ordinance to execute a contract with Jim Smith Contracting Company, LLC in the amount of \$6,380,137.40 for the construction of the Olivet Church Road Improvement Project. The expectation is for work to begin in June. This will be a 400 calendar-day contract. However, work will not occur between November 1 and February 29 due to the peak shopping time at Kentucky Oaks Mall and the typical winter weather shut down. The plan is for the project to be completed by November 2016. The bid opening for the project was on April 24; however, since the two bids greatly exceeded the \$6.2 million in State funds allocated for the project, the bids were rejected. The City of Paducah made some adjustments to the project by reviewing every line item and making changes including the removal of some sidewalks, the switch from concrete to asphalt in a few places, a reduction in the width of curb and gutter, etc. Then the bidders resubmitted their bids taking into account the changes and looking at their own price for each line item. The negotiated bids were opened May 7 with Jim Smith Contracting as the lowest, responsive bidder. The City will continue discussions with McCracken County and the State regarding the contract amount that exceeds the State funding. This project includes the construction of a new five-lane roadway section from U.S. 60 to Olivet Church through the western end of the parking area at Kentucky Oaks Mall. Olivet Church Road will be improved to a three-lane roadway from where the new-five lane intersects it to U.S. 60.



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Community Development Block Grant Application for 432 Broadway

The Paducah Board of Commissioners approved a municipal order to apply for a Community Development Block Grant (CDBG) in the amount of \$500,000. Planning Director Steve Ervin says, "This municipal order allows us to apply for the grant in the near future if we decide to do so." If the City decided to apply for the grant and it was awarded, the grant would be used to demolish the building located at 432 Broadway (5th and Broadway). A match of \$125,000 would be required from the City. The building at 5th and Broadway has significant structural issues and poses a threat to public safety.

Tax Increment Financing Legislation

Planning Director Steve Ervin provided an overview of Tax Increment Financing (TIF). Kentucky's tax increment financing statutes, KRS 65.7041 – 65.7087, establish guidelines for the creation of development areas eligible for both local and state tax increments. A T.I.F. is a tool that cities can use to fund a variety of public improvements or projects without creating a new tax or being tied to a large debt. The process in general for a T.I.F. development area is to select a project and the boundaries. Then, a baseline is set for the district. The baseline is the amount of taxes that are currently collected within that district. As the improvement projects begin and new development occurs in the T.I.F. district, the property values increase and new jobs may be created resulting in the collection of additional tax revenue. That additional revenue above the baseline is the "increment." A portion of the taxes (increments) that are above and beyond the baseline amount are set aside in a separate account and then reinvested in the project within the T.I.F. district.

Kentucky authorizes two types of T.I.F. development areas: local development areas and state participation programs. Regarding the local development area, it must be either a local only development area on vacant previously undeveloped land, a blighted urban redevelopment area, or vacant land with a 5000-seat arena. Also, the City must find that the area cannot be reasonably developed without public assistance. Regarding the state participation program, the specific project must be within a blighted urban redevelopment area or on vacant land next to a 5000-seat arena. In Kentucky T.I.F. is often used to help local governments jumpstart improvements in declining or underperforming urban areas where development would not otherwise occur.

Quick Highlights

- Mayor Gayle Kaler presented a proclamation to Paducah Main Street Director Melinda Winchester proclaiming May as National Preservation Month and Kentucky Preservation Month. Winchester also outlined the upcoming events organized by Paducah Main Street. The events include the Smashin' Summer Saturdays events, Music in the Gazebo on select Saturday nights, the Meet the Artists event on June 18 at the Coke Building, and Showcase Paducah on July 18.
- Ordinance approved for a contract with McBride Mack, Inc. for the purchase of one front loading refuse truck in the amount of \$228,830.
- Ordinance approved for a contract with McBride Mack, Inc. for the purchase of one side arm loading refuse truck in the amount of \$249,555.
- Ordinance approved to authorize the payment in the amount of \$22,824.50 to AES Environmental, LLC for the collection of household hazardous waste during the April 4, 2015 Spring Clean Up Day.
- Ordinance introduced (vote May 26) for an intent to annex the property contiguous to Paducah's city limits located at 2855 Lone Oak Road and 91 Plantation Drive. The property owner requested the annexation. Banks Market and a strip center currently exist on the property. The next step will be for the Planning Commission to hold a public hearing to assign zoning. An annexation ordinance and a zone change ordinance will be introduced by the City Commission in June.
- Ordinance introduced (vote May 26) for a contract with Bluegrass Uniforms for the purchase of body armor for the Paducah Police officers.

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