



# City Commission Meeting Highlights

Tuesday, August 11, 2015 at 5:30 p.m. at City Hall

*Note: Mayor Gayle Kaler was unable to attend this meeting.*

## **Paducah Riverfront Hotel Items (vote August 25)**

The Paducah Board of Commissioners introduced two ordinances pertaining to the Paducah Riverfront Hotel, the Holiday Inn planned for construction adjacent to the Julian Carroll Convention Center. The first ordinance introduced would authorize the issuance of up to \$12 million in Industrial Building Revenue Bonds. An industrial revenue bond is the financing method chosen by the hotel developers, Paducah Riverfront Hotel, LP. Kentucky law requires the City's approval for the issuance of the bonds; however, the State ultimately approves the bonds with a bond hearing by the state local debt officer set for September 15, 2015. The private bond sale involves Independence Bank as the sole purchaser of the bonds. Paducah Riverfront Development Authority Executive Director Steve Doolittle says, "This is not like other bonds that you see come before the City because it is not our debt." Doolittle added that the debt is private between the hotel developers and the bank.

With this type of bond the sponsoring government, in this case the City of Paducah, is not responsible for the bond repayment, and the bonds do not affect the City's credit rating. This type of arrangement is common with extremely large projects since the City will own the property and lease it back to the developers. There will be no property taxes except for the payments in lieu of taxes made to the City and to the Paducah Independent School District.

In July, the Paducah Board of Commissioners approved an ordinance for the development agreement between the City of Paducah and Paducah Riverfront Hotel (LinGate Hospitality). The development team will bring an upscale 123-room Holiday Inn to Paducah to be located adjacent to the Julian Carroll Convention Center on the 1.4-acre site at 600 North 4<sup>th</sup> Street that has housed the dome pavilion. This is an \$18 million dollar project considering the development, construction, and equipping of the hotel. The five story hotel also will include meeting spaces, a pool, and fitness center in addition to the restaurant, Another Broken Egg. Additional parking for the hotel will be located on a portion of the city-owned property that once housed the Executive Inn. Regarding the approximate 100-space parking lot, the Paducah Board of Commissioners introduced an ordinance for the lease between the City and Paducah Riverfront Hotel. The City will lease to the developers a portion of the city-owned land adjacent to the Julian Carroll Convention Center on the river side of the floodwall for \$1 per year.

## **Resolution in Support of Expansion of National Railway Equipment Company**

The Paducah Board of Commissioners approved a resolution in support of the expansion of National Railway Equipment Company. This resolution is in support of a 2012 letter from the City to the Kentucky Economic Development Cabinet pledging a 1% payroll tax rebate to the company for a period of ten years. In 2012, National Railway announced a \$920,000 expansion which included at least 25 new full-time employees. Mayor Pro Tem Allan Rhodes provided some history of the railroad industry in Paducah and said, "We have had a 90-year run of Paducah investing in railroad shops and railroad shops investing in Paducah."

## **Fountain Avenue Health Park Professional Services**

The Paducah Board of Commissioners approved an ordinance (Mayor Pro Tem Allan Rhodes voted against the contract) for a contract with Brandstetter Carroll, Inc. for the design and construction management of the Health Park to be located in the Fountain Avenue Neighborhood. Brandstetter Carroll will be working with Paducah-based Shawnee Professional Services on this project. The park is to be developed on the city-owned six-acre property bordered by Martin Luther King, Jr. Drive, 13<sup>th</sup> Street, Madison Street, and 14<sup>th</sup> Street. The engineering services are estimated at \$104,000 which is 8 percent of the estimated construction cost for the park.

Currently this park consists of a large open area and the City's Community Garden. The vision is to create an outdoor health park with an open play field, a 1/3 mile walking trail, inclusive playground, an expansion of the community garden, a spray pad and outdoor performance area, outdoor fitness equipment, and picnic areas. In the future, there will be public restrooms, and



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)

the end of the park facing Martin Luther King, Jr. Drive will include retail and professional office space for medical clinics and related agencies with upper story living. The theme of the park is healthy living. It will provide a venue for local schools, the Parks Department, and other agencies to educate the public about proper diet and exercise.

Purchase Area Connections for Health is working to create the park. The partnership includes the City of Paducah, United Way of Paducah-McCracken County, Baptist Health Paducah, Lourdes Hospital, and the Purchase District Health Department. This summer the Rotary Club of Paducah announced its partnership with the project by working with the organization, Play by Design, to design the playground. Rotarians and hundreds of volunteers will construct the playground and provide funding to purchase playground equipment. Local children were asked for their input on the design.

The City has received the Investing in Kentucky's Future grant for the park in the amount of \$400,000 from the Foundation for a Healthy Kentucky. The grant requires a cash match of \$200,000 which is satisfied through a 2014 Land & Water Conservation Fund grant in the amount of \$75,000, its cash match in the amount of \$75,000, and donations of \$25,000 each from the two hospitals. A fundraising campaign for this park will be initiated by partnership members to fully fund the park's construction. At this time more than \$600,000 is available to start the first phase of the park.



### Quick Highlights

- Mayor Pro Tem Rhodes read a proclamation proclaiming that on Friday, August 14 the City will celebrate the 80<sup>th</sup> anniversary of the signing of the Social Security Act.
- Mayor Pro Tem Rhodes presented Atmos Energy with the proclamation encouraging folks to use the one-call number, 811, to locate underground utilities before digging. Atmos Energy was thanked for its donation of trees for City parks.
- Laura Schaumburg with the Paducah Convention & Visitors Bureau introduced Naomi Uchida, an associate professor from Saitama University in Japan. Uchida is visiting Paducah to gather research for a biocultural diversity project. Uchida is from Kanazawa, Japan, another UNESCO Creative City like Paducah.
- National Quilt Museum CEO Frank Bennett introduced four quilters from Caohagan Island, Philippines. The Caohagan Island Quilters are Junko Yoshikawa, Kasuhiko Sakiyama, Mateo Manilag, and Jacqueline Babatu'an. The quilters will be demonstrating their quilting techniques and teaching visitors about their culture and way of life at the museum through August 21.
- Municipal order approved to apply for the Kentucky Emergency Management Hazard Mitigation Grant Funds in the amount of \$179,856.75. If awarded, the funds would be used for the purchase and installation of a new telephony system for the Paducah-McCracken County E-911 Center. The local match would be \$31,175.17 with the State providing a match of \$28,777.08.
- Ordinance approved for a contract with Mott Electric, LLC in the amount of \$115,250 for the installation of a 150 KW diesel-powered emergency generator at the Paducah Police Department. The Kentucky Office of Homeland Security is funding \$75,000 of the project with the remaining funds coming from the City budget.



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- Ordinance introduced (vote August 25) for a contract between the City of Paducah and the Paducah Transit Authority with the City providing \$215,000 for this fiscal year.
- Ordinance introduced (vote August 25) for a contract between the City of Paducah and the Luther F. Carson Four Rivers Center with the City providing \$64,337 for this fiscal year to assist with youth programming.
- Ordinance introduced (vote August 25) for a contract between the City of Paducah and the Paducah Junior College, Inc. with the City providing \$125,000 for this fiscal year for the Community Scholarship Program. The program guarantees any Paducah or McCracken County student a scholarship for up to 60 hours of college credit at West Kentucky Community & Technical College provided that they enroll in the program in 8<sup>th</sup> grade and meet a set of behavior and academic standards.

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