



**CITY COMMISSION MEETING
AGENDA FOR APRIL 9, 2019
5:30 PM
CITY HALL COMMISSION CHAMBERS
300 SOUTH FIFTH STREET**

*Any member of the public who wishes to make comments to the Board of Commissioners is asked to fill out a Public Comment Sheet and place it in the box located at the end of the Commissioner's desk on the left side of the Commission Chambers. The Mayor will call on you to speak during the **Public Comments** section of the Agenda.*

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

ADDITIONS/DELETIONS

INTRODUCTION OF NEW EMPLOYEES Melanie Guardian, Austin Scutt & Hillary Stephen

PRESENTATION Wendy Baxter - Sullivan University

Items on the Consent Agenda are considered to be routine by the Board of Commissioners and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a Board member so requests, in which event the item will be removed from the Consent Agenda and considered separately. The City Clerk will read the items recommended for approval.

	I.	<u>CONSENT AGENDA</u>
		A. Approve Minutes for March 19, 2019 and March 26, 2019
		B. Personnel Actions
		C. Receive & File Documents
		D. Annual 911 Service Agreement with Jackson Purchase 2-Way Radio Service, INC. - B LAIRD
		E. Municipal Order to Purchase One (1) 100' Midmount Aerial Platform Truck for use by the Paducah Fire Department - R MURPHY
		F. Authorize Contract with Youngblood Excavating & Contracting, LLC for the Construction of the Greenway Trail Phase IV Project - R MURPHY
	II.	<u>ORDINANCE(S) - ADOPTION</u>
		A. Adopt City of Paducah Addressing Standards - S KYLE
		B. Ordinance establishing of a Tax Increment Financing district for Downtown Riverfront Area and authorizing the Mayor to enter into an Interlocal Cooperation Agreement and a Local Participation Agreement for 20 years with McCracken County - T TRACY

		C. Repeal Paducah Water Rates Ordinances - B ROBERTSON
		D. Approve New Paducah Water Rates - B ROBERTSON
	III.	<u>ORDINANCE(S) - INTRODUCTION</u>
		A. Authorizing Infill Development Agreement between the City of Paducah and Higdon Development, Inc. regarding Greenway Village Phase 2 - T TRACY
		B. Authorizing Infill Development Agreements between the City of Paducah and Higdon Development, Inc. regarding Ridgewood Villas Phase I and Phase II - T TRACY
	IV.	<u>COMMENTS</u>
		A. Comments from the City Manager
		B. Comments from the Board of Commissioners
		C. Comments from the Audience
	V.	<u>EXECUTIVE SESSION</u>

MARCH 19, 2019

At a Joint Called Meeting of the Paducah Board of Commissioners and McCracken County Fiscal Court, held on Tuesday, March 19, 2019, at 5:30 p.m., in the Commission Chambers of City Hall located at 300 South 5th Street, Judge Clymer and Mayor Harless presided. Upon call of the roll by the City Clerk, the following answered to their names: Commissioners Abraham, McElroy, Watkins, Wilson and Mayor Harless (5). Upon call of the roll, by the County Clerk, the following McCracken County Fiscal Court members answered to their names: Commissioners Bartleman, Jones, Parker and Judge Executive Clymer (4).

PLEDGE OF ALLEGIANCE

Mark Wattier led the pledge.

PRESENTATION

2020 CENSUS

Mark Wattier with the U.S. Census Bureau, made a presentation to the City Commission and McCracken County Fiscal Court about the upcoming 2020 Census. A copy of the presentation can be found in the minute file. The following is an excerpt from meeting highlights by Public Information Officer Pam Spencer:

Partnership Specialist Mark Wattier with the U.S. Census Bureau provided a brief presentation about the upcoming census and the importance of creating a Complete Count Committee (CCC). A CCC is comprised of government and community leaders from various organizations including education, business, and healthcare with the goal to create an awareness campaign for the upcoming census to encourage citizens to respond to the census questionnaire to ensure a complete count for our area. Wattier said, "The goal of the 2020 Census is to count everyone once, only once, and in the right place."

Wattier also discussed the importance of a complete and accurate count in determining congressional representation, the determination of legislative, school, and voting districts, and the appropriation of federal funding.

So far more than 1400 CCC's have been created across the United States. After the presentation, the Paducah Board of Commissioners and the McCracken Fiscal Court issued a joint proclamation in support of creating the Paducah McCracken County Complete Count Committee. McCracken County Judge Executive Craig Clymer has asked Zana Renfro to chair the CCC.

Wattier also emphasized that there are part-time jobs available with the Census Bureau. Online applications are accepted at <https://2020census.gov/jobs>.

JOINT PROCLAMATION

Mayor Harless and Judge Clymer presented a Joint Proclamation supporting the Paducah McCracken County Complete Count Committee.

PRESENTATION & DISCUSSION

E-911

MARCH 19, 2019

Paducah Police Chief Brian Laird and McCracken County Sheriff Matt Carter made a presentation to the City Commission and McCracken County Fiscal Court about E-911. A copy of the presentation can be found in the minute file. The following is an excerpt from meeting highlights by Public Information Officer Pam Spencer:

McCracken County Judge Executive Craig Clymer led off the discussion of the current organizational structure and financial challenges of the E-911 Center which provides emergency and non-emergency services for the residents of the City of Paducah and McCracken County. Judge Clymer said, "911 provides for the protection of citizens. The protection of citizens is the first and highest priority of government."

Paducah Police Chief Brian Laird and McCracken County Sheriff Matt Carter together made a presentation about the current organizational structure and equipment needs. Chief Laird said, "Some of the key components in the 911 Center have become obsolete. The system was originally installed in 1994 and upgraded in 2008." Chief Laird and Sheriff Carter both discussed the need to upgrade the portables (handheld radios) and the mobiles (radios in vehicles) and the need to increase the antenna coverage around the County.

911 Communications Services Manager Ed McManus explained that so far \$1.7 million has been invested in the 911 Center with upgrades in the telephone system, logging recorder, and CAD system (computer-aided dispatch). However, the radio infrastructure, radios, and antennas have not been upgraded with an estimated cost of \$13 million to complete those upgrades.

Emphasizing the importance of a 911 center, Paducah Mayor Brandi Harless said, "It's [911] there. We always want it to be there in case we need it. This is our core function as public leaders to make sure our community is safe."

Mayor Harless added, "We know how strapped our budgets are with the pension issue. We need to get creative in how we fund this."

Both elected bodies discussed the funding challenge due to declining revenue streams. Funding sources have changed significantly over the past couple of decades with land line fees funding 100 percent of the operating costs 25 years ago. But with the recent decline in land line use, those fees fund less than 30 percent of the operational costs with cell phone fees funding only about 21 percent of the operational costs. This decline in revenue has led to local governments across the country struggling to subsidize their 911 centers. The City of Paducah uses more than \$600,000 of its General Fund to subsidize the 911 Center annually.

Regarding funding, Mayor Harless and Judge Executive Clymer proposed abolishing the landline fee by both the City and County. However, there would be a new fee created that would appear on utility billing. The other revenue sources

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including grants, wireless fees, and user fees from non-city/county entities would continue.

They also proposed a new organizational structure for E-911 by making it a City-County consolidated 911 agency. The proposed new structure would create an independent agency that would have a seven-member board comprised of two Paducah Police appointees, two McCracken County Sheriff appointees, one Paducah Fire appointee, one McCracken fire appointee, and one citizen at large appointed jointly by the Mayor and Judge Executive.

Members of the Paducah Board of Commissioners and the McCracken County Fiscal Court acknowledged the importance of determining a funding source for the 911 operations and plan to continue their discussions and information gathering.

Since 2016, 911 Communications Services has been structured under the City of Paducah with various user groups contracting for dispatching services. E-911 currently is a division of the Paducah Police Department with 23 authorized positions. The 911 Center receives more than 150,000 calls per year.

ADJOURN

Mayor Harless offered motion, seconded by Commissioner Wilson, to adjourn the meeting of the Paducah Board of Commissioners. All in favor.

Judge Clymer offered motion, seconded by Commissioner Parker, to adjourn the meeting of the Fiscal Court. All in favor.

Meeting ended at approximately 7:06 p.m.

ADOPTED: April 9, 2019

City Clerk

Mayor

March 26, 2019

At a Regular Meeting of the Board of Commissioners, held on Tuesday, March 26, 2019, at 5:30 p.m., in the Commission Chambers of City Hall located at 300 South 5th Street, Mayor Harless presided, and upon call of the roll by the City Clerk, the following answered to their names: Commissioners Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).

INVOCATION

Commissioner McElroy gave the invocation.

PLEDGE OF ALLEGIANCE

Mayor Harless led the pledge.

PROCLAMATION

LIMB LOSS AWARENESS MONTH

Mayor Harless presented a proclamation to Jim Pollard declaring April Limb Loss Awareness Month.

CONSENT AGENDA

Mayor Harless asked if the Board wanted any items on the Consent Agenda removed. No one asked for any items to be removed for separate consideration. Mayor Harless asked the City Clerk to read the items on the Consent Agenda.

I(A)	Minutes for the March 12, 2019 City Commission Meeting
I(B)	Receive & File Documents <i>Minute File:</i> <ol style="list-style-type: none">1. Notice of Called Joint Meeting of the Board of Commissioners of the City of Paducah and the McCracken County Fiscal Court – March 19, 2019 @ 5:30 p.m.2. Certificate of Liability Insurance – Ohio Machinery Co., Inc.3. Certificate of Liability Insurance – Sonny Ridgeway Construction, Inc.4. Right-of-Way Bond –Ridgeway Construction Inc. <i>Contract File:</i> <ol style="list-style-type: none">1. Agreement to Purchase One Diesel Dump Truck w/Snow Plow and Salt Spreader from Stringfellow MO #22102. Agreement to Purchase eight (8) Police Pursuit Rated SUV’s from Linwood Motors MO #2209
I(C)	Personnel Actions
I(D)	A MUNICIPAL ORDER ADOPTING AN AMENDMENT TO THE FY2018-2019 PAY GRADE SCHEDULE FOR THE EMPLOYEES OF THE CITY OF PADUCAH, KENTUCKY (MO #2218 BK 11)
I(E)	A MUNICIPAL ORDER AUTHORIZING AN APPLICATION FOR A NATIONAL PARKS SERVICE HISTORIC REVITALIZATION SUBGRANT THROUGH THE DEPARTMENT OF THE INTERIOR IN AN AMOUNT OF \$750,000 TO

March 26, 2019

	ESTABLISH A SUBGRANT PROGRAM IN PADUCAH AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED TO SAME (MO #2219 BK 11)
I(F)	A MUNICIPAL ORDER AMENDING MUNICIPAL ORDER NO. 2185 ENTITLED “A MUNICIPAL ORDER ACCEPTING GRANT FUNDS THROUGH THE KENTUCKY OFFICE OF HOMELAND SECURITY (KOHS) FOR A FY18 STATE HOMELAND SECURITY GRANT IN THE AMOUNT OF \$63,500 FOR THE PURCHASE OF BOMB SUITS FOR THE PADUCAH POLICE DEPARTMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE GRANT AGREEMENT AND ALL DOCUMENTS RELATED TO SAME” TO CHANGE THE SCOPE OF SAID GRANT TO INCLUDE THE PURCHASE OF TACTICAL BODY ARMOR CARRIERS, BODY ARMOR PLATES AND MEDICAL KITS AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED TO SAME (MO #2220 BK 11)
I(G)	A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE AN APPLICATION FOR A 2018-2019 MATCHING INSURANCE SERVICES SAFETY GRANT IN THE AMOUNT OF \$3,000 THROUGH THE KENTUCKY LEAGUE OF CITIES FOR REIMBURSEMENT FOR HUMAN RESOURCES DEPARTMENT PERSONELL ATTENDANCE AT THE KLC SAFETY CONFERENCE AND STAFF TRAINING, PERSONAL PROTECTIVE EQUIPMENT AND SAFETY SIGNAGE FOR THE PADUCAH PARKS DEPARTMENT, ACCEPTING ANY GRANT FUNDS AWARDED BY KLCIS, AND AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS RELATED TO SAME (MO #2221 BK 11)
I(H)	A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE AN INTERLOCAL AGREEMENT FOR FIRE AND RESCUE SERVICES BETWEEN THE CITY OF PADUCAH, KENTUCKY, McCRACKEN COUNTY, KENTUCKY, AND THE PADUCAH-McCRACKEN COUNTY OFFICE OF EMERGENCY MANAGEMENT TO PROVIDE SERVICES RELATED TO FIRE AND RESCUE SERVICES (MO #2222 BK 11)

Mayor Harless offered motion, seconded by Commissioner Wilson, that the items on the consent agenda be adopted as presented.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).

MUNICIPAL ORDER(S)

AUTHORIZE AN EXTENSION OF TIME TO REHABILITATE 421 NORTH 5TH STREET

Mayor Harless stated her intention to recuse herself during this business item. Mayor Harless called on Mayor Pro Tem Abraham to preside over the meeting before stepping down from the Commission dais.

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Mayor Pro Tem Abraham offered motion, seconded by Commissioner Watkins, that that a Municipal Order entitled, "A MUNICIPAL ORDER APPROVING AND AUTHORIZING A MEMORANDUM OF UNDERSTANDING WITH BRANDI HARLESS AND HUSBAND, ADAM MOYERS GRANTING AN EXTENSION OF TIME UNTIL JULY 31,2020, FOR COMPLETING THE REHABILITATION OF REAL PROPERTY LOCATED AT 421 NORTH 5TH STREET," be adopted.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson (4). Abstain, Mayor Harless (1). **(MO #2223 BK 11)**

Mayor Harless resumed the chair to preside over the meeting.

INTRODUCTION OF ANITA DIXON

Anita Dixon from Kansas City, MO arrived to share with the City Commission about Kansas City being a UNESCO Creative City of Music.

RESOLUTION(S)

TENNESSEE RIVERLINE PILOT COMMUNITY PROGRAM APPLICATION

Mayor Harless offered motion, seconded by Commissioner Wilson, that a Resolution entitled, "A RESOLUTION ADOPTED JOINTLY BY THE CITY OF PADUCAH, KENTUCKY, AND THE McCRACKEN COUNTY FISCAL COURT STATING SHARED SUPPORT OF BOTH ENTITIES IN THE TENNESSEE RIVERLINE PILOT COMMUNITY PROJECT AND THE SHARED INTENT OF BOTH ENTITIES TO COMPLETE AN APPLICATION FOR PARTICIPATION IN THE PROJECT," be adopted.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).

ORDINANCE(S) – EMERGENCY

APPROVE ADDENDUM TO AGREEMENT FOR DEMOLITION SERVICES FOR KRESGE BUILDING

Commissioner McElroy offered motion, seconded by Commissioner Abraham, that the Board of Commissioners introduce and adopt an Emergency Ordinance entitled, "AN ORDINANCE APPROVING AN ADDENDUM TO THE AGREEMENT FOR DEMOLITION SERVICES WITH DANNY COPE AND SONS EXCAVATING, LLC FOR EMERGENCY DEMOLITION SERVICES OF THE KRESGE BUILDING LOCATED AT 316, 318 & 320 BROADWAY; AUTHORIZING THE MAYOR TO EXECUTE THE ADDENDUM AND DECLARING AN EMERGENCY TO EXIST." This Ordinance is summarized as follows: In this Emergency Ordinance the City of Paducah approves an Addendum to the Agreement for Demolition Services with Danny Cope & Sons Excavating, LLC, to allow for periodic payments throughout the demolition process so long as the total amount paid does not exceed the amount approved by the City Commission in the original Demolition Agreement and approved change orders.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5). **(ORD #2019-3-8564; BK 35)**

ORDINANCE(S) – ADOPTION

RIDGEWOOD VILLAS PHASE II

Commissioner Watkins offered motion, seconded by Commissioner Wilson, that the Board of Commissioners adopt an ordinance entitled, "AN ORDINANCE APPROVING THE FINAL REPORT OF THE PADUCAH PLANNING COMMISSION ON THE PROPOSED FINAL SUBDIVISION

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FOR PROPERTY LOCATED AT 319 BLEICH ROAD; ACCEPTING THE DEDICATION OF RIGHT OF WAY; ACCEPTING PUBLIC UTILITY EASEMENTS; AND AUTHORIZING THE MAYOR TO SUBSCRIBE A CERTIFICATE OF APPROVAL ON THE PLAT.” This ordinance is summarized as follows: That the City of Paducah does hereby approve the final report of the Paducah Planning Commission respecting the proposed final subdivision of property of Ridgewood Villas Condominiums – Phase 2 for property located at 319 Bleich Road, and accepting the dedication of right of way and easements. In addition, the City of Paducah hereby accepts an updated letter of credit in an amount of \$100,000 and authorizes the Mayor to subscribe a certificate of approval on the plat.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).
(ORD #2019-3-8565; BK 35)

CITY HALL IMPROVEMENTS PROJECT: MARCUM ENGINEERING CONTRACT AMENDMENT

Commissioner Wilson offered motion, seconded by Commissioner Watkins, that the Board of Commissioners adopt an ordinance entitled, “AN ORDINANCE APPROVING CONTRACT AMENDMENT NO. 1 WITH MARCUM ENGINEERING, LLC, FOR A PRICE INCREASE IN THE AMOUNT OF \$59,500.00 FOR ADDITIONAL SERVICES FOR THE CITY HALL PHASE I PROJECT.” This Ordinance is summarized as follows: The City of Paducah approves Contract Amendment No. 1 with Marcum Engineering for an overall price increase in the amount of \$59,500.00 for additional services for the City Hall Phase I Project, henceforth, increasing the total contract price to \$396,500.00 and authorizes the Mayor to execute the contract amendment.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).
(ORD #2019-3-8566; BK 35)

APPROVE CHANGE ORDER NO. 1 FOR KRESGE BUILDING DEMOLITION

Commissioner Abraham offered motion, seconded by Commissioner Wilson, that the Board of Commissioners adopt an ordinance entitled, “AN ORDINANCE APPROVING A CHANGE ORDER TO THE AGREEMENT FOR DEMOLITION SERVICES WITH DANNY COPE AND SONS EXCAVATING, LLC, RELATING TO THE KRESGE BUILDING LOCATED AT 316, 318 & 320 BROADWAY IN AN AMOUNT OF \$14,160.00 AND RATIFYING THE MAYOR’S EXECUTION OF SAID CHANGE ORDER.” This Ordinance is summarized as follows: The City of Paducah approves Change Order No. 1 to the Demolition Services Agreement with Danny Cope and Sons Excavating for an overall price increase in the amount of \$14,160.00 for services related to additional brackets for bracing for the Kresge Demolition project, henceforth, increasing the total contract price to \$587,160.00 and ratifies the Mayor’s execution of said Change Order.

Adopted on call of the roll, yeas, Abraham, McElroy, Watkins, Wilson and Mayor Harless (5).
(ORD #2019-3-8567; BK 35)

ORDINANCE(S) – INTRODUCTION

REPEAL PADUCAH WATER RATES ORDINANCES

Commissioner McElroy offered motion, seconded by Commissioner Abraham, that the Board of Commissioners introduce an Ordinance entitled, “AN ORDINANCE REPEALING ORDINANCE NO. 2001-10-6420, ORDINANCE NO. 2003-3-6631, ORDINANCE NO. 2009-11-7629, ORDINANCE NO. 2009-11-7630, AND ORDINANCE NO. 2010-6-7692.” This Ordinance is summarized as follows: The Commissioners of Waterworks have determined it is necessary to update the rates and rate structures for Paducah Water Works. In order to most effectively achieve these

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goals, Paducah Water Works will repeal all previous water rate ordinances. Subsequent to the passage of this ordinance, the City shall enact an ordinance which will ordain the applicable water rates and fees.

APPROVE NEW PADUCAH WATER RATES

Commissioner Watkins offered motion, seconded by Commissioner Wilson, that the Board of Commissioners introduce an Ordinance entitled, “AN ORDINANCE ESTABLISHING NEW WATER RATES AND CHARGES FOR WATER PROVIDED BY THE PADUCAH WATER WORKS TO ITS CUSTOMERS.” This ordinance is summarized as follows: Paducah Water Works has experienced an increase in their operating costs while also seeing an overall decrease in water sales per customer. Paducah Water Works has adopted plans to eliminate all lead services lines in their distribution systems. The Commissioners of Waterworks have the full authority to change the water rates and fees. In order to combat these events, to facilitate the necessary changes, and to accurately account for the cost of providing service to its customers, the Commissioners of Waterworks have determined it is necessary to change the water rates and charges for their customers. The current rate schedule, minimum monthly charges, fire protection fees, connection charges, and capital replacement and expansion fees for Paducah Water Works are available online at <https://www.pwwky.com/rates-fees/>. Additionally, these fees and charges are on file and available at the Paducah Water Works Office. The effective date for each is stated in the ordinance. Any rate or fee changes which are implemented by Paducah Water Works will be reflected in the rates and fees posted online and in the file at the Paducah Water Works Office. The Commissioners of Waterworks will review the fees and charges annually and may authorize adjustments. Paducah Water Works has the authority to implement a flat charge per customer in addition to the other applicable fees which have been charged in the past. This flat charge per customer will become effective July 1, 2019. This charge will increase annually. This ordinance will specify the methodology for updating water rates in the future in order to cover inflation based price increases.

ADOPT CITY OF PADUCAH ADDRESSING STANDARDS

Commissioner Wilson offered motion, seconded by Commissioner Watkins, that the Board of Commissioners introduce an Ordinance entitled, “AN ORDINANCE AMENDING CHAPTER 46, FIRE PREVENTION AND PROTECTION, SECTIONS 46-4 to 46-30, AND 46-34 OF THE CODE OF ORDINANCES OF THE CITY OF PADUCAH, KENTUCKY.” This ordinance is summarized as follows: The City of Paducah hereby amends Sections 46-4 to 46-30, and 46-34 of the Paducah Code of Ordinances to create a comprehensive addressing standard for properties and buildings in the City of Paducah and provides authority for the administration, enforcement and amendment thereof. The objective of the addressing standard is to establish an efficient, uniform and intuitive identification system of parcels and buildings for emergency response services and the general public. The Amendment to Section 46-13, which will be published in full in accordance with KRS 86A.060, provides that a request for an address change is subject to a fee of \$100.

COMMENTS

CITY MANAGER COMMENTS

The City Manager let the Commission know that the budget process is underway. Department directors

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are submitting their budgets to the Finance Department and there will be upcoming meetings with the City Manager's Office, Department Directors and the Finance Department in next few weeks.

The City Manager reminded everyone that the City Hall Unveiling will be on May 2nd.

The Tax Increment Financing District ordinance will be brought back for approval by the Board of Commissioners at the April 9th meeting.

BOARD OF COMMISSIONERS COMMENTS

Commissioner McElroy asked the public to make their homes and yards look nice for the upcoming dogwood trail and Quilt Week.

Mayor Harless and Commissioner Wilson will be traveling to Spartanburg, South Carolina, on an Economic Development.

Mayor Harless has begun hosting quarterly meeting about utilities, transportation and economic development.

The Mayor reiterated that the pension crisis is a large burden on local municipalities and encouraged citizens to reach out to their representatives.

PUBLIC COMMENTS

Randy Beeler made comments regarding the Veterans Day Parade.

ADJOURN

Mayor Harless offered motion, seconded by Commissioner Wilson, to adjourn the meeting. All in favor.

Meeting ended at approximately 6:43 p.m.

ADOPTED: April 9, 2019

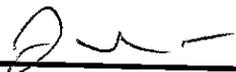
Brandi Harless, Mayor

ATTEST:

Lindsay Parish, City Clerk

CITY OF PADUCAH
April 9, 2019

Upon the recommendation of the City Manager, the Board of Commissioners of the City of Paducah order that the personnel changes on the attached list be approved.



City Manager's Signature

4/2/19

Date

**CITY OF PADUCAH
PERSONNEL ACTIONS
April 9, 2019**

NEW HIRES - PART-TIME (P/T)/TEMPORARY/SEASONAL

PARKS SERVICES

	<u>POSITION</u>	<u>RATE</u>	<u>NCS/CS</u>	<u>FLSA</u>	<u>EFFECTIVE DATE</u>
Bickerstaff, William S.	Coach	\$8.50/Hr.	NCS	Non-Ex	April 4, 2019
Hatton, Nick I	Coach	\$8.50/Hr.	NCS	Non-Ex	April 4, 2019
Orr, Demontay J.	Park Ranger	\$8.67/Hr.	NCS	Non-Ex	April 11, 2019
Willett, Thomas D.	Laborer	\$9.00/Hr.	NCS	Non-Ex	April 11, 2019
Spencer, Shelbi	Lifeguard	\$8.50/Hr.	NCS	Non-Ex	May 2, 2019
Grogan, Weston L.	Lifeguard	\$8.50/Hr.	NCS	Non-Ex	May 2, 2019
Bruce, Meredith A.	Recreation Leader	\$8.50/Hr.	NCS	Non-Ex	May 23, 2019
Marshall, Christopher E.	Laborer	\$9.00/Hr.	NCS	Non-Ex	April 11, 2019

PAYROLL ADJUSTMENTS/TRANSFERS/PROMOTIONS/TEMPORARY ASSIGNMENTS

FIRE - SUPPRESSION

	<u>PREVIOUS POSITION AND BASE RATE OF PAY</u>	<u>CURRENT POSITION AND BASE RATE OF PAY</u>	<u>NCS/CS</u>	<u>FLSA</u>	<u>EFFECTIVE DATE</u>
Smith, Joseph E.	Firefighter/Relief Driver \$15.32/Hr.	Acting Fire Lieutenant \$16.85/Hr.	NCS	Non-Ex	February 11, 2019
Smith, Joseph E.	Acting Fire Lieutenant \$16.85/Hr.	Firefighter/Relief Driver \$15.32/Hr.	NCS	Non-Ex	March 16, 2019
Larsen, Adam W.	Firefighter/Relief Driver \$15.60/Hr.	Acting Fire Lieutenant \$16.85/Hr.	NCS	Non-Ex	February 8, 2019
Larsen, Adam W.	Acting Fire Lieutenant \$16.85/Hr.	Firefighter/Relief Driver \$15.60/Hr.	NCS	Non-Ex	March 16, 2019

PARKS SERVICES

Morsching, Taylor A.	Recreation Specialist \$17.69/Hr.	Recreation Specialist \$18.49/Hr.	NCS	Exempt	April 11, 2019
Wurth, Mary E.	Administration Assist. III \$17.80/Hr.	Administration Assist. III \$18.33/Hr.	NCS	Non-Ex	April 11, 2019

TERMINATIONS - FULL-TIME (FT)

EPW - STREET

	<u>POSITION</u>	<u>REASON</u>	<u>EFFECTIVE DATE</u>
Lynn, Dalton J.	ROW Maintenance Person	Resignation	March 27, 2019

TERMINATIONS - PART-TIME (P/T)/TEMPORARY/SEASONAL

PARKS SERVICES

	<u>POSITION</u>	<u>REASON</u>	<u>EFFECTIVE DATE</u>
Adam, Richard C.	Park Ranger	Resignation	October 28, 2018
Brannon, Kenneth E.	Temp-Pump Operator	Resignation	March 27, 2019

April 9, 2019

Deed File:

1. Paducah Riverfront Hotel/CCC/City of Paducah/Greenway Trail Project – Multiple Deeds ORD 2018-11-8556

Contract File:

1. Memorandum of Understanding – Between City of Paducah and Brandi Harless and Adam Moyers – 421 North 5th Street Rehabilitation Project MO #2223
2. Addendum to the Agreement For Demolitions Services between Danny Cope & Sons Excavating LLC and City of Paducah ORD 2019-3-8564
3. Additional Professional Services for a one-time fee adjustment – Marcum Engineering – Paducah City Hall Exterior Restoration Project ORD 2019-3-8566
4. Sale of Surplus Property and Easements – Public Utility Easements – Atmos Energy Corporation – Pecan Drive – MO #2217

Financials File:

1. Paducah Water Works – February Financial Highlights

Bonds

1. Assistance Agreement by and between the Kentucky Infrastructure Authority (KIA) and City of Paducah – transcript of proceedings MO #2127

Agenda Action Form

Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Annual 911 Service Agreement with Jackson Purchase 2-Way Radio Service, INC. - **B LAIRD**

Category: Municipal Order

Staff Work By: Ed McManus, Brent Stringer

Presentation By: Brian Laird

Background Information: This is a recurring annual agreement in the amount of \$28,080.00 for service to our 800 MHz Smartnet radio system #3713, the Airbus telephone system, and Motorola Gold Elite dispatch console system.

This replaces the current agreement, which expires June 30, 2019.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name: Communication Equipment Maintenance

Account Number: 20004001 522060

Staff Recommendation: Mayor authorize contract with execution date to begin July 1, 2019.

Attachments:

1. Municipal Order
2. Service Agreement Paducah 911 2019-2020

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE A SERVICE AGREEMENT IN THE AMOUNT OF \$28,080.00 WITH JACKSON PURCHASE 2-WAY RADIO, INC. FOR FY2020

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. That the Mayor is hereby authorized to execute a service agreement with Jackson Purchase 2-Way Radio, Inc. for services for the 800 MHz Smartnet radio system #3713, The Airbus telephone system, and Motorola Gold Elite dispatch console system. The Service Agreement with Jackson Purchase 2-Way Radio in the amount of \$28,080.00 shall expire June 30, 2020.

SECTION 2. This expenditure shall be paid from the Communications Equipment Maintenance Account 20004001 522060.

SECTION 3. This Order will be in full force and effect from and after the date of its adoption.

Mayor

ATTEST:

Lindsay Parish, City Clerk

Adopted by the Board of Commissioners, April 9, 2019
Recorded by Lindsay Parish, City Clerk, April 9, 2019
MO\contract-Jackson Purchase 2-Way Radio 19-20



MOTOROLA

Jackson Purchase 2 Way Radio, Inc.

1201 South Third Street
Paducah, KY 42003
Phone: (270) 443-5604, (800) 264-5604
Fax: (270) 443-6402
E-mail: shop@jp2way.com
Owner/President: Joey Watkins

Service Agreement for Paducah 911

Site location: City of Paducah, 911 Dispatch & Operations Facility
5th & Clark Street, Paducah Kentucky.

Service provider: Jackson Purchase 2-Way Radio Service, INC. (JP2WAY) of Paducah KY.

Agreement Summary:

The following is an explanation of agreed services to be rendered by Jackson Purchase 2-Way Radio Service, INC. for the City of Paducah 911's Motorola 800MHz Smartnet Radio System #3713 and the Motorola Gold Elite dispatch console system.

Scope of Agreement:

This agreement is limited to requests made by authorized personnel, or monitored alarm notifications of issues that impair the normal operations of radio system #3713, the Airbus phone system, or the Motorola Gold Elite dispatch consoles. Service calls from JP2WAY will be available 24 hours a day / 7 days per week and response times will be determined by severity of issue. Restoration of service, and repairs if needed, will be determined on a per case / best effort scenario. Also, the extent of the issue and the availability of replacement parts will be a major factor in restoring service in a timely manner. This agreement also includes one (1) annual On-Site Maintenance check of active / reserve System #3713 equipment to be performed during regular business hours. This agreement does not cover non-system #3713 equipment such as the building electrical system, HVAC, generator, building integrity, and other non-radio or dispatch system items. Any tower related work shall be sub contracted through JP2WAY. Any work to include climbing, light repair / replacement, antenna or cable repair / maintenance will be billed separately using current contractor rates.

Agreement rates as of July 1st, 2019:

In lieu of an hourly rate charged per call based upon time of day / day of week, this agreement serves as documentation that the sum of \$28,080.00 is to be paid to Jackson Purchase Two Way Radio Service, Inc. for compensation of any and all labor and travel expenses for service and repairs, excluding parts, under contract. This agreement shall be valid for 1 year from date of execution and can be automatically renewed annually. The sum of \$28,080.00 shall be paid in 4 quarterly installments of \$7020.00 through invoices received from JP2WAY.

Important notice:

It is important to understand that Motorola Smartnet is a legacy system. This means that Motorola factory support is no longer available. Repairs and/or replacement parts may be limited to availability

through Motorola and/or used equipment dealers. Many parts may become harder to, or even impossible to find, as time goes on.

Reserving System Components (Optional):

Components of the Paducah 911 Smartnet 800 MHZ systems may, by direction of Paducah 911, be removed from active service.

The system normally operates with two site controllers, one active and one in hot standby mode, and eight repeater stations that automatically switch in the event of an active controller failure. By disconnecting this hot switch-over feature, this may help to reduce losses from AC power/generator surges or lightning damage.

One MTC3600 controller, five Quantar stations, two data broadcasting boxes, and the 800MHZ antenna system remain in service. The second MTC3600 controller, the three remaining Quantar stations, and the two remaining data broadcast boxes can be disconnected and powered down to provide either a non powered backup system, or, swappable parts to resolve active system issues.

800 MHz Antenna System:

The 800MHZ antenna system and tower are the life line of system operation. Other 2-way stations located on site, including the ICALL/ITAC stations, are connected to the antenna system and would be impacted in case of an antenna system problem. Best effort will be made to resolve any antenna related issues.

Paducah 911 will be contacted in the event of antenna system problems that require an official directive, authorization for purchase(s), and labor costs to repair. A tower maintenance/erection company would need to be contracted to resolve tower, antenna systems, or other associated contractor required issues that relate to, or, are outside of the communications building.

Major System Extended Outage or Damage:

Best effort will always be made to restore the Paducah 911 radio system to active service as soon as possible if issues arise. However, if for any reason that service cannot be restored to normal operation as the result of fire, theft, manmade or natural disaster, or any other reason, a backup plan should be in place. It is recommended that an immediate alternative plan of dispatch and unit to unit communications be in place in case of an outage whether short or long term.

Disclaimer:

Jackson Purchase 2-Way Radio Service, INC. is neither responsible nor liable for any incidents, accidents, deaths, or injuries as a result of normal system operations, failures, and any problems encountered during communications, during attempts or disruptions of communications, or any alternate, emergency, or backup communication systems or plans.

Jackson Purchase Two Way Radio Service, INC.

 3-12-19

Joseph Watkins, President

City of Paducah E911

Mayor, City of Paducah

Agenda Action Form

Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Municipal Order to Purchase One (1) 100' Midmount Aerial Platform Truck for use by the Paducah Fire Department - **R MURPHY**

Category: Municipal Order

Staff Work By: Randy Crouch, Dena Alexander

Presentation By: Rick Murphy

Background Information: On February 28, 2019 sealed bids were received and opened for one (1) 100' Midmount Aerial Platform Truck to be used by the Paducah Fire Department. One bid was received from Finley Fire. The bid did not contain all requested information and could not therefore be considered. In addition, the bid contained a proposed purchase price of \$1,300,303.00 which exceeds available funds. Per ordinance, the City Manager rejected the bid and requested negotiation with the vendor in order to acquire the equipment needed with the available funds. The outcome of this negotiation resulted in the equipment meeting the prior specifications at a price of \$ 1,200,00.00. Attached you will find the negotiated details per the vendor's response letter.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name: Rolling Stock / Vehicles

Account Number: 71000210-540050

Staff Recommendation: For a municipal order allowing the Mayor to sign an agreement with Finley Fire Equipment for the purchase of one (1) 100' Midmount Aerial Platform Truck to be used by the Paducah Fire Department for a negotiated price of \$1,200,000.00.

Attachments:

1. Municipal Order
2. Finley Final Price Negotiation Letter 3-22-19
3. Agreement Aerial Platform Truck

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT WITH FINLEY FIRE EQUIPMENT FOR PURCHASE OF ONE (1) 100' MIDMOUNT AERIAL PLATFORM TRUCK IN AN AMOUNT OF \$1,200,000, FOR USE BY THE PADUCAH FIRE DEPARTMENT

WHEREAS, pursuant to Sec. 2-645 of the Code of Ordinances of the City of Paducah, Kentucky, one sealed bid was received from Finley Fire Equipment on February 28, 2019, for the purchase of one (1) 100' Midmount Aerial Platform Truck for the Paducah Fire Department; and

WHEREAS, pursuant to 2-650(e), 2-651 and 2-654 of the Code of Ordinances of the City of Paducah, Kentucky, a written determination has been made by the City Manager that the bid received was in excess of the available funding, unresponsive or unreasonable as to all or part of the requirements, and that it was in the best interest of the City to go into competitive negotiations with Finley Fire Equipment for the purchase of the Midmount Aerial Platform Truck.

NOW THEREFORE, BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City of Paducah hereby authorizes the Mayor to execute an agreement with Finley Fire Equipment for one (1) 100' Midmount Aerial Platform Truck at a price of \$1,200,000, for use by the Paducah Fire Department.

SECTION 2. This purchase shall be charged to Fleet Lease Trust Fund – Rolling Stock/Vehicles Account No. 71000210-540050.

SECTION 3. This Order shall be in full force and effect from and after the date of its adoption.

Brandi Harless, Mayor

ATTEST:

Lindsay Parish, City Clerk

Adopted by the Board of Commissioners, April 9, 2019

Recorded by Lindsay Parish, City Clerk, April 9, 2019
MO\Midmount Aerial Truck 4-2019



5255 N State Route 60 NW * McConnellsville, Ohio 43756
800-545-3280 * 740-962-4328 * Fax 740-962-5422
www.finleyfire.com

3-22-2019

Truck Bid Negotiation Meeting Agreement Letter:

This Letter will serve as proof of agreement between City of Paducah, Ky. and Finley Fire Equipment on an agreed to Price for a Pierce 100MM as originally Bid and speced per Fire Department Proposal. On 3-21-2019, a meeting was held at Paducah, Ky. City Hall to negotiate the purchase of an Aerial from Finley Fire Equipment, in this negotiation a 1% additional discount was offered by Finley Fire and accepted by the City, in addition to removal of Training classes priced in the original Bid Price. The Training Classes will be offered at a desired time of the City, within next 2 years from date of Contract signing, at \$650.00 per Class attended, and exact cost of travel and Class Enrollment Fee for the Tech will be billed to City after Class is Complete and Tech returns to Paducah. After these changes, a new bid Total after 100% Prepay was reached of \$1,200,000.00. This amount will be due within 15 days of Contract signing, payable to Finley Fire Equipment. An Invoice will be generated as such and emailed to City Manager before the next City Council meeting.

Keith Puckett
Ky. Sales Manager
Finley Fire Equipment
270-256-7577
kpuckett@finleyfire.com

**CITY OF PADUCAH, KENTUCKY
ENGINEERING-PUBLIC WORKS DEPARTMENT**

**AGREEMENT FOR ONE 100' MIDMOUNT AERIAL PLATFORM TRUCK
FOR USE BY THE FIRE DEPARTMENT**

THIS AGREEMENT, made this _____ day of _____, 2019 by and between the **CITY OF PADUCAH**, hereinafter called the OWNER, and Finley Fire Equipment, hereinafter called the **VENDOR**, for the consideration hereinafter named, agree as follows:

ARTICLE 1. SCOPE OF WORK

The Vendor shall provide **One 100' Midmount Aerial Platform Truck for use by the Paducah Fire Department** in full compliance with the Specifications as contained in the Negotiated Letter Dated March 22, 2019. The Aerial Platform Truck supplied shall be in accordance with this Agreement, the Specifications and any Addendum(s) issued.

ARTICLE 2. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

The Vendor hereby agrees to commence work under this and to fully complete the delivery of the Aerial Platform Truck by August 1, 2021.

ARTICLE 3. THE CONTRACT SUM

The Owner shall pay the Vendor for the performance of the Contract, subject to additions and deductions provided therein: **One Million Two Hundred Thousand Dollars and Zero Cents** (\$1,200,000.00) as quoted in the aforementioned Negotiated Letter by the Vendor, which shall constitute full compensation for the work and services authorized herein.

ARTICLE 4. PAYMENTS

Payment will be made in full within 15 days of signed agreement in accordance with the negotiated terms.

ARTICLE 5. THE CONTRACT DOCUMENTS

The Specifications and any addendum that may have been issued are fully a part of this Contract as if thereto attached or herein repeated.

IN WITNESS WHEREOF: The parties hereto have executed this Agreement, the day and year first above written.

VENDOR

BY _____

ADDRESS:

CITY OF PADUCAH, KENTUCKY

BY _____

Brandi Harless, Mayor

ADDRESS:

Post Office Box 2267
Paducah, Kentucky 42002-2267

Agenda Action Form Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Authorize Contract with Youngblood Excavating & Contracting, LLC for the Construction of the Greenway Trail Phase IV Project - **R MURPHY**

Category: Municipal Order

Staff Work By: Maegan Mansfield

Presentation By: Rick Murphy

Background Information:

On Tuesday, February 26, 2019, sealed bids were opened and read aloud for the Greenway Trail Phase IV Project. Four responsive and responsible bids were received, with Youngblood Excavating & Contracting, LLC, submitting the lowest bid in the amount of \$475,619.00. This bid was 2.7% above the Engineer's construction cost estimate.

This Project is primarily funded with a FHWA Transportation Enhancement Grant administered by the Kentucky Transportation Cabinet Office of Local Programs (KYTC-OLP) in the amount of \$650,000 with a 20% City match. The sources of the City funds are available from the Boyles Estate Community Foundation and a 2014 Investment Fund transfer.

As required by the FHWA grant LPA process, documentation was forwarded to the KYTC-OLP recommending the award of the Project to Youngblood Excavating & Contracting, LLC, and confirmation was received from Ms. Kim Tompkins on March 19, 2019, copy attached.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name: Greenway Trail Phase IV

Account Number: PA0092-000-22000-22010

Staff Recommendation:

To receive and file the bids and adopt an Ordinance authorizing the Mayor to execute a contract with Youngblood Excavating & Contracting, LLC, in the amount of \$475,619.00 for construction of the Greenway Trail Phase IV Project

Attachments:

1. Municipal Order
2. Bid Tab

3. Contract
4. Notice to Proceed

MUNICIPAL ORDER NO. _____

A MUNICIPAL ORDER ACCEPTING THE BID OF YOUNGBLOOD EXCAVATING & CONTRACTING, LLC, FOR CONSTRUCTION OF THE GREENWAY TRAIL PHASE IV IN A TOTAL AMOUNT OF \$475,619 AND AUTHORIZING THE MAYOR TO EXECUTE A CONTRACT FOR SAME

BE IT ORDERED BY THE CITY OF PADUCAH, KENTUCKY:

SECTION 1. The City of Paducah accepts the bid of Youngblood Excavating & Contracting, LLC, for construction of the Greenway Tail Phase IV, in an amount of \$475,619 said bid being in substantial compliance with bid specifications, and as contained in the bid of Youngblood Excavating & Contracting, LLC, of February 26, 2019.

SECTION 2. The Mayor is hereby authorized to execute a contract with Youngblood Excavating & Contracting, LLC, for construction of the Greenway Tail Phase IV, authorized in Section 1 above, according to the specifications, bid proposal and all contract documents heretofore approved and incorporated in the bid.

SECTION 3. Funding for the Greenway Trail Phase IV shall be provided by FHWA Transportation Enhancement Grant monies with a 20% City match being provided by the Boyles Estate Community Foundation and a 2014 Investment Fund transfer.

SECTION 4. This Order shall be in full force and effect from and after the date of its adoption.

Brandi Harless, Mayor

ATTEST:

Lindsay Parish, City Clerk

Adopted by the Board of Commissioners, April 9, 2019
Recorded by Lindsay Parish, City Clerk, April 9, 2019
MO\Greenway Trail Ph IV – Youngblood Contract 4-2019

BID TAB - PADUCAH GREENWAY TRAIL PHASE IV

				Youngblood Excavating and Contracting		Wilkins Construction Company, Inc.		Harper Construction		Adams Contracting, LLC	
ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
00001	DGA BASE	TON	1,025	\$30.00	\$30,750	\$33.57	\$34,409	\$45.50	\$46,638	\$30.00	\$30,750
01810	STANDARD CURB AND GUTTER	LF	220	\$39.00	\$8,580	\$39.38	\$8,664	\$29.00	\$6,380	\$45.00	\$9,900
00203	CL2 ASPH BASE 1.50D PG64-22	TON	35	\$105.00	\$3,675	\$225.00	\$7,875	\$147.00	\$5,145	\$150.00	\$5,250
00301	CL2 ASPH SURF 0.38D PG64-22	TON	22	\$105.00	\$2,310	\$235.00	\$5,170	\$163.00	\$3,586	\$165.00	\$3,630
02200	ROADWAY EXCAVATION	CUYD	1,275	\$12.00	\$15,300	\$32.07	\$40,889	\$38.00	\$48,450	\$35.00	\$44,625
02562	SIGNS - PERMANENT	SQFT	12	\$187.50	\$2,250	\$104.17	\$1,250	\$525.00	\$6,300	\$150.00	\$1,800
02568	MOBILIZATION	LS	1	\$3,000.00	\$3,000	\$19,680.00	\$19,680	\$54,000.00	\$54,000	\$40,000.00	\$40,000
02569	DEMOBILIZATION	LS	1	\$3,000.00	\$3,000	\$8,100.00	\$8,100	\$19,500.00	\$19,500	\$15,000.00	\$15,000
02650	MAINTAIN & CONTROL TRAFFIC	LS	1	\$10,000.00	\$10,000	\$15,170.00	\$15,170	\$29,000.00	\$29,000	\$10,000.00	\$10,000
05985	SEEDING AND PROTECTION	SQYD	5,000	\$4.00	\$20,000	\$4.92	\$24,600	\$2.36	\$11,800	\$2.50	\$12,500
06514	PAVE STRIPING-PERM PAINT-4 IN	LF	3,404	\$0.75	\$2,553	\$0.50	\$1,702	\$0.55	\$1,872	\$0.60	\$2,042
06566	PAVE MARKING-THERMO X-WALK 12 IN	LF	2,541	\$11.00	\$27,951	\$10.00	\$25,410	\$10.50	\$26,681	\$11.00	\$27,951
20000ED	SIDEWALK - 5 IN CONCRETE	SQYD	3,650	\$65.00	\$237,250	\$73.57	\$268,531	\$139.00	\$507,350	\$175.00	\$638,750
20001ED	SITE ELECTRICAL PACKAGE	LS	1	\$100,000.00	\$100,000	\$97,524.00	\$97,524	\$108,000.00	\$108,000	\$115,000.00	\$115,000
21415ND	EROSION CONTROL	LS	1	\$9,000.00	\$9,000	\$4,800.00	\$4,800	\$9,000.00	\$9,000	\$9,000.00	\$9,000

BASE BID	TOTAL	\$475,619	TOTAL	\$563,773.64	TOTAL	\$883,701.20	TOTAL	\$966,198.40
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DEDUCTIVE ALTERNATE

ITEM	DESCRIPTION	UNIT	QUANTITY	UNIT PRICE	TOTAL						
20002ED	CONCRETE STAMPING	SQYD	2,390	-\$10.00	-\$23,900.00	-\$13.70	-\$32,743.00	-\$39.00	-\$93,210.00	-\$135.00	-\$322,650.00

ALTERNATE BID	TOTAL	\$451,719.00	TOTAL	\$531,030.64	TOTAL	\$790,491.20	TOTAL	\$643,548.40
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I hereby certify that the foregoing bids were received this 26th day of February, 2019



Matt Brawley, KY PE No. 27444

Project Manager (HDR)

3/1/2019

OWNER-CONTRACTOR AGREEMENT

Phase 4 Greenway Trail Improvements – Shultz Park/Paducah Riverfront
Federal ID #: STPE 3000 (784)

THIS AGREEMENT, made April 9, 2019, By and Between the City of Paducah hereinafter called the OWNER, and Youngblood Excavating & Contracting, LLC, hereinafter called the CONTRACTOR, for the consideration hereinafter named agree as follows:

ARTICLE 1. SCOPE OF WORK

The Contractor shall furnish all of the materials and perform all of the work shown on the Drawings and described in the Project Manual entitled Phase 4 Greenway Trail Improvements – Shultz Park/Paducah Riverfront prepared by HDR, acting as Engineer, and shall do everything required by this Agreement, and the Contract Documents.

ARTICLE 2. TIME FOR COMPLETION AND LIQUIDATED DAMAGES

The work to be performed under this Contract shall be commenced within fifteen (15) calendar days after receipt of the Notice to Begin Work from the Owner and shall be fully completed ninety (90) consecutive calendar days after receipt of the aforementioned written Notice.

Failure of the Contractor to complete the work in the time specified shall result in the assessment of liquidated damages for the delay (not as a penalty) in accordance with Section 108 of the KYTC Standard Specifications.

ARTICLE 3. THE CONTRACT SUM

The Owner shall pay the Contractor for the performance of the Contract, subject to additions and deductions provided therein: \$475,619.00 quoted in the Bid Proposal by the Contractor, dated February 19, 2019 which shall constitute full compensation for the work and services authorized herein.

ARTICLE 4. PROGRESS PAYMENTS

The Owner shall make payment in accordance with Section 109 of the KYTC Standard Specifications and these Contract Documents.

ARTICLE 5. THE CONTRACT DOCUMENTS

The following documents shall comprise the Contract Documents. Items 1 through 12 are collectively referred to as the Project Manual:

1. Invitation for Bids
2. Instructions to Bidders
3. Bid Form, Dated 02/19/2019
4. Owner-Contractor Agreement
5. Form of Bid Bond

- 6. Performance Bond
- 7. Labor and Material Payment Bond
- 8. Notice of Award
- 9. Notice to Begin Work
- 10. Change Order
- 11. Insurance
- 12. Technical Specifications prepared by HDR. (as applicable)
- 13. Drawings prepared by HDR.
- 14. Kentucky Transportation Cabinet Standard Specifications for Road and Bridge Construction, 2012 Edition (a.k.a KYTC Standard Specifications)
- 15. Supplement Specification to the KYTC Standard Specifications, 2008 Edition
- 16. KYTC Standard Drawings, Current Edition
- 17. Addenda 1,2,3 & 4.

IN WITNESS WHEREOF:

The parties hereto have executed this Agreement, the day and year first above written.

City of Paducah

Witness

BY _____

TITLE _____ Mayor



Witness

Contractor

BY _____ 

TITLE _____ 

Melanie Townsend

From: Maegan Mansfield
Sent: Friday, March 22, 2019 11:20 AM
To: Melanie Townsend
Subject: FW: 01-03015: Paducah - Greenway Trail Phase IV - Notice to Proceed with the Construction Award

Maegan Mansfield, P.E.
Engineering Project Manager
City of Paducah

From: Tompkins, Kimberly J (KYTC) [mailto:Kimberly.Tompkins@ky.gov]
Sent: Tuesday, March 19, 2019 2:27 PM
To: Maegan Mansfield
Subject: FW: 01-03015: Paducah - Greenway Trail Phase IV - Notice to Proceed with the Construction Award

Hi Maegan! As soon as you get the cancelled check for the paper advertisement, if you could go ahead and send in a reimbursement request, that would get an expense on the construction phase and keep the feds happy. k

From: Tompkins, Kimberly J (KYTC)
Sent: Tuesday, March 19, 2019 3:19 PM
To: 'Brawley, Matt' <Matthew.Brawley@hdrInc.com>; 'Sheryl D. Chino' <sdchino@paducahky.gov>; Maegan Mansfield <mmansfield@paducahky.gov>
Cc: Rick Murphy <rmurphy@paducahky.gov>; Stansel, Rick L (KYTC) <Rick.Stansel@ky.gov>; Jones, Michael R (KYTC) <MichaelR.Jones2@ky.gov>; Herring, Jessica M (KYTC-D01) <Jessica.Herring@ky.gov>
Subject: 01-03015: Paducah - Greenway Trail Phase IV - Notice to Proceed with the Construction Award

READ THIS – KNOW THIS – DO THESE THINGS and make sure the Contractor is aware of these requirements, please.

The Kentucky Transportation Cabinet, Office of Local Programs (KYTC OLP) has received and reviewed the bid documents submitted for the subject project.

*Based on documents as submitted, KYTC OLP approves the award to **Youngblood Excavating & Contracting, LLC***

Please continue to adhere to the provisions of the Federal-Aid Highway Program Project Development Guide for Local Public Agencies including these reminders/requirements and forward this email/information to the contractor so they have this information as well:

- 1. Include the Project# on all project related paperwork and the subject line of emails: 01-03015.**
- 2. The amount of the construction phase award will be adjusted to reflect the amount of the successful bid. Excess funds will be returned for awards to other projects. Only pre-approved change orders may result in construction funding changes.**
- 3. Finalize all payments for previous phases and forward so those phases may be closed.**
- 4. Notify your OLP Project Manager of the date construction will begin.**
- 5. Certified Payrolls must be checked by the LPA or consultant and forwarded to the KYTC PM with payment requests.**

6. Daily Inspection Reports, signed by the appropriate personnel are required with test results & Buy America certs. They too, must be checked by the LPA or consultant and forwarded to the KYTC PM with payment requests.
7. Make sure the contractor knows to turn in copies of the invoices and cancelled checks for the DBE work during the course of the project. We must have documentation to prove the DBE goal was met and paid according to guidelines. It is understood DBEs work at different times on projects depending on their function; regardless, copies must be turned in before the project is closed or final payment is made.
8. **Make sure the contractor DOES NOT calculate retainage in their billing. Federal Guidelines do not allow retainage on these projects.**
9. If there is any potential deviation from the plans, short of an emergency, it needs to be approved before it is done! If you are not sure if OLP should be notified or if it will need a change order, call Mike Jones in OLP for an opinion. Changes without prior approval are not reimbursable.
10. The LPA can begin turning in reimbursement requests as early and as often as needed. We prefer monthly requests. If a payment schedule is negotiated, a copy must go to the OLP Project Manager.

It is preferred that each Application for Payment include the invoice detailed breakdown, certified payroll, daily inspection reports (with test results or Buy America certificates), DBE paperwork if applicable and any other relevant information for the time frame being billed.

Failure to follow these provisions or other provisions can adversely affect your project.

We look forward to working with you to move this project forward. If you have any questions, please contact me, rather than risk reimbursement

©kt

Kim Tompkins

Transportation Alternatives Program (TAP) Coordinator
Office of Local Programs
502-782-4737 Direct Line

Please include the project Item# in the subject line of all emails.

"The most important part of a project...is building it." Bill Gulick

From: Stansel, Rick L (KYTC) <Rick.Stansel@ky.gov>
Sent: Tuesday, March 19, 2019 2:58 PM
To: Tompkins, Kimberly J (KYTC) <Kimberly.Tompkins@ky.gov>
Cc: Jones, Michael R (KYTC) <MichaelR.Jones2@ky.gov>
Subject: City of Paducah Greenway Trail Phase IV Project

There were four (4) bids submitted on the subject project. The bids are as follows:

Bidder	Total Base Bid	Alt # 1 Deductible	Total Alternate Bid	Prequal? Y/N
Youngblood Excavating and Contracting, LLC	\$475,619.00	\$23,500.00	\$451,719.00	Y
Wilkins Construction Co., Inc.	\$563,773.64	\$32,743.00	\$531,030.64	Y
Harper Construction	\$883,701.30	\$93,210.00	\$790,491.20	Y
Adams Contracting, LLC	\$996,198.40	\$322,650.00	\$643,548.40	Y
Engineer's Estimate	\$463,187.00	\$23,004.00	\$440,183.14	

The award of the project will be based on the Total Base Bid

Youngblood Excavating and Contracting, LLC bid is (+) \$12,432.00 or 2.7% above the Engineer's Estimate.

There is a 5% DBE Goal established for the project.

The project was advertised in the Paducah Sun for 23 days. However, was extended for an additional 7 days. Bring total advertisement to 30 days

Youngblood Excavating and Contracting, LLC will utilize Vic Enterprises, Inc. a KYTC Certified and Prequalified DBE. Vic Enterprises will be performing the work items Seed and Protection, Silt Fence. Vic Enterprises will have a Concrete Worker working on concrete work with the prime but all direction will come from Vic Enterprises. Total DBE participation is \$33,250.00 or 6.99%

Based on Youngblood Excavating and Contracting, LLC bid being only (+) \$12,432.00 or 2.7% above the Engineer's Estimate and the contractor meeting the 5% DBE goal with 6.99% DBE participation, I recommend the City of Paducah be issued a Notice to Proceed to Award the project to the low bidder Youngblood Excavating and Contracting, LLC in the amount \$475,619.00

If you have any questions or comments, please advise.

**Rick Stansel
Program Management**

Agenda Action Form Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Adopt City of Paducah Addressing Standards - **S KYLE**

Category: Ordinance

Staff Work By: Steve Kyle, Greg Cherry, Chad Clark
Presentation By: Steve Kyle

Background Information: Based upon review of current systems and processes in preparation of the implementation of a new ERP system, an indication arose that some sort of standardized addressing system was needed to continue to be able to implement MUNIS. In order to import the data from our old system, it had to be “cleaned up” to minimize errors during import. We reviewed over 17,000 local addresses during the process and found a multitude of errors, duplications, inconsistencies, and improper entries, and thus realized that something needed to be done to prevent future problems in MUNIS. We discovered that each department had its own way of entering addresses rather than a standardized method. This lack of a standardized method was a large concern because of emergency response agencies not having consistent addressing. In an effort to correct these inconsistencies, an addressing standard was developed and is being presented for adoption. It was also discovered that the Fire Prevention Division needed to be able to create and change these addresses based on where projects are in the process. As a result, the responsibility of addressing is being transferred from the Engineering Department to the Fire Department.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name:
Account Number:

Staff Recommendation: To approve City of Paducah Addressing Standards and transfer responsibility for addressing to the Fire Department.

Attachments:

1. Ordinance
2. Paducah Addressing Standards 03 19 19

CITY OF PADUCAH
ORDINANCE NO. 2019-__ - _____

**AN ORDINANCE AMENDING CHAPTER 46,
FIRE PREVENTION AND PROTECTION,
SECTIONS 46-4 to 46-30, AND 46-34 OF THE
CODE OF ORDINANCES OF THE CITY OF
PADUCAH, KENTUCKY**

WHEREAS, this Ordinance amends Chapter 46, Sections 46-4 to 46-30, and Section 46-40 of the *Code of Ordinances of the City of Paducah, Kentucky*; and

WHEREAS, this Ordinance is being enacted to create standard addressing for properties and buildings in the City of Paducah.

NOW THEREFORE be it ordained by the City Commission of the City of Paducah as follows:

SECTION 1. That Sections 46-4 to 46-30, are hereby amended and restated to read as follows:

Sec. 46-4. - Penalty.

Whoever violates any provision of this chapter for which another penalty is not already otherwise provided shall be guilty of a misdemeanor and shall, upon conviction, be subject to a fine of not more than \$500.00, or imprisonment for not more than thirty (30) days, or both, for each offense.

(1) For notification of fines and penalties see KRS 227.336

(2) Any fee collected under the provisions of this section by the Fire Prevention Division shall be payable to the City of Paducah. KRS 227.336 (3)

(3) For appeals see section 46-34.

(Code 1996, § 95.99; Code 1997, § 46-4)

State Law reference— Penalty for ordinance violations, KRS 83A.065 .

Secs. 46-5—46-9 46-30. - Reserved.

Sec. 46-10. Property Addressing; Purpose and Intent.

This Ordinance hereby adopts use of a comprehensive addressing standard, entitled “City of Paducah Addressing Standard” and provides authority for the administration, enforcement and amendment thereof. The addressing standard describes the regulation of addresses for all properties and buildings within the legal limits of the City of Paducah. The objective of the

addressing standard is to establish an efficient, uniform, and intuitive identification system of parcels and buildings for emergency response services and the general public.

Sec. 46-11. Addressing Property and Buildings; Display of Identifiers.

- (1) Parcels and Buildings within the City of Paducah shall be assigned an official address by the Fire Department, Fire Prevention Division. Existing addresses to be deleted and new addresses to be established will be assigned as a part of the plat review process. The Engineering Public Works Department will assign addresses for new subdivisions, waiver of subdivisions, and any other projects submitted via plat. The Engineer or Surveyor of Record shall ensure all addresses and/or address revisions are shown on plats prior to approval of plat by the City of Paducah.
- (2) The Fire Prevention Division shall maintain an address data-base containing the official addresses. The Fire Prevention Division is hereby empowered to prescribe, adopt, promulgate, and enforce rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the provisions of sections 46-10 through 46-14, and that are not otherwise inconsistent with this section.
- (3) All buildings and leasable/salable portions of such buildings with separate and direct exterior entrances shall have the address permanently and prominently displayed at the expense of the owners thereof.
- (4) Minimum Criteria: Any address identifier required to be posted pursuant to sections 46-10 through 46-14 shall comply with the requirements established in the Kentucky Building Code and the City of Paducah Addressing Standards.
- (5) No private access easement shall be addressed without the prior approval of the Fire Department, Fire Prevention Division.
- (6) The Fire Prevention Division shall furnish owners of property, or their authorized agents, with information necessary for placing identifiers on their parcels and/or building or unit, and shall, when required, give notification of the proper identifier applicable to any parcel and/or buildings.
- (7) The City of Paducah Addressing Standards are available in the City Clerk's office.

Sec. 46-12. New Buildings.

When any person shall build upon any parcel within the legal limits in the City, such person shall, prior to construction/permitting of such building, apply to the Fire Department, Fire Prevention Division for an address to be placed on site. Once the appropriate building permit(s) is issued, the owner of the property is required to post the assigned address(s) for the site on a temporary sign that is visible from the street, until such time as the permanent address can be

displayed in accordance with the requirements of this section. Completion of final address display is due prior to final inspection for occupancy.

(Code 1968, § 28-47; Code 1996, § 101.48; Code 1997, § 98-94; Ord. of 8-10-2009)

Sec. 46-13. Address Revisions.

- (1) Whenever, in the opinion of the Fire Prevention Division, it shall become necessary or advisable to readdress any or all parcels and buildings, the Fire Prevention Division shall designate the address for all such properties and buildings, and notify the owners and/or occupants.
- (2) The Fire Prevention Division will assign revised addresses as required for parcels and buildings. Any changes or modifications to parcels and/or buildings will require a submittal documenting such changes so that the Fire Prevention Division can give notice of such change, update or modification to all affected parties. Engineering Public Works Department will assign building and property revised addresses related to subdivisions, waiver of subdivisions and commercial developments as those related plats originate in the Planning Department with Engineering Public Works oversight.
- (3) Any property owner requesting a change or modification to a parcel or building address shall be responsible for the payment of all costs incurred as a result of the change or modification. All such requests shall be submitted in writing to the Fire Prevention Division and shall be reviewed and subject to the approval by the Fire Prevention Division.
- (4) A request for an address change is subject to a fee of \$100.00.

Sec. 46-14. Maintenance of Address Display; Defacement; Noncompliance, Penalties.

- (1) The Fire Prevention Division is authorized to require the owner of any business or residential parcel or building within the City to replace or repair a damaged or missing address display or identifier at the expense of the owners thereof. Fire Prevention Division may issue notices of violations to enforce sections 46-10 through 46-14 and such violations may be enforced as civil offenses pursuant to the procedure set forth in section 46-4.
- (2) Violations. The following shall constitute violations:
 - (a) The failure of any owner of a business or residential structure to affix an address or property identifier, or any part thereof, upon a structure or other device, within thirty (30) business days of notification by the Fire Prevention Division;
 - (b) Defacing, moving, or removing by any person, any address or property identifier, or any part thereof, in such a way to cause the address not to be clearly visible and identifiable at all times during daylight hours, including, but not limited to, obstruction preventing visibility;

(c) Naming a private access easement without the prior approval of the Fire Prevention Division, or

(d) Placing or causing to be placed any sign bearing an identifier not approved by the Fire Prevention Division, upon any private access easement.

Sec. 46-15 – 46-30 Reserved.

SECTION 2. That Section 46-34, is hereby amended and restated to read as follows:

Sec. 46-34. - Appeals.

All final decisions of the Fire Prevention Division, Fire Chief, or his or her designee shall be appealable to the Building, Electrical and Fire Codes Appeals Board (Section 18-123) pursuant to the procedures adopted by the City.

(Code 1996, § 95.13; Code 1997, § 46-34; Ord. No. 92-1-4709, 1-14-1992; Ord. No. 2003-2-6621, § 1, 2-25-2003; Ord. No. 2012-6-7928, § 6, 6-26-2012)

SECTION 3. SEVERABILITY. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 4. COMPLIANCE WITH OPEN MEETINGS LAWS. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission, and that all deliberations of this City Commission and of its committees, if any, which resulted in formal action, were in meetings open to the public, in full compliance with applicable legal requirements.

SECTION 5. CONFLICTS. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

SECTION 6. EFFECTIVE DATE. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

Brandi Harless, Mayor

ATTEST:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, March 26, 2019

Adopted by the Board of Commissioners, _____

Recorded by City Clerk, _____

Published by *The Paducah Sun*, _____

ORD\46-addressing standard

City of Paducah

Addressing Standards

03.19.2019



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City of Paducah Addressing Standards

Overview

The addressing standards established in this document are designed to clarify how addresses in the City of Paducah should be assigned and when an existing address should be modified. All discrepancies that are not directly addressed by this document should be deferred to the judgment of the Fire Prevention Division (FPD). Applying addressing standards allows for a more consistent assignment of addresses for structures and properties. Addressing standards help reduce the amount of time dedicated to assigning addresses, manage customer and staff expectations, and prevent inconsistencies within the addressing database.

This document is designed as a reference and serves to provide city staff, developers, and property owners the addressing standards for residential properties, commercial properties, and other situations in which an address is necessary for permitting or utility metering.

Definitions

The following terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Building: structure having a roof supported by columns or walls for the shelter, support or enclosure of persons, animals, chattels or equipment. When appropriately separated, each portion of such building may be deemed a separate building. For the purposes of this article, the term "building" may also include other manmade structures.

Structure: A non-occupiable construction that would not normally be considered a building such as ATM kiosks, cell towers, rail road infrastructure, etc.

Driveways: a private way beginning at the property line of a parcel abutting a public road, private road, easement or private right-of-way, giving access from that public road, recorded easement, recorded private road or right-of-way, and leading to a building, use or structure on that lot.

Road: a public or private way leading from one place to another for ingress and/or egress. Such road may be of various types including frontage roads, rear access roads, roads with cul-de-sacs, and dead-end roads. This definition includes secondary roads, but does not include driveways.

Address: A unique identification of a location which consists of any combination of street number, street direction, street name, street type, and unit, at a minimum, a number and a name is required.

Parcel number: The street number component, or any part thereof, of an address. This number may or may not be the same as the property number.



Building identifier: The identifier or any part thereof, assigned to a building. Where there is more than one (1) building on a property, each building will be assigned either a building identifier or other site identifier.

Principal building: A building such as an office building, apartment building, retail building or other similar structure wherein the primary or major activity on the property takes place. The term as used in this section does not include accessory or incidental structures such as garages, storage sheds or similar structures. The Fire Prevention Division shall determine whether, for purposes of this section only, a structure constitutes a principal building or structure.

Private access easement: The result of the right of a land owner to ingress and egress to his property over any adjoining property of another for the purpose of accessing the public right-of-way.

Addresses and Components

Assignment of Addresses by Address Coordinator

All addresses for parcels, buildings, and establishments shall be assigned by the FPD following the procedures and guidelines contained in this manual. **Addresses assigned by any other person or entity shall not be recognized.** A change of address by the Address Coordinator, particularly in the following cases, is not an optional change: out-of-sequence address, illogical address, request by a representative of the FPD, or when a road is renamed.

- Addresses shall be assigned to any new addressable structure shown on a site development plan or parcel created by subdivision.
- Addresses shall not be officially assigned until the final site development plan or subdivision plat has been approved.
- Addresses may also be assigned when requested by individuals for new or existing structures that do not require site development plan or subdivision approval.
- The new and changed official address(es) must be processed internally and any notification letters sent to the property owners within 45 days.
- The property owner must display the new address within 30 days of the date of the notification letter.

Addressing Concepts

Address Numbering

Addresses for structures will be comprised of a numerical identifier followed by a location identifier. The identifier will be comprised of Arabic numerals, 1, 2, 3, 4, 5, 6, 7, 8, 9 and 0. All ten numerals will be applied in accordance with a structure's location along a block range.

Additional refinement for locating a residence or business may be provided by assignment of a specific identifier for a building, unit, or suite. These identifiers may be comprised of letters, numbers, or a combination, as described in the body of this document.



Properties and/or buildings on the streets of the City shall be numbered as follows:

1. The odd numbers shall apply to the north and west side of the street.
2. On all streets running in a northerly and southerly direction, the numbering shall commence with number 100 at Broadway, and shall increase north and south at the rate of one hundred (100) numbers for each block, as near as the ranging series of streets will admit. Thus, Broadway and all the streets parallel therewith and their continuations east and west shall be rectified lines of uniformity in numbering north and south.
3. On all streets running in a westerly direction, the numbering shall commence at the river, where the streets extend to the river, or on the first street parallel to the river to which the numbered streets extend, and the numbering shall increase going westwardly at the rate of one hundred (100) numbers for each block, as the ranging series of streets will admit. Thus, all streets parallel with the river and their continuations northwardly and southwardly shall be rectified lines of uniformity in numbering westwardly.

River Relative Numbering System

Paducah uses its geographic relationship to the river to establish the zero/starting points for street address sequencing. This may occur in numerous directions dependent upon the street's perpendicular relationship with the river. The red arrows below are examples of starting points in multiple directions.



Figure 1

Distance between Structures/Lots and Address Assignment

Less than 50 feet: If the distance between two neighboring structures or the midpoint of two neighboring lots is less than 50 feet, the structures may be assigned address numbers that increase by two digits (example: 101, 103).

Between 50 feet – 100 feet: If the distance between two neighboring structures or the midpoint of two neighboring lots is between 50 feet and 100 feet, the structures/lots may be assigned address numbers that increase by four digits (example 101, 105).

100 feet or more: If the distance between two neighboring structures or the center of two neighboring lots is 100 feet or greater, the address may be assigned based on the driveway access and its location along the street range. If a driveway does not exist, Addressing may assign an address based on where the lot's midpoint intersects the street range.

PFD reserves the right to assign addresses by an increment that is consistent with the subdivision being addressed or existing neighboring plans. For lots greater than 100 feet or more, PFD Address Coordinator may choose a greater increment than four digits in order to maintain addressing consistency throughout a subdivision.

Addressable structures are assigned addresses based on distance to the access point for the structure. The PFD uses 5.28 linear foot spacing, assigning address intervals of one address every 5.28 feet, or 1,000 addresses per mile.

Minimum Posting Criteria

An address shall be made up of characters, contrasting in color with the background on which they are affixed, that clearly identify the correct building or structure and that are clearly visible and identifiable at all times during daylight hours to persons in vehicles traveling in both directions of all streets or named easements from which the structure is accessed.

Unless determined otherwise by the Fire Prevention Division, it shall be a minimum of four inches in height, except for industrial or commercial buildings or structures from which such numbers are not readily visible from the street or named easement, shall be a minimum of ten (10) inches in height, with a minimum width of one and three-quarter (1.75) inches, and which shall be affixed above or beside the main entrance of such industrial or commercial building or structure whenever possible.

It shall be affixed to the building or structure and at least three (3) feet above ground level.

It shall be affixed to the building or structure or displayed not more than four (4) feet from the street or named easement upon which the building or structure is located and addressed (i.e., on both sides of a single mailbox); however, postings will only be satisfactory if they clearly indicate the correct structure.



Notwithstanding the above, where more than one (1) principal building or structure is located upon a property and where the site number is clearly displayed at the street entrance to the property, each principal building or structure shall not be required to display the site number so long as each building or structure is clearly identified by a unique building identifier.

See ordinance 126-76 for sign restrictions where applicable.

Internal Administration

Retiring an Address

The FPD may retire an address that is no longer in use. This can occur when a building is demolished, an address is changed (i.e. a new address is issued), or under other circumstances where it is fitting to remove an address from use. Any parcel that does not have an addressable building or structure on it shall retain an address; the address in use shall remain until it is fit to assign a new address, at which point a logical address(es) will be assigned to the parcel and or structure(s).

Notifying the Property Owner of the Official Address

Within 30 days of issuing a new address or changing an existing address, the property owner must be notified in writing of new official address. The owner will be advised of the legal requirement to display the new address on the building within 30 days. Any other entities or persons will be responsibility of the owner to notify of the change. The USPS, at the time of the writing of this document, forwards First Class Mail (not including periodicals) for a 12 month period after a change of address, during which they will honor both the old and new address, provided the change of address is filed with the USPS either in person, via telephone, or online. For information on the USPS's Change of Address program, visit <http://www.usps.com>

Agencies and Departments to be notified

In addition to the owner, the FPD will notify the following of any address change or issuance.

- EE911
- Utility Billing
- Local USPS
- Mercy Regional
- UPS
- PVA
- FedEx
- Comcast Cable



Building and Unit Standards

The City of Paducah Addressing Standard uses a standardized Building and Unit numbering system for the following:

- Apartment Complexes
- Condominium Complexes (See also: Pseudo Subdivision and Private Driveways Naming Criteria)
- Office Buildings and High-rises (Residential and Commercial)
- Office Parks
- Retail Establishments

This addressing standard prevents the duplication of unit numbering on a property, and helps to clearly identify the building number, floor number, and suite number for a work or living space. This standard also prevents using the same number for both the building and the unit (Incorrect: Building #1 Unit #1). Buildings and Units, for the structure types listed above, will be represented using numeric designators only. No letter designators (A, B, C, etc.) will be used for the principle buildings (unless the type of building is listed in Table A).

Building designations are used when there are multiple structures on a parcel, lot, or site. Unit designations are used when there are multiple addressable spaces within a building. The term “Unit” is used and is used for “apartment”, etc. while “suite” designates a commercial space.

Assigning unit numbers: Leave numerical space between unit numbers to allow for future expansion (example: #100, #105, & #110), a recommended two digit increase for every 10 ft. of frontage. Unit numbers increase in value as the street range increases in value.

The Building and Unit standard is illustrated in *Figure 2 & Figure 3*.

Table A: Building and Unit Types

Building/Unit identifier	Description	Building and/or Unit
ATM	automatic teller machine building	BLDG/UNIT
BATH	bath house	BLDG
BLBD	Billboard	UNIT
BSMT	basement	UNIT
CP	car port	BLDG
CT	cell tower	BLDG/UNIT
CLUB	clubhouse	BLDG/UNIT
BD	boat dock	BLDG
DP	detention pond	UNIT
ELEV	elevator	UNIT
ENTR	entrance	UNIT
FT	food truck	UNIT
FLR	floor	UNIT



GAR	garage	BLDG
GATE	gate	BLDG
GAZEBO	gazebo	BLDG
GRHOUSE	greenhouse	BLDG
GS	guard station	BLDG
GUEST	guesthouse	BLDG
HP	house panel	UNIT
HVAC	heating and cooling	BLDG
IM	irrigation meter	UNIT
KIOSK	kiosk	BLDG/UNIT
LAUNDRY	laundry	BLDG/UNIT
LDOCK	loading dock	UNIT
LEASE	leasing office	BLDG/UNIT
LIGHT	lighting	UNIT
LOBBY	lobby	UNIT
MAIL	mail house	BLDG
MAINT	maintenance	BLDG/UNIT
MECH	mechanical room	UNIT
OFFICE	office	UNIT
PKEN	park entrance	UNIT
POOL	pool	BLDG/UNIT
PUMP	pump house/station	BLDG
REC	recreation, gym, exercise	BLDG/UNIT
SHOP	work shop	BLDG/UNIT
SIGN	signage	UNIT
STOR	storage building	BLDG/UNIT
TEMP	temporary address	BLDG/UNIT
TOLL	toll booth/tag reader	BLDG/UNIT
WELL	well house	BLDG

Address Changes and Corrections

A change of address may be initiated by a property owner or the Fire Prevention Division. A FPD initiated address change occurs when an address poses an emergency service response delay for the property owner or surrounding neighbors. EE911 Addressing is notified of these issues by emergency service providers, property owners, and City staff. If the existing address meets one or more of the following criteria, an address change will be initiated:

- Out-of-sequence with the neighboring addresses.
- An odd address on the even side of the street.
- An even address on the odd side of the street.



- A duplicate address.
- Property is incorrectly using an address assigned to another property.
- Property is accessed from a different street than the address in use.
- There is no space between house numbers for forthcoming development.
- The street name has changed or an easement has been named.

If the address change is to correct one of the above addressing issues, or is initiated by FPD staff, a fee will not be charged. Property owners may request a change of address to their existing valid address, for a fee, as long as the new address meets the addressing standards outlined in this document. The FPD can deny a request to change an address for the following reasons:

- The request conflicts with the City of Paducah Addressing Standards.
- There is no space in the number sequence to accommodate the request.
- The property's address has been changed, by the current property owner, within the last year. All customer initiated address changes are reviewed by the FPD prior to approval and processing.

Streets

Street identifiers will be at minimum, a street name followed by a street type. Directional prefixes may be applied if a street crosses the center axes of the city (Broadway & Buckner), in order to avoid assignment of duplicate addresses. The street name and type may be followed by post-directional indicators, which indicate the route of traffic for certain types of highways or access roads.

Interstate and Service Roads

If the property's access is off the service road, the address will be assigned off the service road, based on the structure's location along the street range. If the access is off the freeway or expressway, the address will be assigned off the freeway or expressway based on the structures location along the street range. Note: The same address whole number should not exist both on the service road and the freeway/express way.

Private Drive/Access Easement Naming Criteria

In order to name a private driveway or an access easement, the following criteria must be met:

- Not an apartment complex.
- Not an office park or complex.
- A minimum of three primary residential structures.
- Four or less units per structure.
- Multiple properties abutting the easement



Named private driveways will be assigned an address range and structures along the private driveway or easement will be assigned a main address. If the access easement does not meet the Private Drive/Easement Naming Criteria, the easement itself will be assigned an address based on the access location along the street range, and all structures accessed off the easement will be assigned a building number. FPD will review all requests to name private driveways and access easements.

Pseudo Subdivision and Private Driveways Naming Criteria

Pseudo Subdivisions (i.e. mobile home communities, residential/commercial site plans) have private driveways that mimic a street-like network. Often times it is more effective to name and assign a street range to the private driveway and address the structures with individual addresses, similar to a recorded subdivision. In order to be classified as a Pseudo Subdivision, and have individual addressing assigned to structures, the following criteria must be met:

- Is not an apartment complex.
- It has a minimum of two private driveways.
- It has a minimum of 2 intersections (one at the entrance and one internal).
- Has a minimum of three structures (commercial or residential); with at least one existing on an opposing private drive.

When to name an Access Easement

FPD may suggest, during subdivision and site plan review, that an access easement be named if it meets the Private Driveway Naming Criteria. Only access easements may be named; utility easements and conservation easements will not be named.

Alleys

Alleys are unnamed accesses and will not be assigned a street name. Structures only accessible by an alley will be reviewed on a case by case basis. Possible address assignments include:

- An address off the closest intersecting street.
- A unit off the main property address.
- A unit off an address on the closest intersecting street.

Apartment Complexes

FPD uses a standard building and unit numbering schema for apartment addressing. See *Figure 2* in the Examples section of this document for assigning Building and Units to properties.



Building, Stand-alone

When there is one building located on a single parcel/lot/site, the address is assigned off the street with front door access.

Campus Addressing – University

The addressing schema for new university campuses and additions to older campuses will be reviewed on a case by case basis by a panel of FPD personnel.

Commercial Site – Single Building

For stand-alone commercial structures (not part of a larger commercial site and not on a corner) the address will be based on entrance access along the street range. If multiple units exist in the building, the Building and Unit standards shall apply. For stand-alone commercial structures (not part of a larger commercial site and located on a corner lot) with the front entrance off one street and the driveway entrance off another, efforts will be made to assign the address off the major arterial unless it poses an emergency issue. If multiple units exist in the building, the Building and Unit standards shall apply.

Figure 2:
Single Multi-story Building

Floor 50	#5001	#5010	#5018
Floor 25	#2501	#2510	#2518
Floor 10	#1001	#1010	#1018
Floor 02	#201	#210	#218
Floor 01	#101	#110	#118

Apt./Unit/Suite



Commercial Site – Multiple Buildings

For a commercial site with multiple buildings, a single main address will be assigned, based on the entrance access along the street range, with building numbers for each separate building. If multiple units exist within each building, the Building and Unit standards shall apply. For commercial site with multiple buildings located on a corner lot, with the front entrance off one street and the driveway entrance off another, efforts will be made to assign the main address off the major arterial unless it poses an emergency issue. If multiple units exist within each building, the Building and Unit standards shall apply.

Figure3:
Multiple Multi-story Buildings

Floor 50	#15001	#15010	#15018	#25001	#25010	#25018
Floor 25	#12501	#12510	#12518	#22501	#22510	#22518
Floor 10	#11001	#11010	#11018	#21001	#21010	#21018
Floor 02	#1201	#1210	#1218	#2201	#2210	#2218
Floor 01	#1101	#1110	#1118	#2101	#2110	#2118
	Building 1			Building 2		

Condominium Complexes

The addressing schema for Condominium Complexes will be reviewed on a case by case basis by FPD addressing personnel. Depending on the design and layout of the complex, addresses could be assigned using one of the following methods:

- Standard building and unit numbering schema, where site has similar layout as an apartment complex. See Figure 3.
- A main address is assigned to each structure based on the front door access along the street range.
- Pseudo Subdivision and Private Driveways Naming Criteria for assigning street names to private driveways may be applied. At which time, individual addresses will be assigned based on front door access along the street range.

See Pseudo Subdivision and Private Driveway Naming Criteria for assigning street names to private driveways.



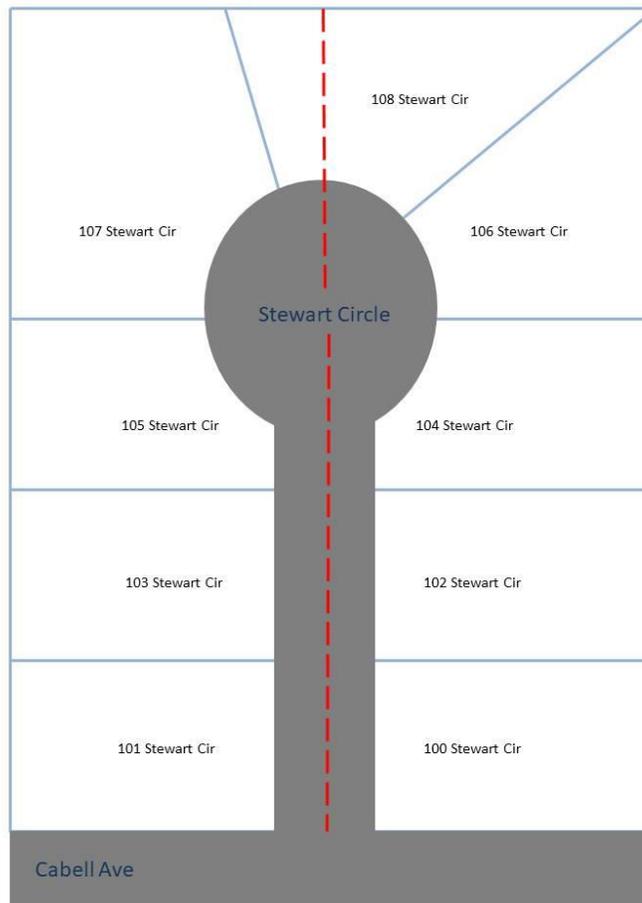
Corner lots

For all vacant corner lots within a subdivision, a main address will be assigned off the “short” side of the lot and added to the addressing database. Only one address will be labeled on the plat to prevent addressing confusion. The customer reserves the right to change their address to the opposing street (at no charge) if they do so prior to developing the lot. For residential corner lots that consist of a duplex, triplex, quadplex, or townhome that has front doors facing different streets, separate addresses will be assigned based off of the street that the front doors face.

Cul-de-sacs

The cul-de-sac and the street it intersects shall have opposing address ranges. Using a different address range for the cul-de-sac (different from the intersecting street) should prevent duplicate and often confusing main addresses on the corner lots of both streets. A cul-de-sac will be addressed as even on one side of the road and odd on the other, where the bulb at the end will be split down the middle to have even on one side and odd on the other. In no instance other. In no instance will other methods of addressing cul-de-sacs be permitted.

Figure 4:
Cul-de-sac



Demolition Properties

Use the existing main address of the structure to be demolished.

Duplexes *(Two Family Residences)*

A main address will be assigned with letter unit designators, starting with the letter A. Separate main addresses can be assigned to corner lot duplexes with entrances on different streets (see Corner Lot). Duplexes separated by a property line and with individual owners shall utilize individual street addresses.

Triplexes *(Multi-Family Residences)*

A main address will be assigned with letter unit designators, starting with the letter A. Separate main addresses can be assigned to corner lot triplexes with entrances on different streets (see Corner Lot).

Quadplexes *(Multi-Family Residences)*

A main address will be assigned with letter unit designators, starting with the letter A. Separate main addresses can be assigned to corner lot quadplexes with entrances on different streets (see Corner Lot). Quadplexes with individual owners shall utilize individual street addresses.

Garage Apartments

Garage apartments will be assigned as a unit #100 at the main address of the primary structure. Second floor units shall be #200 etc.

Hospitals

The addressing schema for new hospital campuses will be reviewed on a case by case basis by a panel of FPD personnel.

Mobile Home Communities

“All streets in a [mobile home] park shall be named and mobile home spaces numbered to conform to block numbers on adjacent public streets.” Provide signage located on the street front of each lot indicating lot identifier, see Ordinance Section 126.76. See Pseudo Subdivision and Private Driveway Naming Criteria for assigning street names to private driveways.

Office Building

FPD uses a standard building and unit numbering schema for office building addressing. See *Figure 2* and *Figure 3* in the Examples section of this document for assigning Building and Units to properties.



Park Facing or Courtyard Facing Structures

Addresses will be assigned off the street the front door faces, even if park land is located between the structure and street access. If the residential structure is facing an interior courtyard with no door facing a street, the addressing will be assigned on a case by case basis.

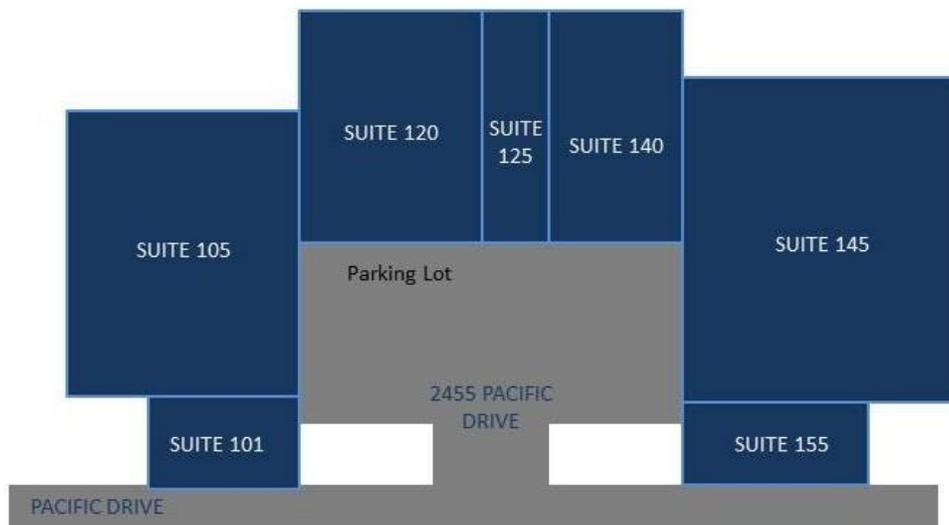
Residential, Primary structures

Address is assigned off the street with front door access. Address number is determined by the structure's location along the street range.

Shopping Center, Shopping Plaza and Strip Malls

Shopping Centers will be assigned a single main address with unit numbers for each business. See Unit Standards for additional information.

Figure 4:
Retail Centers



Shopping Mall – Enclosed

A main address, with unit numbers designated for each business, will be assigned based on structure access along the street range. If the mall has multiple access points from various streets, one street will be chosen to host the main address.

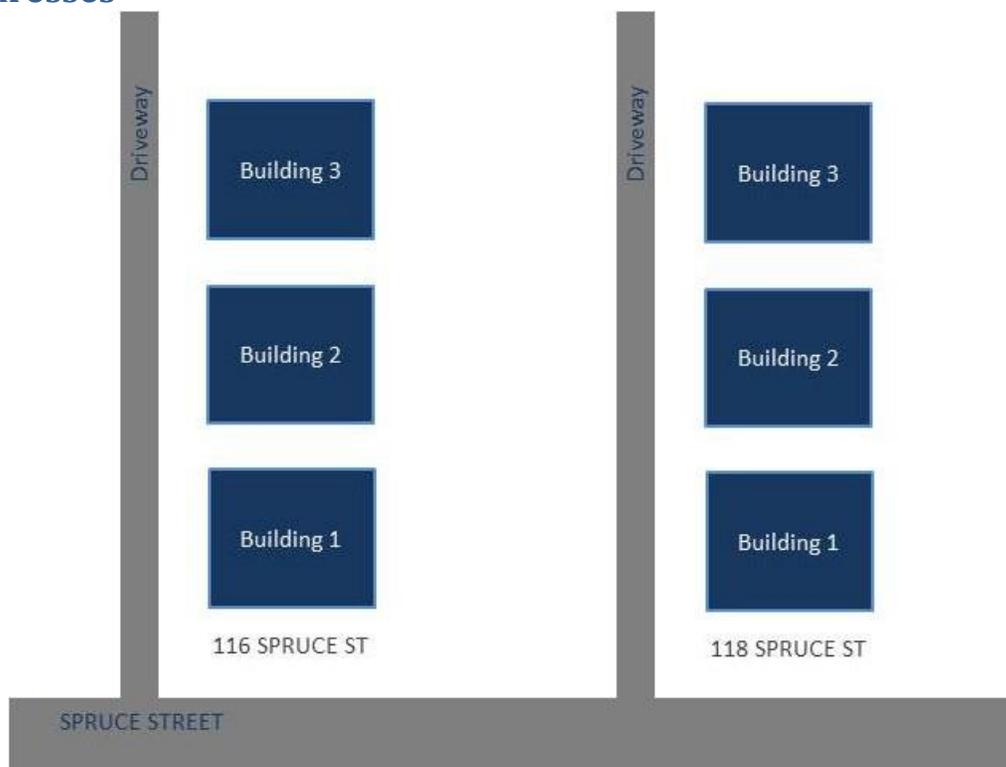


Stacked Parcels and Buildings

Stacked buildings are residential structures that share a common access. If the access driveway does not meet the Private Drive/ Naming criteria, the access itself will be assigned an address based on its location along the street range, and all structures accessed off the easement will be assigned a building number or unit number.

It is not recommended that Secondary Address Unit Designators be used to address stacked parcels. Each parcel should have a unique address, with the parcel closest to the primary roadway having an address that is lower in the sequence of addresses, and the rear parcel(s) having increasingly larger addresses in sequence with the rest of the addresses on the primary roadway.

Figure 5:
Stacked Addresses



Through Lots

A through lot has an adjacent lot on either side and street frontage on two streets. The lot goes “through” the block to the other side. One structure on a through lot: Address is assigned off the street the front door faces. Multiple structures on a through lot: FPD will review on a case by case basis. Accessory buildings will be addressed based on access. New subdivision with through lots: FPD will review plat notes or contact the developer for access information prior to address assignment.



Townhomes, Single-family attached

A townhome is a single family dwelling unit constructed in a group of three or more attached units. Each unit extends from foundation to roof and with a yard or public way on at least two sides. An address is assigned on the street with front door access. Each residential space will be assigned a main address based on the location of entry along the street range. Separate main addresses can be assigned to corner lot structures with entrances on different streets (see Corner Lot).

Figure 6:
Townhomes



Vacant Properties

When vacant property exists within a subdivision, address will be assigned based on the address plat (See also: Corner Lot).

When vacant property with road frontage is larger than 50 feet, address assigned based on entrance access along the street range. If no access information is available, address will be assigned where the property's midpoint intersects the street range. FPD reserves the right to change the address once an access has been determined.

Mixed-Use Addressing Standards

Downtown Mixed-use Development

Downtown mixed-use developments will be reviewed on a case by case basis. Depending on the site plan layout and how the commercial and residential units are accessed (street access or lobby access); downtown mixed-use developments may be addressed using one or more of the following standards:

- Building and Unit Standards

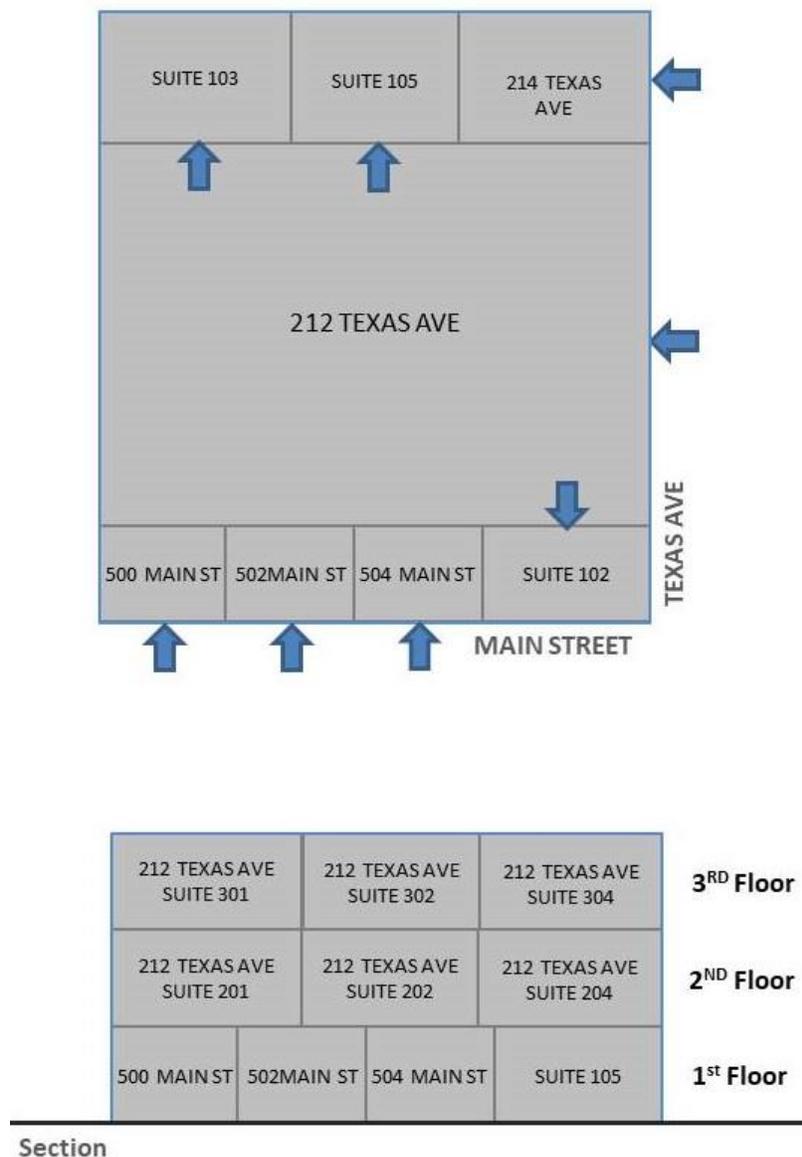


- High-rise Residential
- Street level Mixed-use

Considerations for addressing downtown mixed-use development:

- Existing addresses. If the a new development shares a block with existing buildings, the existing addresses should NOT be changed in order to accommodate the new development. First floor addressing of units accessed off of the street may have to use unit number with base address.

Figure 7:
Mixed Use Development



Mixed-use Development

Address assignments for mixed-use developments will be reviewed on a case by case basis. Depending on the site plan layout, street-like networks, and commercial and residential building access, mixed-use developments may be addressed using one or more of the following standards:

- Building and Unit Standards
- Strip Malls, Shopping Centers, Shopping Plazas
- High-rise Residential • Shopping Mall
- Pseudo Subdivision and Private Driveway Naming Criteria
- Street level Mixed-use
- Downtown Mixed-use Development
- Townhomes

Street Level Mixed-use

Residences or businesses with front door access to the street will be assigned a main address, based on the entrance's location along the street range. Residences or businesses sharing door access to the street will be assigned unit numbers at a single main address, based on the entrance's location along the street range.

See *Figure 7* for assigning addresses to Street Level Mixed use.

Building and Unit Types

For certain building and unit types, FPD will assign a designator that describes the building/unit type. For a complete list of building/unit types, see Table A.

Boat Docks

A boat dock with one or more slips, requiring an address for a meter or permit, is assigned the main address of the property with the unit "BD" as a designator with the addition of a number (BD1, BD2, BD3, etc.). No dashes should be used.

Example with one slip:

- 5520 Lakeshore Dr #BD

Example with multiple slips:

- 1234 Sunnyvale St (Main Address)
- Boat slip 1 = 1234 Sunnyvale St #BD1
- Boat slip 2 = 1234 Sunnyvale St #BD2
- Boat slip 15 = 1234 Sunnyvale St #BD15



Carport

A carport, requiring an address for a meter or permit, is assigned the main address of the property with the unit “CP” as a designator. If multiple carports exist on a property, each carport will be assigned the unit “CP” with the addition of a number (CP1, CP2, CP3, etc.). No dashes should be used.

Dumpster

All commercial dumpsters are assigned the main address of the property with the unit serial number as a designator. The size of the unit will also be incorporated into the data for each unit.

Food Trailers

Permanently installed food trailers are assigned the main address of the property they reside on, with the unit “FT” as a designator. If multiple food trailers exist on a property, each food trailer will be assigned the unit “FT” with the addition of a number (FT1, FT2, FT3, etc.). No dashes should be used.

Parking Garage

A stand-alone parking garage, requiring an address for a meter or permit, is assigned the main address of the property with the building “GAR” as a designator. If multiple parking garages exist on a property, each parking garage will be assigned the building “GAR” with the addition of a number (GAR1, GAR2, GAR3, etc.). No dashes should be used. A parking garage that is contained within a building (i.e. first few levels of a building, such as a hotel), requiring an address for a meter or permit, is assigned the main address of the property with the unit “GAR” as a designator.

Pools

Pool at apartment complex or condominiums: Building #POOL will be assigned under main address. Pool at Municipal Park: If the pool shares the same access as the park, use building #POOL at the main address. If pool access is different from main park access, assigned a separate whole address (not ½) to the pool.

Guard Station

If the guard station exists on a property with an existing main address, the main address with a building designation of #GS (Guard Station) will be used. If the guard station exists as a single structure with street access, a main address will be assigned based on the structure’s access along the street range. Do not assign a ½ address.

Figure 10: Circular Streets

One of the intersections with the originating roadway will be designated the starting point (choose either the beginning or end of the road, if the road intersects the originating road more than twice). This starting point will act as the point from which the road direction will be determined, and all numbering will increase or decrease from that point in a continuous fashion. See Cul-de-sacs



Formatting Punctuation

With the exception of the hyphen in the ZIP+4 codes, punctuation should be omitted in the delivery address block. Punctuation is normally limited to periods, slashes, and hyphens when required in the Name or Address field:

Periods: 39.2 RD

Slashes (fractional addresses): 101 1/2 MAIN ST

Hyphens (hyphenated addresses): 289-01 MONTGOMERY AVE

MID ISLAND PLZ

Remove special characters, multiple blanks, and punctuation in order as listed below. Special Characters Double spaces/blanks change to single space or blank, except between state abbreviations and ZIP Codes or ZIP+4 codes. * Asterisks, except in the Optional Endorsement Line

& Ampersand

' Apostrophes

@ At

: Colons

, Commas

- Hyphens, except in the ZIP+4 code and in the primary number used in the Delivery Address Line. Spaces before and after the hyphen or slashes (/) should be removed from the address or firm line.

() Parentheses

. Periods

“ ” Quotations

; Semi-colons

Spelling of City Names

Spell city names in their entirety. When abbreviations must be used due to labeling constraints, use only the approved 13-character abbreviations.

Directionals

Directional Abbreviations

Abbreviate directionals (if they are one of the eight standard directionals i.e., N, S, E, W, NE, NW, SE, S) to the appropriate one or two-character abbreviation.

234 NW SMITH ST

678 MAIN DR S

101 N BAY DR

599 BAY BLVD SW



Single Directionals

Pre-directional Field

When parsing the address from right to left, if a directional word is found as the first word in the street name and there is no other directional to the left of it, abbreviate it and locate it in the pre-directional field of the ZIP+4 File for standardization purposes.

N BAY ST
E END AVE

Post directional Field

When parsing from right to left, if a directional word is located to the right of the street name and suffix, abbreviate it and locate it in the post directional field.

BAY DR W

Two Directionals

When two directional words appear consecutively as one or two words, before the street name or following the street name or suffix, then the two words become either the pre- or the post directionals. Exceptions are any combinations of NORTH-SOUTH or EAST-WEST as consecutive words. In these cases the second directional becomes part of the primary name and is spelled out completely in the primary name field.

NE MAIN ST
BAY AVE SW
N SOUTH OAK ST
MAPLE COURT EAST W

The other exception is when the local address information unit has determined that one of the directional letters is used as an alphabet indicator and not as a directional.

COUNTY ROAD N E Preferred

COUNTY RD NE Unacceptable

Note: In this example, the two-word directional is the primary street name.

SOUTHEAST FREEWAY NORTH

Directional as Part of Street Name

When parsing from right to left, if the directional word appears between the street name and the suffix, then it appears as part of the primary name spelled out in the ZIP+4 File and is spelled out on the mail piece.

BAY WEST DR
NORTH AVE



Suffixes

Abbreviations

The suffix of the address should conform to the standard suffix abbreviations listed in the ZIP+4 File (see Appendix C).

Two Suffixes

If an address has two consecutive words that appear on the suffix table (Appendix C), abbreviate the second of the two words according to the suffix table and place it in the suffix field. The first of the two words is part of the primary name. Spell it out on the mail piece in its entirety after the street name.

789 MAIN AVENUE DR
4513 3RD STREET CIR W

Numeric Street Names

Numeric street names, for example, 7TH ST or SEVENTH ST, should be output on the mail piece exactly as they appear in the ZIP+4 File. Spell out numeric street names only when there are duplicate street names within a postal delivery area and the only distinguishing factor is that the one you matched is spelled out.

Corner Addresses

Corner addresses are replaced by physical street addresses in all AIS files.

514 HIGH ST

Highways

The following are recommended standardized examples of county, state, and local highways

Examples:

COUNTY ROAD 25
INTERSTATE 45
STATE HIGHWAY 123
STATE ROUTE 335
US HIGHWAY 39

Rural Route Addresses

241 Format Print rural route addresses as: RR N BOX NN. Do not use the words RURAL, NUMBER, NO., or the pound sign (#).

RR 2 BOX 152
RR 9 BOX 23A



Leading Zero

A leading zero before the rural route number is not necessary. RR 03

RR 3 BOX 98D

Hyphens

Print hyphens as part of the box number only when they are part of the address in the ZIP+4 File.

RR 4 BOX 19-1A

Designations RFD and RD

Change the designations RFD and RD (as a meaning for rural or rural free delivery) to RR.

RR 4 BOX 87A

Additional Designations

There should be no additional designations, such as town or street names, on the Delivery Address Line of rural route addresses. Because street names used together with route and box numbers can create potential matching difficulty, mailers are encouraged to use only one style of addressing. If secondary name information is used, however, place it above the Delivery Address Line.

HC 72 BOX 18 BRYAN DAIRY RD	Incorrect
HC 72 BOX 18	Correct

ZIP+4

When applying a ZIP+4 code to a highway contract route address, an exact match is preferred. If a box number is included in the address, the mail piece must bear the appropriate ZIP+4 code representing the range for that box number. When box number information is not available, the highway contract base record must be used.

Post Office Box Addresses

Format

Post Office Box addresses are output as PO BOX NN on the mail piece.

PO BOX 11890

PO BOX G

Leading Zero

Post Office Box numbers that are preceded by significant leading zeroes are identified in the ZIP+4 File by a hyphen (-) preceding the box number. Convert the hyphen into a zero on the output mail piece.



PO BOX -0145 ZIP+4 File

PO BOX 00145 Mail piece

Designations

PO Box addresses often appear with the word CALLER, FIRM CALLER, BIN, LOCKBOX, or DRAWER. Change these to PO BOX as output on a mail piece.

ABC COMPANY DRAWER L Incorrect

ABC COMPANY PO BOX L Correct

Address Data Element Compression Guidelines

The Postal Service and commercial MLOCR equipment can read a maximum of 40 characters per line within a maximum of 8 separate words per line. If either parameter is exceeded, the MLOCR ignores the entire line. Apply the following steps if it is necessary to reduce the number of words or characters from business address data elements applied to a mail piece. Use the order listed.

Removal and Deletion Restrictions

Do not remove or delete any characters or symbols from line #1 Optional Endorsement Line, line #2 Key Line Data, or line #3 POSTNET Address Block Barcode.

Abbreviations

Use the standard business and address word abbreviations for address data elements whenever necessary. These abbreviations can be found in Appendix G. It is recommended that you only abbreviate the last word. You should not abbreviate words when the name length meets the user's character length requirements.

MS MILDRED DOE Optional

PROFESSIONAL ENGR

BIG BUSINESS INC

12 E BUSINESS LN STE 209

KRYTON TN

38188-0002

MS MILDRED DOE Preferred

PROFESSIONAL ENGINEER



BIG BUSINESS INCORPORATED

12 E BUSINESS LN STE 209

KRYTON TN 38188-0002

Use of Abbreviations

353 Right-to-Left Evaluation Evaluate each of the business address data elements in each business address line separately. Always work from the right to the left within each address line.

MS MILDRED DOE

PROFESSIONAL ENGR

BIG BUSINESS INCORPORATED

12 E BUSINESS LN STE 209

KRYTON TN 38188-0002

Option #1

MS MILDRED DOE

PRO ENGR

BIG BUSINESS INCORPORATED

12 E BUSINESS LN STE 209

KRYTON TN 38188-0002

Option #2 Preferred

MS MILDRED DOE

PROFESSIONAL ENGINEER

BIG BUSINESS INCORPORATED

12 E BUSINESS LN STE 209

KRYTON TN 38188-0002



Special Characters

Remove special characters, multiple blanks, and punctuation in order as listed below. Special Characters Double spaces/blanks change to single space or blank, except between state abbreviations and ZIP Codes or ZIP+4 codes. * Asterisks, except in the Optional Endorsement Line

, Commas

. Periods

() Parentheses

“ ” Quotations

: Colons

; Semi-colons

' Apostrophes

- Hyphens, except in the ZIP+4 code and in the primary number used in the Delivery Address Line. Spaces before and after the hyphen or slashes (/) should be removed from the address or firm line.

@ A t

& Ampersand

MS MILDRED DOE Acceptable

PROFESSIONAL ENGINEER

(MAIN OFFICE)

BIG BUSINESS INCORPORATED

12 E BUSINESS LN

STE-209

KRYTON, TN 38188-0002

MS MILDRED DOE Preferred

PROFESSIONAL ENGINEER

MAIN OFFICE

BIG BUSINESS INCORPORATED

12 E BUSINESS LN



STE 209

KRYTON TN 38188-0002

JOHN SMITH Acceptable

PIZZA DELIVERY COMPANY

61-20 E RIVER DR

NEW YORK, NY 10021-0905

JOHN SMITH Preferred

PIZZA DELIVERY COMPANY

61-20 E RIVER DR

NEW YORK NY 10021-0905

Remove Certain Words

Replace or remove certain words as listed below. However, the use of standard business word abbreviations is preferred over removal of words. The following compression technique should be applied only if the standard abbreviations do not meet particular business needs.

- Replace and with space.
- Replace space & space with space.
- Replace number words with numeric symbols: first with 1ST.
- Remove etc., i.e., in care of, and et al.
- Remove words like the, of, by, for, at, also.
- Remove ATTENTION, ATTN:.
- Remove gender words like MS, MRS, MISS, MR, SIR.
- Remove title words like DR, PHD, DDS, RN.

Line #9 Compression

When compressing line #9, Business/Firm Name, do not alter the first and second words (leftmost), if possible, except when the first word is THE, which may be removed.

GENERAL DEVELOPMENT EMPORIUM Optional

THE GENERAL DEVELOPMENT EMPORIUM Preferred

Line #9 — Business/Firm Name

Standard State Name Abbreviations When an individual state name that appears anywhere in a business address must be compressed or abbreviated because of space restrictions, use the standard State abbreviation listed in Appendix B.

Note: Use US for United States. Use USA for United States of America.



VA CONSTRUCTION CORPORATION Optional

VIRGINIA CONSTRUCTION CORPORATION Preferred

Line #9 — Business/Firm Name

1435 VA HILL WAY Optional

1435 VIRGINIA HILL WAY Preferred Line

#10 — Delivery Address Line

Repetitive Word Removal

Remove repetitive words; however, standard business word abbreviations are preferred over word removal. The compression technique in this step should be applied only if standard abbreviations do not meet your business needs.

GOODMAN WILSON AND HAROLDSON Optional

GOODMAN GOODMAN WILSON AND HAROLDSON Preferred

Line #9 — Business/Firm Name

Short-Ending Substitution Substitute short endings on words.

Ending Substitute

- an = n
- er = r
- ial = l
- al = l
- ies = s
- es = s
- ed = d
- ing = ng
- tion = tn

Last Word Abbreviations

If the last word of an address line is any of those listed below, first replace the word with the standard abbreviation. If additional compression is still required, remove the word or its standard abbreviation. Note: This step can be applied only to address lines #6, 7, 8, and 9.

Word	Abbreviations
ADMINISTRATION	ADMN
AGENCY	AGCY
BRANCH	BRNCH, BR
CENTER	CTR
COMPANY	CO
CORPORATION	CORP
DIVISION	DIV
ENTERPRISE	ENTRPRS
GOVERNMENT	GOVT
GROUP	GRP
HEADQUARTERS	HDQTRS
INCORPORATED	INC
LABORATORY	LAB



LIMITED	LTD
MANAGEMENT	MGMT
MANUFACTURER	MFR, MFG
MUNICIPAL	MNCPL
NATIONAL	NATL
PARTNERSHIP	PRTNRSH
SYSTEM	SYS

Vowel Removal

It is recommended that vowels not be removed if the desired address data element compression can be obtained by first using standard word abbreviations. From the right side of the address line, beginning with the rightmost word, remove vowels as necessary on a word-by-word basis to achieve desired compression. Leave the last vowel; if the first character of a word is a vowel, do not remove that character. It is also recommended that the vowels not be removed from the leftmost words

Street Abbreviations

The following table lists examples of suffix forms that are primary street suffix names, common street suffixes or suffix abbreviations, and recommended official Postal Service Standard Suffix Abbreviations

A

ALLEY	ALY
ANNEX	ANX
ARCADE	ARC
AVENUE	AVE

B

BAYOO	BYU
BEACH	BCH
BEND	BND
BLUFF	BLF
BLUFFS	BLFS
BOTTOM	BTM
BOULEVARD	BLVD
BRANCH	BR
BRIDGE	BRG
BROOK	BRK
BROOKS	BRKS
BURG	BG
BURGS	BGS
BYPASS	BYP

C



Fire Prevention Division

Promote Safety - Serve Community - Protect Life

CAMP	CP
CANYON	CYN
CAPE	CPE
CAUSEWAY	CSWY
CENTER	CTR
CENTERS	CTRS
CIRCLE	CIR
CIRCLES	CIRS
CLIFF	CLF
CLIFFS	CLFS
CLUB	CLB
COMMON	CMN
CORNER	COR
CORNERS	CORS
CORNERS	CORS
COURSE	CRSE
COURT	CT
COURTS	CTS
COVE	CV
COVES	CVS
CREEK	CRK
CRESCENT	CRES
CREST	CRST
CROSSING	XING
CROSSROAD	XRD
CURVE	CURV

D

DALE	DL
DAM	DM
DIVIDE	DV
DRIVE	DR
DRIVES	DRS

E

ESTATE	EST
ESTATES	ESTS
EXPRESSWAY	EXPY
EXTENSION	EXT
EXTENSIONS	EXTS



F

FALL	FALL
FALLS	FLS
FERRY	FRY
FIELD	FLD
FIELDS	FLDS
FLAT	FLT
FLATS	FLTS
FORD	FRD
FORDS	FRDS
FOREST	FRST
FORGE	FRG
FORGES	FRGS
FORK	FRK
FORKS	FRKS
FORT	FT
FREEWAY	FWY

G

GARDEN	GDN
GARDENS	GDNS
GATEWAY	GTWY
GLEN	GLN
GLENS	GLNS
GREEN	GRN
GREENS	GRNS
GROVE	GRV
GROVES	GRVS

H

HARBOR	HBR
HARBORS	HBRs
HAVEN	HVN
HEIGHTS	HTS
HIGHWAY	HWY
HILL	HL
HILLS	HLS



HOLLOW

HOLW

I

INLET

INLT

ISLAND

IS

ISLANDS

ISS

ISLE

ISLE

J

JUNCTION

JCT

JUNCTIONS

JCTS

K

KEY

KY

KEYS

KYS

KNOLL

KNL

KNOLLS

KNLS

L

LAKE

LK

LAKES

LKS

LAND

LAND

LANDING

LNDG

LANE

LN

LIGHT

LGT

LIGHTS

LGTS

LOAF

LF

LOCK

LCK

LOCKS

LCKS

LODGE

LDG

LOOP

LOOP

M

MALL

MALL

MANOR

MNR



MANORS	MNRS
MEADOW	MDW
MEADOWS	MDWS
MEADOWS	MDWS
MEADOWS	MDWS
MEWS	MEWS
MILL	ML
MILLS	MLS
MISSION	MSN
MOTORWAY	MTWY
MOUNT	MT
MOUNTAIN	MTN
MOUNTAINS	MTNS

N

NECK	NCK
------	-----

O

ORCHARD	ORCH
OVAL	OVAL
OVERPASS	OPAS

P

PARK	PARK
PARKWAY	PKWY
PASS	PASS
PASSAGE	PSGE
PATH	PATH
PIKE	PIKE
PINE	PNE
PINES	PNES
PLACE	PL
PLAIN	PLN
PLAINS	PLNS
PLAZA	PLZ
POINT	PT
POINTS	PTS
PORT	PRT
PORTS	PRTS



PRAIRIE

PR

R

RADIAL

RADL

RAMP

RAMP

RANCH

RNCH

RAPID

RPD

RAPIDS

RPDS

REST

RST

RIDGE

RDG

RIDGES

RDGS

RIVER

RIV

ROAD

RD

ROADS

RDS

ROUTE

RTE

ROW

ROW

RUE

RUE

RUN

RUN

S

SHOAL

SHL

SHOALS

SHLS

SHORE

SHR

SHORES

SHRS

SKYWAY

SKWY

SPRING

SPG

SPRINGS

SPGS

SPUR

SPUR

SQUARE

SQ

SQUARES

SQS

STATION

STA

STRAVENUE

STRA

STREAM

STRM

STREET

ST

STREETS

STS

SUMMIT

SMT

T

TERRACE

TER



THROUGHWAY	TRWY
TRACE	TRCE
TRACK	TRAK
TRAFFICWAY	TRFY
TRAIL	TRL
TUNNEL	TUNL
TURNPIKE	TPKE

U

UNDERPASS	UPAS
UNION	UN
UNIONS	UNS

V

VALLEY	VLV
VALLEYS	VLVS
VIADUCT	VIA
VIEW	VW
VIEWS	VWS
VILLAGE	VLG
VILLAGES	VLGS
VILLE	VL
VISTA	VIS

W

WALK	WALK
WALL	WALL
WAY	WAY
WAYS	WAYS
WELL	WL
WELLS	WLS

Secondary Unit Designators

Description Approved Abbreviation

Apartment	APT
Basement	BSMT**
Building	BLDG



Department	DEPT
Floor	FL
Front	FRNT**
Hanger	HNGR
Key	KEY
Lobby	LBBY**
Lot	LOT
Lower	LOWR**
Office	OFC**
Penthouse	PH**
Pier	PIER
Rear	REAR**
Room	RM
Side	SIDE**
Slip	SLIP
Space	SPC
Stop	STOP
Suite	STE
Trailer	TRLR
Unit	UNIT
Upper	UPPR**

Unusual Addressing Situations

There are a number of addressing situations that can create matching and standardization difficulties. The standards contained in this document do not account for every type of addressing situation that may occur; however, these standards are comprehensive and reflect a majority of address styles. There are some addressing situations of which a mailer should be aware. These include:

Hyphenated Address Ranges

These are prevalent in New York City (for example, 112-10 BRONX RD), Hawaii, and areas in southern California. The hyphen in the primary range should not be removed if matched to the ZIP+4 File.

Grid Style Addresses

These contain significant punctuation, such as periods (for example, 39.2 RD, 39.4 RD). There are also grid style addresses in Salt Lake City that include double directionals (for example, in 842 E 1700 S: E is a predirectional, S is a postdirectional, and 1700 is located in the primary name field).

Alphanumeric Combinations of Address Ranges

For example, N6W23001 BLUEMOUND RD, as found in Wisconsin and Northern Illinois.

Fractional Addresses

These are represented as three or four character positions (for example, 123 1/2 MAIN ST). 123 1/2 takes seven character positions in the range field.



Agenda Action Form

Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Ordinance establishing of a Tax Increment Financing district for Downtown Riverfront Area and authorizing the Mayor to enter into an Interlocal Cooperation Agreement and a Local Participation Agreement for 20 years with McCracken County - **T TRACY**

Category: Ordinance

Staff Work By: Katie Axt, Tammara Tracy, James Arndt

Presentation By: Tammara Tracy

Background Information: Following the Joint City and County Public Hearing on February 19, 2019, the Commission adopted a Resolution on February 26th articulating the intention to pursue a Tax Increment Financing (TIF) district for the Downtown Riverfront area and enter into an Interlocal Cooperative Agreement and Local Participation Agreement with McCracken County Fiscal Court.

This action:

establishes a specific Development Area (the TIF district);

adopts the "*TIF Development Plan for the Downtown Riverfront Development Area*";

establishes a Special Fund for the incremental revenues;

designates the Finance Department to administer the Special Fund; and

authorizes the Mayor to enter into the necessary agreements to facilitate such activities in conjunction with the McCracken County Fiscal Court.

The McCracken County Fiscal Court is adopting companion documents as well.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s): E-3 Promote occupancy in all downtown buildings

E-4 Continue developing the riverfront from the Carson Center to the Convention Center

R-4 Create and promote new shoreline and river based recreation activities/competitions

Funds Available: Account Name: TIF Application 9.284

Account Number: DT0044

Staff Recommendation: Approval

Attachments:

1. Paducah Riverfront_TIF Development Plan_DRAFT_revised 020719
2. STUDY-ExhibitA- Downtown TIF Project Impact Analysis 1 15 19
3. Riverfront TIF_Local Participation Agmt20-yr DRAFT2019-0307
4. ORDINANCE Riverfront TIF DRAFT 2019-0301
5. AGREEMENT- Interlocal Coop Agmt UPDATE 2019-0307

TIF Development Plan for the Downtown Riverfront Development Area

1. Introduction.

1.1 Purpose. The City of Paducah (“City”) intends to establish the Downtown Riverfront Development Area (the “Development Area”) pursuant to the provisions of KRS 65.7041 to 65.7083, and KRS 154.30-010 to 154.30-090, as the same may be amended (collectively, the “Act”), and to ask for the support and participation of McCracken County (“County”) and to request funding from the Commonwealth of Kentucky (the “State”) to support public infrastructure necessary to support a mixed-use development (the “Project”) within the Development Area being undertaken by several different development groups or their affiliates (the “Developers”). The City proposes to support the Project and provide redevelopment assistance through a pledge of certain new City, County, and State incremental tax revenues generated from the Project within the Development Area and to undertake certain public infrastructure improvements needed within the Development Area. The Project proposed by the Developers or its affiliates is expected to include mixed-use retail and restaurant space, additional hotel rooms, and residential buildings, as well as the construction and renovation of public buildings that will provide meeting, entertainment, and educational space. In order to help ensure the success and support of the Project and the revitalization of Paducah’s riverfront, a variety of public improvements are needed within the Development Area.

1.2 Size and Location. The Development Area consists of 315 acres and is located along the downtown riverfront in Paducah, Kentucky and through the City’s main corridor down Broadway.

1.3 Current Uses. The Development Area currently contains a wide variety of zoning categories and uses, including business/professional/service, residential, and industrial.

2. The Development Area.

2.1 Assurances Regarding the Size and Taxable Assessed Value of the Development Area and Other Matters. The City finds in accordance with the Act that:

- (a) The Development Area is a contiguous Area consisting of 315 acres, which is less than three (3) square miles in area;
- (b) The establishment of the Development Area will not cause the assessed

taxable value of real property within the Development Area and within all “development areas” and “local development areas” established by the City (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within Paducah. The assessed value of taxable real property within the Development Area for calendar year 2018 was \$22.0 million. The City and County have not previously established any other development area pursuant to the Act. The total assessed value of taxable real property within the County for the calendar year 2018 is approximately \$4.0 billion. Therefore, the assessed value of taxable real property within all development areas is less than twenty percent (20%) of the assessed value of taxable real property within the County; and

(c) That the Development Area constitutes previously developed land as required by KRS 65.7043.

2.2 Statement of Conditions and Findings Regarding the Development Area. Pursuant to KRS 65.7049(3), a development area shall exhibit at least two (2) of the following conditions to qualify for designation as a “development area” under the Act and to qualify for a pledge of State incremental revenues pursuant to KRS 154-30.060 it must exhibit at least three (3):

- (a) Substantial loss of residential, commercial, or industrial activity or use;
- (b) Forty percent (40%) or more of the households are low-income households;
- (c) More than fifty percent (50%) of residential, commercial, or industrial structures are deteriorating or deteriorated;
- (d) Substantial abandonment of residential, commercial, or industrial structures;
- (e) Substantial presence of environmentally contaminated land;
- (f) Inadequate public improvements or substantial deterioration in public infrastructure; or
- (g) Any combination of factors that substantially impairs or arrests the growth and economic development of the city or county; impedes the provision of adequate housing; impedes the development of commercial or industrial property; or adversely affects public health, safety, or general welfare due to the development area’s present condition and use.

The City has reviewed and analyzed the conditions within the Development

Area and finds that the Development Area exhibits at least three of the qualifying characteristics:

(1) **A substantial loss of commercial activity has occurred.** Commercial activity within the Development Area has been in a state of economic decline for years. In its present state, only some of the parcels zoned for commercial use within the Development Area are being used for commercial purposes, while the majority contain underutilized, unoccupied, or deteriorating structures. The Development Area includes many empty storefronts and buildings which have been unoccupied for years and continue to deteriorate.

(2) **Public improvements and public infrastructure are inadequate.** While the City has invested a significant deal of money and effort in recent years to assist in the revitalization of the riverfront in downtown Paducah, the area is still significantly lacking in terms of the infrastructure needed to support the desired redevelopment. The construction of the requisite public infrastructure creates a heavy financial burden for any potential developer within the Development Area. The following are non-exclusive examples of public infrastructure improvements that will enable construction of the Project and catalyze additional growth and redevelopment within the Development Area:

- **Parking** – As downtown develops, the Development Area will face an increasing deficiency in the number of parking spots available to support future projects. Most of the parking near the riverfront is surface parking that takes up significant valuable acreage, an inefficient solution due to the reduced density it creates in the downtown area, utilizing some of the parcels with the most economic potential in a least impactful way. Structured parking will be required to accommodate both the new and existing businesses, particularly regarding peak traffic times related to events and conferences as the Project and Development Area is redeveloped. This investment will allow the area to attract vertical redevelopment, maximizing the land use along the riverfront and allowing a level of density that a successful revitalization and reimagination of the downtown Paducah riverfront will require.
- **Connectivity Improvements and Public Space** – The possible re-routing of existing roads, various streetscape improvements, and the creation of new pathways and walkways to accommodate increased pedestrian and bicycle traffic along the riverfront and through the downtown corridor. These improvements will go a long way towards attracting visitors and residents, alike, to Paducah’s riverfront by creating an inviting pedestrian

and bike-friendly environment with plenty of outdoor space, including a Riverfront Park, that will be well-suited for hosting public gatherings and events.

- **Waterfront Public Landing Improvements** – The dredging of the river near the banks and the construction of a new steamboat landing area will allow increased boating access. The dredging and additional landing will allow more large-scale boats to dock at Paducah’s riverfront throughout the year, bringing more visitors into the community and the downtown area, in particular. Combining these improvements with the rest of the Project will create an exciting and welcoming environment that will encourage increased visitorship while providing an opportunity to realize longer stays and a significantly greater impact to the local economy.
- **Utilities** – Utility improvements necessary to provide service throughout the Development Area may include expansion of broadband internet access, sanitary sewer lines, storm sewer lines, water service lines, electric, gas, and telephone, to provide sufficient access throughout the riverfront and to accommodate the increased usage that the Project and its patrons will require.
- **Environmental** – The Development Area is likely to require some demolition and brownfield remediation from past commercial uses within the Development Area. Several areas of concern include lead-based paint and asbestos remediation in older structures, however, the true extent to which remediation may be necessary is uncertain.
- **Public Buildings and Amenities** – The Project plans include the rehabilitation/construction of certain public buildings focused on promoting increased visitorship to the area, including the redevelopment of museum and event space in the Showcase Lounge and the rehabilitation of the Columbia Theatre. These amenities will provide modern space along the riverfront for hosting conferences and events, museum space, and a unique setting for performances and presentations at the heart of Paducah’s riverfront and its downtown corridor.

(3) **There is a combination of factors that substantially impairs growth and economic development of the Development Area.** Paducah sees the need to reshape its downtown riverfront core in order to generate the critical mass of activity that communities of its size so often struggle to reach. Reaching this critical mass would allow the City to achieve significant growth and economic development

in this Area, but it is inhibited by a variety of issues. The presence of the floodwall along the riverfront makes cohesive and seamless development in the Area more difficult and creates additional costs that must be mitigated in order to attract private investment. The connectivity and visibility issues that it creates will require thoughtful investment from public sources, such as the TIF program. Traffic circulation in the area creates impediments to safe and pleasant pedestrian movement throughout the riverfront area that will require additional investment from public sources to reshape its flow while providing adequate and appealing transportation safety features. And while increased pedestrian traffic throughout the riverfront is the goal, it is likely that many of these pedestrians will still be planning to drive to the riverfront and park their car nearby before exploring the Area, which will require the construction of structured parking. This will allow more efficient land use by facilitating and promoting increased vertical construction along the riverfront, creating higher levels of density and allowing the community to maximize the Area's economic impacts. The Project's proposed mix of uses will be highly impactful within the Area and to the whole region, but these various factors have prevented such growth from occurring and will remain a barrier to achieving meaningful private investment in the area without financial assistance from public sources.

2.3 Assurances the Development Area Is Not Reasonably Expected to Develop Without Public Assistance. The City finds that the Development Area is not reasonably expected to be developed without public assistance. The public infrastructure costs within the Development Area are too high for the Project to occur without public assistance, particularly as relates to the lack of structured parking and pedestrian connectivity throughout the Development Area. It is estimated that the total cost of the public infrastructure improvements planned within the Development Area is approximately \$56.5 million. Without public funding, including the critical pledge of State incremental revenues under the Commonwealth Participation Program for Mixed-Use Redevelopment in Blighted Urban Areas, the proposed Project within the Development Area would not be possible.

2.4 Assurances the Public Benefits of Redeveloping the Development Area as Proposed Justify the Public Costs Proposed. The City finds that the public benefits of developing the Development Area justify the public costs proposed. As detailed in the Commonwealth Economics Report, attached hereto as Exhibit "A", (the "Report"), the investment is estimated to reach \$156.3 million, \$99.8 million of which relates to private costs, and \$56.5 million of which is for

approved public infrastructure costs. Over a 20-year period, the project is expected to support over 1,100 jobs annually and \$1.9 billion in total economic impact. While the City may pledge certain new ad valorem property taxes and occupational taxes to pay for the proposed public infrastructure, it will attract significant private investment in its downtown riverfront while leveraging a reinvestment of state tax dollars and will generate new revenues from local incremental revenues not pledged (including school and fire district taxes).

The Project is expected to generate much more tax revenue than is currently being generated within the Development Area. According to the Report, over a 20-year period, the Project is estimated to generate \$118.0 million of on-site eligible state and local tax revenues. This includes \$23.4 million in local taxes and \$94.6 million in state taxes. After subtracting the estimated baseline tax revenues, total incremental tax revenues generated within the Development Area are estimated at approximately \$113.5 million over a 20-year period. After 20 percent is retained by the state, such amount translates to an estimated \$75.0 million available for State participation and an estimated \$19.8 million for local participation.

Based on research and analysis document in the Report, the Project is estimated to have a significant economic and fiscal impact to the regional economy. Its construction, alone, is estimated to generate a one-time impact that includes over \$156.3 million of total spending, \$89.7 million of total wages, support for 1,935 jobs, and \$258.9 million in total economic impact.

2.5 Assurances Regarding the Area Immediately Surrounding the Development Area. Pursuant to the Act, the establishment of a development area requires a finding that the area immediately surrounding the Development Area has not been subject to growth and development through investment by private enterprise, or that there are certain special circumstances within the Development Area that would prevent its development without public assistance. The City finds that very few portions of the area immediately surrounding the Development Area have been subject to growth and development through investment by private enterprise without the use of incentives, and certainly none to the extent contemplated by this Project. Additionally, certain circumstances within the development area would prevent its development without the use of public assistance, due to the infrastructure needs as described in Section 2.2, particularly with regard to parking and the beautification and connectivity of downtown Paducah and the riverfront through pedestrian-friendly amenities and improvements.

2.6 Development Area Description. The Development Area includes the real property within the boundaries described on the site plan and legal description attached hereto as Exhibit “B”.

2.7 Existing Uses and Conditions. The Development Area currently contains a variety of zoning categories and uses that allow commercial, residential, and industrial activity. Because the boundary includes the downtown core, there are some existing commercial businesses located within the Development Area. However, the businesses currently in operation are joined by those who have gone out of business and have shut their doors, leaving behind empty store fronts and unused deteriorating buildings, which not only provide no economic benefit to the area, but have deleterious impacts to both investment in and tourism to the Area. Furthermore, the lack of sufficient, well-designed infrastructure in the area has prevented interested developers in pursuing redevelopment projects due to the prohibitively high costs associated with rehabilitation and abatement of deteriorating structures, the provision of adequate parking, and developing attractive streetscapes and walking paths. Without public investment, the riverfront in the downtown corridor will continue to sit unoccupied, allowing one of the City’s most valuable assets, its riverfront, to continue to underperform economically.

There are no apparent conditions in the Development Area that would prevent it from being developed as contemplated by this Development Plan with the assistance of the state and local government to defray the significant cost of public infrastructure.

2.8 Proposed Changes in the Zoning Ordinance, Zoning Map, Comprehensive Plan or Other Codes or Plans Necessary to Implement the Development Plan. It is not anticipated that any zone changes will be necessary to implement the Development Plan as currently contemplated.

2.9 Certification of Compliance with the Comprehensive Land-Use Plan. The Downtown Riverfront Development Plan has been created through the process of Developers collaborating with the working group that was assembled by representatives from the City and County. The Development Plan was submitted for certification of compliance with the duly adopted Comprehensive Plan. Attached as Exhibit “C” is the documentation of certification.

3. The Development Program.

The Project proposed for the Development Area includes the following approved public infrastructure and public improvement elements, in addition to the private portions of the Project, as described more particularly in the report attached

hereto as Exhibit “A”.

3.1 Private Development. It is currently estimated that the private development components within the Development Area will cost approximately \$99.9 million and include hotel, retail, restaurant, residential and manufacturing space, as described more particularly in the report attached hereto as Exhibit “A”.

3.2 Public Infrastructure and Improvements. Qualifying public infrastructure expenditures could reach up to an estimated \$56.5 million within the Development Area including, but not limited to, the following components:

- **Parking** – As downtown develops, the Development Area will face an increasing deficiency in the number of parking spots available to support future projects. Most of the parking near the riverfront is surface parking that takes up significant valuable acreage, an inefficient solution due to the reduced density it creates in the downtown area, utilizing some of the parcels with the most economic potential in a least impactful way. Structured parking will be required to accommodate both the new and existing businesses, particularly regarding peak traffic times related to events and conferences as the Project and Development Area is redeveloped. This investment will allow the area to attract vertical redevelopment, maximizing the land use along the riverfront and allowing a level of density that a successful revitalization and reimagination of the downtown Paducah riverfront will require.
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encourage increased visitorship while providing an opportunity to realize longer stays and a significantly greater impact to the local economy.

- **Utilities** – Utility improvements necessary to provide service throughout the Development Area may include expansion of broadband internet access, sanitary sewer lines, storm sewer lines, water service lines, electric, gas, and telephone, to provide sufficient access throughout the riverfront and to accommodate the increased usage that the Project and its patrons will require.
- **Environmental** – The Development Area is likely to require some demolition and brownfield remediation from past commercial uses within the Development Area. Several areas of concern include lead-based paint and asbestos remediation in older structures, however, the true extent to which remediation may be necessary is uncertain.
- **Public Buildings and Amenities** – The Project plans include the rehabilitation/construction of certain public buildings focused on promoting increased visitorship to the area, including the redevelopment of museum and event space in the Showcase Lounge and the rehabilitation of the Columbia Theatre. These amenities will provide modern space along the riverfront for hosting conferences and events, museum space, and a unique setting for performances and presentations at the heart of Paducah’s riverfront and its downtown corridor.

4. Development assistance and Finance Plan.

The Proposed “redevelopment assistance”, as defined in the Act, to be provided in the Development Area is estimated to cost up to approximately \$56.5 million, not including interest expenses. The City and County may pledge up to one-hundred percent (100%) of their incremental tax revenues from real property taxes and occupational taxes from the Project for up to a 30-year period and, in accordance with the Act; will create a special fund for the deposit of pledged incremental revenues. In addition, the City and/or an agency thereof will submit an application to the Kentucky Economic Development Finance Administration (“KEDFA”) to request State participation in the form of a pledge of up to eighty (80%) of incremental State tax revenues generated from the Project for up to a 20-year period.

The City will establish a special fund for the deposit of pledged incremental revenues. Pledged incremental revenues deposited into this special fund will be used to provide “redevelopment assistance” and to reimburse the financing and/or upfront expenditure by private parties and/or the City or County on “approved

public infrastructure costs” or to pay directly for such redevelopment assistance and approved public infrastructure costs, and any other purposes in compliance with this Development Plan, the Act, and all agreements and documents entered into in connection therewith. It is anticipated that, in some cases, private parties may pay for some portion of the public improvements within the Development Area and seek reimbursement in conformity with the TIF statutes and agreements between the Developers and the government. The City will enact an ordinance establishing the Development Area and adopting this Development Plan (and the County may do the same). The development ordinance will designate the Finance Department (the “Agency”), organized by the City, to oversee, administer and implement the TIF ordinances and agreements.

As set forth in more detail in the attached Report, the Project is estimated to directly generate approximately \$113.5 million in TIF-eligible incremental tax revenues over a 20-year period. The extent to which these revenues may be available to provide redevelopment assistance and reimburse approved public infrastructure costs will ultimately depend on the levels of participation agreed to by the various governing bodies and the extent to which the incremental revenues are actually generated.

5. Conclusions.

The Development Area’s mix of private investment and public improvement will allow for the continued revitalization of Paducah’s riverfront in creating a unique destination for visitors and residents, alike. The proposed assistance is critical to achieving and incentivizing successful redevelopment throughout the Development Area as it will attract significant private investment and provide a useful funding mechanism for the future and continued revitalization of Paducah’s riverfront.

List of Exhibits

Exhibit A – Commonwealth Economics Report (Separate document)

Exhibit B – Map and Legal Description of Development Area

Exhibit C – Certified Letter of Compliance with Comprehensive Plan

Exhibit A - Commonwealth Economics Report
(Separate document)

Exhibit B - Map and Legal Description of Development Area

Map of the Downtown Riverfront Development Area



CITY OF PADUCAH

TIF BOUNDARY DISTRICT

LEGAL DESCRIPTION

An area to be known as the Downtown Riverfront Development Area containing 317.01 acres located on the northeasterly side of the City of Paducah on the banks of the Ohio River and more particularly bounded and described as follows:

Beginning at a point in the thread of the Ohio River, a plat of which showing said thread is recorded in the McCracken County Clerk's office in Plat Cabinet "M", Page 516 and also being the northwesterly corner of the herein described tract; **THENCE FROM SAID POINT OF BEGINNING** with said thread for the following five calls: S 45°11'49" E a distance of 1160.24 feet to a point; S 43°45'46" E a distance of 1708.12 feet to a point; S 42°59'08" E a distance of 422.05 feet to a point; S 40°13'00" E a distance of 1249.02 feet to a point; S 45°34'19" E a distance of 1306.71 feet to a point; thence S 64°46'05" W a distance of 2008.99 feet to a point on the southern bank of the Ohio River; thence in a westerly direction and crossing a river access ramp, S 84°46'47" W a distance of 206.37 feet to a point in the City of Paducah Flood Wall; thence travelling parallel to South Water Street and along said flood wall, N 24°54'56" W a distance of 341.80 feet to a point in said flood wall; thence crossing Kentucky Avenue, N 24°57'33" W a distance of 66.31 feet to a point in said flood wall; thence crossing South Water Street, S 64°43'38" W a distance of 66.07 feet to a point at the intersection of the right-of-ways of South Water Street and Kentucky Avenue; thence continuing northwestwardly with right-of-way of said South Water Street, N 25°01'16" W a distance of 258.88 feet to a point; thence S 64°27'13" W a distance of 186.00 feet to a point in the centerline of Maiden Alley; thence with the centerline of said alley, N 24°44'01" W a distance of 93.15 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°59'21" W a distance of 175.69 feet to a point in the easterly right-of-way of Market House Square; thence with said right-of-way and crossing aforesaid Kentucky Ave, S 24°52'09" E a distance of 416.22 feet to a point in the intersection of the right-of-way of Kentucky Avenue and Marine Way; thence crossing Marine Way, S 65°19'04" W a distance of 108.77 feet to a point in aforesaid southerly right-of-way of Kentucky Avenue; thence crossing Kentucky Ave and running with the westerly right-of-way of Market House Square, N 25°57'52" W a distance of 416.44 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°46'12" W a distance of 121.49 feet to a point in said right-of-way; thence S 24°42'07" E a distance of 418.67 feet to a point in the aforesaid southerly right-of-way of Kentucky Avenue; thence running with said right-of-way, S 62°38'30" W a distance of 168.11 feet to a point in the intersection of said right-of-way with South 3rd Street; thence with the right-of-way of South 3rd Street, S 23°00'06" E a distance of 137.97 feet to a point in said right-of-way; thence crossing South 3rd Street, S 41°56'04" W a distance of 71.63 feet to a point in the westerly right-of-way of said South 3rd Street; thence S 65°14'37" W a distance of 348.63 feet to a point in the easterly right-of-way of South 4th Street; thence with said right-of-way, N 24°37'29" W a distance of 171.62 feet to a point in the intersection of the right-of-way of Kentucky Avenue and South 4th Street; thence with the right-of-way of South 4th Street, N 64°59'11" E a distance of 114.97 feet to a point; thence crossing Kentucky Avenue, N 34°57'03" W a distance of 67.00 feet to a point in the northerly right-of-way of said Kentucky Avenue; thence N 25°03'27" W a distance of 174.91 feet to a point; thence S 65°01'18" W a distance of 45.28 feet to a point; thence N 24°48'24" W a distance of 174.90 feet to a point in the southerly right-of-way Broadway Street; thence with said right-of-way, S

Exhibit B - Map and Legal Description of Development Area

64°44'44" W a distance of 57.62 feet to a point in the intersection of Broadway Street and South 4th Street; thence with the right-of-way of South 4th Street, S 24°54'58" E a distance of 174.62 feet to a point; thence crossing South 4th Street, S 65°04'00" W a distance of 278.52 feet to a point; thence S 23°31'59" E a distance of 63.08 feet to a point; thence in a southwestwardly direction and crossing South 5th Street, S 64°48'59" W a distance of 193.09 feet to a point in the westerly right-of-way of South 5th Street; thence N 25°09'08" W a distance of 62.95 feet to a point; thence S 65°01'39" W a distance of 167.98 feet to a point; thence N 24°48'05" W a distance of 175.37 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°58'06" W a distance of 178.28 feet to a point in the intersection of the right-of-way of Broadway Street and South 6th Street; thence with the right-of-way of South 6th Street and crossing Kentucky Ave, S 25°01'27" E a distance of 762.55 feet to a point in the intersection of the right-of-way of South 6th Street and Washington Street; thence crossing Washington Street, S 64°51'35" W a distance of 60.01 feet to a point in said intersection; thence with the right-of-way of South 6th Street, N 24°59'27" W a distance of 596.03 feet to a point; thence S 64°55'13" W a distance of 86.19 feet to a point; thence N 25°05'10" W a distance of 165.70 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°02'20" W a distance of 316.59 feet to a point in the intersection of the right-of-way of Broadway Street and South 7th Street; thence N 28°32'21" W a distance of 66.14 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 7th Street; thence crossing North 7th Street and with the northerly right-of-way of Broadway Street, N 64°59'00" E a distance of 407.46 feet to a point in the intersection of the right-of-way of Broadway Street and North 6th Street; thence with the westerly right-of-way of North 6th Street, N 25°08'51" W a distance of 347.54 feet to a point in the intersection of the right-of-way of North 6th Street and Jefferson Street; thence N 64°51'35" E a distance of 60.00 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Jefferson Street; thence with the easterly right-of-way of North 6th Street, S 25°08'51" E a distance of 346.93 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 65°03'01" E a distance of 344.71 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 5th Street; thence with the westerly right-of-way of North 5th Street, N 24°48'41" W a distance of 173.06 feet to a point; thence crossing North 5th Street, N 65°07'19" E a distance of 60.00 feet to a point in the easterly right-of-way of North 5th Street; thence with said right-of-way, S 24°48'43" E a distance of 173.21 feet to a point in the northeasterly intersection of the right-of-way of North 5th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°45'05" E a distance of 174.01 feet to a point; thence N 25°05'03" W a distance of 196.20 feet to a point; thence in a northeasterly direction and crossing North 4th Street, N 63°13'48" E a distance of 238.92 feet to a point in the easterly right-of-way of said street; thence with said right-of-way, S 25°02'01" E a distance of 204.08 feet to a point in the northeasterly intersection of the right-of-way of North 4th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°57'31" E a distance of 172.96 feet to a point; thence N 23°36'18" W a distance of 347.60 feet to a point in the southerly right-of-way of Jefferson Street; thence with said right-of-way, S 64°53'20" W a distance of 478.09 feet to a point; thence crossing Jefferson Street, N 24°59'46" W a distance of 240.09 feet to a point; thence N 65°05'06" E a distance of 59.20 feet to a point; thence N 23°27'01" W a distance of 4.60 feet to a point; thence N 64°52'00" E a distance of 12.43 feet to a point; thence S 24°59'57" E a distance of 4.64 feet to a point; thence N 65°05'07" E a distance of 159.85 feet to a point in the westerly right-of-way of North 4th Street; thence with said right-of-way, S 24°45'50" E a distance of 172.60 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Jefferson Street; thence crossing North 4th street and along the northerly right-of-way of Jefferson Street, N 65°00'39" E a distance of 827.30 feet to a point in the northwesterly intersection of the right-of-way of Jefferson Street and North 2nd Street;

Exhibit B - Map and Legal Description of Development Area

thence with the westerly right-of-way of North 2nd Street, N 25°07'02" W a distance of 346.61 feet to a point in the southwesterly intersection of the right-of-way of North 2nd Street and Monroe Street; thence S 64°55'49" W a distance of 346.02 feet to a point in the southeasterly intersection of the right-of-way of North 3rd Street and Monroe Street; thence with the right-of-way of North 3rd Street, S 25°20'42" E a distance of 147.24 feet to a point; thence crossing said street, S 64°33'53" W a distance of 241.19 feet to a point; thence N 25°27'54" W a distance of 971.87 feet to a point in the southwesterly intersection of the right-of-way of North Loop Road and Harrison Street ; thence with the southerly right-of-way of Harrison street and crossing North 4th Street, S 65°54'51" W a distance of 232.58 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Harrison Street; thence generally with the westerly right-of-way of North 4th Street for the following three calls: N 25°16'17" W a distance of 236.37 feet to a point; N 40°43'43" W a distance of 60.14 feet to a point, N 62°58'37" W a distance of 144.85 feet to a point and S 64°26'17" W a distance of 239.30 feet to a point in the southeasterly intersection of the right-of-way of North 5th Street and Martin Luther King Jr Drive; thence with the easterly right-of-way of North 5th Street, N 25°02'48" W a distance of 294.92 feet to a point in the southeasterly intersection of the right-of-way of North 5th Street and North Loop Road; thence crossing North 5th Street and generally following the southerly right-of-way of North Loop Road for the following three calls: N 85°40'45" W a distance of 160.89 feet to a point; S 82°59'13" W a distance of 118.29 feet to a point and S 68°08'39" W a distance of 155.05 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence crossing Park Avenue, N 25°28'50" W a distance of 62.61 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence with the northerly right-of-way of Park Avenue, N 65°55'25" E a distance of 339.29 feet to a point in the northwesterly intersection of the right-of-way of North 5th Street and Park Avenue; thence with the westerly right-of-way of North 5th Street and following the City of Paducah Flood Wall, N 24°57'44" W a distance of 479.73 feet to a point in said flood wall; thence following said flood wall, N 38°18'54" W a distance of 251.26 feet to a point in said flood wall; thence N 67°50'04" W a distance of 142.29 feet to a point; thence N 32°55'26" E a distance of 239.83 feet to a point; thence N 58°09'36" W a distance of 265.92 feet to a point; thence N 29°56'31" E a distance of 513.53 feet to a point on the bank of the Ohio River; thence N 42°54'07" E a distance of 1885.13 feet **to a point; the point of beginning, having an area of 317.01 acres.**

There is excepted and not herein included all of that property currently leased to Holiday Inn Riverfront and more particularly bound and described as follows: Beginning at a point in the northeasterly intersection of the right-of-way of Executive Boulevard and North 4th Street, **THENCE FROM SAID POINT OF BEGINNING** and with the easterly right-of-way of said North 4th Street, N 41°12'07" W a distance of 330.15 feet to a point in the southeasterly intersection of the right-of-way of North 4th Street and Park Avenue; thence S 64°24'18" W a distance of 155.91 feet to a point; thence S 25°01'05" E a distance of 318.36 feet to a point in the northerly right-of-way line of Executive Boulevard; thence with the northerly right-of-way of Executive Boulevard, N 64°19'10" E a distance of 247.94 feet to **a point; the point of beginning, having an area of 64251.97 square feet, 1.48 Acres.**

This description was prepared for establishing the City of Paducah Downtown Riverfront Development Area only and is not to be used for the conveyance of real property. Bearings and distance have not been verified via field survey.

Exhibit C – Letter of Compliance



CITY OF PADUCAH
300 South 5th Street
P. O. Box 2267
Paducah, KY 42002-2267
www.paducahky.gov

Department of Planning
Tammara Tracy, Director

Phone: (270) 444-8690
Fax: (270) 444-8689

January 17, 2019

PROPOSAL RECOMMENDATION

The staff of the City of Paducah's Department of Planning has reviewed the proposed TIF Development Plan that extends along a portion of our riverfront and Broadway. Upon review, it was found that this mixed use development plan is in compliance with our Comprehensive Plan. The proposal is within our Riverfront and Downtown Redevelopment Areas.

Please feel free to contact me if you have any further questions.

Warmest Regards,

A handwritten signature in blue ink, appearing to read "Tammara Tracy".

Tammara Tracy
Director

Exhibit A

The logo for Commonwealth Economics, featuring a solid blue square. Inside the square, the word "Commonwealth" is written in a white, sans-serif font on the top line, and the word "Economics" is written in a smaller, white, sans-serif font on the bottom line.

Commonwealth
Economics

City of Paducah Riverfront TIF Project Tax Increment Financing Impact Analysis

Submitted to:
City of Paducah

Submitted by:
Commonwealth Economics Partners

January 2019

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I. INTRODUCTION AND EXECUTIVE SUMMARY

Introduction

Commonwealth Economics, LLC was retained by the City of Paducah (the “City” or “Paducah”) to conduct a Tax Increment Financing (“TIF”) analysis of The Paducah Riverfront TIF Project (the “Project”) in Paducah, Kentucky.¹ The role of this TIF study is to compare the impact of this new economic activity on state and local tax revenues to the requested amount of the TIF.

Executive Summary

The subject of this analysis is the Paducah Riverfront Mixed-use TIF Redevelopment Project, which is to be located on various lots along Broadway, 5th, 2nd, and 3rd street in Paducah, Kentucky.

The Project is anticipated to include:

- Public Buildings/Structures: Riverfront Park, Steamboat Landing, Parking, Town Square, and Broadband Infrastructure Improvements
- Redeveloped/New Restaurant and Retail Space - 111,728 total square feet
- Hotel rooms - 147
- Independent Art House/Theater - 12,540 square feet
- Redeveloped Manufacturing Space - 130,000 square feet
- Redeveloped/New Residential Housing - 204 units
- Museum - 12,500 square feet
- Conference/Event Space - 15,000 square feet

¹ The results presented herein are fair and reasonable. Based on Commonwealth Economics’ analysis, the Project is a strategic development that will bring significant economic and fiscal benefits to both Paducah and the Commonwealth of Kentucky.

Commonwealth Economics utilized sources deemed to be reliable but cannot guarantee their accuracy. Moreover, estimates and analysis presented in this study are based on trends and assumptions, which usually result in differences between the projected results and actual results. And because events and circumstances frequently do not occur as expected, those differences may be material.

- Conference Food Services – 2,500 square feet

Its estimated costs include:

- Total cost of \$156.4 million
 - \$99.9 million in private costs
 - \$56.5 million in public infrastructure costs

It is important to understand that the Project would not happen without certain expenditures on infrastructure. The Project includes multiple public infrastructure elements, such as; the riverfront park, steamboat landing, museum, conference/event space, town square, a portion of the broadband infrastructure, an independent art house/theater, parking, and all site work and utility provisions. This type of Project is specifically what the State’s TIF Program is designed to incentivize.

Based on research and analysis documented in this report, the Paducah Riverfront TIF redevelopment Project is estimated to have a significant economic and fiscal impact to the local economy. In the 20-year period following completion, the Paducah Riverfront TIF footprint is estimated to generate \$113.5 million of eligible state and local incremental tax revenues.²

After at least 20 percent is retained by the State, approximately \$94.8 million of this incremental tax revenue may be available over 20 years through the TIF program to cover costs that qualify as approved public infrastructure. However, this participation would be subject to a “net new” cap imposed by the Cabinet for Economic Development based on an independent consultant’s analysis, which will likely further limit the amount available for reimbursement. Additionally, the net present value of this \$94.8 million is dependent upon many variables in the tax-exempt financing/bonding market.

In addition to the \$113.5 million of incremental tax revenues generated within the footprint, the Project is expected to have a significant economic impact throughout the area. Over a 20-year period, the full Project is expected to facilitate:

- Over \$1.9 billion in total economic impact

² It is important to understand that this participation would also be subject to a “net new” cap imposed by the Cabinet for Economic Development based on an independent consultant’s analysis, and reimbursement is limited to Approved Public Infrastructure expenditures.

- 1,169 jobs annually

The body of this report further details the Project and its economic impact as it relates to Tax Increment Financing. It will demonstrate that, due to the problems inherent with the Property, the benefits that arise from the Project, and the purposes of TIF legislation, the Project qualifies for the TIF program.

II. PROJECT DESCRIPTION

This section provides an overview of the proposed Paducah Riverfront Mixed-use TIF Redevelopment Project to be located in Paducah, Kentucky including a history of previous initiatives and a description of the proposed Project's scope, amenities, and site development costs.

Background

Founded in 1827 by William Clark of Lewis & Clark fame, the City of Paducah's (the "City" or "Paducah") origin and prosperity can be attributed to its strategic location at the confluence of the Ohio and Tennessee rivers. The combination of southern charm and hospitality that originated with Paducah's founding is still alive and well in this vibrant river city today.

Paducah has undertaken multiple initiatives which have highlighted Paducah's lively history and created real potential for growth. However, the City has not been able to fully capitalize on its recreational, cultural, and historical ties with the river, and the economic opportunities they present when linked to the Riverfront area. This is in large part due to a lack of necessary public infrastructure components and redevelopment activity on vacant properties located near Paducah's Riverfront.

Riverfront Redevelopment Initiatives

With its geographic location and current assets, Paducah is already known by many as an inland waterways hub that plays an important role in the future (and growth) of the inland waterways industry. Being home to the Seaman's Church Training Institute, Ingram Barge Company, Marquette, Crouse, and many other river-related leaders is an important and telling asset to the industry. Additionally, the Riverport's recent Marine Highway Designation, the Foreign Trade Zone certification, the River Discovery Center, and the City's dedication to its river heritage make for an environment that is well suited for growth.

In 2007, the City created a Riverfront Redevelopment Master Plan (riverfront "Master Plan") which laid out a long term physical renovation of the riverfront.³ Improvements identified in the plan included a new public steamboat landing/excursion pier facility,

³ Riverfront Redevelopment Master Plan (2007):

<http://paducahky.gov/~paducahky/sites/default/files/u3/FinalDraftMarch27-07.pdf>

a new marina, a performance plaza, overlook/observation deck, public recreation areas (known as the Paducah Commons), connections to the greenway trail system, a new boat launch, and the riverfront recreation park (known as Shultz Park). These improvements, as they have been and are still being completed, provide a linkage to the vibrant culture located near Paducah's Riverfront, a regionally recognized convention destination. To date, the investment in infrastructure facilities for Paducah's riverfront (both public and private) totals more than \$35.8 million, including \$11 million in federal grant funding with Paducah providing \$5 million in matching funds for the riverfront redevelopment initiative.

Downtown Redevelopment Initiatives

More than \$100 million has been invested in Paducah's historic downtown since the start of revitalization efforts in 1992. Paducah's incentive programs for downtown include: Downtown Assessment and Reassessment Tax Moratorium, New Business Grant Program, Facade and Beautification micro-grants, Roof Stabilization Assistance Program, and the Upper Story Residential Grant Program. Since 2014, Paducah has provided \$1,038,400 in total incentive funding to downtown developers.

In 2015, the City completed the Paducah Commons Small Area Development Plan ("Paducah Commons") for a six-acre area that was the former home of the Executive Inn Hotel located between the Paducah Convention and Exposition Center and the recently completed transient dock and future steamboat landing/excursion pier.⁴ This site, and the surrounding area in general, contain buildings that have been vacant for over 10 years.

It is anticipated that the Paducah Commons project will feature a compass rose pointing north and east with art features at each point, an outdoor stepped-lawn amphitheater, pergola covered promenade, active green space, swings along the greenway trail, and a sculpture walk. Additionally, the project includes the redevelopment of the Executive Inn Hotel which will encourage citizens and visitors alike to partake in additional organic public gatherings, indoor consumer experiences, and outdoor events which provide socio-economic connectivity between Downtown Paducah and riverfront redevelopments.

⁴ Paducah Commons Small Area Development Plan (2015):
<http://paducahky.gov/sites/default/files/Paducah-Commons-Small-Area-Plan-06-2015.PDF>

Synopsis

Despite the above-mentioned accomplishments, Paducah still lacks the necessary public infrastructure components and redevelopment activity on vacant properties downtown which do not fully connect and capitalize on its riverfront redevelopment efforts. The proposed Paducah Riverfront Mixed-use TIF Redevelopment Project will create a major linkage between these properties and the riverfront.

It is important to note that Paducah has the human resource capacity to manage a large-scale project, such as the one analyzed in this report. Paducah employs three full-time professional engineers, two AICP certified planners, two Certified Public Accountants (“CPAs”), and one certified Project Management Professional (“PMP”) with combined experience of over 65 years.

Description of the Paducah Riverfront TIF Project

The City of Paducah (the “City” or “Paducah”) will be working with various developers to complete the Project in Paducah through a mixture of public and private investment. The aim is to redevelop and connect vacant properties in the downtown area to Paducah’s riverfront, while also developing the necessary public infrastructure and new supportive uses on a handful of adjacent lots that are build ready. This will attract and support a greater level of density and vertical development throughout the City which will spur additional event and businesses activity.

Planning is currently underway for the proposed redevelopment, which is anticipated to include the following components:

- Public Buildings/Structures: Riverfront Park, Steamboat Landing, Parking, Town Square, and Broadband Infrastructure Improvements
- Redeveloped/New Restaurant and Retail Space - 111,728 total square feet
- Hotel rooms - 147
- Independent Art House/Theater - 12,540 square feet
- Redeveloped Manufacturing Space - 130,000 square feet
- Redeveloped/New Residential Housing - 204 units
- Museum - 12,500 square feet
- Conference/Event Space - 15,000 square feet
- Conference Food Services - 2,500 square feet

Based on construction, site work, and miscellaneous costs, the total construction cost, public and private, is estimated to be approximately \$156.3 million. It is anticipated that \$56.5 million of the total cost may be considered as approved public infrastructure, including: the riverfront park, steamboat landing, museum, conference/event space, town square, a portion of the broadband infrastructure, independent art house/theater, parking, and all site work and utility provisions.

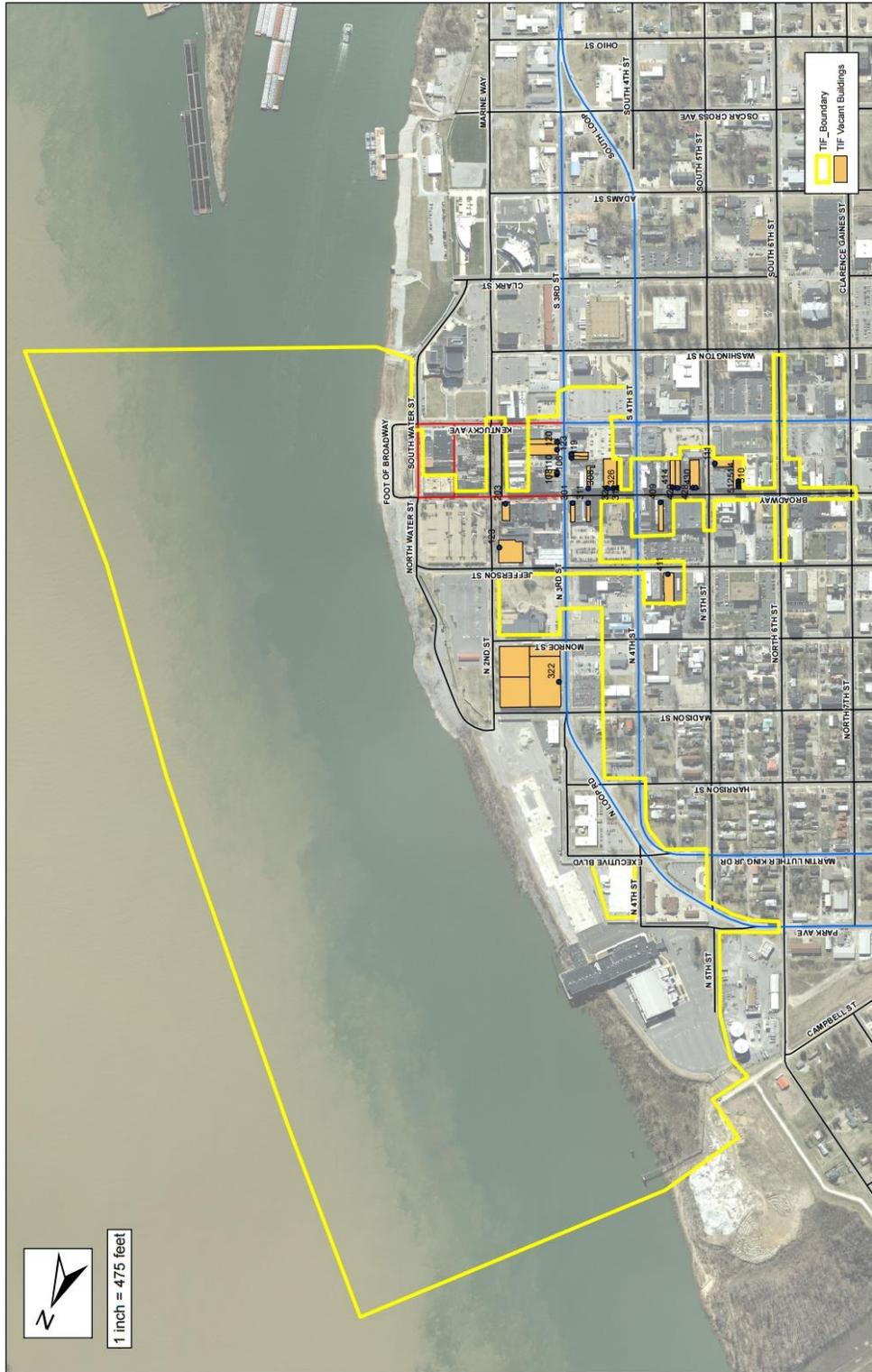
For the purposes of this study, each Project component will be shown as coming on line at the same time in order to capture the full effect of the Project. It is important to note, however, that certain Project components may be phased in throughout the 20-year

period of the TIF. This can result in a slightly lower overall amount of TIF incremental revenue available to the Project due to less time being spent by the Phased components generating the increment (see following sections for a description of Kentucky’s TIF programs). Below is a combined summary of the Project upon full completion of improvements, as well as new retail, restaurant, hotel, and residential housing components to be built on adjacent lots.

Figure 1

Paducah Riverfront TIF Project Components		
	Unit Measure	
Retail/Restaurant		
Retail	34,075	Sq Ft
Restaurant	77,653	Sq Ft
Hotel	147	Rooms
Theater	12,540	Sq Ft
Manufacturing Space	130,000	Sq Ft
Residential Housing	204	Units
Showcase Space		
Museum	12,500	Sq Ft
Conference/Event Space	15,000	Sq Ft
Food Service	2,500	Sq Ft

Figure 2



III. QUALIFYING PUBLIC INFRASTRUCTURE

If the Project successfully applies for participation through any of the state TIF programs, it may be eligible to recover up to 100 percent of Approved Public Infrastructure costs, certain soft costs, and costs related to land preparation, demolition, and clearance through the recapture of local and state incremental tax revenues. These Approved Public Infrastructure costs may include:

- Land preparation and demolition
- Public buildings/structures
- Sewers/storm drainage
- Curbs, sidewalks, promenades, and pedways
- Roads and street lighting
- Provision/modification of utilities
- Environmental remediation
- Floodwalls/floodgates
- Public spaces and parks
- Parking
- Easements of rights of way
- Transportation facilities
- Public landings
- Amenities (fountains, benches, sculptures, etc.)
- River bank modifications
- Related soft costs, legal fees, and contingencies;

All of the proposed public infrastructure Project elements discussed in the previous section should qualify under one of these categories of public infrastructure. While these costs may be recoverable, it should be understood that the funding of these anticipated public infrastructure improvements would be on a reimbursement basis that will require proof of the expenditure before funds will be released through the TIF program and that the amount available from State participation will be subject to a cap.

In addition, these funds will not be available until the Project meets a minimum spending threshold (discussed in the next section) and also begins to generate the incremental tax revenues that can then be used to make financing payments or reimburse the out-of-pocket expenditures on these elements.

IV. TAX INCREMENT FINANCING

Tax Increment Financing (“TIF”) is a form of economic incentive, which uses the increase in local and state tax revenues generated on a development footprint (the “increment”) to finance certain public infrastructure components of the Project.

This financing is typically structured by the applicable local government issuing tax increment bonds either as the guarantor or just as a conduit for the bonds. The proceeds of the bonds are used to finance approved infrastructure costs. The increment is then used to retire the bonds.

The Paducah Riverfront TIF Project will fall under the “Mixed-use” status. It meets the following statutory qualifications for a “Mixed-use status”:

- It must have a net positive economic and fiscal impact to the Commonwealth.
- It must not include any retail establishment that exceeds twenty thousand (20,000) square feet of finished space.
- It must meet the required minimum capital investment of \$20,000,000.
- It must include pedestrian amenities and public space.
- The development area must be less than the maximum three-square miles.
- The development must include at least two of the following: retail, residential, office, restaurant, or hospitality.
- The project must be located in an area with blighted conditions and inadequate public infrastructure.
- Under the Mixed-use TIF program, the tax recovery period is limited to 20 years.

In addition to the basic “mixed-use” requirements listed above, the Project is also expected to meet the other legal requirement related to the local government’s creation of a “Development Area.” The local government can create a Development Area by determining that the area meets any two of the following conditions, but three findings are required for State Mixed-use TIF Program participation:

- a) Substantial loss of residential, commercial, or industrial activity or use;

- b) Forty percent (40%) or more of the households are low-income households;
- c) More than fifty percent (50%) of residential, commercial, or industrial structures are deteriorating or deteriorated;
- d) Substantial abandonment of residential, commercial, or industrial structures;
- e) Substantial presence of environmentally contaminated land;
- f) Inadequate public improvements or substantial deterioration in public infrastructure; or
- g) Any combination of factors that substantially impairs or arrests the growth and economic development of the city or county; impedes the provision of adequate housing; impedes the development of commercial or industrial property; or adversely affects public health, safety, or general welfare due to the development area's present condition and use.

Because the Paducah Riverfront TIF Project meets the statutory qualifications of the State Mixed-use TIF program, it is eligible to use the incremental taxes created by the Project to recover up to 100 percent of approved public infrastructure costs over a 20-year recovery period. These recoverable incremental taxes include:

- State Sales tax
- State Ad Valorem (real property) tax
- State Individual Income tax
- State Corporate Income tax
- Local Ad Valorem (real property) taxes
- Local Occupational taxes

All of the recoverable taxes must be generated within the Project's TIF footprint (see previously, Figure 2).

V. INCREMENTAL TAX REVENUE ESTIMATES

For the purpose of estimating the amount of potentially available TIF dollars from the footprint that will be available to repay public infrastructure expenditures, it is necessary to calculate the expected tax revenue on the new footprint. Fiscal impact measures TIF applicable tax revenues that result from the spending and income related to the activities at the Project. This analysis estimates the fiscal impacts of the TIF-applicable tax revenues. Only taxes that are eligible for tax increment financing are used.

Below is a breakdown of the taxes used to determine the fiscal impacts of the Project:

- State taxes:
 - Property Tax \$0.122 per \$100 of assessed value
 - Sales Tax 6.0 percent of sales
 - Individual Income Tax 5.0 percent of income⁵
- Local tax:
 - City of Paducah Property Tax \$0.2610 per \$100 of assessed value⁶
 - McCracken County Property Tax \$0.2170 per \$100 of assessed value⁷
 - City of Paducah Payroll Tax 2.00 percent of salaries⁸

The estimated fiscal impact of the Project is based on a number of different assumptions regarding the revenue generated by each component of the Paducah Riverfront Mixed-use TIF Development Project. The revenue calculations are based on the size of the Project component and its estimated sales per a given unit of measure.

⁵ Given the recent tax code changes in Kentucky, Commonwealth Economics is using a flat income tax rate of 5 percent on all income earned in the state.

⁶ Assumes full participation from the City of Paducah real property tax. By law, School (.84%) and Fire District taxes are not eligible for participation in the State TIF programs.

⁷ Assumes participation from the McCracken County real property tax which may include: general fiscal court of .094%, library of .059%, extension services of .02904%, health of .024%, and mental health of .011%. By law, School (.52%) and Fire District taxes are not eligible for participation in the State TIF programs.

⁸ Assumes full participation from the City of Paducah local occupational license tax fee.

Tax Revenue Assumptions

Estimated tax revenues were generated using the following assumptions, direct impact multipliers generated by the IMPLAN modeling software for McCracken County utilizing a blended average of component revenue, employee, and salary assumptions provided by the City of Paducah and proposed private developers.⁹

Retail - 34,075 Sq Ft

- Sales/Sq Foot ~ \$250
- Sq Feet / Employee ~ 142
- Average Salary ~ \$14,598

Restaurant - 77,653 Sq Ft

- Sales/Sq Foot ~ \$250
- Sq Feet / Employee ~ 209
- Average Salary ~ \$21,642

Hotel - 147 Rooms

- Average Daily Room Rate ~ \$100
- Rooms / Employee ~ 5
- Average Salary ~ \$31,780

Independent Art House/Theater - 12,540 Sq Ft

- Sales/Sq Foot ~ \$97
- Sq Feet / Employee ~ 1,572
- Average Salary ~ \$27,015

Manufacturing Space - 130,000 Sq Ft

- Sales/Sq Foot ~ \$112
- Sq Feet / Employee ~ 1,532
- Average Salary ~ \$44,522

⁹ Potential Project Developers provided Project scope estimates and initial building tenant assumptions for input into CE's analysis. However, CE has no knowledge to suggest with certainty that the estimates provided are feasible.

Residential Housing - 200 Units

- Average Unit Rent per Month ~ \$825
- Units / Employee ~ 1
- Average Salary ~ \$12,435

Museum - 12,500 Sq Ft

- Sales / Sq Foot ~ \$120
- Sq Feet / Employee ~ 687
- Average Salary ~ \$30,301

Conference/Event Space - 15,000 Sq Ft

- Sales / Sq Foot ~ \$250
- Sq Feet / Employee ~ 864
- Average Salary ~ \$17,637

Food Service - 2,500 Sq Ft

- Sales/Sq Foot ~ \$250
- Sq Feet / Employee ~ 341
- Average Salary ~ \$19,388

Baseline Tax Revenue Calculation

In order to properly estimate the tax revenues that will actually be available for a mixed-use TIF project, it is necessary to subtract the baseline tax revenues from the expected future revenues. The baseline tax revenues currently generated within the proposed development area are likely significantly less than will be generated there after the Paducah Riverfront Redevelopment Project is completed.

Because the anticipated footprint of the new Paducah Riverfront Redevelopment holds a variety of private businesses, the amount of sales tax currently generated is not accessible without authorization/consent. Only the income, occupational, and property taxes currently paid on each parcel within the footprint are certain. Because the sales tax is currently unknown, our analysis here has only included the current income, occupational, and property taxes.

Commonwealth Economics, the City of Paducah, and the McCracken County PVA reviewed over 154 parcels of land and calculated a total existing taxable property value

for the anticipated Development Area of \$22.0 million. Furthermore, Commonwealth Economics and the City of Paducah have estimated a total existing payroll of approximately \$4.0 million. Based on this analysis, the resulting income, occupational, and property tax baseline calculation for the footprint totals an estimated \$412,056 annually, as shown below in Figure 3.

Figure 3

Estimated On-Site Baseline Taxes - Paducah Riverfront TIF Project			
	TIF Rate	Base Taxable Amount	Tax Revenue
State Property Tax	0.1220%	\$22,028,315 (private property value)	\$26,875
State Sales and Use Tax	6.00%	\$0 (gross sales)	\$0
State Individual Income Tax	5.00%	\$3,998,373 (gross salaries)	\$199,919
City of Paducah Property Tax	0.2610%	\$22,028,315 (private property value)	\$57,494
McCracken County Property Tax	0.2170%	\$22,028,315 (private property value)	\$47,801
City of Paducah Occupational License Tax	2.00%	\$3,998,373 (gross salaries & profits)	\$79,967
Total Tax Revenues			\$412,056

Incremental Tax Revenue Calculation

Figure 4, on the next page, shows the projected TIF revenues resulting from the new Paducah Riverfront Redevelopment over a 20-year period. All applicable property, income, and sales taxes are included. To account for the potential growth in future tax revenues, all calculations are adjusted at the rate of 1.5% each year. Again, because the sales, income, and occupational taxes are currently unknown, our analysis here has only subtracted the current baseline property taxes. It is important to note that a baseline for sales, income, and occupational taxes will need to be established at some point throughout the application process.

As shown in Figure 4, over the allowable 20-year TIF period, the Paducah Riverfront Redevelopment is estimated to produce \$123.1 million in State and Local TIF-eligible tax revenues. Of this eligible amount, approximately \$99.0 million is from State tax revenues and \$24.1 million is from Local tax revenues.

After the baseline property taxes are subtracted and 20 percent retained by state (the 20 percent retained by the state is required by statute), total cash flow eligible for TIF participation is estimated to reach up to \$94.8 million over the 20-year period. This includes \$75.0 million from State TIF participation and \$19.8 million from Local participation. It is important to understand that the State TIF participation would also be subject to a “net new” cap imposed by the Cabinet for Economic Development based on an independent consultant’s analysis, and reimbursement is limited to Approved Public Infrastructure expenditures. Additionally, State may participate less than 80%.

Figure 4

Paducah Riverfront TIF Project									
Incremental Tax Revenue Estimates under the State Mixed-use TIF Program									
	Total	Year 1	Year 2	Year 3	Year 4	Year 5	Year 10	Year 20	20-Year Total
Estimated Future Tax Revenues from Project									
State Tax Revenues									
State Sales Tax	\$68,897,102	\$2,979,506	\$3,024,198	\$3,069,561	\$3,115,605	\$3,162,339	\$3,406,737	\$3,953,658	\$68,897,102
State Property Tax	\$3,439,505	\$148,744	\$150,975	\$153,240	\$155,538	\$157,871	\$170,072	\$197,376	\$3,439,505
Individual Income Tax	\$26,611,765	\$1,150,845	\$1,168,108	\$1,185,630	\$1,203,414	\$1,221,465	\$1,315,865	\$1,527,115	\$26,611,765
Total State Tax Revenues	<u>\$98,948,371</u>	<u>\$4,279,095</u>	<u>\$4,343,282</u>	<u>\$4,408,431</u>	<u>\$4,474,557</u>	<u>\$4,541,676</u>	<u>\$4,892,674</u>	<u>\$5,678,148</u>	<u>\$98,948,371</u>
Local Tax Revenues									
McCracken County Property Tax	\$6,117,808	\$264,569	\$268,538	\$272,566	\$276,654	\$280,804	\$302,506	\$351,070	\$6,117,808
Paducah Property Tax	\$7,358,285	\$318,214	\$322,988	\$327,832	\$332,750	\$337,741	\$363,843	\$422,255	\$7,358,285
Paducah Payroll Tax	\$10,644,706	\$460,338	\$467,243	\$474,252	\$481,366	\$488,586	\$526,346	\$610,846	\$10,644,706
Total Local Tax Revenues	<u>\$24,120,799</u>	<u>\$1,043,122</u>	<u>\$1,058,769</u>	<u>\$1,074,650</u>	<u>\$1,090,770</u>	<u>\$1,107,131</u>	<u>\$1,192,695</u>	<u>\$1,384,171</u>	<u>\$24,120,799</u>
Total Estimated Future Tax Revenues	<u>\$123,069,170</u>	<u>\$5,322,217</u>	<u>\$5,402,050</u>	<u>\$5,483,081</u>	<u>\$5,565,327</u>	<u>\$5,648,807</u>	<u>\$6,085,369</u>	<u>\$7,062,320</u>	<u>\$123,069,170</u>
"Baseline" Tax Revenues									
State Tax Revenues									
State Property Tax "Baseline"	\$621,438	\$26,875	\$27,278	\$27,687	\$28,102	\$28,524	\$30,728	\$35,661	\$621,438
State Individual Income Tax "Baseline"	\$4,622,852	\$199,919	\$202,917	\$205,961	\$209,051	\$212,186	\$228,585	\$265,282	\$4,622,852
Total State Tax "Baseline"	<u>\$5,244,290</u>	<u>\$226,793</u>	<u>\$230,195</u>	<u>\$233,648</u>	<u>\$237,153</u>	<u>\$240,710</u>	<u>\$259,313</u>	<u>\$300,943</u>	<u>\$5,244,290</u>
Local Tax Revenues									
McCracken County Property Tax "Baseline"	\$1,105,345	\$47,801	\$48,518	\$49,246	\$49,985	\$50,735	\$54,656	\$63,430	\$1,105,345
Paducah Property Tax "Baseline"	\$1,329,470	\$57,494	\$58,356	\$59,232	\$60,120	\$61,022	\$65,738	\$76,292	\$1,329,470
Paducah Payroll Tax "Baseline"	\$1,849,141	\$79,967	\$81,167	\$82,384	\$83,620	\$84,875	\$91,434	\$106,113	\$1,849,141
Total Local Tax "Baseline"	<u>\$4,283,955</u>	<u>\$185,263</u>	<u>\$188,042</u>	<u>\$190,862</u>	<u>\$193,725</u>	<u>\$196,631</u>	<u>\$211,828</u>	<u>\$245,835</u>	<u>\$4,283,955</u>
Total "Baseline" Tax Revenues	<u>\$9,528,246</u>	<u>\$412,056</u>	<u>\$418,237</u>	<u>\$424,510</u>	<u>\$430,878</u>	<u>\$437,341</u>	<u>\$471,141</u>	<u>\$546,778</u>	<u>\$9,528,246</u>
Incremental Tax Revenue Generated by Project	<u>\$113,540,925</u>	<u>\$4,910,161</u>	<u>\$4,983,813</u>	<u>\$5,058,570</u>	<u>\$5,134,449</u>	<u>\$5,211,466</u>	<u>\$5,614,229</u>	<u>\$6,515,542</u>	<u>\$113,540,925</u>
Incr. Tax Rev. Available for State TIF Program	at 80% \$74,963,265	\$3,241,842	\$3,290,469	\$3,339,826	\$3,389,924	\$3,440,772	\$3,706,689	\$4,301,764	\$74,963,265
Incr. Tax Rev. Available for McCracken County Participation	at 100% \$5,012,463	\$216,768	\$220,019	\$223,319	\$226,669	\$230,069	\$247,850	\$287,640	\$5,012,463
Incr. Tax Rev. Available for Paducah Participation	at 100% \$14,824,380	\$641,091	\$650,708	\$660,468	\$670,375	\$680,431	\$733,017	\$850,696	\$14,824,380

VI. ECONOMIC AND EMPLOYMENT IMPACTS

When construction of the proposed Paducah Riverfront TIF Redevelopment Project is complete, the new events, hotel, independent art house/theater, museum, manufacturer, restaurants, retail stores, residential housing, and various activities and transactions occurring within the improved site will generate on-going, annual economic and fiscal impacts to the local economy. Initial transactions occurring within the hotel, independent art house/theater, museum, manufacturing space, restaurants, and retail stores will ripple out into the local economy and generate indirect spending, induced spending, increased earnings, and employment, as well as various tax revenues. It is important to understand that these impacts include economic and fiscal activity that may take place outside of the Project footprint, and therefore, are not all recoverable through the TIF program. These impact estimates, however, assist in quantifying the Project's overall economic value to the Commonwealth.

For analytical purposes, annual impact is estimated based on component type, such as the retail and restaurant space. Conceptually, annual economic impact would include the "ripple effects" generated from direct spending made by the shoppers and restaurant patrons. This direct spending would then result in indirect spending, induced spending, increased earnings, and employment.

Economic Impact- Definitions

Economic impact reflects the "ripple effect" or "multiplying effect" from initial transaction, or "direct spending," that occurs as a direct result of a project being developed. In the Paducah Riverfront TIF Project case, examples of initial transactions are the visitors' expenditures during their time in Paducah at various lodging facilities, restaurants, and shops. The "ripples" from these initial transactions include the following:

- **Indirect Spending** – consists of re-spending of the initial or direct expenditures. For example, a visitor's direct expenditure on a retail purchase causes the store to purchase goods and other items from suppliers. The portion of these store purchases that are within the local, regional, or state economies is counted as an indirect economic impact.
- **Induced Spending** – represents changes in local consumption due to the personal spending by employees whose incomes are affected by the Project. For example, a waiter at a restaurant may spend more because he/she earns more.

The amount of the increased income the waiter spends in the local economy is considered an induced impact.

- **Increased Earnings** – measures the change in total personal income, area-wide, that results from the initial spending activities occurring as a result of the Project.
- **Increased Employment** – measures the change in number of jobs, area-wide, that result from the initial spending activities that occur as a result of the Project.

Indirect spending, induced spending, increased earnings, and employment impact are estimated using multiplier factors. The multipliers utilized were derived from an IMPLAN input-output model. IMPLAN is a nationally recognized model commonly used to estimate economic impact. An input-output model analyzes the commodities and income that normally flow through the various sectors of the economy.

Impact Analysis of Construction

The construction of the Paducah Riverfront TIF Project will create a one-time influx of spending, which will ripple throughout the economy and result in indirect output, induced output, labor income, and employment, as well as the related tax revenues.

There are two key impacts from construction to both the City of Paducah and the Commonwealth of Kentucky. First, the construction itself directly creates construction jobs, which are subject to state individual income tax and local occupational license tax. Second, construction spending will ripple out and generate indirect output due to spending on materials, induced output, increased earnings, and employment throughout the economy, as well as State Sales Tax revenues associated with the induced impacts. Figure 5, on the next page, conceptually illustrates the flows of construction impacts, as well as the assumptions and tax rates utilized for the impact calculation.

Figure 5

Paducah Riverfront TIF Project		
Conceptual Diagram of One-Time Economic and Fiscal Impact from Construction		
Sources of Impact	Economic and Fiscal Impact	Rate
Total Construction Costs		
» Property Value Impacts		
» State Property Tax Assessed Value		0.1220%
» City of Paducah Property Tax Assessed Value		0.2610%
» McCracken County Property Tax Assessed Value		0.2170%
» Employment and Income Impacts		
» State Individual Income Tax on Total Labor Income		5.00%
» City of Paducah Occupational License Tax on Direct Labor Income		2.00%
» Induced Output		
	Taxable Induced Spending Estimate	50%
» Sales Tax on Materials and Induced Spending		6.00%

Figure 6 shows the IMPLAN-calculated impacts derived from construction costs of the Project in order to estimate the resulting direct, indirect, and induced impacts.

Figure 6

Impact Summary - Construction Only				
Impact Type	Employment	Labor Income	Total Value Added	Output
Direct Effect	1,168	\$57,530,526	\$76,222,597	\$156,344,484
Indirect Effect	338	\$14,981,544	\$24,268,903	\$48,018,124
Induced Effect	429	\$17,197,146	\$30,872,017	\$54,493,828
Total Effect	1,935	\$89,709,216	\$131,363,517	\$258,856,436

Shown in Figure 6, the \$156.3 million of capital investment is estimated to generate 1,935 jobs (1,168 direct construction jobs and 767 indirect and induced jobs). These jobs consequently are estimated to generate approximately \$89.7 million of total labor income.

The one-time influx of these economic impacts which will “ripple” throughout the economy and result in indirect spending, induced spending, increased earnings and employment, all of which create related tax revenues. These fiscal impacts are described in detail in Figure 7, on the next page, which shows the taxes derived from the IMPLAN model results generated using the estimated construction costs of the various Project components.

Figure 7

Paducah Riverfront TIF Project	
Estimates of One-Time Economic and Fiscal Impacts of Construction	
Economic Impact	Total
Direct	\$156,344,484
Indirect	\$48,018,124
Induced	\$54,493,828
Total Output	<u>\$258,856,436</u>
Estimated Taxable Assessed Value	\$99,892,934
Total Employment	1,935
Direct Employment	1,168
Total Labor Income	\$89,709,216
Direct Labor Income	\$57,530,526
Fiscal Impact (Tax Revenues)	
State Tax Revenues	
State Property Tax	\$121,869
State Sales & Use Tax	
On Induced Spending	\$3,269,630
State Individual Income Tax	
On Total Labor Income	<u>\$1,066,723</u>
Total State Tax Revenues	<u>\$4,458,222</u>
Local Tax Revenues	
City of Paducah Property Tax	\$260,721
McCracken County Property Tax	\$216,768
City of Paducah Occupational License Tax	
On Direct Labor Income	<u>\$1,150,611</u>
Total Local Tax Revenues	<u>\$1,628,099</u>
Total Tax Revenues	<u>\$6,086,321</u>

As shown in Figure 7, the one-time impact of construction, alone, is estimated to generate \$258.9 million of total output, \$89.7 million of total labor income, 1,935 jobs, and \$6.1 million of state and local tax revenues during the construction period.

Annual Operational Impact

Upon completion of Project construction, the new events, hotel, independent art house/theater, museum, manufacturer, restaurants, residential housing, and retail stores will generate annual impacts to the local community and State.

Economic Impact of Independent Art House / Theater

Spending by movie goers and art enthusiast’s will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 8 shows the annual and 20-year total estimated economic impacts of the independent art house/theater.

Figure 8

Paducah Riverfront TIF Project Summary of Economic Impacts - Independent Art House / Theater						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$1,094,742	\$1,111,163	\$1,127,831	\$1,144,748	\$1,161,919	\$25,314,450
Indirect Impact	\$401,513	\$407,536	\$413,649	\$419,854	\$426,151	\$9,284,454
Induced Impact	\$262,748	\$266,689	\$270,689	\$274,750	\$278,871	\$6,075,696
Total Economic Impact	\$1,759,003	\$1,785,388	\$1,812,169	\$1,839,351	\$1,866,942	\$40,674,599
Total Employment	14	14	14	14	14	
Total Wages	\$426,372	\$432,768	\$439,260	\$445,848	\$452,536	\$9,859,295

Economic Impact of Museum

Spending by museum visitors will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 9 shows the annual and 20-year total estimated economic impacts of the museum.

Figure 9

Paducah Riverfront TIF Project Summary of Economic Impacts - Museum						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$1,350,000	\$1,370,250	\$1,390,804	\$1,411,666	\$1,432,841	\$31,216,951
Indirect Impact	\$703,636	\$714,191	\$724,904	\$735,777	\$746,814	\$16,270,649
Induced Impact	\$567,690	\$576,205	\$584,848	\$593,621	\$602,525	\$13,127,071
Total Economic Impact	\$2,621,326	\$2,660,646	\$2,700,556	\$2,741,064	\$2,782,180	\$60,614,671
Total Employment	27	27	27	27	27	
Total Wages	\$926,944	\$940,848	\$954,961	\$969,285	\$983,824	\$21,434,339

Economic Impact of Conference/Event Space

Spending by convention conference/event visitors will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 10 shows the estimated economic impacts of the conference/event space, annually and in a 20-year total.

Figure 10

Paducah Riverfront TIF Project Summary of Economic Impacts - Conference / Event Space						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$3,375,000	\$3,425,625	\$3,477,009	\$3,529,165	\$3,582,102	\$78,042,376
Indirect Impact	\$995,699	\$1,010,635	\$1,025,794	\$1,041,181	\$1,056,799	\$23,024,218
Induced Impact	\$470,728	\$477,789	\$484,956	\$492,230	\$499,614	\$10,884,960
Total Economic Impact	\$4,841,427	\$4,914,049	\$4,987,760	\$5,062,576	\$5,138,515	\$111,951,555
Total Employment	29	29	29	29	29	
Total Wages	\$761,029	\$772,444	\$784,031	\$795,791	\$807,728	\$17,597,775

Economic Impact of Hotel

Spending at the hotel will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 11 shows the estimated economic impacts of the hotel, annually and in a 20-year total.

Figure 11

Paducah Riverfront TIF Project Summary of Economic Impacts - Hotel						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$3,219,848	\$3,268,145	\$3,317,167	\$3,366,925	\$3,417,429	\$74,454,682
Indirect Impact	\$934,954	\$948,978	\$963,213	\$977,661	\$992,326	\$21,619,555
Induced Impact	\$929,438	\$943,380	\$957,530	\$971,893	\$986,472	\$21,492,014
Total Economic Impact	\$5,084,239	\$5,160,503	\$5,237,910	\$5,316,479	\$5,396,226	\$117,566,251
Total Employment	43	43	43	43	43	
Total Wages	\$1,507,504	\$1,530,116	\$1,553,068	\$1,576,364	\$1,600,009	\$34,859,012

Economic Impact of Retail Space

Spending within the retail space will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 12, on the next page, shows the estimated economic impacts of the retail space, annually and in a 20-year total.

Figure 12

Paducah Riverfront TIF Project Summary of Economic Impacts - Retail						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$7,666,875	\$7,781,878	\$7,898,606	\$8,017,085	\$8,137,342	\$177,286,265
Indirect Impact	\$3,149,499	\$3,196,741	\$3,244,692	\$3,293,363	\$3,342,763	\$72,827,957
Induced Impact	\$3,399,416	\$3,450,407	\$3,502,163	\$3,554,695	\$3,608,016	\$78,606,957
Total Economic Impact	\$14,215,789	\$14,429,026	\$14,645,462	\$14,865,143	\$15,088,121	\$328,721,179
Total Employment	288	288	288	288	288	
Total Wages	\$5,522,741	\$5,605,583	\$5,689,666	\$5,775,011	\$5,861,636	\$127,706,034

Economic Impact of Restaurant Space

Spending by visitors on restaurant dining will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 13 shows the estimated economic impacts of the restaurant space, annually and in a 20-year total.

Figure 13

Paducah Riverfront TIF Project Summary of Economic Impacts - Restaurant						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$17,471,925	\$17,734,004	\$18,000,014	\$18,270,014	\$18,544,064	\$404,014,977
Indirect Impact	\$5,303,585	\$5,383,139	\$5,463,886	\$5,545,845	\$5,629,032	\$122,638,342
Induced Impact	\$7,329,665	\$7,439,610	\$7,551,204	\$7,664,472	\$7,779,439	\$169,488,727
Total Economic Impact	\$30,105,175	\$30,556,753	\$31,015,104	\$31,480,331	\$31,952,536	\$696,142,047
Total Employment	462	462	462	462	462	
Total Wages	\$11,912,673	\$12,091,363	\$12,272,733	\$12,456,825	\$12,643,677	\$275,464,684

Economic Impact of Manufacturing Space

Spending by manufacturing workers in the community will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 14, on the next page, shows the estimated economic impacts of the manufacturing space, annually and in a 20-year total.

Figure 14

Paducah Riverfront TIF Project						
Summary of Economic Impacts - Manufacturing Space						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$13,104,000	\$13,300,560	\$13,500,068	\$13,702,569	\$13,908,108	\$303,012,534
Indirect Impact	\$4,037,801	\$4,098,368	\$4,159,844	\$4,222,241	\$4,285,575	\$93,368,767
Induced Impact	\$3,930,768	\$3,989,729	\$4,049,575	\$4,110,319	\$4,171,973	\$90,893,761
Total Economic Impact	\$21,072,569	\$21,388,657	\$21,709,487	\$22,035,129	\$22,365,656	\$487,275,062
Total Employment	140	140	140	140	140	
Total Wages	\$6,373,786	\$6,469,392	\$6,566,433	\$6,664,930	\$6,764,904	\$147,385,296

Economic Impact of Residential Housing

Spending by new residents in the community will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 15 shows the estimated economic impacts of the residential housing, annually and in a 20-year total.

Figure 15

Paducah Riverfront TIF Project						
Summary of Economic Impacts - Residential Housing						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$1,813,541	\$1,840,745	\$1,868,356	\$1,896,381	\$1,924,827	\$41,935,728
Indirect Impact	\$0	\$0	\$0	\$0	\$0	\$0
Induced Impact	\$1,375,631	\$1,396,265	\$1,417,209	\$1,438,468	\$1,460,045	\$31,809,633
Total Economic Impact	\$3,189,172	\$3,237,010	\$3,285,565	\$3,334,849	\$3,384,871	\$73,745,361
Total Employment	157	157	157	157	157	
Total Wages	\$2,241,517	\$2,275,140	\$2,309,267	\$2,343,906	\$2,379,065	\$51,832,098

Economic Impact of Food Service Space

Spending by caterers and food providers will ripple throughout the economy, creating indirect and induced impacts in both wages and jobs throughout the area. Figure 16, on the next page, shows the estimated economic impacts of the catering space, annually and in a 20-year total.

Figure 16

Paducah Riverfront TIF Project Summary of Economic Impacts - Food Service						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$562,500	\$570,938	\$579,502	\$588,194	\$597,017	\$13,007,063
Indirect Impact	\$166,463	\$168,960	\$171,494	\$174,067	\$176,678	\$3,849,232
Induced Impact	\$143,538	\$145,691	\$147,876	\$150,094	\$152,346	\$3,319,116
Total Economic Impact	\$872,501	\$885,588	\$898,872	\$912,355	\$926,040	\$20,175,411
Total Employment	9	9	9	9	9	
Total Wages	\$233,270	\$236,769	\$240,320	\$243,925	\$247,584	\$5,394,055

Summary Economic Impacts of Project

The combined estimated economic impacts of all components over a 20-year period are shown, below, in Figure 17.

Figure 17

Paducah Riverfront TIF Project Summary of Economic Impacts - Total						
	Year 1	Year 2	Year 3	Year 4	Year 5	20-Year Total
Economic Impact						
Total Revenue (Direct)	\$49,658,431	\$50,403,307	\$51,159,357	\$51,926,747	\$52,705,649	\$1,148,285,025
Indirect Impact	\$15,693,150	\$15,928,547	\$16,167,475	\$16,409,988	\$16,656,137	\$362,883,174
Induced Impact	\$18,409,620	\$18,685,765	\$18,966,051	\$19,250,542	\$19,539,300	\$425,697,936
Total Economic Impact	\$83,761,201	\$85,017,619	\$86,292,884	\$87,587,277	\$88,901,086	\$1,936,866,135
Total Employment	1,169	1,169	1,169	1,169	1,169	
Total Wages	\$29,905,836	\$30,354,423	\$30,809,740	\$31,271,886	\$31,740,964	\$691,532,588

As shown, the combined operational economic impacts over a 20-year period are estimated to include approximately \$1.2 billion in direct impact and \$1.9 billion in total economic impact throughout the region. Ongoing employment is expected to support an additional 1,169 jobs and a total of \$691.5 million in wages over the 20 years, representing a significant economic impact to the City and Commonwealth.¹⁰

¹⁰ It is expressly acknowledged that Commonwealth Economics cannot guarantee and shall face no liability regarding the success of any proposed project, bond issue, loan, grant, the ability to obtain funding from any source or the accuracy of any estimated revenue stream. Commonwealth Economics utilized second and third-party sources, including the City and proposed private developers, deemed to be reliable but cannot guarantee their accuracy. Moreover, estimates and analysis presented in this report are based on trends and assumptions (outlined in detail within this document), which usually result in differences between the projected results and actual results. And because events and circumstances frequently do not occur as expected, those differences may be material.

This study is not intended to focus on the extent to which the Project will bring “net new” activity to the City. It should be understood that the “net new” economic impacts of certain redeveloped Project components will vary.

VII. CONCLUSION

This Project will provide countless benefits to Paducah and the Commonwealth of Kentucky and should meet the statutory qualifications of the State's Mixed-use TIF Program. The Paducah Riverfront TIF Project is positioned to provide new space for public events including a steamboat landing, town square, and riverfront park, additional hotel rooms, a local culture driven independent art house/theater, a regional renown museum, and unique manufacturing jobs, as well as newly redeveloped space for restaurant and retail stores surrounding residential housing units.

This Mixed-use TIF Redevelopment Project will only be made possible through a partnership between the public sectors and potential private developers in order to provide support for the necessary infrastructure costs. The redeveloped vacant properties and riverfront public infrastructure components will attract and support a greater level of density and vertical development throughout the City which will spur additional event and businesses activity.

It is important that the State Mixed-use TIF Program allow the Project to use the increase in tax revenues generated within its footprint to help alleviate the high costs associated with qualifying public infrastructure needs. It is estimated that up to approximately \$113.5 million in incremental tax revenue will be generated within the TIF footprint. After at least 20 percent is retained by the State, approximately \$94.8 million of this incremental tax revenue may be available over 20 years through the TIF program to cover costs that qualify as approved public infrastructure. However, this participation would be subject to a "net new" cap imposed by the Cabinet for Economic Development based on an independent consultant's analysis, which will likely further limit the amount available for reimbursement. Additionally, the net present value of this \$94.8 million is dependent upon many variables in the tax-exempt financing/bonding market.

The additional downtown activity, along with the new tax revenue and approximately 3,000+ jobs and over \$781.2 million in wages supported as a result of the Project's impacts throughout the economy, will be a great benefit to both the City of Paducah and the Commonwealth of Kentucky.

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LOCAL PARTICIPATION AGREEMENT
FOR THE
DOWNTOWN RIVERFRONT DEVELOPMENT AREA
BY AND AMONG THE
CITY OF PADUCAH
AND THE
COUNTY OF MCCRACKEN
AND THE
CITY OF PADUCAH FINANCE DEPARTMENT
_____ , 2019

- Exhibit A – The Development Area, including legal description
- Exhibit B – The Project
- Exhibit C – The Plan for Financing the Project
- Exhibit D – Estimated Incremental Revenues

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INDEX TO

LOCAL PARTICIPATION AGREEMENT

DATED _____, 2019

CITY OF PADUCAH, COUNTY OF MCCRACKEN, AND

THE CITY OF PADUCAH FINANCE DEPARTMENT

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LOCAL PARTICIPATION AGREEMENT Downtown Riverfront Development Area

THIS LOCAL PARTICIPATION AGREEMENT (this “Agreement”) is made as of the ____ day of _____, 2019 (the “Effective Date”) by and among the CITY OF PADUCAH, a Kentucky Municipal Corporation (the “City”), the COUNTY OF MCCRACKEN, and the PADUCAH CITY FINANCE DEPARTMENT (the “Agency”), collectively (the “Parties”);

RECITALS

WHEREAS, pursuant to the Act, as hereinafter defined, the City has on the ____ day of _____, 2019, adopted Ordinance Number _____, (the “Development Area Ordinance”), whereby it established the Downtown Riverfront Development Area (the “Development Area”) for the purpose of promoting a mixed-use development of previously developed land; and

WHEREAS, pursuant to the Act, as hereinafter defined, the County has on the day of _____, 2019, adopted Ordinance Number _____, (the “Development Area Ordinance”), whereby it established the Downtown Riverfront Development Area (the “Development Area”) for the purpose of promoting a mixed-use development of previously developed land; and

WHEREAS, the Paducah Board of Commissioners and McCracken County Fiscal Court recognize and determine individually that the real property that constitutes the Development Area has been and is currently characterized by vacant parcels, deteriorated structures, and underutilized land, that continuation of the physical deterioration and inadequate infrastructure within the Development Area will discourage and interfere with the City and County’s growth policies to encourage the sensible development of land within the Development Area, and that the acquisition, financing, construction and development of those improvements and buildings, as identified in Exhibit B herein (collectively, the “Project”), will contribute to the public welfare of the citizens of the City, County, and the Commonwealth of Kentucky (the “State”) and will thereby materially enhance the area and be in furtherance of the general health and welfare of the citizens of the City, County, and the State; and

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WHEREAS, the Paducah Board of Commissioners and McCracken County Fiscal Court recognize and determine individually that the project is a mixed-use development which includes significant public infrastructure improvements; and

WHEREAS, the Parties recognize that the development of the Development Area will not likely occur without a public-private partnership and financial assistance provided to the Project by the City, County, and the State; and

WHEREAS, the Parties desire to set forth the duties and responsibilities of the Parties with respect to the administration, financing and pledging of Incremental Revenues in support of the development of the Project within the Development Area; and

WHEREAS, pursuant to the Development Area Ordinance, the City of Paducah has authorized the Mayor to execute and enter into this Agreement between the City, County, and Paducah City Finance Department, and the Agency desires to enter into this Agreement; and

WHEREAS, pursuant to the Development Area Ordinance, the McCracken County Fiscal Court has authorized the Judge to execute and enter into this Agreement between the City, County, and Paducah City Finance Department, and the Agency desires to enter into this Agreement; and

WHEREAS, pursuant to the Act (as hereinafter defined), the City, County and the Agency desire to set forth their mutual agreements, understandings and obligations in this Local Participation Agreement, in order to facilitate development of the Project within the Development Area.

STATEMENT OF AGREEMENT

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Parties hereto, and in consideration of the premises and the mutual covenants and undertakings contained herein, it is agreed and covenanted by and among the Parties hereto as follows:

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SECTION I Recitals

The Parties hereto agree that the above “recitals” or “recital clauses” are incorporated herein by reference as if fully restated herein and form a part of the agreement among the Parties hereto.

SECTION II Definitions

For the purposes of this Agreement, the following words and phrases shall have the meanings assigned in this Section II, unless the context clearly indicates that a contrary or different meaning is intended.

1. “Act” or “the Act”. Shall mean KRS 65.7041 to KRS 65.7083 and KRS 154.30-010 to KRS 154.30-090.
2. “Agency”. Shall mean the City of Paducah Finance Department which shall be responsible for administering the Special Fund and the Development Area Ordinance pursuant to the TIF Documents and the Act.
3. “Agreement”. Shall mean this Local Participation Agreement, including all Exhibits attached hereto.
4. “Approved Public Infrastructure Costs”. Shall have the meaning as provided in the Act.
5. “City”. Shall mean the City of Paducah, Kentucky.
6. “City Authorizations”. Shall mean those necessary governmental authorizations, resolutions, orders, hearings, notices, ordinances, and other acts, required by laws, rules, or regulations to provide the City and its officers with the proper authority to perform all obligations of the City resulting from this Agreement, and

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perform all other obligations of the City made necessary by, or resulting from the establishment of the Development Area.

7. “County”. Shall mean McCracken County, Kentucky acting by and through the McCracken County Fiscal Court.

8. “County Authorizations”. Shall mean those necessary governmental authorizations, resolutions, orders, hearings, notices, ordinances, and other acts, required by laws, rules, or regulations to provide the County and its officers with the proper authority to perform all obligations of the County resulting from this Agreement, and perform all other obligations of the County made necessary by, or resulting from the establishment of the Development Area.

9. “Developer”. Shall mean several different development groups, separately and collectively, their successors, affiliates, subsidiaries or related entities, that propose to develop the Development Area.

10. “Development Area”. Shall mean the “Downtown Riverfront Development Area” as defined in the Development Area Ordinance.

11. “Development Area Ordinance.” Shall mean Ordinance No. _____, adopted by the City on _____, 2019 and/or Ordinance No. _____, adopted by the County on _____, 2019.

12. “Effective Date”. Shall have the meaning given in the introductory paragraph of this Agreement.

13. “Financing Plan”. Shall mean the plan for financing the Project as described in Section X of this Agreement and in Exhibit C attached hereto, as it may be amended with the approval of the Agency.

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14. “Incremental Revenues”. Shall mean the amount of revenues received by the City and County with respect to the Development Area, and the State with respect to the “Footprint” (as defined in the Act), by subtracting “Old Revenues” (as defined in the Act) from “New Revenues” (as defined in the Act) in a calendar year.

11. “KEDFA”. Shall mean the Kentucky Economic Development Finance Authority.

12. “New Revenues”. Shall have the meaning as provided in the Act.

13. “Old Revenues”. Shall have the meaning as provided in the Act.

14. “Private Financing”. Shall mean the financing needed to provide for the development and construction of the Project elements or any financing received by the Developer(s) that is not from City, County, or the State.

15. “Project”. Shall mean the improvements within the Development Area.

16. “Project Costs”. Shall mean any Capital Investment, as defined in the Act, within the Development Area.

17. “Redevelopment Assistance”. Shall have the meaning as provided in the Act.

18. “Special Fund”. Shall mean the Downtown Riverfront Development Area Special Fund established in the Development Area Ordinance and maintained by the Agency, for the purpose of receiving, distributing and maintaining Incremental Revenues pledged by the City, County and/or State, in the manner set forth in the TIF Documents in connection with the Development Area.

19. “State”. Shall mean the Commonwealth of Kentucky, including any of its agencies and departments.

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20. "Tax Incentive Agreement". Shall mean any anticipated agreement(s) between KEDFA and the Agency related to the pledge of State Incremental Revenues to pay for Approved Public Infrastructure Costs.

21. "Termination Date". Shall have the meaning as provided in the Development Area Ordinances.

22. "TIF Documents". Shall mean the Development Area Ordinance, the Local Participation Agreement, the Tax Incentive Agreement, the Development Plan, any Interlocal Cooperation Agreement, and related documents.

23. "Unavoidable Delays". Shall mean delays due to labor disputes, lockouts, acts of God, enemy action, civil commotion, riot, governmental regulations not in effect at the date of execution of this Agreement, conditions that could not have been reasonably foreseen by the claiming party, inability to obtain construction materials or energy, fire, or unavoidable casualty, provided such matters are beyond the reasonable control of the party claiming such delay.

SECTION III Parties

The parties to this Agreement shall be the City, the County and the Agency.

SECTION IV Duties and Responsibilities of City and County

The City and County shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Provide for the issuance of Incremental Revenues to the Agency for deposit into the Special Fund that is to be created by the Agency for the collection of Incremental Revenues pledged herein from City and/or County real property ad valorem taxes and occupational taxes (consisting of business occupational taxes and payroll

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taxes) and State Incremental Revenues pledged in accordance with the terms of the Tax Incentive Agreement, within the Development Area from the Project.

2. Pledge one-hundred percent (100%) of the City's and County's Incremental Revenues from City and County real property ad valorem taxes and occupational taxes (consisting of business occupational taxes and payroll taxes) generated within the Development Area to pay for Redevelopment Assistance in connection with the Project pursuant to the terms set forth in the TIF Documents, for a twenty (20) year period.

3. Make, in participation with the Agency and the Developer(s), application(s) to KEDFA requesting State TIF participation in accordance with applicable provisions of the Act. The application(s) shall request State participation, as provided in the Financing Plan.

4. Designate the Agency as the entity responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund pursuant to the TIF Documents and the Act.

5. Meet as may be required with the Developer and the Agency for the purpose of reviewing the progress of the development of the Development Area and review the analysis of such progress prepared by the Agency (in conjunction with the Developer) for distribution to the City, County and the State in accordance with the Act.

6. Provide the Agency with information necessary for the Agency to prepare by **March 15**, or such other date to meet the reporting schedule of KEDFA or the State to receive State Incremental Revenues under the Tax Incentive Agreement, of each year during the term of this Agreement an annual report including, but not limited to: (a) the total real property taxes, business occupational license taxes and business

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employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of New Revenues collected within the Development Area during the previous calendar year; and (c) the amount, if any, of Incremental Revenues spent from the Special Fund on Administrative Costs, Approved Public Infrastructure Costs and/or Redevelopment Assistance in connection with the Project.

7. Upon receipt of Developer's request provide, or require the Agency to provide, written confirmation that the Developer(s) is in good standing with its obligations under the terms of this Agreement.

SECTION V Duties and Responsibilities of the Agency

The Agency shall have the following duties and responsibilities in connection with the development of the Development Area:

1. Act as the party responsible for the oversight, administration, and implementation of the Development Area Ordinance and the Special Fund.

2. Participate with the City, County and Developer in the application(s) to KEDFA, requesting State TIF participation in accordance with the applicable provisions of the Act. The application(s) shall request State participation, as provided in the Financing Plan.

3. Meet as may be required with the Developer, the City and County for the purpose of reviewing the progress of the development of the Development Area and prepare an analysis of such progress for distribution to the City, County and the State in accordance with the Act.

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4. Prepare by no later than **March 15**, or such other date to meet the reporting schedule of KEDFA or the State to receive Incremental Revenues from the State under the Tax Incentive Agreement, of each year during the term of this Agreement, an annual report and provide same to the City and County, the Developer and KEDFA including, but not limited to: (a) the total real property taxes, business occupational license taxes and business employee payroll taxes collected within the Development Area during the previous calendar year; (b) a determination of New Revenues collected within the Development Area during the previous calendar year; and (c) the amount, if any, of Incremental Revenues spent from the Special Fund on Administrative Costs, Approved Public Infrastructure Costs and/or Redevelopment Assistance in connection with the Project.

5. Each year, once the Agency has received deposits of Incremental Revenues into the Special Fund from the City, County, and/or State, pay such funds to the City, County, and/or Developer (as applicable) within thirty (30) days to cover the payment of Administrative Costs, Approved Public Infrastructure Costs and/or Redevelopment Assistance pursuant to the terms set forth in the TIF Documents.

6. Comply with any requirements and carry out any duties and responsibilities as the Agency under the terms of a Tax Incentive Agreement (as defined in the Act) with KEDFA and this Agreement.

7. Upon receipt of Developer's request provide written confirmation that the Developer(s) is in good standing with its obligations under the terms of this Agreement.

SECTION VI Identification and Pledge of Incremental Revenues

1. To the extent Incremental Revenues are generated, for the planned twenty (20) year period after the Activation Date (as defined in the Act) of the

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Development Area, as provided in the TIF Documents and the Act, the City and the County hereby pledge one-hundred percent (100%) of the City's and County's Incremental Revenues from City and County real property ad valorem taxes and occupational taxes (consisting of business occupational taxes and payroll taxes), generated within the Development Area from the Project to pay for Redevelopment Assistance and Administrative Costs within the Development Area pursuant to the terms set forth in the TIF Documents. The Incremental Revenues shall be determined by calculating the New Revenues collected from the Development Area, and subtracting the Old Revenues collected from within the Development Area for the base year, as provided for in the TIF Documents and the Act.

2. Incremental Revenues pledged by the City and County in this Section shall be issued at least annually, no later than each June 1st after the first calendar year of activation, to the Agency for deposit to the Special Fund. The Incremental Revenues from the City and County are hereby irrevocably pledged and shall be maintained by the Agency and used solely for payment and/or reimbursement of Redevelopment Assistance and Administrative Costs in support of the Project and for no other purpose. Such Special Fund shall be continued and maintained until the Termination Date of the Development Area.

3. Incremental Revenues received by the Agency from the State pursuant to the Tax Incentive Agreement shall be deposited in the Special Fund as soon as they are received each year after the first calendar year of activation. The Incremental Revenues from the State are hereby irrevocably pledged and shall be maintained by the Agency and used solely for payment of, or as reimbursement for, Approved Public Infrastructure Costs in support of the Project(s) pursuant to the terms set forth in the TIF Documents

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and for no other purpose. The Special Fund shall be continued and maintained until the Termination Date of the Development Area.

4. At the Termination Date (as defined in the Development Area Ordinance) all amounts remaining in the Special Fund shall be transferred to the General Fund of the City and County based upon how much of the increment each had deposited.

SECTION VII Anticipated Benefits to the City and County

The City and County anticipate receiving substantial benefits as a result of the pledge of their Incremental Revenues to support development of the Development Area as set forth herein. Detailed summaries of projected Incremental Revenues for the City and County on an annual basis during the term of this Agreement are attached as Exhibit D hereto. The maximum amount of Incremental Revenues to be paid each by the City and County shall be one-hundred percent (100%) of the Incremental Revenues generated from the Development Area, and the maximum number of years the payment of Incremental Revenues to support the development of the Development Area will be made is twenty (20) years.

SECTION VIII Description of Development Area

A detailed description of the Development Area is set forth in Exhibit A attached hereto and incorporated herein.

SECTION IX Description of Project; Costs

A detailed description of the individual projects that collectively constitute the Project is set forth in Exhibit B attached hereto and incorporated herein. Also included in Exhibit B is an estimate of the costs of construction, acquisition and development of such proposed projects. The elements of the Project planned to be supported or paid

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for with Incremental Revenues are listed on the attached Exhibit B, subject to further amendment as deemed necessary by the City, County, and Agency and in accordance with the TIF Documents. Notwithstanding anything herein to the contrary, the Parties acknowledge and agree that the Project may be changed and modified so long as the Project continues to fulfill the goals of the Development Area as established in the Development Area Ordinance and the TIF Documents.

SECTION X Financing Plan

The financing for the Project shall generally be in accordance with the Financing Plan set forth in Exhibit C attached hereto. It is understood that the Financing Plan for the Project may be modified as development of the Project progresses and that more specific details of the nature of each aspect of financing the proposed Project components shall be more particularly contained in any Private Financing and other documents at the time that each aspect of the financing needed for the Project is obtained. However, the pledge of Incremental Revenues herein to support the Project shall not be modified without the specific approval of the City, County, Agency, Developer(s) and/or State as may be applicable.

It is understood by the parties that the project financing for the project as provided in this Agreement shall not constitute a debt of the City, County, the Agency or the State or a pledge of the full faith and credit of the City, County, the Agency or the State and the City, County, Agency and the State shall have no obligation, whatsoever, toward the payment of any developer's costs for the project beyond the pledge of incremental revenues as provided for in this agreement, and that any project financing needed for the project shall be the responsibility of the developer.

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SECTION XI

Commencement Date; Activation Date; Termination Date

This Agreement shall commence and be effective as of the date of execution hereof by the City and County. The Activation Date for the pledge of Incremental Revenues as set forth in Section VI hereof shall be determined by the Agency in accordance with the Act. This Agreement shall terminate upon the Termination Date. This Agreement shall not terminate upon the execution of any deeds or other agreements required or contemplated by this Agreement, or referred to herein, and the provisions of this Agreement shall not be deemed to be merged into the deeds, or any other such deeds or other agreements, it being the intent of the parties hereto that this Agreement shall survive the execution and delivery of any such agreements.

SECTION XII

Default

If the City, County or the Agency (a "Defaulting Party") shall default in its obligation to make payments of Incremental Revenues set forth herein, the Agency (unless it is the Defaulting Party), the Developer and/or the indenture trustee or trustees for outstanding financing obligations secured by such Incremental Revenues shall have the power to enforce the provisions of this Agreement against the Defaulting Party. If the City, County or the Agency materially breaches or defaults on any of its nonpayment related obligations under this Agreement, the Developer, and/or the indenture trustee or trustees for the outstanding financing obligations may give notice that remedial action must be taken within thirty (30) days. The Defaulting Party shall correct such breach or default within thirty (30) days after such notice, provided however that if (i) the default is one which cannot with due diligence be remedied by the Defaulting Party within thirty (30) days and (ii) the Defaulting Party proceeds as promptly as reasonably possible

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after such notice and with all due diligence to remedy such default, the period after such notice within which to remedy the default shall be extended for such period of time as may be necessary to remedy the same with all due diligence.

SECTION XIII Governing Law

The laws of the State shall govern as to the interpretation, validity and effect of this Agreement.

SECTION XIV Severability

If any provision of this Agreement or the application thereof to any person or circumstance shall to any extent be held in any proceeding to be invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those to which it was held to be invalid or unenforceable, shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law, but only if and to the extent such enforcement would not materially and adversely frustrate the parties essential objectives as expressed herein.

SECTION XV Force Majeure

The City and/or County shall not be deemed to be in default in the performance of any obligation on such parties' part to be performed under this Agreement, other than an obligation requiring the payment of a sum of money, if and so long as the nonperformance of such obligation shall be directly caused by Unavoidable Delays; provided, that within fifteen (15) days after the commencement of such Unavoidable Delay, the non performing party shall notify the other party in writing of the existence and nature of any such Unavoidable Delay and the steps, if any, which the non-performing party shall have taken or planned to take to eliminate such Unavoidable

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Delay. Thereafter, the non-performing party shall, from time to time, on written request of the other party, keep the other party fully informed, in writing, of further developments concerning such Unavoidable Delay and the effort being made by the non-performing party to perform such obligation as to which it is in default. All provisions of any construction schedule shall be adjusted in accordance with such Unavoidable Delay.

SECTION XVI Notices

Any notice to be given under this Agreement shall be in writing, shall be addressed to the party to be notified at the address set forth below or at such other address as each party may designate for itself from time to time by notice hereunder, and shall be deemed to have been given upon the earliest of (i) three (3) days following deposit in the U.S. Mail with proper postage prepaid, Certified or Registered, (ii) the next business day after delivery to a regularly scheduled overnight delivery carrier with delivery fees either prepaid or an arrangement, satisfactory with such carrier, made for the payment of such fees, or (iii) receipt of notice given by telecopy or personal delivery:

If to the City:	Mayor Brandi Harless 300 S. 5 th Street Paducah, Kentucky 42003
With a Copy to:	Paducah City Clerk 300 S. 5 th Street Paducah, Kentucky 42003
If to the Agency:	City of Paducah Finance Department 300 S. 5 th Street Paducah, Kentucky 42003

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If to the County: Judge Craig Clymer
300 Clarence Gains Street
Paducah, Kentucky 42003

With a Copy to: McCracken County Clerk
300 Clarence Gains Street
Paducah, Kentucky 42003

SECTION XVII Approvals

Whenever a party to this Agreement is required to consent to, or approve, an action by the other party, or to approve any such action to be taken by another party, unless the context clearly specifies a contrary intention, or a specific time limitation, such approval or consent shall be given within thirty (30) days and shall not be unreasonably withheld or delayed by the party from whom such approval or consent is required.

SECTION XVIII Entirety of Agreement

As used herein, the term "Agreement" shall mean this Local Participation Agreement and the Exhibits attached hereto. This Agreement embodies the entire agreement and understanding of the parties hereto with respect to the subject matter herein contained, and supersedes all prior agreements, correspondence, arrangements, and understandings relating to the subject matter hereof. No representation, promise, inducement, or statement of intention has been made by any party which has not been embodied in this Agreement, and no party shall be bound by or be liable for any alleged representation, promise, inducement, or statement of intention not so set forth. This Agreement may be amended, modified, superseded, or cancelled only by a written instrument signed by all of the parties hereto, and any of the terms, provisions, and

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conditions hereof may be waived only by a written instrument signed by the waiving party. Failure of any party at any time or times to require performance of any provision hereof shall not be considered to be a waiver of any succeeding breach of any such provision by any part.

SECTION XIX Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns.

SECTION XX Headings and Index

The headings in this Agreement and the Index are included for purposes of convenience only and shall not be considered a part of this Agreement in construing or interpreting any provision hereof.

SECTION XXI Exhibits

All exhibits to this Agreement shall be deemed to be incorporated herein by reference and made a part hereof, above the signatures of the parties hereto, as if set out in full herein.

SECTION XXII No Waiver; Construction

No waiver of any condition or covenant of this Agreement to be satisfied or performed by the City and or County shall be deemed to imply or constitute a further waiver of the same, or any like condition or covenant, and nothing contained in this Agreement nor any act of either party, except a written waiver signed by such party, shall be construed to be a waiver of any condition or covenant to be performed by the other party. No provisions of this Agreement shall be construed against a party by reason of such party having drafted such provisions.

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SECTION XXIII Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which shall constitute an original document.

SECTION XXIV Relationship of the Parties

Except as expressly stated and provided for herein, neither anything contained in this Agreement nor any acts of the parties hereto shall be deemed or construed by the Parties hereto, or any of them, or by any third person, to create the relationship of principal and agent, or of partnership, or of joint venture, or of association among any of the Parties of this Agreement.

SECTION XXV No Third Party Beneficiary

Except as otherwise specified herein, the provisions of this Agreement are for the exclusive benefit of the City, the County, the Agency, and the Developer(s), their successors and permitted assigns, and not for the benefit of any other person or entity, nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any other person or entity.

SECTION XXVI Diligent Performance

With respect to any duty or obligation imposed on a party to this Agreement, unless a time limit is specified for the performance of such duty or obligation, it shall be the duty or obligation of such party to commence and perform the same in a diligent and workmanlike manner and to complete the performance of such duty or obligation as soon as reasonably practicable after commencement of the performance thereof.

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Notwithstanding the above, time is of the essence with respect to any time limit specified herein.

SECTION XXVII Assignment of Rights and Delegation of Duties

No Party to this Agreement may assign this Agreement, or any part hereof, except as provided herein, without the prior written consent of the other Parties, except that the Developer or other ultimate recipient of Incremental Revenues as may be determined in subsequent agreements may assign its rights to receive reimbursement for Redevelopment Assistance and/or Approved Public Infrastructure Costs to a financial institution that provides financing. Nothing in this Section shall be construed to require prior written consent for the Developer to assign any of its rights or obligations under this Agreement to a subsidiary, affiliate or related entity.

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IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands on the date and year first above set forth herein, to be effective as of the Effective Date.

CITY OF PADUCAH

Approval as to Form:

By: _____
Brandi Harless
Its: Mayor

David Denton
City Attorney

COUNTY OF MCCRACKEN

Approval as to Form:

By: _____
Craig Clymer
Its: Judge Executive

Samuel Clymer
County Attorney

CITY OF PADUCAH FINANCE DEPARTMENT

By: _____
Jonathan Perkins
Its: Director

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EXHIBITS

Exhibit A: Development Area Map and Description

Exhibit B: The Project

Exhibit C: Financing Plan

Exhibit D: Estimated Incremental Revenues

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Exhibit A: Development Area Map and Description



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CITY OF PADUCAH TIF BOUNDARY DISTRICT LEGAL DESCRIPTION

An area to be known as the Downtown Riverfront Development Area containing 317.01 Acres located on the northeasterly side of the City of Paducah on the banks of the Ohio River and more particularly bounded and described as follows:

Beginning at a point in the thread of the Ohio River, a plat of which showing said thread is recorded in the McCracken County Clerk's office in Plat Cabinet "M", Page 516 and also being the northwesterly corner of the herein described tract; **THENCE FROM SAID POINT OF BEGINNING** with said thread for the following five calls: S 45°11'49" E a distance of 1160.24 feet to a point; S 43°45'46" E a distance of 1708.12 feet to a point; S 42°59'08" E a distance of 422.05 feet to a point; S 40°13'00" E a distance of 1249.02 feet to a point; S 45°34'19" E a distance of 1306.71 feet to a point; thence S 64°46'05" W a distance of 2008.99 feet to a point on the southern bank of the Ohio River; thence in a westerly direction and crossing a river access ramp, S 84°46'47" W a distance of 206.37 feet to a point in the City of Paducah Flood Wall; thence travelling parallel to South Water Street and along said flood wall, N 24°54'56" W a distance of 341.80 feet to a point in said flood wall; thence crossing Kentucky Avenue, N 24°57'33" W a distance of 66.31 feet to a point in said flood wall; thence crossing South Water Street, S 64°43'38" W a distance of 66.07 feet to a point at the intersection of the right-of-ways of South Water Street and Kentucky Avenue; thence continuing northwestwardly with right-of-way of said South Water Street, N 25°01'16" W a distance of 258.88 feet to a point; thence S 64°27'13" W a distance of 186.00 feet to a point in the centerline of Maiden Alley; thence with the centerline of said alley, N 24°44'01" W a distance of 93.15 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°59'21" W a distance of 175.69 feet to a point in the easterly right-of-way of Market House Square; thence with said right-of-way and crossing aforesaid Kentucky Ave, S 24°52'09" E a distance of 416.22 feet to a point in the intersection of the right-of-way of Kentucky Avenue and Marine Way; thence crossing Marine Way, S 65°19'04" W a distance of 108.77 feet to a point in aforesaid southerly right-of-way of Kentucky Avenue; thence crossing Kentucky Ave and running with the westerly right-of-way of Market House Square, N 25°57'52" W a distance of 416.44 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°46'12" W a distance of 121.49 feet to a point in said right-of-way; thence S 24°42'07" E a distance of 418.67 feet to a point in the aforesaid southerly right-of-way of Kentucky Avenue; thence running with said right-of-way, S 62°38'30" W a distance of 168.11 feet to a point in the intersection of said right-of-way with South 3rd Street; thence with the right-of-way of South 3rd Street, S 23°00'06" E a distance of 137.97 feet to a point in said right-of-way; thence crossing South 3rd Street, S 41°56'04" W a distance of 71.63 feet to a point in the westerly right-of-way of said South 3rd Street; thence S 65°14'37" W a distance of 348.63 feet to a point in the easterly right-of-way of South 4th Street; thence with said right-of-way, N 24°37'29" W a distance of 171.62 feet to a point in the intersection of the right-of-way of Kentucky Avenue and South 4th Street; thence with the right-of-way of South 4th Street, N 64°59'11" E a distance of 114.97 feet to a point; thence crossing Kentucky Avenue, N 34°57'03" W a distance of 67.00 feet to a point in the northerly right-of-way of said Kentucky Avenue; thence N 25°03'27" W a distance of 174.91 feet to a point; thence S 65°01'18" W a distance of 45.28 feet to a point; thence N 24°48'24" W a distance of 174.90 feet to a point in the southerly right-of-way Broadway Street; thence with said right-of-way, S 64°44'44" W a distance of 57.62 feet to a point in the intersection of Broadway Street and South 4th Street; thence with the right-of-way of South 4th Street, S 24°54'58" E a distance of 174.62 feet to a point; thence crossing South 4th Street, S 65°04'00" W a distance of 278.52 feet to a point; thence S 23°31'59" E a distance of 63.08 feet to a point; thence in a southwestwardly direction and crossing South 5th Street, S 64°48'59" W a distance of 193.09 feet to a point in the westerly right-of-way of South 5th Street; thence N 25°09'08" W a distance of 62.95 feet to a point; thence S

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65°01'39" W a distance of 167.98 feet to a point; thence N 24°48'05" W a distance of 175.37 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°58'06" W a distance of 178.28 feet to a point in the intersection of the right-of-way of Broadway Street and South 6th Street; thence with the right-of-way of South 6th Street and crossing Kentucky Ave, S 25°01'27" E a distance of 762.55 feet to a point in the intersection of the right-of-way of South 6th Street and Washington Street; thence crossing Washington Street, S 64°51'35" W a distance of 60.01 feet to a point in said intersection; thence with the right-of-way of South 6th Street, N 24°59'27" W a distance of 596.03 feet to a point; thence S 64°55'13" W a distance of 86.19 feet to a point; thence N 25°05'10" W a distance of 165.70 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°02'20" W a distance of 316.59 feet to a point in the intersection of the right-of-way of Broadway Street and South 7th Street; thence N 28°32'21" W a distance of 66.14 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 7th Street; thence crossing North 7th Street and with the northerly right-of-way of Broadway Street, N 64°59'00" E a distance of 407.46 feet to a point in the intersection of the right-of-way of Broadway Street and North 6th Street; thence with the westerly right-of-way of North 6th Street, N 25°08'51" W a distance of 347.54 feet to a point in the intersection of the right-of-way of North 6th Street and Jefferson Street; thence N 64°51'35" E a distance of 60.00 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Jefferson Street; thence with the easterly right-of-way of North 6th Street, S 25°08'51" E a distance of 346.93 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 65°03'01" E a distance of 344.71 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 5th Street; thence with the westerly right-of-way of North 5th Street, N 24°48'41" W a distance of 173.06 feet to a point; thence crossing North 5th Street, N 65°07'19" E a distance of 60.00 feet to a point in the easterly right-of-way of North 5th Street; thence with said right-of-way, S 24°48'43" E a distance of 173.21 feet to a point in the northeasterly intersection of the right-of-way of North 5th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°45'05" E a distance of 174.01 feet to a point; thence N 25°05'03" W a distance of 196.20 feet to a point; thence in a northeasterly direction and crossing North 4th Street, N 63°13'48" E a distance of 238.92 feet to a point in the easterly right-of-way of said street; thence with said right-of-way, S 25°02'01" E a distance of 204.08 feet to a point in the northeasterly intersection of the right-of-way of North 4th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°57'31" E a distance of 172.96 feet to a point; thence N 23°36'18" W a distance of 347.60 feet to a point in the southerly right-of-way of Jefferson Street; thence with said right-of-way, S 64°53'20" W a distance of 478.09 feet to a point; thence crossing Jefferson Street, N 24°59'46" W a distance of 240.09 feet to a point; thence N 65°05'06" E a distance of 59.20 feet to a point; thence N 23°27'01" W a distance of 4.60 feet to a point; thence N 64°52'00" E a distance of 12.43 feet to a point; thence S 24°59'57" E a distance of 4.64 feet to a point; thence N 65°05'07" E a distance of 159.85 feet to a point in the westerly right-of-way of North 4th Street; thence with said right-of-way, S 24°45'50" E a distance of 172.60 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Jefferson Street; thence crossing North 4th street and along the northerly right-of-way of Jefferson Street, N 65°00'39" E a distance of 827.30 feet to a point in the northwesterly intersection of the right-of-way of Jefferson Street and North 2nd Street; thence with the westerly right-of-way of North 2nd Street, N 25°07'02" W a distance of 346.61 feet to a point in the southwesterly intersection of the right-of-way of North 2nd Street and Monroe Street; thence S 64°55'49" W a distance of 346.02 feet to a point in the southeasterly intersection of the right-of-way of North 3rd Street and Monroe Street; thence with the right-of-way of North 3rd Street, S 25°20'42" E a distance of 147.24 feet to a point; thence crossing said street, S 64°33'53" W a distance of 241.19 feet to a point; thence N

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25°27'54" W a distance of 971.87 feet to a point in the southwesterly intersection of the right-of-way of North Loop Road and Harrison Street ; thence with the southerly right-of-way of Harrison street and crossing North 4th Street, S 65°54'51" W a distance of 232.58 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Harrison Street; thence generally with the westerly right-of-way of North 4th Street for the following three calls: N 25°16'17" W a distance of 236.37 feet to a point; N 40°43'43" W a distance of 60.14 feet to a point, N 62°58'37" W a distance of 144.85 feet to a point and S 64°26'17" W a distance of 239.30 feet to a point in the southeasterly intersection of the right-of-way of North 5th Street and Martin Luther King Jr Drive; thence with the easterly right-of-way of North 5th Street, N 25°02'48" W a distance of 294.92 feet to a point in the southeasterly intersection of the right-of-way of North 5th Street and North Loop Road; thence crossing North 5th Street and generally following the southerly right-of-way of North Loop Road for the following three calls: N 85°40'45" W a distance of 160.89 feet to a point; S 82°59'13" W a distance of 118.29 feet to a point and S 68°08'39" W a distance of 155.05 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence crossing Park Avenue, N 25°28'50" W a distance of 62.61 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence with the northerly right-of-way of Park Avenue, N 65°55'25" E a distance of 339.29 feet to a point in the northwesterly intersection of the right-of-way of North 5th Street and Park Avenue; thence with the westerly right-of-way of North 5th Street and following the City of Paducah Flood Wall, N 24°57'44" W a distance of 479.73 feet to a point in said flood wall; thence following said flood wall, N 38°18'54" W a distance of 251.26 feet to a point in said flood wall; thence N 67°50'04" W a distance of 142.29 feet to a point; thence N 32°55'26" E a distance of 239.83 feet to a point; thence N 58°09'36" W a distance of 265.92 feet to a point; thence N 29°56'31" E a distance of 513.53 feet to a point on the bank of the Ohio River; thence N 42°54'07" E a distance of 1885.13 feet to a point; **the point of beginning, having an area of 317.01 acres.**

There is excepted and not herein included all of that property currently leased to Holiday Inn Riverfront and more particularly bound and described as follows: **Beginning at a point** in the northeasterly intersection of the right-of-way of Executive Boulevard and North 4th Street, THENCE FROM SAID POINT OF BEGINNING and with the easterly right-of-way of said North 4th Street, N 41°12'07" W a distance of 330.15 feet to a point in the southeasterly intersection of the right-of-way of North 4th Street and Park Avenue; thence S 64°24'18" W a distance of 155.91 feet to a point; thence S 25°01'05" E a distance of 318.36 feet to a point in the northerly right-of-way line of Executive Boulevard; thence with the northerly right-of-way of Executive Boulevard, N 64°19'10" E a distance of 247.94 feet to a point; **the point of beginning, having an area of 64251.97 square feet, 1.48 Acres.**

This description was prepared for establishing the City of Paducah Downtown Riverfront Development Area only and is not to be used for the conveyance of real property. Bearings and distance have not been verified via field survey.

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Exhibit B: The Project

The City of Paducah will be working with various developers to complete the Project in Paducah through a mixture of public and private investment. The aim is to redevelop and connect vacant properties in the downtown area to Paducah's riverfront, while also developing the necessary public infrastructure and new supportive uses on a handful of adjacent lots that are build ready. This will attract and support a greater level of density and vertical development throughout the City which will spur additional event and businesses activity.

Planning is currently underway for the proposed redevelopment, which is anticipated to include the following components:

- Public Buildings/Structures: Riverfront Park, Steamboat Landing, Parking, Town Square, and Broadband Infrastructure Improvements
- Redeveloped/New Restaurant and Retail Space - 111,728 total square feet
- Hotel rooms – 147
- Independent Art House/Theater - 12,540 square feet
- Redeveloped Manufacturing Space – 130,000 square feet
- Redeveloped/New Residential Housing – 204 units
- Museum – 12,500 square feet
- Conference/Event Space – 15,000 square feet
- Conference Food Services – 2,500 square feet

Based on construction, site work, and miscellaneous costs, the total construction cost, public and private, is estimated to be approximately \$156.3 million. It is anticipated that \$56.5 million of the total cost may be considered as approved public infrastructure, including: the riverfront park, steamboat landing, museum, conference/event space, town square, a portion of the broadband infrastructure, independent art house/theater, parking, and all site work and utility provisions.

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Exhibit C: Financing Plan

To provide funding support for the needed capital improvements set forth in the Development Plan and to provide support for the Project and provide redevelopment assistance, the City of Paducah (“City”) and McCracken County (“County”) plan to create the Downtown Riverfront Development Area pursuant to the provision of KRS 65.7041 to KRS 65.7083 and to utilize a portion of the new incremental revenues generated to provide redevelopment assistance and support the financing of public infrastructure improvements.

The plan provides that the City and County will pledge 100% of the new incremental revenues, generated from within the Development Area, from real property taxes and occupational taxes over a 30-year period to pay for certain project costs. It is understood that the local revenues from the Development Area that were being generated prior to the Project’s development (the baseline) shall not be subject to any pledge of revenues to support the Project.

In addition, the plan may include the submission of an application to the Kentucky Economic Development Finance Authority (KEDFA) to seek a pledge of 80% of new incremental state revenues from the footprint of the Project, to provide funding for approved public infrastructure costs. Other state and federal incentive programs may also be levered in order to make the Project feasible.

Financing Plan

The Project is made up of both public and private components. The total cost of the project is estimated to be approximately \$156.3 million, which includes approximately \$56.5 million in qualifying public infrastructure costs.

It is expected that certain public infrastructure costs and all private development costs of the project will be financed privately by the developer(s). This private financing may include tax-exempt tax increment financing bonds and there may also be bonds or other debt issued that will be guaranteed by a public entity to finance certain pieces of this project. A portion of the incremental revenues pledged in this agreement will be granted to the developer or a trustee on a receipts basis, as outlined by KRS 154.30-090. The pledge of these incremental revenues is critical to the affordability of financing the project. Until the structure of the deal is finalized – and the balance of public and private cost sharing delineated – it is too early at this time to detail the financing costs of the project.

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Exhibit D: Estimated Incremental Revenues Paducah Riverfront TIF Project Incremental Tax Revenue Estimates under the State Mixed-use TIF Program

	20-Year Total	Year 1	Year 2	Year 3	Year 4	Year5	Year 10	Year 20
Estimated Future Tax Revenues from Project								
State Tax Revenues								
State Sales Tax	\$68,897,102	\$2,979,506	\$3,024,198	\$3,069,561	\$3,115,605	\$3,162,339	\$3,406,737	\$3,953,658
State Property Tax	\$3,439,505	\$148,744	\$150,975	\$153,240	\$155,538	\$157,871	\$170,072	\$197,376
Individual Income Tax	\$26,611,765	\$1,150,845	\$1,168,108	\$1,185,630	\$1,203,414	\$1,221,465	\$1,315,865	\$1,527,115
Total State Tax Revenues	\$98,948,371	\$4,279,095	\$4,343,282	\$4,408,431	\$4,474,557	\$4,541,676	\$4,892,674	\$5,678,148
Local Tax Revenues								
McCracken County Property Tax	\$6,117,808	\$264,569	\$268,538	\$272,566	\$276,654	\$280,804	\$302,506	\$351,070
Paducah Property Tax	\$7,358,285	\$318,214	\$322,988	\$327,832	\$332,750	\$337,741	\$363,843	\$422,255
Paducah Payroll Tax	\$10,644,706	\$460,338	\$467,243	\$474,252	\$481,366	\$488,586	\$526,346	\$610,846
Total Local Tax Revenues	\$24,120,799	\$1,043,122	\$1,058,769	\$1,074,650	\$1,090,770	\$1,107,131	\$1,192,695	\$1,384,171
Total Estimated Future Tax Revenues	\$123,069,170	\$5,322,217	\$5,402,050	\$5,483,081	\$5,565,327	\$5,648,807	\$6,085,369	\$7,062,320
"Baseline" Tax Revenues								
State Tax Revenues								
State Property Tax "Baseline"	\$621,438	\$26,875	\$27,278	\$27,687	\$28,102	\$28,524	\$30,728	\$35,661
State Individual Income Tax "Baseline"	\$4,622,852	\$199,919	\$202,917	\$205,961	\$209,051	\$212,186	\$228,585	\$265,282
Total State Tax "Baseline"	\$5,244,290	\$226,793	\$230,195	\$233,648	\$237,153	\$240,710	\$259,313	\$300,943
Local Tax Revenues								
McCracken County Property Tax "Baseline"	\$1,105,345	\$47,801	\$48,518	\$49,246	\$49,985	\$50,735	\$54,656	\$63,430
Paducah Property Tax "Baseline"	\$1,329,470	\$57,494	\$58,356	\$59,232	\$60,120	\$61,022	\$65,738	\$76,292
Paducah Payroll Tax "Baseline"	\$1,849,141	\$79,967	\$81,167	\$82,384	\$83,620	\$84,875	\$91,434	\$106,113
Total Local Tax "Baseline"	\$4,283,955	\$185,263	\$188,042	\$190,862	\$193,725	\$196,631	\$211,828	\$245,835
Total "Baseline" Tax Revenues	\$9,528,246	\$412,056	\$418,237	\$424,510	\$430,878	\$437,341	\$471,141	\$546,778
Incremental Tax Revenue Generated by Project	\$113,540,925	\$4,910,161	\$4,983,813	\$5,058,570	\$5,134,449	\$5,211,466	\$5,614,229	\$6,515,542
Incr. Tax Rev. Available for State TIF Program at 80%	\$74,963,265	\$3,241,842	\$3,290,469	\$3,339,826	\$3,389,924	\$3,440,772	\$3,706,689	\$4,301,764
Incr. Tax Rev. Available for McCracken Co. Participation at 100%	\$5,012,463	\$216,768	\$220,019	\$223,319	\$226,669	\$230,069	\$247,850	\$287,640
Incr. Tax Rev. Available for Paducah Participation at 100%	\$14,824,380	\$641,091	\$650,708	\$660,468	\$670,375	\$680,431	\$733,017	\$850,696

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CITY OF PADUCAH, KENTUCKY
ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF PADUCAH MAKING CERTAIN FINDINGS CONCERNING AND ESTABLISHING A DEVELOPMENT AREA FOR ECONOMIC DEVELOPMENT PURPOSES WITHIN THE CITY OF PADUCAH, McCRACKEN COUNTY, KENTUCKY, TO BE KNOWN AS THE DOWNTOWN RIVERFRONT DEVELOPMENT AREA; APPROVING A LOCAL PARTICIPATION AGREEMENT BETWEEN THE CITY OF PADUCAH, THE COUNTY OF McCRACKEN, AND THE CITY OF PADUCAH FINANCE DEPARTMENT ESTABLISHING THE PROCESS FOR ADMINISTERING THE PLAN; ESTABLISHING AN INCREMENTAL TAX SPECIAL FUND FOR APPROVED PUBLIC INFRASTRUCTURE COSTS AND REDEVELOPMENT ASSISTANCE; AND DESIGNATING THE CITY OF PADUCAH FINANCE DEPARTMENT AS THE AGENCY RESPONSIBLE FOR OVERSIGHT, ADMINISTRATION, AND IMPLEMENTATION OF THIS ORDINANCE AND THE SPECIAL FUND; AUTHORIZING THE MAYOR TO TAKE SUCH OTHER APPROPRIATE ACTIONS AS ARE NECESSARY OR REQUIRED IN CONNECTION WITH THE ESTABLISHMENT OF THE DEVELOPMENT AREA;

WHEREAS, the City of Paducah (the “City”) by virtue of the laws of the Commonwealth of Kentucky (the “State”), Kentucky Revised Statutes, specifically Sections 65.7041 to 65.7083, as may be amended (the “Act”), is authorized to, among other things, (1) establish a Development Area to encourage reinvestment in and development and reuse of areas of the City, (2) enter into agreements in connection with the establishment and redevelopment of a Development Area, (3) establish a Special Fund for deposit of incremental revenues resulting from the redevelopment of a Development Area, and (4) designate an Agency to oversee, implement and administer the Special Fund for Approved Public Infrastructure Costs and Redevelopment Assistance costs, pursuant to the terms set forth in the TIF Documents, expended within a Development Area;

WHEREAS, the City desires to establish a “Development Area” to encourage investment and redevelopment within such Development Area and to pledge a portion of the “Incremental Revenues” generated from the redevelopment of such Development Area for the payment and reimbursement of Approved Public Infrastructure costs and Redevelopment Assistance costs expended within the Development Area pursuant to the terms set forth in the TIF Documents;

WHEREAS, the City has identified a Development Area that is a contiguous tract of previously developed land consisting of not more than three (3) square miles within the City, specifically described in Exhibit A attached hereto and incorporated by reference herein, that is in need of redevelopment and which is not reasonably expected to be redeveloped without public assistance;

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WHEREAS, several different development groups or their affiliates, separately and collectively, (the “Developers”) have proposed the development of a mixed-use project within the Development Area;

WHEREAS, the City has determined that it is in the best interest of the City to establish this geographic location as the Development Area to encourage investment and redevelopment within the Development Area;

WHEREAS, the City has agreed to support and encourage redevelopment within the Development Area by pledging certain Incremental Revenues to pay for and to reimburse Approved Public Infrastructure Costs and Redevelopment Assistance costs as more specifically set forth in the Local Participation Agreement;

WHEREAS, a “Development Plan,” as defined in KRS 65.7041 to 65.7083 and KRS 154.30-101 to 154.30-090, has been presented for the consideration and adoption by the City, proposing the redevelopment of the Development Area by the Developers;

WHEREAS, the City, pursuant to the Act, held a public hearing on February 26, 2019 after giving proper notice concerning the City’s intention to consider the adoption of the Development Plan;

WHEREAS, the adoption of the Development Plan and the establishment of the Development Area are for a public purpose, and the establishment and creation of the Development Area within the City is for the benefit and welfare of the City’s citizens; and

WHEREAS, the City deems it necessary to enact this Ordinance in accordance with the Act and for the purposes set forth and described herein and in the Act;

NOW, THEREFORE, BE IT HEREBY ORDAINED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PADUCAH AS FOLLOWS:

SECTION 1. Definitions.

1.1 The capitalized terms set forth below when used herein shall have the following meanings:

“Act” means the Kentucky Revised Statutes, Sections 65.7041 to 65.7083, and Sections 154.30-010 to 154.30-090.

“Activation Date” shall have the meaning as provided in the Act.

“Administrative Costs” shall mean costs deemed necessary by the Agency related to oversight, administration and implementation of the Ordinance and all related TIF Documents.

“Agency” Shall mean the City of Paducah Finance Department, which shall be responsible for administering the Special Fund and the Development Area Ordinance pursuant to the TIF Documents and the Act.

“Approved Public Infrastructure Costs” shall have the meaning as provided in the Act.

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“County” shall mean McCracken County, Kentucky acting by and through the McCracken County Fiscal Court.

“Developer” or “Developers” shall mean the several different development groups, separately and collectively, their successors, affiliates, subsidiaries or related entities, who propose to develop the Development Area.

“Development Area” means a contiguous geographic area of previously developed land, located within the geographical boundaries of the City, which is created for economic development purposes by this Ordinance, in which one (1) or more Projects are proposed to be located and consisting of less than 3 square miles, as more specifically described in Exhibit A attached hereto and incorporated by reference herein, to be known as the “Downtown Riverfront Development Area”.

“Development Plan” means the Tax Increment Financing Development Plan for the Downtown Riverfront Development Area, which is attached hereto as Exhibit B and incorporated by reference herein.

“Establishment Date” means the date that the Development Area is established in accordance with the TIF Documents and the Act.

“Incremental Revenues” Shall mean the amount of revenues received by the City (and, if participating, revenues received by the County) with respect to the Development Area, and the State (if participating) with respect to the “Footprint” (as defined in the Act), by subtracting “Old Revenues” (as defined in the Act) from “New Revenues” (as defined in the Act) in a calendar year.

“Interlocal Cooperation Agreement” means the agreement that has been entered into by and between the McCracken County Fiscal Court and the City regarding the Development Area, substantially in the form attached as Exhibit E hereto and incorporated herein.

“KEDFA” means the Kentucky Economic Development Finance Authority.

“Local Participation Agreement” means that certain Local Participation Agreement for the Downtown Riverfront Development Area by and between the City, the County and the Agency, substantially in the form attached as Exhibit C hereto and incorporated herein.

“Mayor” means the Office of the Mayor of Paducah, Kentucky, acting in his or her capacity as assigned and approved by the Executive Authority of the City, and/or acting in the capacity of the Agency.

“New Revenues” Shall have the meaning as provided in the Act.

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“Old Revenues” Shall have the meaning as provided in the Act.

“Pledged Revenues” means that portion of the Incremental Revenues that are pledged by the City, County, and/or State into the Special Fund pursuant to the TIF Documents to be used pursuant to the terms of the TIF Documents and the Act.

“Redevelopment Assistance” shall have the meaning as provided in KRS 65.7045(30).

“Special Fund” means the Downtown Riverfront Development Area Special Fund established in this Ordinance and maintained by the Agency for the purpose of holding the City, County, and/or the State’s Pledged Revenues.

“State” means the Commonwealth of Kentucky.

“Tax Incentive Agreement” shall mean that certain agreement(s) entered into pursuant to KRS 154.30-010 to KRS 154.30-090 of the Act by and between the Kentucky Economic Development Finance Authority and the Agency relating to the Development Area.

“Termination Date” shall have the meaning as provided in Section 4 of this Ordinance.

“The Downtown Riverfront Project” or “Project” means a mixed-use development to be constructed in the Development Area, as more specifically described in the Development Plan.

“TIF Documents” means this Ordinance, the Local Participation Agreement, the Tax Incentive Agreement, the Development Plan, any Interlocal Cooperation Agreement, and related documents.

1.2 All capitalized terms used herein and not defined above or in the recitals to this Ordinance shall have the meaning as set forth in the TIF Documents and/or the Act, as applicable.

SECTION 2. Findings and Determinations. In accordance with the Act, the City hereby makes the following findings and determinations with respect to the Development Area:

- (a) The Development Area consists of a contiguous tract of land that is no more than three (3) square miles. The actual size of the Development Area is 315 acres, more or less.
- (b) The Development Area is characterized by the following conditions that make it eligible for tax increment financing under KRS 65.7049(3):
 - 1) **A substantial loss of commercial activity has occurred.** Commercial activity within the Development Area has been in a state of economic decline for years. In its present state, only some of the parcels zoned for commercial use within the Development Area are being used for commercial purposes,

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while the majority contain underutilized, unoccupied, or deteriorating structures. The Development Area includes many empty storefronts and buildings which have been unoccupied for years and continue to deteriorate.

- 2) **Public improvements and public infrastructure are inadequate.** While the City has invested a significant deal of money and effort in recent years to assist in the revitalization of the riverfront in downtown Paducah, the area is still significantly lacking in terms of the infrastructure needed to support the desired redevelopment. The construction of the requisite public infrastructure creates a heavy financial burden for any potential developer within the Development Area.
 - 3) **There is a combination of factors that substantially impairs growth and economic development of the Development Area.** Paducah sees the need to reshape its downtown riverfront core in order to generate the critical mass of activity that communities of its size so often struggle to reach. Reaching this critical mass would allow the City to achieve significant growth and economic development in this Area, but it is inhibited by a variety of issues. The presence of the floodwall along the riverfront makes cohesive and seamless development in the Area more difficult and creates additional costs that must be mitigated in order to attract private investment. The connectivity and visibility issues that it creates will require thoughtful investment from public sources, such as the TIF program. Traffic circulation in the area creates impediments to safe and pleasant pedestrian movement throughout the riverfront area that will require additional investment from public sources to reshape its flow while providing adequate and appealing transportation safety features. And while increased pedestrian traffic throughout the riverfront is the goal, it is likely that many of these pedestrians will still be planning to drive to the riverfront and park their car nearby before exploring the Area, which will require the construction of structured parking. This will allow more efficient land use by facilitating and promoting increased vertical construction along the riverfront, creating higher levels of density and allowing the community to maximize the Area's economic impacts. The Project's proposed mix of uses will be highly impactful within the Area and to the whole region, but these various factors have prevented such growth from occurring and will remain a barrier to achieving meaningful private investment in the area without financial assistance from public sources.
- c) The establishment of the Development Area will not cause the assessed taxable value of real property within the Development Area and within all "development areas" and "local development areas" established by the City (as those terms are defined in the Act) to exceed twenty percent (20%) of the total assessed taxable value of real property within Paducah. The assessed value of taxable real property within the Development Area for calendar year 2018 was \$22.0 million. The City and County have not previously established any other development area pursuant to the Act. The total assessed value of taxable real property within the County

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for the calendar year 2018 is approximately \$4.0 billion. Therefore, the assessed value of taxable real property within all development areas is less than twenty percent (20%) of the assessed value of taxable real property within the County.

- d) The City finds that the Development Area is not reasonably expected to be developed without public assistance. The public infrastructure costs within the Development Area are too high for the Project to occur without public assistance, particularly as relates to the lack of structured parking and pedestrian connectivity throughout the Development Area. It is estimated that the total cost of the public infrastructure improvements planned within the Development Area is approximately \$56.5 million. Without public funding, including the critical pledge of State incremental revenues under the Commonwealth Participation Program for Mixed-Use Redevelopment in Blighted Urban Areas, the proposed Project within the Development Area would not be possible.

- e) The public benefits of redeveloping the Development Area justify the public costs proposed. As detailed in the Commonwealth Economics Report, attached hereto as Exhibit D, (the “Report”), the investment is estimated to reach \$156.3 million, only \$56.5 million of which is expected to be spent on public infrastructure costs. The project is expected to support over 1,100 jobs annually and generate \$88.9 million in total economic impact by year 5. Its construction, alone, is estimated to generate a one-time impact that includes over \$156 million of construction spending resulting in \$89.7 million of labor income, support for 1,935 jobs, and \$258.9 million in total economic impact. While the City and County will pledge one-hundred percent (100%) of new ad valorem property taxes and occupational taxes to help pay for the proposed public infrastructure, it will generate significant new revenues from the other local taxes not pledged but still generated by the Project.

- e) The City finds that very few portions of the area immediately surrounding the Development Area have been subject to growth and development through investment by private enterprise without the use of incentives, and certainly none to the extent contemplated by this Project. Additionally, certain circumstances within the development area would prevent its development without the use of public assistance, due to the extensive infrastructure needs, particularly with regard to parking and connectivity.

SECTION 3. Establishment, Name, Boundaries. The Development Area, which is described on Exhibit A attached hereto and made a part hereof, is located within the City and is hereby established and designated as the “Downtown Riverfront Development Area.” At the time of the enactment of this Ordinance, the Development Area is less than three (3) square miles.

SECTION 4. Establishment Date, Commencement Date, Termination Date. The “Establishment Date” is the effective date of this Ordinance. The “Commencement Date” of the Development Area is the date of execution of the Local Participation Agreement. The

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“Termination Date” shall be the earliest to occur of (i) the date exactly twenty (20) years subsequent to the Activation Date for the pledge of Incremental Revenues, as more particularly set forth in the Local Participation Agreement and the Act, or (ii) the final payment of the Incremental Revenues and the use of such Incremental Revenues pursuant to the TIF Documents; provided, however, that if a Tax Incentive Agreement for the Project or a Local Participation Agreement relating to the Development Area has a Termination Date that is later than the Termination Date established in this Ordinance, the Termination Date for the Development Area shall be extended to the Termination Date of the Tax Incentive Agreement, or the Local Participation Agreement. However, the Termination Date for the Development Area shall in no event be more than twenty (20) years from the Establishment Date.

SECTION 5. Adoption of Development Plan. The City of Paducah, acting by and through its Board of Commissioners, hereby adopts the Development Plan attached hereto and incorporated by reference herein as Exhibit B. The Board of Commissioners hereby finds and determines that a public hearing was duly held on February 26, 2019 to solicit public comment on the Development Plan, following publication of notice thereof in accordance with Chapter 424 of the Kentucky Revised Statutes, as amended. It is hereby confirmed that a copy of the Development Plan was filed with the City of Paducah City Clerk on February 7, 2019.

SECTION 6. Local Participation Agreement. The Mayor of the City is hereby authorized and directed to execute, acknowledge and deliver on behalf of the City a Local Participation Agreement authorizing the pledge of a portion of the Incremental Revenues of the City from the Development Area into the Special Fund to be used for the reimbursement of Approved Public Infrastructure Costs described in the Act and Redevelopment Assistance costs that have been expended within the Development Area. The form of Local Participation Agreement to be signed by the Mayor on behalf of the City of Paducah shall be in substantially the form attached hereto as Exhibit C and incorporated by reference herein, subject to further negotiations and changes therein as determined by the Mayor in his or her discretion that are not materially inconsistent with this Ordinance and not substantially adverse to the City. The approval of such changes by said officers, and that such changes are not substantially adverse to the City, shall be conclusively evidenced by the execution of such Local Participation Agreement by such officials.

SECTION 7. Special Fund. There is hereby established a Special Fund of the City to be known as the Downtown Riverfront Development Area Special Fund, and City officials are hereby authorized and directed to issue to the Agency for deposit into the Special Fund, all Pledged Revenues. The Agency shall maintain the Special Fund unencumbered except for the purposes set forth in Section 8 hereof. Funds deposited in the Special Fund shall be disbursed in accordance with the TIF Documents and the Act (i) to reimburse Approved Public Infrastructure Costs and certain Redevelopment Assistance costs within the Development Area, and (ii) to pay the Administrative Costs for administrative and other expenses that may be incurred by the Agency for the oversight, administration and implementation of this Ordinance and the Special Fund, and including but not limited to complying with any reporting requirements set forth in the TIF Documents, and costs for professional services related to the oversight, administration and implementation of this Ordinance and the Special Fund, as described in the TIF Documents, and/or the cost of any amendments to the TIF Documents.

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SECTION 8. Use of Pledged Revenues. Pledged Revenues shall be deposited into the Special Fund created under Section 7 hereof, and shall be used solely to: (a) in accordance with the TIF Documents and the Act, reimburse or fund certain Redevelopment Assistance costs described in KRS 65.7045(30)(e); (b) in accordance with the TIF Documents and the Act, reimburse or fund Approved Public Infrastructure Costs; (c) in accordance with the TIF Documents and the Act, reimburse or fund Administrative Costs; and (d) in accordance with the TIF Documents and the Act, reimburse or fund costs that may be incurred for such other purposes as may be determined by the City and that are appropriate and in compliance with the purposes set forth in this Ordinance, the other TIF Documents, and the Act, as the same may be amended from time to time.

SECTION 9. Authorization of Application to KEDFA. The Mayor and Agency are hereby further authorized and directed to execute, acknowledge and deliver on behalf of the City one or more applications to KEDFA and related offices of the State in order to obtain State TIF participation with regard to projects within the Development Area.

SECTION 10. Analysis. The Board of Commissioners of Paducah, Kentucky shall review and analyze the progress of the development activity in the Development Area on an annual basis or at the discretion of the Board of Commissioners. Such reports shall, at a minimum, include (but not be limited to) a review of the progress in meeting the stated goals of the Development Area. The Agency and other City officials shall report to the Paducah Board of Commissioners during such reviews and shall, when necessary, invite developers to participate in the review process to report on the progress of their developments within the Development Area. The review and documentation supporting the review shall be forwarded to KEDFA in accordance with the TIF Documents and the Act.

SECTION 11. Designation of Oversight Agency. Pursuant to the Act, the City hereby designates the City of Paducah Finance Department as the “Agency” of the City for purposes of the Act, for the implementation, oversight, administration and review responsibility for this Ordinance and the Special Fund, as established hereby and in accordance with the TIF Documents and the Act. The City of Paducah Finance Department shall act on behalf of the City in administering this Ordinance and the Special Fund. Upon execution of the Local Participation Agreement, the Mayor, City Attorney and Agency are further hereby authorized and directed to execute any Tax Incentive Agreements and other agreements relating to the creation and establishment of the Development Area and the creation of the Special Fund. The Mayor, City Attorney and Agency is hereby further authorized and directed to take such additional actions and to execute such additional documents as may be required by KEDFA and other entities to meet all of the requirements of and to qualify to participate in a State TIF program(s) as set forth in the TIF Documents and the Act, and to carry out the intent of this Ordinance, including but not limited to negotiating and executing any Memorandum of Agreement and/or Tax Incentive Agreement among KEDFA and the City and/or the Agency pertaining to a pledge of State Incremental Revenues for the Project pursuant to the Act, all on such terms and conditions as may be determined by the Mayor in his or her discretion that are not materially inconsistent with this Ordinance and not substantially adverse to the City. The Agency, acting on behalf of the City and County, shall utilize both the actual and anticipated future incremental revenues to be deposited to the Special Fund to assist in the financing of Approved Public Infrastructure costs

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and to otherwise provide Redevelopment Assistance in accordance with the purpose of this Ordinance and the Act. The Mayor, City Attorney and Agency shall obtain the approval and authorization of the Paducah Board of Commissioners before executing any development agreements or amendments or modifications to any of the TIF Documents on behalf of the City that are materially inconsistent with the original version of such TIF Document and/or substantially averse to the City.

SECTION 12. Severability. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

SECTION 13. Repeal of Conflicting Orders and Ordinances. All prior resolutions, municipal orders or ordinances or parts of any resolution, municipal order or ordinance in conflict herewith are hereby repealed.

SECTION 14. Effective Date. This Ordinance shall be in full force and effect from and after its passage, attestation, recordation and publication of a summary hereof pursuant to KRS Chapter 424.

INTRODUCED, SECONDED AND GIVEN FIRST-READING APPROVAL at a duly convened meeting of the City of Paducah Board of Commissioners held on the _____ day of _____, 2019.

INTRODUCED, SECONDED AND GIVEN SECOND READING APPROVAL at a duly convened meeting of the City of Paducah Board of Commissioners held on the _____ day of _____, 2019.

CITY OF PADUCAH

Brandi Harless, Mayor

ATTEST:

Lindsay Parish, Paducah City Clerk

Published:

EXHIBIT A

DEVELOPMENT AREA DESCRIPTION AND MAP

An area to be known as the Downtown Riverfront Development Area containing 317.01 Acres located on the northeasterly side of the City of Paducah on the banks of the Ohio River and more particularly bounded and described as follows:

Beginning at a point in the thread of the Ohio River, a plat of which showing said thread is recorded in the McCracken County Clerk's office in Plat Cabinet "M", Page 516 and also being the northwesterly corner of the herein described tract; **THENCE FROM SAID POINT OF BEGINNING** with said thread for the following five calls: S 45°11'49" E a distance of 1160.24 feet to a point; S 43°45'46" E a distance of 1708.12 feet to a point; S 42°59'08" E a distance of 422.05 feet to a point; S 40°13'00" E a distance of 1249.02 feet to a point; S 45°34'19" E a distance of 1306.71 feet to a point; thence S 64°46'05" W a distance of 2008.99 feet to a point on the southern bank of the Ohio River; thence in a westerly direction and crossing a river access ramp, S 84°46'47" W a distance of 206.37 feet to a point in the City of Paducah Flood Wall; thence travelling parallel to South Water Street and along said flood wall, N 24°54'56" W a distance of 341.80 feet to a point in said flood wall; thence crossing Kentucky Avenue, N 24°57'33" W a distance of 66.31 feet to a point in said flood wall; thence crossing South Water Street, S 64°43'38" W a distance of 66.07 feet to a point at the intersection of the right-of-ways of South Water Street and Kentucky Avenue; thence continuing northwestwardly with right-of-way of said South Water Street, N 25°01'16" W a distance of 258.88 feet to a point; thence S 64°27'13" W a distance of 186.00 feet to a point in the centerline of Maiden Alley; thence with the centerline of said alley, N 24°44'01" W a distance of 93.15 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°59'21" W a distance of 175.69 feet to a point in the easterly right-of-way of Market House Square; thence with said right-of-way and crossing aforesaid Kentucky Ave, S 24°52'09" E a distance of 416.22 feet to a point in the intersection of the right-of-way of Kentucky Avenue and Marine Way; thence crossing Marine Way, S 65°19'04" W a distance of 108.77 feet to a point in aforesaid southerly right-of-way of Kentucky Avenue; thence crossing Kentucky Ave and running with the westerly right-of-way of Market House Square, N 25°57'52" W a distance of 416.44 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°46'12" W a distance of 121.49 feet to a point in said right-of-way; thence S 24°42'07" E a distance of 418.67 feet to a point in the aforesaid southerly right-of-way of Kentucky Avenue; thence running with said right-of-way, S 62°38'30" W a distance of 168.11 feet to a point in the intersection of said right-of-way with South 3rd Street; thence with the right-of-way of South 3rd Street, S 23°00'06" E a distance of 137.97 feet to a point in said right-of-way; thence crossing South 3rd Street, S 41°56'04" W a distance of 71.63 feet to a point in the westerly right-of-way of said South 3rd Street; thence S 65°14'37" W a distance of 348.63 feet to a point in the easterly right-of-way of South 4th Street; thence with said right-of-way, N 24°37'29" W a distance of 171.62 feet to a point in the intersection of the right-of-way of Kentucky Avenue and South 4th Street; thence with the right-of-way of South 4th Street, N 64°59'11" E a distance of 114.97 feet to a point; thence crossing Kentucky Avenue, N 34°57'03" W a distance of 67.00 feet to a point in the northerly right-of-way of said Kentucky Avenue; thence N 25°03'27" W a distance of 174.91 feet to a point; thence S 65°01'18" W a distance of 45.28 feet to a point; thence N 24°48'24" W a distance of 174.90 feet to a point in the southerly right-of-way Broadway Street; thence with said right-of-way, S 64°44'44" W a distance of 57.62 feet to a point in the intersection of Broadway Street and South 4th Street; thence with the right-of-way of South 4th Street, S 24°54'58" E a distance of 174.62 feet to a point; thence crossing South 4th Street, S 65°04'00" W a distance of 278.52 feet to a point; thence S 23°31'59" E a distance of 63.08 feet to a point; thence in a southwestwardly direction and crossing South 5th Street, S 64°48'59" W a distance of 193.09 feet to a point in the westerly right-of-way of South 5th Street; thence N 25°09'08" W a distance of 62.95 feet to a point; thence S 65°01'39" W a distance of 167.98 feet to a point; thence N 24°48'05" W a distance of 175.37 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 64°58'06" W a distance of 178.28 feet to a point in the intersection of the right-of-way of Broadway Street and South 6th Street; thence with the right-of-way of South 6th Street and

EXHIBIT A

crossing Kentucky Ave, S 25°01'27" E a distance of 762.55 feet to a point in the intersection of the right-of-way of South 6th Street and Washington Street; thence crossing Washington Street, S 64°51'35" W a distance of 60.01 feet to a point in said intersection; thence with the right-of-way of South 6th Street, N 24°59'27" W a distance of 596.03 feet to a point; thence S 64°55'13" W a distance of 86.19 feet to a point; thence N 25°05'10" W a distance of 165.70 feet to a point in the southerly right-of-way of Broadway Street; thence with said right-of-way, S 65°02'20" W a distance of 316.59 feet to a point in the intersection of the right-of-way of Broadway Street and South 7th Street; thence N 28°32'21" W a distance of 66.14 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 7th Street; thence crossing North 7th Street and with the northerly right-of-way of Broadway Street, N 64°59'00" E a distance of 407.46 feet to a point in the intersection of the right-of-way of Broadway Street and North 6th Street; thence with the westerly right-of-way of North 6th Street, N 25°08'51" W a distance of 347.54 feet to a point in the intersection of the right-of-way of North 6th Street and Jefferson Street; thence N 64°51'35" E a distance of 60.00 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Jefferson Street; thence with the easterly right-of-way of North 6th Street, S 25°08'51" E a distance of 346.93 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 65°03'01" E a distance of 344.71 feet to a point in the northwesterly intersection of the right-of-way of Broadway Street and North 5th Street; thence with the westerly right-of-way of North 5th Street, N 24°48'41" W a distance of 173.06 feet to a point; thence crossing North 5th Street, N 65°07'19" E a distance of 60.00 feet to a point in the easterly right-of-way of North 5th Street; thence with said right-of-way, S 24°48'43" E a distance of 173.21 feet to a point in the northeasterly intersection of the right-of-way of North 5th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°45'05" E a distance of 174.01 feet to a point; thence N 25°05'03" W a distance of 196.20 feet to a point; thence in a northeasterly direction and crossing North 4th Street, N 63°13'48" E a distance of 238.92 feet to a point in the easterly right-of-way of said street; thence with said right-of-way, S 25°02'01" E a distance of 204.08 feet to a point in the northeasterly intersection of the right-of-way of North 4th Street and Broadway Street; thence with the northerly right-of-way of Broadway Street, N 64°57'31" E a distance of 172.96 feet to a point; thence N 23°36'18" W a distance of 347.60 feet to a point in the southerly right-of-way of Jefferson Street; thence with said right-of-way, S 64°53'20" W a distance of 478.09 feet to a point; thence crossing Jefferson Street, N 24°59'46" W a distance of 240.09 feet to a point; thence N 65°05'06" E a distance of 59.20 feet to a point; thence N 23°27'01" W a distance of 4.60 feet to a point; thence N 64°52'00" E a distance of 12.43 feet to a point; thence S 24°59'57" E a distance of 4.64 feet to a point; thence N 65°05'07" E a distance of 159.85 feet to a point in the westerly right-of-way of North 4th Street; thence with said right-of-way, S 24°45'50" E a distance of 172.60 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Jefferson Street; thence crossing North 4th street and along the northerly right-of-way of Jefferson Street, N 65°00'39" E a distance of 827.30 feet to a point in the northwesterly intersection of the right-of-way of Jefferson Street and North 2nd Street; thence with the westerly right-of-way of North 2nd Street, N 25°07'02" W a distance of 346.61 feet to a point in the southwesterly intersection of the right-of-way of North 2nd Street and Monroe Street; thence S 64°55'49" W a distance of 346.02 feet to a point in the southeasterly intersection of the right-of-way of North 3rd Street and Monroe Street; thence with the right-of-way of North 3rd Street, S 25°20'42" E a distance of 147.24 feet to a point; thence crossing said street, S 64°33'53" W a distance of 241.19 feet to a point; thence N 25°27'54" W a distance of 971.87 feet to a point in the southwesterly intersection of the right-of-way of North Loop Road and Harrison Street ; thence with the southerly right-of-way of Harrison street and crossing North 4th Street, S 65°54'51" W a distance of 232.58 feet to a point in the southwesterly intersection of the right-of-way of North 4th Street and Harrison Street; thence generally with the westerly right-of-way of North 4th Street for the following three calls: N 25°16'17" W a distance of 236.37 feet to a point; N 40°43'43" W a distance of 60.14 feet to a point, N 62°58'37" W a distance of 144.85 feet to a point and S 64°26'17" W a distance of 239.30 feet to a point in the southeasterly intersection of the right-of-way of North 5th Street and Martin Luther King Jr Drive; thence with the easterly right-of-way of North 5th Street, N 25°02'48" W a distance of 294.92 feet

EXHIBIT A

to a point in the southeasterly intersection of the right-of-way of North 5th Street and North Loop Road; thence crossing North 5th Street and generally following the southerly right-of-way of North Loop Road for the following three calls: N 85°40'45" W a distance of 160.89 feet to a point; S 82°59'13" W a distance of 118.29 feet to a point and S 68°08'39" W a distance of 155.05 feet to a point in the southeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence crossing Park Avenue, N 25°28'50" W a distance of 62.61 feet to a point in the northeasterly intersection of the right-of-way of North 6th Street and Park Avenue; thence with the northerly right-of-way of Park Avenue, N 65°55'25" E a distance of 339.29 feet to a point in the northwesterly intersection of the right-of-way of North 5th Street and Park Avenue; thence with the westerly right-of-way of North 5th Street and following the City of Paducah Flood Wall, N 24°57'44" W a distance of 479.73 feet to a point in said flood wall; thence following said flood wall, N 38°18'54" W a distance of 251.26 feet to a point in said flood wall; thence N 67°50'04" W a distance of 142.29 feet to a point; thence N 32°55'26" E a distance of 239.83 feet to a point; thence N 58°09'36" W a distance of 265.92 feet to a point; thence N 29°56'31" E a distance of 513.53 feet to a point on the bank of the Ohio River; thence N 42°54'07" E a distance of 1885.13 feet **to a point; the point of beginning, having an area of 317.01 acres.**

There is excepted and not herein included all of that property currently leased to Holiday Inn Riverfront and more particularly bound and described as follows: **Beginning at a point** in the northeasterly intersection of the right-of-way of Executive Boulevard and North 4th Street, **THENCE FROM SAID POINT OF BEGINNING** and with the easterly right-of-way of said North 4th Street, N 41°12'07" W a distance of 330.15 feet to a point in the southeasterly intersection of the right-of-way of North 4th Street and Park Avenue; thence S 64°24'18" W a distance of 155.91 feet to a point; thence S 25°01'05" E a distance of 318.36 feet to a point in the northerly right-of-way line of Executive Boulevard; thence with the northerly right-of-way of Executive Boulevard, N 64°19'10" E a distance of 247.94 feet to **a point; the point of beginning, having an area of 64251.97 square feet, 1.48 Acres.**

This description was prepared for establishing the City of Paducah Downtown Riverfront Development Area only and is not to be used for the conveyance of real property. Bearings and distance have not been verified via field survey.

EXHIBIT A



EXHIBIT B
DEVELOPMENT PLAN

(Separate Document)

EXHIBIT C
LOCAL PARTICIPATION AGREEMENT

(Separate Document)

EXHIBIT D
COMMONWEALTH ECONOMICS REPORT

(Separate Document)

EXHIBIT E
INTERLOCAL COOPERATION AGREEMENT

(Separate Document)

D R A F T

INTERLOCAL COOPERATION AGREEMENT

THIS INTERLOCAL COOPERATION AGREEMENT (“Agreement”), pursuant to KRS 65.210 through KRS 65.300, is made and entered into this ____ day of _____, 2019, by and between (i) **THE CITY OF PADUCAH** (“City”), a city of the home rule class located in McCracken County, Kentucky, and (ii) the **MCCRACKEN COUNTY FISCAL COURT, for and on behalf of McCracken County, Kentucky** (“County”), a political subdivision of the Commonwealth of Kentucky.

W I T N E S S E T H

WHEREAS, the City and County desire to jointly participate in that certain Tax Increment Financing Development Plan for Downtown Riverfront Development Area (“Development Plan”), which is the subject of Ordinance No. _____ approved by the City of Paducah Board of Commissioners on _____, 2019 and Ordinance No. _____ approved by the McCracken County Fiscal Court on _____, 2019; and

WHEREAS, adoption of the ordinances sets out duties and responsibilities for the City and the County; and

WHEREAS, the City and County desire to jointly share and coordinate their respective proportionate responsibilities so as to maximize the efficiency of the monitoring, control and accounting of the incremental revenues received from the Development Area, for the mutual benefit of the City and County; and

WHEREAS, local governments are empowered under KRS 65.210 to KRS 65.300 to enter into agreements with other governmental entities to enhance efficient provision of services to their communities.

NOW, THEREFORE, the City and County agree as follows:

1. Purpose. In exchange for the mutual promises contained herein, the County shall assist the City with preparing and filing the Development Plan’s State Tax Increment Financing Application and with administering the Special Fund and the Development Area, including the collection and depositing of revenues from the Special Fund derived from the Development Plan (the “Administration Activities”), with such responsibilities being defined by City and County Ordinance and the Local Participation Agreement. The City of Paducah Finance Department shall oversee, administer and implement the Special Fund and the Development Area.

2. Duties. The City and County will jointly and cooperatively share information, accounting, report preparation, record keeping arising from the Development Plan and related documents. This Agreement may be amended in the future to include administration and oversight of other development plans the City and County may jointly adopt.

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3. Duration. This Agreement shall become effective beginning upon execution by the City and the County, approval by the Department of Local Government under 65.260(2) and the filing of a certified copy with the McCracken County Clerk and the Secretary of State, pursuant to KRS 65.290. The Agreement shall be in full force and effect for the life of the Development Plan and shall expire upon the earlier to occur of: (a) termination of the Development Plan and after all obligations imposed by Ordinance and/or the Local Participation Agreement , or (b) reaching the date twenty (20) years after the date first above written. Each party shall have the right to terminate the Agreement by passing the appropriate resolution and providing the non-terminating party sixty (60) days written notice prior to termination.

4. No new body or legal entity to be created. There shall be no separate body or legal entity created under this Agreement. There shall be no employees of a separate entity, but rather the City and County will use their own employees and/or officials to undertake their respective obligations pursuant to this Agreement.

5. Assets. City and County do not expect or intend to acquire any real or personal property or other assets related to the Administration Activities. To the extent there may be assets acquired in the Administrative Activities, upon termination of the Agreement such assets shall be distributed and/or transferred in conformity with the Development Plan and related documents, or by any applicable provisions of local, state or federal law.

6. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and all of which, taken together, shall constitute one agreement.

7. Notice. Any notice required or permitted to be given hereunder shall be given via U.S. mail to:

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If to the City: Mayor Brandi Harless
City of Paducah
P.O. Box 2267
300 South 5th Street
Paducah, KY 42002-2267

With a Copy to: Lindsay Parish, City Clerk
P.O. Box 2267
300 South 5th Street
Paducah, KY 42002-2267

If to the Agency: Finance Director Jon Perkins
City of Paducah
P.O. Box 2267
300 South 5th Street
Paducah, KY 42002-2267

If to the County: Judge Craig Clymer
300 Clarence Gains Street
Paducah, Kentucky 42003

With a Copy to: Julie Griggs
McCracken County Clerk
300 Clarence Gains Street
Paducah, Kentucky 42003

WHEREFORE, the parties have entered into this Agreement on the date first above written.

CITY OF PADUCAH

Brandi Harless, Mayor

ATTEST:

Lindsay Parish, City Clerk

COUNTY OF MCCRACKEN

Craig Clymer, Judge Executive

ATTEST:

Julie Griggs, County Clerk

Agenda Action Form Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Repeal Paducah Water Rates Ordinances - **B ROBERTSON**

Category: Ordinance

Staff Work By: Bill Robertson , Alex Blackwell
Presentation By:

Background Information: Over the past eight years the cost to comply with Federal water quality regulations, increased pensions costs, increased electricity costs and a general decline in water use per customer have reduced net operating revenue to a point that Paducah Water has insufficient revenue to properly operate and maintain their facilities. The current rate structure does not provide adequate revenue to meet existing needs or provide funding to replace water meters or remove of lead service lines within the distribution system.

The current declining block rate structure sells water to large users at a price below the average cost of service. This situation results in smaller users subsidizing large users.

This ordinance is proposed to repeal the current ordinances setting water rates in order for new rates to be enacted.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name:
Account Number:

Staff Recommendation: To adopt an ordinance repealing the following ordinances related to Paducah Water Rates:

- Ordinance No. 2001-10-6420
- Ordinance No. 2003-3-6631
- Ordinance No. 2009-11-7629
- Ordinance No. 2009-11-7630
- Ordinance No. 2010-6-7692

Attachments:

1. Ordinance

ORDINANCE NO. 2019-4-_____

ORDINANCE REPEALING ORDINANCE NO. 2001-10-6420, ORDINANCE NO. 2003-3-6631, ORDINANCE NO. 2009-11-7629, ORDINANCE NO. 2009-11-7630, AND ORDINANCE NO. 2010-6-7692.

WHEREAS, this Ordinance will repeal Ordinance No. 2001-10-6420, Ordinance No. 2003-3-6631, Ordinance No. 2009-11-7629, Ordinance No. 2009-11-7630, and Ordinance No. 2010-6-7692 in their entirety; and

WHEREAS, the aforementioned ordinances had previously been used to set water rates and charges for water provided by The Paducah Water Works to its customers; and

WHEREAS, subsequent to the passage of this ordinance, the City plans to enact an ordinance which will instate the applicable water rates and fees.

NOW THEREFORE BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PADUCAH AS FOLLOWS:

SECTION 1. Repeal of Ordinances. Upon the publication and on the effective date of this ordinance, the following ordinances will be repealed in their entirety:

Ordinance No. 2001-10-6420

Ordinance No. 2003-3-6631

Ordinance No. 2009-11-7629

Ordinance No. 2009-11-7630

Ordinance No. 2010-6-7692

SECTION 2. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

Brandi Harless, Mayor

ATTEST:

City Clerk, Lindsay Parish

Introduced by the Board of Commissioners, _____, 2019

Adopted by the Board of Commissioners, _____, 2019

Recorded by City Clerk, _____, 2019

Published by *The Paducah Sun*, _____, 2019

ORD\PWW Repeal Water Rate Ordinances

Ordinance by Alex Blackwell, Denton Law Firm

Agenda Action Form Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Approve New Paducah Water Rates - **B ROBERTSON**

Category: Ordinance

Staff Work By: Bill Robertson, Alex Blackwell

Presentation By:

Background Information: Over the past eight years the cost to comply with Federal water quality regulations, increased pensions costs, increased electricity costs and a general decline in water use per customer have reduced net operating revenue to a point that Paducah Water has insufficient revenue to properly operate and maintain their facilities. The current rate structure does not provide adequate revenue to meet existing needs or provide funding to replace water meters or remove of lead service lines within the distribution system.

The current declining block rate structure sells water to large users at a price below the average cost of service. This situation results in smaller users subsidizing large users.

The proposed rates include an initial flat rate per customer increase of \$2.00 the first F.Y. with additional increases of \$1.00 per customer in F.Y. 2020 and 2021. The proposed flat rate increases will provide sufficient revenue to operate and maintain the system. The proposed rates will also eliminate the largest rate block so that all water is sold at a price that is above the average cost of service. The rate block elimination change will be revenue neutral.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s):

Funds Available: Account Name:
Account Number:

Staff Recommendation: To adopt the ordinance setting the new rates for Paducah Water Works.

Attachments:

1. Ordinance

ORDINANCE NO. 2019-4-_____

AN ORDINANCE ESTABLISHING NEW WATER RATES AND CHARGES FOR WATER PROVIDED BY THE PADUCAH WATER WORKS TO ITS CUSTOMERS

WHEREAS, pursuant to Section 114.298 of the Paducah Code of Ordinances, the Commissioners of Waterworks (“Water Commission”) has full authority and control over the operation of the Paducah Water Works (“PWW”), and the water treatment facility and distribution system related thereto (“Facilities”), subject to the rates and charges that are promulgated by the City Commission; and

WHEREAS, by reason of such authority, the Water Commission is charged with the responsibility of maintaining the Facilities in a sound and operable condition that is compliant with all federal and state water quality laws, and with the responsibility of making repairs, replacements, or improvements that are necessary to preserve and protect the reliability and legal compliance of those Facilities; and

WHEREAS, PWW is experiencing extraordinary increases in the cost for electricity, pension system contributions, and operating costs associated with Stage 2 Disinfection Byproducts Rule compliance, as well as a decrease in water sales per customer; and

WHEREAS, the Water Commission has adopted plans to locate and eliminate all lead service lines in the distribution system, and replace water meters so that all customers receive a monthly bill based on a monthly reading; and

WHEREAS, to carry out these responsibilities, the Water Commission has evaluated the physical condition and capability of the Facilities and determined that the current rate structure will not generate sufficient revenue to maintain the Facilities; and

WHEREAS, the Water Commission has evaluated the current rate structure and determined that the rates do not accurately account for the cost of providing service to minimum consumption customers or for providing water to customers who consume large volumes of water and are charged for usage in the “all over 1,000,000 gallons” per month rate block; and

WHEREAS, to provide sufficient revenue to operate and maintain the Facilities the Water Commission has recommended the City Commission approve and adopt revisions to two of the seven rate blocks and adopt a “Flat Fee per Customer” over a three year period, the specifics of which are contained in this ordinance; and

WHEREAS, an ordinance was passed repealing all prior ordinances and amendments which proscribed the water rates and charges to be charged by Paducah Water Works to its customers; and

WHEREAS, the passage of this Ordinance will instate a new rate and fee schedule to be charged by Paducah Water Works.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF PADUCAH, KENTUCKY, AS FOLLOWS:

Section 1. Acceptance of Rate Increases. The City accepts the recommendation of the Commissioners of Waterworks to implement the new rate and charges structure as set forth herein.

Section 2. Rate Schedule and Fees. The rate schedule and fees for all customers of Paducah Water Works are available online and on file at the Paducah Water Works office. These schedules of fees include:

- a. Rate Schedule;
- b. Minimum Monthly Charges;

- c. Fire Protection Fees;
- d. Connection Charges; and
- e. Capital Replacement and Expansion Fees.

These rates and fees will be reviewed annually during the budgeting process and will be adjusted from time to time based upon the Mixed Inflation Index to fund the payment of inflation increases and other unfunded costs of operation as discussed in detail in Section 6. All schedules of fees and charges which are posted online and available on file at the Paducah Water Works office will reflect any such adjustments which have been made.

Section 3. Water Rate for Industrial Customers. The Commissioners of Waterworks shall be authorized to negotiate and set the water rates for water consumption by industrial customers utilizing in excess of 1,000,000 gallons of water per month, which rates shall thereafter be ratified and adopted by ordinance

Section 4. Water Rate for West McCracken Water District. Pursuant to Ordinance No. 2015-8-8280, a contract was entered into between Paducah Water Works and the West McCracken Water District which provides the rates which Paducah Water Works will charge the West McCracken Water District. These rates were previously approved by the Public Service Commission of Kentucky.

Section 5. Flat Charge Per Customer. A “Flat Charge Per Customer” will be charged in addition to other applicable fees charged to Paducah Water Works customers as follows:

Effective July 1, 2019	\$2.00 per month
Effective July 1, 2020	\$3.00 per month
Effective July 1, 2021	\$4.00 per month

The Flat Charge Per Customer shall become effective on the designated effective date, and shall be added to the water charges and fees that are contained in water bills rendered on or after that effective date. These fees shall be in addition to regular charges for water services. These fees shall remain in effect for subsequent years until amended or rescinded by subsequent ordinance. The Water Commission shall have the authority to revise these fees in the same manner as rates and other charges, based on the Mixed Inflation Index Factor.

Section 6. Revision of Rates and Charges. The Water Commission shall have the right and authority to make annual adjustments to the rates and charges under this Ordinance to pay for inflation-related price increases and other unfunded costs of operation. In making those adjustments, the Water Commission shall utilize the “Mixed Inflation Index Factor” that is defined in the computation schedule set forth under this Section, using the calendar month of March as the determinative factor being the initial base month. Each annual adjustment shall be made effective on July 1 of the calendar year in which the adjustment is made, and shall be incorporated in all water bills rendered from and after that effective date. The “Mixed Inflation Index Factor” shall be calculated in accordance with the method that is provided in the following computation schedule:

**COMPUTATION OF
MIXED INFLATION INDEX FACTOR**

CLASSIFICATION FACTOR OF PWW COSTS	% OF PWW COSTS		INFLATION INDEX STANDARD	=	WEIGHT
• Capital Improvements	_____ %	x	Construction Cost Index (Engineering News Record)	=	_____
• Wages & Benefits	_____ %	x	Consumer Price Index (for S.E. Urban Region)	=	_____
• Utilities	_____ %	x	Utility Index (Bureau of Labor Statistics)	=	_____
• Chemicals	_____ %	x	Chemical Manufacturing Index	=	_____

(Bureau of Labor Statistics)

Total of Percentages: _____%	Total Weight Factor: _____
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Total Weight Factor	÷	Total of Percentages	=	Mixed Inflation Index Factor
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The terms used in this computation schedule shall be defined and used in accordance with the following provisions:

“PWW Costs” shall mean the overall costs and expenses of PWW’s operation, including costs of improvements.

“Classification of Costs”: The Classification of Costs identifies the four (4) specific cost items that will be utilized in determining the Mixed Inflation Index Factor.

“% of PWW Costs”: The Percentage of PWW Costs is the percentage of PWW Costs that is attributable to each cost item that is identified in the classification. The percentage amount for a cost item shall be determined by dividing the sum total costs under that cost item by the total amount of the PWW Costs.

“Inflation Index Standard”: The Inflation Index Standard identifies the index standard that will be used to determine the inflation factor for each cost item. The inflation factor of a cost item shall be measured by the Index Standard that is designated for that item, and shall be based on the reporting source that is ascribed to that standard.

“Weight Factor”: The Weight Factor is the weight that is assigned to each cost item to compute the overall Mixed Inflation Index Factor. The Weight Factor for a cost item shall be determined by multiplying the “% of PWW Costs” of that item by the “Inflation Index Standard” that is designated for that item.

“Total of Percentages” shall mean the sum total of the “% of PWW Costs” that is allocated to the cost items.

“Total Weight Factor” shall mean the sum total of the “Weight Factors” that are assigned to the cost items.

“Mixed Inflation Index Factor” is determined by dividing the “Total Weight Factors” by the “Total of Percentages”.

Section 7. Sales Tax. The foregoing rates and charges do not include any applicable sales tax. Any applicable sales tax shall be added to each bill as a separate charge.

Section 8. Connection Charges. As to new customers of the Paducah Water Works within the City and County, the connection charges for each customer shall be based upon a fee schedule determined by the Commissioners of Waterworks. Connection charges shall be uniformly applicable to all customers. The fee schedule to be determined by the Commissioners of Waterworks shall approximate the actual costs incurred by the Paducah Water Works regarding connections.

Section 9. Customer Pays Cost of Running Lines on His Premises. Each customer is responsible for constructing and bearing the cost of running his water line from the building located on his premises to the point in his property line or easement where such water service has been brought or to such other point to which such water line has been brought by the City to serve his premises. The construction of said private lines shall be in accordance with the Paducah Water Works regulation for materials and construction.

Section 10. Indemnification and Supervision. Each property owner shall indemnify the City of Paducah and Paducah Water Works from any loss or damage

that may directly or indirectly be occasioned by the construction of a water line from the respective premises to the point where the Paducah Water Works has brought such line or lines, and all water connections shall be made under the supervision of the Paducah Water Works.

Section 11. All Customers Metered: No Free Service. It shall be mandatory for all customers of the Paducah Water Works to be metered. No one shall receive or be entitled to free water service without paying the full rates herein specified. If any person is discovered using water from fire connections for any purpose other than fire purposes, such person shall be charged for such water at the applicable rates prescribed in Section (2) above, and shall further be required, at his own expense, to install a meter on such connection.

Section 12. Records and Audits. That the rates and charges for use of and services rendered by the Paducah Water Works shall be billed and collected by the Utility, and the full amount of the proceeds for such service shall be deposited as received and set aside into the water revenue fund designated, in such manner as the Water Works may require, but subject to any different designation which may be in any ordinance relating to the issuance of Revenue Bonds. The records of the Paducah Water Works with respect to charging, billing, collecting and accounting for water service shall be audited at least once each twelve months by an independent Certified Public Accountant, and a report thereof shall be filed with the city clerk, or such report shall be filed in such manner and at such other time or times as may be provided in any ordinance relating to the issuance of Revenue Bonds. The cost of such audit shall be classified and paid as an expense of operation and maintenance of the Water Works.

Section 13. Severability. If any clause, provision, paragraph or section of this Ordinance shall be ruled void or unenforceable by any court of competent jurisdiction, the remainder hereof is intended to be enacted and shall be in full force and effect notwithstanding.

Section 14. Conflicting Ordinances. All ordinances and parts of ordinances in conflict herewith are to the extent of such conflict, hereby repealed.

Section 15. This Ordinance shall be read on two separate days and will become effective upon publication in full pursuant to KRS Chapter 424.

Brandi Harless, Mayor

ATTEST:

City Clerk, Lindsay Parish

Introduced by the Board of Commissioners, _____, 2019
Adopted by the Board of Commissioners, _____, 2019
Recorded by City Clerk, _____, 2019
Published by *The Paducah Sun*, _____, 2019
ORD\ PWW New Water Rates & Fees 2019
Ordinance by Alex Blackwell, Denton Law Firm

Agenda Action Form

Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Authorizing Infill Development Agreement between the City of Paducah and Higdon Development, Inc. regarding Greenway Village Phase 2 - **T TRACY**

Category: Municipal Order

Staff Work By: Tammara Tracy, Rick Murphy

Presentation By: Tammara Tracy

Background Information: On February 22, 2011 ordinance #2011-2-1107 was adopted. This ordinance initiated an MOU between the City of Paducah and Higdon Development, Inc., which was executed on March 2, 2011, in order for Higdon Development and Greenway Village, LLC, to recover expenses spent on public appurtenances and improvements (such as streets, storm water conveyance, sidewalks, etc.) constructed within the Greenway Village Development by way of an Infill Development Agreement.

On May 8, 2012 ordinance #2012-5-7921 was adopted approving the first Restated MOU to allow for a one-year extension of Phase I of Greenway Village. It also included that any Infill Agreement for Phase II was to be executed by May 8, 2017. Phase I of Greenway Village was completed under this first Restated MOU and on May 8, 2013, the Developers and the City entered into the Phase I Infill Agreement. Rebates of the Ad Valorem taxes have been paid under this Phase I Infill Agreement.

The Developers have now requested a second time extension of the First Restated MOU that expired on May 15, 2017 and enter into the Infill Agreement at this time. While the City is under no legal obligation to enter into any agreement and the incentive provision was intended to hasten development, staff notes that the Developer continued the development in good faith. Staff is agreeable to the Developer's request, provided that **the term is 8 years, beginning July 1, 2019 and ending June 30, 2027 with the total rebate not to exceed \$182,243.00.**

It is the Developer's responsibility to request the ad valorem rebate each year.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s): N-2 Encourage, incentivize, and/or support more housing options throughout the City

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approve

Attachments:

1. Ordinance
2. AGREEMT-Infill Higdon Greenway Village2

ORDINANCE 2019-____ - _____

AN ORDINANCE OF THE CITY OF PADUCAH, KENTUCKY, APPROVING A RESIDENTIAL INFILL DEVELOPMENT AGREEMENT BY AND AMONG THE CITY OF PADUCAH, KENTUCKY AND HIGDON DEVELOPMENT, INC., FOR GREENWAY VILLAGE PHASE II AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT AND ALL DOCUMENTS RELATED TO SAME

WHEREAS, the Board of Commissioners adopted Ordinance No. 2011-2-1107 authorizing the approval of a Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which Memorandum of Understanding is dated February 22, 2011; and

WHEREAS, the Board of Commissioners adopted Ordinance No. 2012-5-7921 on May 8, 2012, authorizing the approval of an Amended and Restated Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which allowed for a one-year extension of Phase I of Greenway Village which Amended and Restated Memorandum of Understanding is dated May 15, 2012; and

WHEREAS, Higdon Development, Inc., has completed all requirements in accordance with the City of Paducah Subdivision Ordinances and has obtained final subdivision approval from the Board of Commissioners by Ordinance No. 2016-12-8456; and

WHEREAS, the Developer's Development requires Developer to add improvements to the public infrastructure; and

WHEREAS, Developer's Development is presently located in the incorporated area of Paducah, McCracken County, Kentucky and suitable for urban development without unreasonable delay; and

WHEREAS, it would be beneficial to the Developer and Developer's Development, and the successor owners of property located in Developer's Development, to enjoy municipal services from the City; and

WHEREAS, the City desires to provide municipal services to benefit Developer's Development, and the land owners to be located therein, but requests Developer to construct, at Developer's cost, eligible public infrastructure and improvements to local streets, curbs, gutters, sidewalks and storm sewer conveying systems which are necessary for the provision of safe public transportation and municipal services; and

WHEREAS, eligible public improvements will become the property of the government having jurisdictional authority over said improvements' construction, completion and acceptance; and

WHEREAS, the City is agreeable to reimbursing Developer for the cost and expenses (\$182,243.00 per the engineer's estimate prepared by Site Worx Survey & Design, LLC, and approved by the City Engineer) incurred by Developer to construct Eligible Public Improvements within and/or depicted by the Developer's Development to the extent of the total cost and expense of same, or the amount of ad valorem real property taxes realized by the City resulting from the Developer's Development for eight (8) years beginning July 1, 2019 through June 30, 2027, the lesser to apply.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE

CITY OF PADUCAH, KENTUCKY, as follows:

SECTION 1. Recitals and Authorization. The City of Paducah hereby approves the Greenway Village Subdivision Phase II Residential Infill Development Agreement with Higdon Development, Inc., for a period of eight (8) years, beginning July 1, 2019 and ending June 30, 2027, with the total rebate not to exceed \$182,243.00 in substantially the form attached hereto and is made a part hereof (**Exhibit A**). It is further determined that it is necessary and desirable and in the best interests of the City to enter into the Residential Infill Development Agreement for the purposes therein specified. The Mayor of the City of Paducah is hereby authorized to execute the Agreement, together with such other agreements, instruments or certifications which may be necessary to accomplish the transaction contemplated by the Residential Infill Development Agreement.

SECTION 2. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining parts of this Ordinance.

SECTION 3. Compliance with Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of the City Commission and of its committees, if any which resulted in formal action, were in meetings open to the public in full compliance with applicable legal requirements.

SECTION 4. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance, to the extent of such conflict, are hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

SECTION 5. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

Brandi Harless, Mayor

Attest:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, April 9, 2019

Adopted by the Board of Commissioners, _____

Recorded by Lindsay Parish, City Clerk, _____

Published by the Paducah Sun, _____

\\ord\plan\Residential Infill Development Higdon Greenway Village Phase II

EXHIBIT A

**GREENWAY VILLAGE SUBDIVISION PHASE-2
RESIDENTIAL INFILL DEVELOPEMNT AGREEMENT**

THIS RESIDENTIAL INFILL AGREEMENT made and executed on this _____ day of _____, 2019, by and between the City of Paducah, Kentucky; a city of the second class, 300 South Fifth Street, P. O. Box 2267, Paducah, Kentucky 42002-2267 (hereinafter referred to as "City"), and Higdon Development, Inc., and its affiliated company, Greenway Village, LLC, a Kentucky Limited Liability company (hereinafter referred to as "Developers").

WITNESSETH:

WHEREAS; the Board of Commissioners adopted Ordinance No. 2012-5-7921 authorizing the approval of an Amended and Restated Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which Amended and Restated Memorandum of Understanding is dated March 2, 2012 (the "Amended and Restated MOU"); and

WHEREAS, Developer is the owner of Tract 2-A, consisting of 4.438 acres, Tract 2-B, consisting of 2.237 acres, and Tract 2-C, consisting of 4.662 acres having a combined acreage of 11.337 acres of real property, which is located in McCracken County, Kentucky, a document describing real property is set forth in Final Plat which is entitled, "Final Subdivision Plat, Greenway Village Subdivision-Phase 2 for Greenway Village , LLC, dated May 16, 2016 by Mr. Herb Simmons, a Kentucky Professional Land Surveyor (P.L.S. No. 3732) is attached hereto; and

WHEREAS, Developers has completed all requirements in accordance with the City of Paducah Subdivision Ordinances and has obtained final subdivision approval for the Developers' development of said tract of property as a subdivision for residential purposes from the Planning Commission on May 16, 2016 and by Board of Commissioners on December 13, 2016, Ordinance No. 2016-12-8456, which approval is evidenced by the Final Plat recorded in Plat Section M, page 1093 and 1094, in the McCracken County Clerk's office.

WHEREAS, Developer's Development requires Developer to add improvements to the public infrastructure; and

WHEREAS, Developer's Development is presently located in the incorporated area of Paducah, McCracken County, Kentucky and suitable for urban development without unreasonable delay; and

WHEREAS, it would be beneficial to the Developer and Developer's Development, and the successor owners of property located in Developer's Development, to enjoy municipal services from the City; and

WHEREAS, the City desires to provide municipal services to benefit Developer's Development, and the land owners to be located therein, but requests Developer to construct, at Developer's cost, to construct eligible public infrastructure and improvements which are necessary for the provision of safe public transportation and municipal services; and

WHEREAS, eligible public improvements may include without limitation the improvement to existing transportation facilities owned and operated by the Kentucky Transportation Cabinet (hereinafter referred to as "KYTC"); the construction or improvement to local streets, curbs, gutters, sidewalks and storm sewer conveying systems (hereinafter referred to as "Eligible Public Improvements") as depicted in Developer's Development, which upon completion and acceptance by the appropriate governing body that may include without limitation either or both the City and KYTC (hereinafter referred to as the "Government") shall become the property of the Government. The final approval and acceptance of the Eligible Public Improvements shall be determined by the Government having jurisdictional authority over the Eligible Public Improvements' construction, completion, and acceptance ; and

WHEREAS, for reason that such Eligible Public Improvements will become the property of the Government having jurisdictional authority over said Improvements' construction, completion, and acceptance, the City is agreeable to reimbursing the Developer for the cost and expenses (\$182,243.00 per an

\$ CAP



Engineer's Estimate prepared by Site Worx Survey & Design, LLC and subsequently approved by the City Engineer) incurred by Developer to construct Eligible Public Improvements within and/or depicted by the Developer's Development to the extent of the total cost and expense of same, or the amount of ad valorem real property taxes realized by the City resulting from the Developer's Development for eight (8) years beginning July 1, 2019 through June 30, 2027 (hereinafter referred to as "Period of Eligibility") the lesser to apply.

NOW, THEREFORE, in consideration of the foregoing provisions, and for other valuable consideration, the receipt of which is hereby acknowledged by all parties hereto, the parties do covenant and agree as follows:

1. Construction/Improvements of Eligible Public Improvements. Developer shall construct within Developer's Development the public infrastructure and improvements which are necessary for the provision of public safety and municipal services by the Government defined herein as Eligible Public Improvements. All Eligible Public Improvements shall be located within an existing and/or proposed public right-of-way(s) and/or public easements to be dedicated by the plat of Developer's Development or shown as an improvement to existing publicly owned surface transportation infrastructure. The City Engineer and/or the Government having jurisdictional authority shall have the right to inspect all construction of the Eligible Public Improvements during the construction process to ensure that construction of such Eligible Public Improvements are in compliance with the Developer's Development and in compliance with the applicable minimum standards and requirements, including without limitation building codes, zoning laws, or other applicable federal, state or local laws or ordinances of the Government having jurisdictional authority .

2. Acceptance by the Government. Upon completion of construction of the Eligible Public Improvements, the improvements shall be inspected by the Government having jurisdictional authority to determine and/or identify if the improvements have deficiencies. If it is determined that deficiencies are in need of correction, the Developer shall complete the appropriate corrective actions needed prior to the improvements being accepted by the Government having jurisdictional authority. Upon the Developer completing the correction of all identified deficiencies, the Government having jurisdictional authority shall accept the Eligible Public Improvements, at which time such improvements shall be deemed the sole and exclusive property of the Government having jurisdictional authority. Upon such acceptance, the Government having jurisdictional authority shall thereafter maintain the Eligible Public Improvements, at the Government's costs. Notwithstanding the foregoing, it is agreed and understood by and between the parties that the Government shall not be obligated to accept any of the Developer's improvements that do not meet the minimum standards of the Government.

3. Reimbursement to Developer for Costs and Expenses of Constructing Eligible Public Improvements. In consideration of Developer's construction of Eligible Public Improvements which are to become the property of the Government having jurisdictional authority, the City hereby agrees to reimburse Developer for any cost and expense incurred by the Developer for the construction cost of the subject improvement to the extent of such costs and expenses, or to the extent of the amount of ad valorem real property taxes realized and collected annually by the City from the City's levy and tax on Developer's Development during the Period of Eligibility, the lesser to apply. Reimbursement of these costs and expenses shall be subject to the following terms and conditions:

A. Eligibility for Reimbursement. Only actual costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements which are constructed in accordance with the Developer's Development and are ready to be accepted by the Government shall be eligible for reimbursement. Eligible costs for reimbursements (hereinafter referred to as "Reimbursements") shall be limited to the Developer's actual expenses incurred to purchase materials, labor and charges for the use/rental of equipment to construct the Eligible Public Improvements. Expense associated with the Developer's overhead, profit or any other related expense shall not be considered for reimbursement. In the event that these records are NOT available, the City Engineer may accept an engineer's cost estimate that is representative of the value for eligible reimbursement expenses. The determination of which costs and expenses are eligible and whether construction and

completion of the Eligible Public Improvements were made in accordance with the Developer's Development shall be made by the City Engineer in his reasonable discretion.

B. Time of Request. The Developer shall only be entitled to make a request for Reimbursement at that point in time when the Developer has fully completed construction of any Eligible Public Improvements. All requests for Reimbursement shall be filed with the City Engineer's Office on or before April 30 of any calendar year.

C. Request for Reimbursement. Any request for Reimbursement shall be in written form bearing the Developer and Development name as described herein. Each request shall itemize the costs and expenses which were incurred by the Developer that are eligible for Reimbursement. Such itemization shall first describe the Eligible Public Improvement constructed, accompanied with the Developer's supporting construction documentation attached to each request that verifies the costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements for Reimbursement. The Developer shall also provide to the City Engineer any other documentation requested by the City Engineer which the City Engineer deems necessary or advisable in his review of the request. Each request made by the Developer shall be verified under oath.

D. Review and Approval by the City Engineer. Upon submission of the written request, the City Engineer shall evaluate the request and make a determination as to the eligibility of the Reimbursement. As part of the evaluation, the City Engineer shall also make a determination that the Eligible Public Improvements were constructed in accordance with the Developer's Development. In the event the City Engineer makes a determination that the Eligible Public Improvements, or any party thereof, were not constructed in accordance with such minimum Government standards, such determination shall render the Developer's request ineligible for reimbursement. In making such a determination, the City Engineer shall provide a written description of the deficiency or deficiencies. In such event, the Developer shall not have any further right to request reimbursement under this Agreement until such time that the noted deficiency or deficiencies are cured and remedied. In making his evaluation, the City Engineer shall have the right to consult with Developer, and any engineer, contractor, or subcontractor with whom the Developer associated with prior to or during the construction of such Eligible Public Improvement.

E. Upon approval of eligibility of any Reimbursement for the Eligible Public Improvements. The City Engineer shall make a written report evidencing such approval. The City Engineer shall state in the written report the amount of the costs and expenses which were approved for reimbursement. In the event the City Engineer should reject any cost or expense as set forth in the request, the City Engineer shall provide an explanation in the written report for such rejection. Upon completion of the written report, the City Engineer shall cause a copy of such written report to be delivered to the Developer and to Finance Department of the City of Paducah.

F. Reimbursement from Finance Department. Upon receipt of the written approval by the City Engineer, the Finance Department shall make a determination as to the amount of ad valorem real property taxes which were levied by the City for the City's sole benefit against the real property located in Developer's Development and actually collected and received by the City for each year period during the Period of Eligibility. The Finance Department shall make payment to the Developer in an amount equal to such taxes actually collected and received by the City specific to each of the City's Fiscal Years within the Period of Eligibility, subject, however, to the following conditions:

(1) The City shall have no obligation whatsoever to reimburse the Developer in excess of the sum total amount of the ad valorem real property taxes actually collected and received by the City annually during the Period of Eligibility. In the event such sum total amount exceeds the sum total of eligible Reimbursement, the City's obligation of Reimbursement shall terminate upon full payment of such Reimbursement.

(2) Any taxes which may be collected by the City for the benefit of others, such as the school board, etc., shall not be deemed a part of the reimbursement herein.

(3) Only taxes actually received and collected by the City during the Period of Eligibility following the effective date of this Agreement from levies against the Developer's Development shall be utilized in determining the Reimbursement described herein. Any taxes collected prior to the Period of Eligibility shall not be included in such determination, regardless of the date of assessment or levy, issuance of the tax bills, or in the event of any delinquency in payment.

(5) Enforcement of Agreement. Each of the parties to this Agreement shall have the right to enforce the terms of this Agreement. In the event of such enforcement, or in the event of any dispute between the parties regarding the meaning or interpretation of any provision of this Agreement, all parties do hereby agree to submit such action to the McCracken Circuit Court. Each party shall have all rights and remedies as provided by law. In the event such action is filed with the McCracken Circuit Court, each party does hereby waive trial by jury. It is agreed by and between the parties that the prevailing party in such action shall have the right to recover its reasonable attorney's fees from the non-prevailing party as part of its costs of litigation.

(6) Arbitration. Should any dispute arise between the parties, the parties will try to resolve the dispute by negotiation. If the dispute has not been resolved by such negotiation, the parties will submit the dispute for administered mediation. In the event a dispute cannot be resolved by mediation, the following provisions shall apply:

(a) As to any unresolved dispute, upon the written request of any party, the dispute shall be submitted to an arbitrator to be selected by the parties. If the parties cannot agree within ten (10) days after the receipt of written notice from the other party requesting it to do so, the appointment shall be left to the American Arbitration Association.

(b) Except as otherwise specifically set forth herein, the arbitrator shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place in Paducah, Kentucky.

(c) The decision in writing of the arbitrator, when filed with the parties hereto, shall be final and binding on both parties. The arbitrator shall award the costs and expenses incurred by the prevailing party against the non-prevailing party to such extent as determined by the arbitrator as the arbitrator deems just and equitable. Judgment may be entered upon the final decision of the arbitrator in any court having jurisdiction. Any party shall have the right to sue in court to enforce the arbitration award. In accepting arbitration, the parties expressly waive trial by jury.

(7) Miscellaneous Provisions. The following miscellaneous provisions shall apply:

A. Notices. All notices provided for herein will be in writing and addressed to the parties at the addresses as referenced above.

B. Other Rights and Remedies. The duties and obligations imposed by this Agreement and the rights and remedies available thereunder are in addition to and not a limitation of any duties, obligations, rights, and remedies, otherwise imposed or available by law.

C. Governing Law. This document shall, in all respects, be governed by the laws of the state of Kentucky.

D. Entire Agreement. This Agreement expresses the complete agreement of the parties and supersedes all prior written or oral agreements or understandings between the City and the Developer with regard to the matters addressed herein. The making, execution, and delivery of this Agreement by the parties hereto has not been

induced by any representations, statements, warranties or agreements other than those expressly set forth herein.

E. Amendments. This Agreement may not be modified or amended unless both parties agree and is evidenced in writing signed by both parties hereto.

F. Time. All times referred herein shall be strictly construed, as all of such times shall be deemed of the essence.

G. Counterparts. This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

H. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective legal representatives, heirs, successors and permitted assigns. The Developer shall not assign his rights and obligations hereunder, in whole or in part, without the prior consent of the City, but in no event, shall any assignment hereunder release or relieve the Developer from any obligations of this Agreement for which the Developer shall remain fully bound to the City.

I. Effective Date of Agreement. The effective date of this Agreement shall be the date that the mayor of the City of Paducah executes this Agreement and has received the approval of the governing body of the City of Paducah.

J. Assurances. The Developer agrees to execute such further documents and instruments as shall be necessary to fully carry out the terms of this Agreement.

CITY OF PADUCAH

By: _____

Brandi Harless, Mayor, City of Paducah

Date: _____, 2019

HIGDON DEVELOPMENT, INC

By: Philip Legde

Date: 4-1-19, 2019

GREENWAY VILLAGE, LLC

By: Clay Brigh
Managing Member

Date: 4-1, 2019

STATE OF KENTUCKY)

COUNTY OF McCracken)

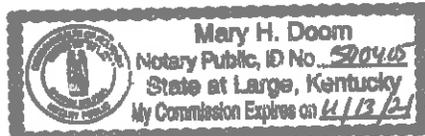
The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Brandi Harless, Mayor, City of Paducah.

My commission expires _____.

Notary Public, State at Large

STATE OF KENTUCKY)

COUNTY OF McCracken)



The foregoing instrument was acknowledged before me this 1 day of April, 2019 by Philip Higdon - President, (title) on behalf of Higdon development, Inc.

My commission expires 4/13/21.

Mary Doom
Notary Public, State at Large

STATE OF KENTUCKY)

COUNTY OF McCracken)



The foregoing instrument was acknowledged before me this 1 day of April, 2019 by Philip Higdon - ^{Manager} Partner, Member, on behalf of Greenway Village, LLC.

My commission expires 11-13-21.

Mary Doom
Notary Public, State at Large

Agenda Action Form

Paducah City Commission

Meeting Date: April 9, 2019

Short Title: Authorizing Infill Development Agreements between the City of Paducah and Higdon Development, Inc. regarding Ridgewood Villas Phase I and Phase II - **T TRACY**

Category: Municipal Order

Staff Work By: Tammara Tracy, Rick Murphy

Presentation By: Tammara Tracy

Background Information:

On April 15, 2014 ordinance #2014-4-8134 was adopted. This ordinance initiated an MOU between the City of Paducah and Higdon Development, Inc., which was executed on April 15, 2014, in order for Higdon Development to recover expenses spent on public appurtenances and improvements (such as streets, storm water conveyance, sidewalks, etc.) constructed within the Ridgewood Villas Development by way of Infill Development Agreements. As per ordinance, an Infill Development Agreement authorizes the refund of ad valorem taxes paid for up to 10 years and up to the amount spent on public infrastructure construction.

The MOU required an agreement for Phase I to be executed within one-year (2015) and an agreement for Phase II within five-years (2019).

The Developers have now requested and are prepared to sign Infill Development Agreements for both Phase I and Phase II. The City is agreeable to the Developers request provided that:

- Phase I is for 6 years, beginning July 1, 2019 and ending June 30, 2025 with the total rebate not to exceed \$126,397.00, and that
- Phase II is for 10 years, beginning July 1, 2019 and ending June 30, 2029 with the total rebate not to exceed \$95,053.00.

It is the Developer's responsibility to request the ad valorem rebate each year.

Does this Agenda Action Item align with a Strategic Plan Action Step? No

If yes, please list the Action Step Item Codes(s): N-2 Encourage, incentivize, and/or support more housing options throughout the City

Funds Available: Account Name:
Account Number:

Staff Recommendation: Approve

Attachments:

1. Ordinance
2. AGREEMENT-Infill Higdon Ridgeway Villas 1
3. AGREEMENT-Infill Higdon Ridgeway Villas 2

ORDINANCE 2019-_____ - _____

AN ORDINANCE OF THE CITY OF PADUCAH, KENTUCKY, APPROVING TWO RESIDENTIAL INFILL DEVELOPMENT AGREEMENTS BY AND AMONG THE CITY OF PADUCAH, KENTUCKY AND HIGDON DEVELOPMENT, INC., FOR RIDGEWOOD VILLAS CONDOMINIUMS PHASE I AND PHASE II AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENTS AND ALL DOCUMENTS RELATED TO SAME

WHEREAS, the Board of Commissioners adopted Ordinance No. 2014-4-8134 authorizing the approval of a Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which Memorandum of Understanding is dated April 15, 2014 (the “MOU”); and

WHEREAS, Higdon Development, Inc., has completed all requirements in accordance with the City of Paducah Subdivision Ordinances and has obtained final subdivision approval for both Phase I and Phase II from the Board of Commissioners by Ordinance No. 2016-8-8396 and Ordinance No. 2019-3-8565, respectively; and

WHEREAS, the Developer’s Development requires Developer to add improvements to the public infrastructure; and

WHEREAS, Developer’s Development is presently located in the incorporated area of Paducah, McCracken County, Kentucky and suitable for urban development without unreasonable delay; and

WHEREAS, it would be beneficial to the Developer and Developer’s Development, and the successor owners of property located in Developer’s Development, to enjoy municipal services from the City; and

WHEREAS, the City desires to provide municipal services to benefit Developer’s Development, and the land owners to be located therein, but requests Developer to construct, at Developer’s cost, eligible public infrastructure and improvements to local streets, curbs, gutters, sidewalks and storm sewer conveying systems which are necessary for the provision of safe public transportation and municipal services; and

WHEREAS, eligible public improvements will become the property of the government having jurisdictional authority over said improvements’ construction, completion and acceptance; and

WHEREAS, the City is agreeable to reimbursing Developer for the cost and expenses (\$126,397.00 for Phase I and \$95,053.00 for Phase II per the engineer’s estimate prepared by Site Worx Survey & Design, LLC, and approved by the City Engineer) incurred by Developer to construct Eligible Public Improvements within and/or depicted by the Developer’s Development to the extent of the total cost and expense of same, or the amount of ad valorem real property taxes realized by the City resulting from the Developer’s Development for six (6) years beginning July 1, 2019 through June 30, 2025 for Phase I and for ten (10) years beginning July 1, 2019 through June 30, 2029 the lesser to apply.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF PADUCAH, KENTUCKY, as follows:

SECTION 1. Recitals and Authorization – Phase I. The City of Paducah hereby

approves the Ridgewood Villas Condominiums Phase I Residential Infill Development Agreement with Higdon Development, Inc., for a period of six (6) years, beginning July 1, 2019 and ending June 30, 2025, with the total rebate not to exceed \$126,397.00 in substantially the form attached hereto and is made a part hereof (**Exhibit A**). It is further determined that it is necessary and desirable and in the best interests of the City to enter into the Residential Infill Development Agreement for the purposes therein specified. The Mayor of the City of Paducah is hereby authorized to execute the Agreement, together with such other agreements, instruments or certifications which may be necessary to accomplish the transaction contemplated by the Residential Infill Development Agreement.

SECTION 2. Recitals and Authorization – Phase II. The City of Paducah hereby approves the Ridgewood Villas Condominiums Phase II Residential Infill Development Agreement with Higdon Development, Inc., for a period of ten (10) years, beginning July 1, 2019 and ending June 30, 2029, with the total rebate not to exceed \$95,053.00 in substantially the form attached hereto and is made a part hereof (**Exhibit B**). It is further determined that it is necessary and desirable and in the best interests of the City to enter into the Residential Infill Development Agreement for the purposes therein specified. The Mayor of the City of Paducah is hereby authorized to execute the Agreement, together with such other agreements, instruments or certifications which may be necessary to accomplish the transaction contemplated by the Residential Infill Development Agreement.

SECTION 3. Severability. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining parts of this Ordinance.

SECTION 4. Compliance with Open Meetings Laws. The City Commission hereby finds and determines that all formal actions relative to the adoption of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of the City Commission and of its committees, if any which resulted in formal action, were in meetings open to the public in full compliance with applicable legal requirements.

SECTION 5. Conflicts. All ordinances, resolutions, orders or parts thereof in conflict with the provisions of this Ordinance, to the extent of such conflict, are hereby repealed and the provisions of this Ordinance shall prevail and be given effect.

SECTION 6. Effective Date. This Ordinance shall be read on two separate days and will become effective upon summary publication pursuant to KRS Chapter 424.

Brandi Harless, Mayor

Attest:

Lindsay Parish, City Clerk

Introduced by the Board of Commissioners, April 9, 2019

Adopted by the Board of Commissioners, _____

Recorded by Lindsay Parish, City Clerk, _____

Published by the Paducah Sun, _____

\\ord\plan\Residential Infill Development Higdon Ridgewood Villas Phase I & II

EXHIBIT A

EXHIBIT B

RIDGEWOOD VILLAS CODOMINIUMS - PHASE 1
RESIDENTIAL INFILL DEVELOPEMNT AGREEMENT

THIS RESIDENTUAL INFILL AGREEMENT made and executed on this ____ day of _____, 2019, by and between the City of Paducah, Kentucky; a city of the second class, 300 South Fifth Street, P. O. Box 2267, Paducah, Kentucky 42002-2267 (hereinafter referred to as "City"), and Higdon Development, Inc., a Kentucky corporation (hereinafter referred to as "Developer").

WITNESSETH:

WHEREAS, the Board of Commissioners adopted Ordinance No. 2014-4-8134 authorizing the approval of an Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which Memorandum of Understanding is dated April 15, 2014 (the "MOU"); and

WHEREAS, Developer is the owner of Tract A-1, consisting of 1.984 acres and Tract A-2, consisting of 3.159 acres, having a combined acreage of 5.143 acres of real property, which is located in McCracken County, Kentucky, a document describing real property is set forth in Final Plat which is entitled, "Final Plat of Subdivision & Establishment of Condominium Development & Dedication, Ridgewood Villas Condominiums - Phase 1," for Higdon Development, Inc., July 18, 2016 by Mr. Herb Simmons, a Kentucky Professional Land Surveyor (P.L.S. No. 3732) is attached hereto; and

WHEREAS, Developer has completed all requirements In accordance with the City of Paducah Subdivision Ordinances and has obtained final subdivision approval for the Developer's development of said tract of property as a subdivision for residential purposes from the Planning Commission on July 18, 2016 and by Board of Commissioners on August 9, 2016, Ordinance No. 2016-8-8396, which approval is evidenced by the Final Plat recorded in Plat Section Miscellaneous Book No.1, page 192, 193, and 194, in the McCracken County Clerk's office.

WHEREAS, Developer's Development requires Developer to add improvements to the public infrastructure; and

WHEREAS, Developer's Development is presently located in the incorporated area of Paducah, McCracken County, Kentucky and suitable for urban development without unreasonable delay; and

WHEREAS, It would be beneficial to the Developer and Developer's Development, and the successor owners of property located in Developer's Development, to enjoy municipal services from the City; and

WHEREAS, the City desires to provide municipal services to benefit Developer's Development, and the land owners to be located therein, but requests Developer to construct, at Developer's cost, to construct eligible public infrastructure and improvements which are necessary for the provision of safe public transportation and municipal services; and

WHEREAS, eligible public improvements may include without limitation the improvement to existing transportation facilities owned and operated by the Kentucky Transportation Cabinet (hereinafter referred to as "KYTC"); the construction or improvement to local streets, curbs, gutters, sidewalks and storm sewer conveying systems (hereinafter referred to as "Eligible Public Improvements") as depicted in Developer's Development, which upon completion and acceptance by the appropriate governing body that may include without limitation either or both the City and KYTC (hereinafter referred to as the "Government") shall become the property of the Government. The final approval and acceptance of the Eligible Public Improvements shall be determined by the Government having jurisdictional authority over the Eligible Public Improvements' construction, completion, and acceptance ; and

WHEREAS, for reason that such Eligible Public Improvements will become the property of the Government having jurisdictional authority over said improvements' construction, completion, and acceptance, the City is agreeable to reimbursing Developer for the cost and expenses (\$126,397.00 per an Engineer's Estimate prepared by Site Worx Survey & Design, LLC and subsequently approved by the City

Engineer) incurred by Developer to construct Eligible Public Improvements within and/or depicted by the Developer's Development to the extent of the total cost and expense of same, or the amount of ad valorem real property taxes realized by the City resulting from the Developer's Development for six (6) years beginning July 1, 2019 through June 30, 2025 (hereinafter referred to as "Period of Eligibility") the lesser to apply.

NOW, THEREFORE, in consideration of the foregoing provisions, and for other valuable consideration, the receipt of which is hereby acknowledged by all parties hereto, the parties do covenant and agree as follows:

1. Construction/Improvements of Eligible Public Improvements. Developer shall construct within Developer's Development the public infrastructure and improvements which are necessary for the provision of public safety and municipal services by the Government defined herein as Eligible Public Improvements. All Eligible Public Improvements shall be located within an existing and/or proposed public right-of-way(s) and/or public easements to be dedicated by the plat of Developer's Development or shown as an improvement to existing publicly owned surface transportation infrastructure. The City Engineer and/or the Government having jurisdictional authority shall have the right to inspect all construction of the Eligible Public Improvements during the construction process to ensure that construction of such Eligible Public Improvements are in compliance with the Developer's Development and in compliance with the applicable minimum standards and requirements, including without limitation building codes, zoning laws, or other applicable federal, state or local laws or ordinances of the Government having jurisdictional authority .

2. Acceptance by the Government. Upon completion of construction of the Eligible Public Improvements, the improvements shall be inspected by the Government having jurisdictional authority to determine and/or identify if the improvements have deficiencies. If it is determined that deficiencies are in need of correction, the Developer shall complete the appropriate corrective actions needed prior to the improvements being accepted by the Government having jurisdictional authority. Upon the Developer completing the correction of all identified deficiencies, the Government having jurisdictional authority shall accept the Eligible Public Improvements, at which time such improvements shall be deemed the sole and exclusive property of the Government having jurisdictional authority. Upon such acceptance, the Government having jurisdictional authority shall thereafter maintain the Eligible Public Improvements, at the Government's costs. Notwithstanding the foregoing, it agreed and understood by and between the parties that the Government shall not be obligated to accept any of the Developer's improvement's that do not meet the minimum standards of the Government.

3. Reimbursement to Developer for Costs and Expenses of Constructing Eligible Public Improvements. In consideration of Developer's construction of Eligible Public Improvements which are to become the property of the Government having jurisdictional authority, the City hereby agrees to reimburse Developer for any cost and expense incurred by the Developer for the construction cost of the subject improvement to the extent of such costs and expenses, or to the extent of the amount of ad valorem real property taxes realized and collected annually by the City from the City's levy and tax on Developer's Development during the Period of Eligibility, the lesser to apply. Reimbursement of these costs and expenses shall be subject to the following terms and conditions:

A. Eligibility for Reimbursement. Only actual costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements which are constructed in accordance with the Developer's Development and are ready to be accepted by the Government shall be eligible for reimbursement. Eligible costs for reimbursements (hereinafter referred to as "Reimbursements") shall be limited to the Developer's actual expenses incurred to purchase materials, labor and charges for the use/rental of equipment to construct the Eligible Public Improvements. Expense associated with the Developer's overhead, profit or any other related expense shall not be considered for reimbursement. In the event that these records are NOT available, the City Engineer may accept an engineer's cost estimate that is representative of the value for eligible reimbursement expenses. The determination of which costs and expenses are eligible and whether construction and completion of the Eligible Public Improvements were made in accordance with the Developer's Development shall be made by the City Engineer in his reasonable discretion.

B. Time of Request. The Developer shall only be entitled to make a request for Reimbursement at that point in time when the Developer has fully completed construction of any Eligible Public Improvements. All requests for Reimbursement shall be filed with the City Engineer's Office on or before April 30 of any calendar year.

C. Request for Reimbursement. Any request for Reimbursement shall be in written form bearing the Developer and Development name as described herein. Each request shall itemize the costs and expenses which were incurred by the Developer that are eligible for Reimbursement. Such itemization shall first describe the Eligible Public Improvement constructed, accompanied with the Developer's supporting construction documentation attached to each request that verifies the costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements for Reimbursement. The Developer shall also provide to the City Engineer any other documentation requested by the City Engineer which the City Engineer deems necessary or advisable in his review of the request. Each request made by the Developer shall be verified under oath.

D. Review and Approval by the City Engineer. Upon submission of the written request, the City Engineer shall evaluate the request and make a determination as to the eligibility of the Reimbursement. As part of the evaluation, the City Engineer shall also make a determination that the Eligible Public Improvements were constructed in accordance with the Developer's Development. In the event the City Engineer makes a determination that the Eligible Public Improvements, or any party thereof, were not constructed in accordance with such minimum Government standards, such determination shall render the Developer's request ineligible for reimbursement. In making such a determination, the City Engineer shall provide a written description of the deficiency or deficiencies. In such event, the Developer shall not have any further right to request reimbursement under this Agreement until such time that the noted deficiency or deficiencies are cured and remedied. In making his evaluation, the City Engineer shall have the right to consult with Developer, and any engineer, contractor, or subcontractor with whom the Developer associated with prior to or during the construction of such Eligible Public Improvement.

E. Upon approval of eligibility of any Reimbursement for the Eligible Public Improvements. The City Engineer shall make a written report evidencing such approval. The City Engineer shall state in the written report the amount of the costs and expenses which were approved for reimbursement. In the event the City Engineer should reject any cost or expense as set forth in the request, the City Engineer shall provide an explanation in the written report for such rejection. Upon completion of the written report, the City Engineer shall cause a copy of such written report to be delivered to the Developer and to Finance Department of the City of Paducah.

F. Reimbursement from Finance Department. Upon receipt of the written approval by the City Engineer, the Finance Department shall make a determination as to the amount of ad valorem real property taxes which were levied by the City for the City's sole benefit against the real property located in Developer's Development and actually collected and received by the City for each year period during the Period of Eligibility. The Finance Department shall make payment to the Developer in an amount equal to such taxes actually collected and received by the City specific to each of the City's Fiscal Years within the Period of Eligibility, subject, however, to the following conditions:

(1) The City shall have no obligation whatsoever to reimburse the Developer in excess of the sum total amount of the ad valorem real property taxes actually collected and received by the City annually during the Period of Eligibility. In the event such sum total amount exceeds the sum total of eligible Reimbursement, the City's obligation of Reimbursement shall terminate upon full payment of such Reimbursement.

(2) Any taxes which may be collected by the City for the benefit of others, such as the school board, etc., shall not be deemed a part of the reimbursement herein.

(3) Only taxes actually received and collected by the City during the Period of Eligibility following the effective date of this Agreement from levies against the Developer's

Development shall be utilized in determining the Reimbursement described herein. Any taxes collected prior to the Period of Eligibility shall not be included in such determination, regardless of the date of assessment or levy, issuance of the tax bills, or in the event of any delinquency in payment.

(5) **Enforcement of Agreement.** Each of the parties to this Agreement shall have the right to enforce the terms of this Agreement. In the event of such enforcement, or in the event of any dispute between the parties regarding the meaning or interpretation of any provision of this Agreement, all parties do hereby agree to submit such action to the McCracken Circuit Court. Each party shall have all rights and remedies as provided by law. In the event such action is filed with the McCracken Circuit Court, each party does hereby waive trial by jury. It is agreed by and between the parties that the prevailing party in such action shall have the right to recover its reasonable attorney's fees from the non-prevailing party as part of its costs of litigation.

(6) **Arbitration.** Should any dispute arise between the parties, the parties will try to resolve the dispute by negotiation. If the dispute has not been resolved by such negotiation, the parties will submit the dispute for administered mediation. In the event a dispute cannot be resolved by mediation, the following provisions shall apply:

(a) As to any unresolved dispute, upon the written request of any party, the dispute shall be submitted to an arbitrator to be selected by the parties. If the parties cannot agree within ten (10) days after the receipt of written notice from the other party requesting it to do so, the appointment shall be left to the American Arbitration Association.

(b) Except as otherwise specifically set forth herein, the arbitrator shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place in Paducah, Kentucky.

(c) The decision in writing of the arbitrator, when filed with the parties hereto, shall be final and binding on both parties. The arbitrator shall award the costs and expenses incurred by the prevailing party against the non-prevailing party to such extent as determined by the arbitrator as the arbitrator deems just and equitable. Judgment may be entered upon the final decision of the arbitrator in any court having jurisdiction. Any party shall have the right to sue in court to enforce the arbitration award. In accepting arbitration, the parties expressly waive trial by jury.

(7) **Miscellaneous Provisions.** The following miscellaneous provisions shall apply:

A. **Notices.** All notices provided for herein will be in writing and addressed to the parties at the addresses as referenced above.

B. **Other Rights and Remedies.** The duties and obligations imposed by this Agreement and the rights and remedies available thereunder are in addition to and not a limitation of any duties, obligations, rights, and remedies, otherwise imposed or available by law.

C. **Governing Law.** This document shall, in all respects, be governed by the laws of the state of Kentucky.

D. **Entire Agreement.** This Agreement expresses the complete agreement of the parties and supersedes all prior written or oral agreements or understandings between the City and the Developer with regard to the matters addressed herein. The making, execution, and delivery of this Agreement by the parties hereto has not been induced by any representations, statements, warranties or agreements other than those expressly set forth herein.

E. **Amendments.** This Agreement may not be modified or amended unless both parties agree and is evidenced in writing signed by both parties hereto.

F. **Time.** All times referred herein shall be strictly construed, as all of such times shall be deemed of the essence.

G. **Counterparts.** This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

H. **Successors and Assigns.** This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective legal representatives, heirs, successors and permitted assigns. The Developer shall not assign his rights and obligations hereunder, in whole or in part, without the prior consent of the City, but in no event, shall any assignment hereunder release or relieve the Developer from any obligations of this Agreement for which the Developer shall remain fully bound to the City.

I. **Effective Date of Agreement.** The effective date of this Agreement shall be the date that the mayor of the City of Paducah executes this Agreement and has received the approval of the governing body of the City of Paducah.

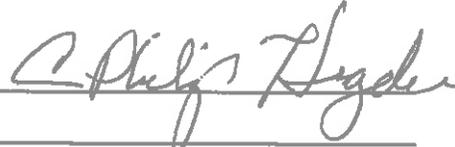
J. **Assurances.** The Developer agrees to execute such further documents and instruments as shall be necessary to fully carry out the terms of this Agreement.

CITY OF PADUCAH

HIGDON DEVELOPMENT, INC.

By: _____

Brandi Harless, Mayor, City of Paducah

By:  _____

Date: _____, 2019

Date: 4-1-19, 2019

STATE OF KENTUCKY)

COUNTY OF McCracken)

The foregoing instrument was acknowledged before me this ____ day of _____, 2019 by Brandi Harless, Mayor, City of Paducah.

My commission expires _____.

Notary Public, State at Large

STATE OF KENTUCKY)

COUNTY OF McCracken)



The foregoing instrument was acknowledged before me this 1 day of April, 2019 by C. Philip Higdon - President (title) on behalf of Higdon Development, Inc.

My commission expires 4/13/21.

Mary Doorn
Notary Public, State at Large

**RIDGEWOOD VILLAS CODOMINIUMS – PHASE 2
RESIDENTIAL INFILL DEVELOPEMNT AGREEMENT**

THIS RESIDENTUAL INFILL AGREEMENT made and executed on this ____ day of _____, 2019, by and between the City of Paducah, Kentucky; a city of the second class, 300 South Fifth Street, P. O. Box 2267, Paducah, Kentucky 42002-2267 (hereinafter referred to as "City"), and Higdon Development, Inc., a Kentucky corporation (hereinafter referred to as "Developer").

WITNESSETH:

WHEREAS, the Board of Commissioners adopted Ordinance No. 2014-4-8134 authorizing the approval of an Memorandum of Understanding between Higdon Development, Inc., as Developers and the City of Paducah, which Memorandum of Understanding is dated April 15, 2014 (the "MOU"); and

WHEREAS, Developer is the owner of Tract B-1, consisting of 1.477 acres and Tract B-2, consisting of 1.103 acres, having a combined acreage of 2.580 acres of real property, which is located in McCracken County, Kentucky, a document describing real property is set forth in Final Plat which is entitled, "Final Plat of Subdivision, & Establishment of Condominium Development & Dedication, Ridgewood Villas Condominiums - Phase 2," for Higdon Development, Inc., December 3, 2018 by Mr. Herb Simmons, a Kentucky Professional Land Surveyor (P.L.S. No. 3732) is attached hereto; and

WHEREAS, Developer has completed all requirements in accordance with the City of Paducah Subdivision Ordinances and has obtained final subdivision approval for the Developer's development of said tract of property as a subdivision for residential purposes from the Planning Commission on May 16, 2016 and by Board of Commissioners on March 26, 2019, Ordinance No. 2019 - 3 - 8565, which approval is evidenced by the Final Plat recorded in Plat Section CABM, pages 1378, 1379, and 1380, in the McCracken County Clerk's office.

WHEREAS, Developer's Development requires Developer to add improvements to the public infrastructure; and

WHEREAS, Developer's Development is presently located in the incorporated area of Paducah, McCracken County, Kentucky and suitable for urban development without unreasonable delay; and

WHEREAS, It would be beneficial to the Developer and Developer's Development, and the successor owners of property located in Developer's Development, to enjoy municipal services from the City; and

WHEREAS, the City desires to provide municipal services to benefit Developer's Development, and the land owners to be located therein, but requests Developer to construct, at Developer's cost, to construct eligible public infrastructure and improvements which are necessary for the provision of safe public transportation and municipal services; and

WHEREAS, eligible public improvements may include without limitation the improvement to existing transportation facilities owned and operated by the Kentucky Transportation Cabinet (hereinafter referred to as "KYTC"); the construction or improvement to local streets, curbs, gutters, sidewalks and storm sewer conveying systems (hereinafter referred to as "Eligible Public Improvements") as depicted in Developer's Development, which upon completion and acceptance by the appropriate governing body that may include without limitation either or both the City and KYTC (hereinafter referred to as the "Government") shall become the property of the Government. The final approval and acceptance of the Eligible Public Improvements shall be determined by the Government having jurisdictional authority over the Eligible Public Improvements' construction, completion, and acceptance ; and

WHEREAS, for reason that such Eligible Public Improvements will become the property of the Government having jurisdictional authority over said improvements' construction, completion, and acceptance, the City is agreeable to reimbursing Developer for the cost and expenses (\$95,053.00 per an Engineer's Estimate prepared by Site Worx Survey & Design, LLC and subsequently approved by the City

Engineer) incurred by Developer to construct Eligible Public Improvements within and/or depicted by the Developer's Development to the extent of the total cost and expense of same, or the amount of ad valorem real property taxes realized by the City resulting from the Developer's Development for ten (10) years beginning July 1, 2019 through June 30, 2029 (hereinafter referred to as "Period of Eligibility") the lesser to apply.

NOW, THEREFORE, in consideration of the foregoing provisions, and for other valuable consideration, the receipt of which is hereby acknowledged by all parties hereto, the parties do covenant and agree as follows:

1. Construction/Improvements of Eligible Public Improvements. Developer shall construct within Developer's Development the public infrastructure and improvements which are necessary for the provision of public safety and municipal services by the Government defined herein as Eligible Public Improvements. All Eligible Public Improvements shall be located within an existing and/or proposed public right-of-way(s) and/or public easements to be dedicated by the plat of Developer's Development or shown as an improvement to existing publicly owned surface transportation infrastructure. The City Engineer and/or the Government having jurisdictional authority shall have the right to inspect all construction of the Eligible Public Improvements during the construction process to ensure that construction of such Eligible Public Improvements are in compliance with the Developer's Development and in compliance with the applicable minimum standards and requirements, including without limitation building codes, zoning laws, or other applicable federal, state or local laws or ordinances of the Government having jurisdictional authority .

2. Acceptance by the Government. Upon completion of construction of the Eligible Public Improvements, the improvements shall be inspected by the Government having jurisdictional authority to determine and/or identify if the improvements have deficiencies. If it is determined that deficiencies are in need of correction, the Developer shall complete the appropriate corrective actions needed prior to the improvements being accepted by the Government having jurisdictional authority. Upon the Developer completing the correction of all identified deficiencies, the Government having jurisdictional authority shall accept the Eligible Public Improvements, at which time such improvements shall be deemed the sole and exclusive property of the Government having jurisdictional authority. Upon such acceptance, the Government having jurisdictional authority shall thereafter maintain the Eligible Public Improvements, at the Government's costs. Notwithstanding the foregoing, it agreed and understood by and between the parties that the Government shall not be obligated to accept any of the Developer's improvement's that do not meet the minimum standards of the Government.

3. Reimbursement to Developer for Costs and Expenses of Constructing Eligible Public Improvements. In consideration of Developer's construction of Eligible Public Improvements which are to become the property of the Government having jurisdictional authority, the City hereby agrees to reimburse Developer for any cost and expense incurred by the Developer for the construction cost of the subject improvement to the extent of such costs and expenses, or to the extent of the amount of ad valorem real property taxes realized and collected annually by the City from the City's levy and tax on Developer's Development during the Period of Eligibility, the lesser to apply. Reimbursement of these costs and expenses shall be subject to the following terms and conditions:

A. Eligibility for Reimbursement. Only actual costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements which are constructed in accordance with the Developer' Development and are ready to be accepted by the Government shall be eligible for reimbursement. Eligible costs for reimbursements (hereinafter referred to as "Reimbursements") shall be limited to the Developer's actual expenses incurred to purchase materials, labor and charges for the use/rental of equipment to construct the Eligible Public Improvements. Expense associated with the Developer's overhead, profit or any other related expense shall not be considered for reimbursement. In the event that these records are NOT available, the City Engineer may accept an engineer's cost estimate that is representative of the value for eligible reimbursement expenses. The determination of which costs and expenses are eligible and whether construction and

completion of the Eligible Public Improvements were made in accordance with the Developer's Development shall be made by the City Engineer in his reasonable discretion.

B. Time of Request. The Developer shall only be entitled to make a request for Reimbursement at that point in time when the Developer has fully completed construction of any Eligible Public Improvements. All requests for Reimbursement shall be filed with the City Engineer's Office on or before April 30 of any calendar year.

C. Request for Reimbursement. Any request for Reimbursement shall be in written form bearing the Developer and Development name as described herein. Each request shall itemize the costs and expenses which were incurred by the Developer that are eligible for Reimbursement. Such itemization shall first describe the Eligible Public Improvement constructed, accompanied with the Developer's supporting construction documentation attached to each request that verifies the costs and expenses incurred by the Developer for the construction of the Eligible Public Improvements for Reimbursement. The Developer shall also provide to the City Engineer any other documentation requested by the City Engineer which the City Engineer deems necessary or advisable in his review of the request. Each request made by the Developer shall be verified under oath.

D. Review and Approval by the City Engineer. Upon submission of the written request, the City Engineer shall evaluate the request and make a determination as to the eligibility of the Reimbursement. As part of the evaluation, the City Engineer shall also make a determination that the Eligible Public Improvements were constructed in accordance with the Developer's Development. In the event the City Engineer makes a determination that the Eligible Public Improvements, or any party thereof, were not constructed in accordance with such minimum Government standards, such determination shall render the Developer's request ineligible for reimbursement. In making such a determination, the City Engineer shall provide a written description of the deficiency or deficiencies. In such event, the Developer shall not have any further right to request reimbursement under this Agreement until such time that the noted deficiency or deficiencies are cured and remedied. In making his evaluation, the City Engineer shall have the right to consult with Developer, and any engineer, contractor, or subcontractor with whom the Developer associated with prior to or during the construction of such Eligible Public Improvement.

E. Upon approval of eligibility of any Reimbursement for the Eligible Public Improvements. The City Engineer shall make a written report evidencing such approval. The City Engineer shall state in the written report the amount of the costs and expenses which were approved for reimbursement. In the event the City Engineer should reject any cost or expense as set forth in the request, the City Engineer shall provide an explanation in the written report for such rejection. Upon completion of the written report, the City Engineer shall cause a copy of such written report to be delivered to the Developer and to Finance Department of the City of Paducah.

F. Reimbursement from Finance Department. Upon receipt of the written approval by the City Engineer, the Finance Department shall make a determination as to the amount of ad valorem real property taxes which were levied by the City for the City's sole benefit against the real property located in Developer's Development and actually collected and received by the City for each year period during the Period of Eligibility. The Finance Department shall make payment to the Developer in an amount equal to such taxes actually collected and received by the City specific to each of the City's Fiscal Years within the Period of Eligibility, subject, however, to the following conditions:

(1) The City shall have no obligation whatsoever to reimburse the Developer in excess of the sum total amount of the ad valorem real property taxes actually collected and received by the City annually during the Period of Eligibility. In the event such sum total amount exceeds the sum total of eligible Reimbursement, the City's obligation of Reimbursement shall terminate upon full payment of such Reimbursement.

(2) Any taxes which may be collected by the City for the benefit of others, such as the school board, etc., shall not be deemed a part of the reimbursement herein.

(3) Only taxes actually received and collected by the City during the Period of Eligibility following the effective date of this Agreement from levies against the Developer's Development shall be utilized in determining the Reimbursement described herein. Any taxes collected prior to the Period of Eligibility shall not be included in such determination, regardless of the date of assessment or levy, issuance of the tax bills, or in the event of any delinquency in payment.

(5) Enforcement of Agreement. Each of the parties to this Agreement shall have the right to enforce the terms of this Agreement. In the event of such enforcement, or in the event of any dispute between the parties regarding the meaning or interpretation of any provision of this Agreement, all parties do hereby agree to submit such action to the McCracken Circuit Court. Each party shall have all rights and remedies as provided by law. In the event such action is filed with the McCracken Circuit Court, each party does hereby waive trial by jury. It is agreed by and between the parties that the prevailing party in such action shall have the right to recover its reasonable attorney's fees from the non-prevailing party as part of its costs of litigation.

(6) Arbitration. Should any dispute arise between the parties, the parties will try to resolve the dispute by negotiation. If the dispute has not been resolved by such negotiation, the parties will submit the dispute for administered mediation. In the event a dispute cannot be resolved by mediation, the following provisions shall apply:

(a) As to any unresolved dispute, upon the written request of any party, the dispute shall be submitted to an arbitrator to be selected by the parties. If the parties cannot agree within ten (10) days after the receipt of written notice from the other party requesting it to do so, the appointment shall be left to the American Arbitration Association.

(b) Except as otherwise specifically set forth herein, the arbitrator shall conduct the arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. The arbitration shall take place in Paducah, Kentucky.

(c) The decision in writing of the arbitrator, when filed with the parties hereto, shall be final and binding on both parties. The arbitrator shall award the costs and expenses incurred by the prevailing party against the non-prevailing party to such extent as determined by the arbitrator as the arbitrator deems just and equitable. Judgment may be entered upon the final decision of the arbitrator in any court having jurisdiction. Any party shall have the right to sue in court to enforce the arbitration award. In accepting arbitration, the parties expressly waive trial by jury.

(7) Miscellaneous Provisions. The following miscellaneous provisions shall apply:

A. Notices. All notices provided for herein will be in writing and addressed to the parties at the addresses as referenced above.

B. Other Rights and Remedies. The duties and obligations imposed by this Agreement and the rights and remedies available thereunder are in addition to and not a limitation of any duties, obligations, rights, and remedies, otherwise imposed or available by law.

C. Governing Law. This document shall, in all respects, be governed by the laws of the state of Kentucky.

D. Entire Agreement. This Agreement expresses the complete agreement of the parties and supersedes all prior written or oral agreements or understandings between the City and the Developer with regard to the matters addressed herein. The making, execution, and delivery of this Agreement by the parties hereto has not been

induced by any representations, statements, warranties or agreements other than those expressly set forth herein.

E. Amendments. This Agreement may not be modified or amended unless both parties agree and is evidenced in writing signed by both parties hereto.

F. Time. All times referred herein shall be strictly construed, as all of such times shall be deemed of the essence.

G. Counterparts. This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same agreement.

H. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective legal representatives, heirs, successors and permitted assigns. The Developer shall not assign his rights and obligations hereunder, in whole or in part, without the prior consent of the City, but in no event, shall any assignment hereunder release or relieve the Developer from any obligations of this Agreement for which the Developer shall remain fully bound to the City.

I. Effective Date of Agreement. The effective date of this Agreement shall be the date that the mayor of the City of Paducah executes this Agreement and has received the approval of the governing body of the City of Paducah.

J. Assurances. The Developer agrees to execute such further documents and instruments as shall be necessary to fully carry out the terms of this Agreement.

CITY OF PADUCAH

HIGDON DEVELOPMENT, INC.

By: _____
Brandi Harless, Mayor, City of Paducah

By: C. Philip Hedges
President

Date: _____, 2019

Date: 4-1-19, 2019

STATE OF KENTUCKY)

COUNTY OF McCracken)

The foregoing instrument was acknowledged before me this _____ day of _____, 2019 by Brandi Harless, Mayor, City of Paducah.

My commission expires _____.

Notary Public, State at Large

STATE OF KENTUCKY)

COUNTY OF McCracken)



The foregoing instrument was acknowledged before me this 1 day of April, 2019 by C. Philip Higdon - President (title) on behalf of Higdon Development, Inc.

My commission expires 11/13/21.

Mary Doom

Notary Public, State at Large