

**MINUTES of SPECIAL MEETING  
of the BOARD of COMMISSIONERS  
of the CITY of BOWLING GREEN, KENTUCKY  
held SEPTEMBER 29, 2008**

The Board of Commissioners of the City of Bowling Green, Kentucky met in special session in the Commission Chamber of City Hall, Bowling Green, Kentucky at 3:30 p.m. on September 29, 2008. Mayor Elaine N. Walker called the meeting to order. Assistant City Manager/City Clerk Katie Schaller called the roll, and the following members were present: Commissioner Brian K. Strow, Commissioner Bruce Wilkerson, Commissioner Joe W. Denning, Commissioner Brian "Slim" Nash and Mayor Elaine N. Walker. Absent: none. There was a full quorum of the Board of Commissioners.

**CITY MANAGER**

City Manager Kevin D. DeFebbo had no comments at this time.

**REGULAR AGENDA**

**ORDINANCE NO. BG2008 - 52**

(First Reading)

**ORDINANCE RELATING TO CLASSIFICATION/PAY SCHEDULE**

**ORDINANCE AMENDING THE CLASSIFICATION/PAY SCHEDULE "G" FOR GENERAL CLASSIFIED EMPLOYEES OF THE CITY OF BOWLING GREEN FOR FISCAL YEAR 2009 TO ELIMINATE THE POSITIONS OF EXECUTIVE ASSISTANT AND PUBLIC INFORMATION COORDINATOR AND TO CREATE THE POSITION OF EXECUTIVE ASSISTANT / PUBLIC INFORMATION OFFICER**

Title and summary of Ordinance No. BG2008 - 52 was read by the Assistant City Manager/City Clerk. Motion was made by Wilkerson and seconded by Denning for first reading of said Ordinance. With an upcoming retirement, DeFebbo recommended the reorganization of two positions into one. Mayor Walker thanked Executive Assistant Becky Welborn for her dedication and years of service to the City. Comm. Denning added that Ms. Welborn was deserving of high recognition and that she would be missed. Mayor Walker asked for additional discussion, and with none, a roll call vote was taken.

ROLL CALL:           Voting Yea: Strow, Wilkerson, Denning, Nash and Walker  
                          Voting Nay: None

First reading of Ordinance No. BG2008 - 52 was approved by unanimous vote.

**MUNICIPAL ORDER NO. 2008 - 237**

**MUNICIPAL ORDER ESTABLISHING A NEW POLICY FOR A DRUG-FREE WORKPLACE FOR THE CITY OF BOWLING GREEN**

AND REPEALING ANY AND ALL OTHER POLICIES  
INCONSISTENT WITH THIS NEW POLICY

Summary of Municipal Order No. 2008 - 237 was read by the Assistant City Manager/City Clerk. Motion was made by Wilkerson and seconded by Nash for consideration of said Municipal Order. DeFebbo noted the new policy was discussed at the September 16, 2008 work session. Comm. Wilkerson appreciated how the policy was written and asked that he, as a City Commissioner, be added to the random selection list. Each of the other Commissioners and Mayor also agreed to be added to the list for random testing. Safety/Risk Manager David Weisbrodt responded to questions, including the cost of the individual tests. Once all discussion ended, a roll call vote was taken.

ROLL CALL:           Voting Yea:   Strow, Wilkerson, Denning, Nash and Walker  
                          Voting Nay:   None

Municipal Order No. 2008 - 237 was approved by unanimous vote.

MUNICIPAL ORDER NO. 2008 - 238

MUNICIPAL ORDER OF THE CITY OF BOWLING GREEN, KENTUCKY AUTHORIZING AN AGREEMENT WITH BOWLING GREEN METALFORMING, LLC, PROVIDING THAT THE BOWLING GREEN METALFORMING PLANT AND PROPERTY AT 111 COSMA DRIVE IN BOWLING GREEN SHALL HAVE NO OBLIGATION TO MAKE PAYMENTS OF CITY OF BOWLING GREEN AD VALOREM TAXES TO THE TAX INCREMENT FINANCING DISTRICT IN WHICH THE BOWLING GREEN METALFORMING, LLC PROPERTY IS LOCATED, SAID PROPERTY PREVIOUSLY HAVING BEEN EXEMPTED FROM CITY OF BOWLING GREEN AD VALOREM PROPERTY TAXES PURSUANT TO AN IN LIEU OF TAX PAYMENTS AGREEMENT MADE AND ENTERED INTO IN AUGUST, 2004 BETWEEN THE CITY OF BOWLING GREEN, KENTUCKY AND BOWLING GREEN METALFORMING, LLC AND AGREEING TO EXEMPT PROPERTY TAXES RELATED TO A SECOND INDUSTRIAL BUILDING REVENUE BOND ISSUE

Summary of Municipal Order No. 2008 - 238 was read by the Assistant City Manager/City Clerk. Motion was made by Wilkerson and seconded by Nash for consideration of said Municipal Order. Mayor Walker reviewed the request by Bowling Green Metalforming with the issuance of additional industrial building revenue bonds. She reported that no money was coming out of the City's coffers. Controller Brian McBroom of the Bowling Green Area Chamber of Commerce responded to questions about the second bond issue and term of tax exempt status. He confirmed that this agreement did not exempt payment of school district taxes.

Comm. Strow inquired about how the determination was made regarding which businesses were allowed to not pay property taxes based on an expansion project. He suggested establishing a protocol for review similar to the Job Development Incentive Program. Chief Financial Officer Jeff Meisel noted that the deed to this particular property was held by the South Central Kentucky Regional Development Authority which was considered tax exempt. Comm. Wilkerson interjected

that communities have to increasingly get more progressive to entice industry. Following the discussion, a roll call vote was taken.

ROLL CALL:           Voting Yea: Wilkerson, Denning, Nash and Walker  
                          Voting Nay: Strow

Municipal Order No. 2008 - 238 was approved by majority vote.

ORDINANCE NO. BG2008 - 53

(First Reading)

ORDINANCE AMENDING CODE OF ORDINANCES

ORDINANCE CREATING A NEW SUBCHAPTER OF CHAPTER 22  
(TRAFFIC AND MOTOR VEHICLES) OF THE CITY OF BOWLING  
GREEN CODE OF ORDINANCES TO AUTHORIZE THE  
TEMPORARY DISPLAY OF MOTOR VEHICLES

Title and summary of Ordinance No. BG2008 - 53 was read by the Assistant City Manager/City Clerk. Motion was made by Wilkerson and seconded by Strow for first reading of said Ordinance. Mayor Walker explained this issue was brought forward because of a state statute which prohibited the off-site display or sale of vehicles unless the City specifically allowed it. She proposed that the City only permit the display and not the sale of vehicles at this time. Comm. Nash stated he had previously looked at sponsoring a similar ordinance when approached last year by Greenwood Mall. City Attorney Gene Harmon responded to questions regarding the intent of the ordinance to only address the off-site display of motor vehicles by a Kentucky licensed dealer. He also clarified the ability for dealers to advertise and/or promote a particular dealership with the vehicle display; however, no sales of any kind were permitted. Once all discussion ended, a roll call vote was taken.

ROLL CALL:           Voting Yea: Strow, Wilkerson, Denning, Nash and Walker  
                          Voting Nay: None

First reading of Ordinance No. BG2008 - 53 was approved by unanimous vote.

DISCUSSION

There was a discussion regarding a proposed expansion to the WKU Gateway to Downtown Bowling Green Development Area and Tax Increment Financing (TIF) District, which included amendments to the Amended and Restated Local Participation Agreement executed by the City, County and Warren County Downtown Economic Development Authority, Inc. (Authority). Comm. Denning voiced his concern with receiving revised documents late that afternoon and being asked to make a decision on it that day.

Attorney Kevin Brooks, counsel for the Authority, reviewed the proposed changes to the Local Participation Agreement (now referred to as LPA#2) which included some cleaning up of the language and provided for the expansion. He also responded to questions about the various changes in the Financing Plan (Exhibit D to LPA#2).

Comm. Strow said he liked the expansion because it would provide State revenues back that much sooner, but he was concerned about the new public projects included in the Financing Plan of over \$20 million in TIF-Assessment Bonds issued by Warren County with a proposed issue date of June 2013. Those public projects included the construction of a roundhouse at Rail Museum, retrofit

of existing building to house Kentucky Transportation Museum, construction of a Whitewater Park, construction of Green Parks and construction of Indoor Sports Facility. He stated the City should not be adding new debt that would jump in front of the existing debt and allow someone else to make those decisions instead of the City. He further stated he wanted to see a provision included that would allow revenues from the expansion district to help pay off the debt from the original district, if the expansion was performing well. Chief Financial Officer Jeff Meisel agreed that if the expansion district took off, the current proposal would leave the original district and the City's General Obligation (GO) bond debt behind. Comm. Denning also expressed his concern that there was no provision to get the City's debt paid off quicker.

Rick Kelley, representing the private developers, explained that the expansion got the capital investment to the \$200 million threshold (Signature TIF status) sooner; however, there was no overlap of revenues from the original to the expanded district. He further explained that it was designed this way in order to provide a dedicated revenue stream to support the issuance of bonds for the expanded district.

When asked if he had any questions or comments, Comm. Wilkerson announced that he had just learned that afternoon of a business partner's involvement with a TIF development project, and therefore, he would abstain from discussions and any voting to avoid the appearance of impropriety.

City Manager Kevin DeFebbo stated he supported the expansion of the TIF district. He cautioned the Board to carefully consider the accuracy of the local and state projected revenues with the understanding that the City's operating budget was giving up future growth and could potentially lose existing base revenues if an existing business relocated into the downtown TIF district. Mr. DeFebbo asserted that the City could not afford to have base revenues taken away from its ability to cover its operating expenditures.

As a compromise regarding the inclusion of future public projects in the Financing Plan, Mr. DeFebbo suggested that the completion of Heritage Trail and stormwater improvements would be more appropriate than an indoor sports facility. Comm. Strow further expressed his concerns regarding Alliance Corporation being the primary contractor for all public infrastructure projects. He preferred to have them all competitively bid.

Mayor Walker reiterated to the public that the Board was not discussing raising taxes to cover any of the costs under TIF. She echoed the City Manager's comments about the need to maintain base revenues and that only additional jobs counted toward TIF. She also remarked about the opportunity to capture new private investment and the inclusion of public infrastructure projects in order to get State revenues. She further suggested that the citizens should have input regarding which public projects should be included in the development plan.

#### ADD ITEM TO AGENDA

Following the discussion, motion was made by Nash, seconded by Strow, to add Ordinance No. BG2008 - 54 to the agenda for formal consideration by the Board. A roll call vote was taken.

ROLL CALL:           Voting Yea:   Strow, Nash and Walker  
                          Voting Nay:   Denning  
                          Abstaining:   Wilkerson

Motion to add Ordinance No. BG2008 - 54 to the agenda for consideration was approved by majority vote.

ORDINANCE NO. BG2008 - 54

(First Reading)

ORDINANCE EXPANDING DEVELOPMENT AREA TAX INCREMENT FINANCING DISTRICT

ORDINANCE EXPANDING AND READOPTING THE WKU GATEWAY TO DOWNTOWN BOWLING GREEN DEVELOPMENT AREA, WHICH WAS ORIGINALLY ESTABLISHED BY ORDINANCE NO. BG2007-33 AND AMENDED BY ORDINANCE NO. BG2007-38, WHICH WAS ADOPTED TO ESTABLISH A DEVELOPMENT AREA IN DOWNTOWN BOWLING GREEN RELATING TO A COMPREHENSIVE MIXED USE REDEVELOPMENT AREA COMPRISED OF RESIDENTIAL, OFFICE AND COMMERCIAL COMPONENTS AND INCLUDING CERTAIN PUBLIC ELEMENTS, INCLUDING A BASEBALL STADIUM, PARKING GARAGE AND OTHER INFRASTRUCTURE IMPROVEMENTS; APPROVING AN AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT #2 AMONG THE CITY OF BOWLING GREEN, COUNTY OF WARREN KENTUCKY AND THE WARREN COUNTY DOWNTOWN ECONOMIC DEVELOPMENT AUTHORITY, INC.; ESTABLISHING A SPECIAL FUND FOR THE COLLECTION OF INCREMENTAL REVENUES; DESIGNATING AN AGENCY FOR THE OVERSIGHT, ADMINISTRATION AND IMPLEMENTATION OF THIS ORDINANCE; AND TAKING OTHER APPROPRIATE ACTIONS

Title and summary of Ordinance No. BG2008 - 54 was read by the Assistant City Manager/City Clerk. Motion was made by Strow and seconded by Nash for first reading of said Ordinance. Comm. Strow announced that he was going to vote no today since there was still more information needed to clarify the issues. City Attorney Gene Harmon specified that if there were substantive changes made to the proposed expansion, including any exhibits to the ordinance or Amended and Restated Local Participation Agreement #2, between this reading and second reading, an amended first reading of the ordinance would be required. Following clarification of all the outstanding issues to be addressed prior to second reading of the Ordinance, a roll call vote was taken.

ROLL CALL:           Voting Yea: Nash and Walker  
                          Voting Nay: Strow and Denning  
                          Abstaining: Wilkerson

First reading of Ordinance No. BG2008 - 54 was not approved for lack of a majority vote. Comm. Wilkerson abstained based on a business conflict as previously declared.

ADJOURNMENT

This being a special meeting and with no further business to come before the Board of Commissioners, at approximately 5:25 p.m., Mayor Walker declared this meeting adjourned.

ADOPTED: \_\_\_\_\_

APPROVED: \_\_\_\_\_  
Mayor, Chairman of Board of Commissioners

ATTEST: \_\_\_\_\_  
City Clerk

*Minutes prepared by Assistant City Manager/City Clerk Katie Schaller*