

**MINUTES of SPECIAL MEETING
of the BOARD of COMMISSIONERS
of the CITY of BOWLING GREEN, KENTUCKY
held JULY 23, 2010**

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 3:00 p.m. on July 23, 2010. 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 Catherine Hamilton, Commissioner Brian "Slim" Nash, Commissioner Bruce Wilkerson, Commissioner Joe W. Denning and Mayor Elaine N. Walker. Absent: none. There was a full quorum of the Board of Commissioners.

MUNICIPAL ORDER NO. 2010 - 141

**MUNICIPAL ORDER AUTHORIZING ADOPTION OF THE
REVISED CITY OF BOWLING GREEN PUBLIC SAFETY
PROMOTIONAL PROCEDURES**

This item was previously tabled at the July 20, 2010 Board of Commissioners meeting. Motion was made by Wilkerson and seconded by Nash to remove this item from the table. With no discussion, a roll call vote was taken.

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

Motion to remove Municipal Order No. 2010 - 141 from the table to continue discussion was approved by unanimous vote.

Summary of Municipal Order No. 2010 - 141 was read by the Assistant City Manager/City Clerk. Motion was made by Wilkerson and seconded by Hamilton for consideration of said Municipal Order. Fire Chief Greg Johnson explained that he suggested some of the changes related to not testing annually for all ranks, if not necessary, to be more efficient and save money. At this time, however, he requested that the Board remove the language for those specific changes which could be addressed again at a later date and to proceed with all other revisions. He acknowledged that there have been some concerns expressed regarding the proposal to not test certain ranks in certain years and that there may not have been sufficient time to obtain employee input. He stated he believed that there could be some productive, cost efficient changes to be made in the future.

In determining the actual sections and proposed language in the Promotional Procedures to be removed, Comm. Nash identified Section 3 (Initiation of Promotional Process), Subsection 3-3 (Testing for Certain Ranks in a Year), and Section 7 (Promotions), Subsections 7-1 (Procedure) and 7-3 (Positions Held Vacant). Human Resources and Risk Management Director J. Michael Grubbs clarified the new Subsection 3-3 specifically related to the issue at hand regarding the determination of certain ranks for testing in a given year. He further specified that the new Subsection 7-3 was not directly related to that issue, but rather, provided clarification for if a position was held vacant for more than a year. Mr. Grubbs explained that he thought the existing language in Section 7 was vague and needed to be addressed at some point; however, he agreed it was not urgent. He also explained that the additional language added to Subsection 7-1 was to clarify that a new eligible list would apply for retirements effective June 1st for Police and November 1st for Fire. With respect to the other

proposed changes, Mr. Grubbs requested that they be approved and specifically noted the change in Section 5 (Testing Procedures), Subsection 5-1.b (Written Test) was to permit training sessions to occur no less than five days prior to the written test versus limiting it to five days.

Mayor Walker confirmed there was a request to remove Subsection 3-3 and there was open discussion about Subsections 7-1 and 7-3. Comm. Wilkerson verified the addition of military service in Subsection 5-4.a.2 (Make-Up Examinations) as a recognized absence from the regular scheduled written examination. Comm. Nash stated he would prefer to postpone Subsection 7-3 as well.

Comm. Nash made a motion, seconded by Wilkerson, to amend the Public Safety Promotional Procedures, which were attached to and made a part of Municipal Order No. 2010 - 141 as if copied in full therein, to remove the newly proposed Subsections 3-3 (Testing for Certain Ranks in a Year) and 7-3 (Positions Held Vacant). With no additional discussion, a roll call vote was taken.

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

Motion to amend Municipal Order No. 2010 - 141 to remove Subsections 3-3 (Testing for Certain Ranks in a Year) and 7-3 (Positions Held Vacant) from the Public Safety Promotional Procedures incorporated in the Municipal Order was approved by unanimous vote.

Retired Deputy Police Chief Jerry Wells, who resides on Chesapeake Drive, indicated he agreed with the actions by the Board to withdraw the two subsections. He pointed out that a similar situation to what Mr. Grubbs described had occurred several years ago when Bill Key (now retired) was made Police Sergeant. He explained that a grievance was filed at that time and a recommendation was given by a citizen review committee (referring to the 3 member Personnel Board which was in place during that time). He suggested that this recommendation be reviewed before the Board considered the proposed changes. With no further discussion, a roll call vote was taken on the amended Municipal Order.

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

Municipal Order No. 2010 - 141 as amended was approved by unanimous vote.

ORDINANCE NO. BG2010 - 27

(First Reading)

ORDINANCE RELATED TO WKU GATEWAY TO DOWNTOWN BOWLING GREEN TIF DEVELOPMENT AREA

ORDINANCE APPROVING SUB-DEVELOPER AGREEMENT AND ASSIGNMENT AND ASSUMPTION OF RIGHTS AND OBLIGATIONS UNDER MASTER DEVELOPER AGREEMENT WHICH INCLUDES A CITY TIF APPLICATION RELATED TO BLOCKS 12 AND 14 OF THE WKU GATEWAY TO DOWNTOWN BOWLING GREEN DEVELOPMENT AREA

Title and summary of Ordinance No. BG2010 - 27 was read by the Assistant City Manager/City Clerk. Motion was made by Nash and seconded by Hamilton for first reading of said Ordinance. Comm. Denning asked several questions pertaining to the proposed development, including the garage, parking rates, Western Kentucky University's (WKU) lease of a portion of the garage, the project financing and debt service, operation of the garage and restaurant in the proposed

hotel, and the design of the 6,000 square foot meeting space in the WKU Conference Center. Attorney Kevin Brooks, representing the sub-developer Bowling Green SPE II, Inc., responded to all the questions, including questions about the membership of SPE II, Inc., the use of New Market Tax Credits (NMTC), the use of Building America Bonds, the number of new jobs to be created and the number of existing jobs to be relocated into the TIF District. Comm. Denning voiced concerns that if the Signature TIF status was not reached, the City would be still obligated to commit its incremental revenues for the full 30 years. He remarked that this is a long term deal and now was the time to ask questions.

Chief Financial Officer Jeff Meisel commented about the existing property tax revenues and how those were much less compared to the expected property taxes to be generated by the new hotel. Mr. DeFebbo stated a transfer date would need to be set regarding the existing jobs being moved, and Mr. Brooks agreed.

Mayor Walker requested clarity regarding the use of NMTC for Blocks 6 and 8, the clearing of the mortgages on Block 6, the source of private investment for the NMTC, the garage lease payments from WKU providing only a portion of the annual debt payments, and the ability to obtain a stronger commitment from the hotelier than previously received from Mr. Musselman, who backed out of the development after certain concessions by the City had been made. Mr. Brooks responded to the questions and reported that the current hotelier, Ferguson Properties, had signed a sub-developer agreement which would come to the City for consideration in the very near future. Mayor Walker indicated it was the City's fiduciary responsibility to taxpayers to know how the TIF money was being managed.

Mayor Walker thanked Mr. Brooks for providing resumes for the members on the SPE II including Mary Cohron, John Osborn, Ann Mead and Chuck Anderson, but she noted that one was not included. She requested that Doug Gorman provide a copy of his resume to complete the set. After clarification of requested documentation, Mr. Gorman, who was in attendance, agreed. Mayor Walker commented about the importance of having a developer that could handle a \$35 million project with a proven record. She asked that the video of the 3-D conceptual plan for the TIF development be shown. In response to a question from Comm. Nash, Mayor Walker asserted she felt the video was relevant to this discussion in order to see the entire project and the formerly proposed development for Block 12. She also responded that she was aware changes would be made along the way as the project came to fruition; although, she thought it was interesting that the changes made thus far came from others and the City had not been allowed to modify its position to improve its standing, which may have even worsened. Comm. Nash disagreed with that comment and stated that the City's position had not moved from where it started when the Mayor previously supported the TIF. Upon request, Mr. Meisel stated he was not prepared to comment about the City's financial standing at this time without further study.

While the video of the TIF conceptual plan was showing, Mayor Walker described how the development was progressing in comparison to the portrayed image of the conceptual plan. She noted that the mixed-use development for Block 6, which would have housed a parking structure that WKU was prepared to lease a portion of and the City was told would happen, did not happen because some individuals backed out. In addition, there was to be a hotel that would be located downtown, which has also now been moved to Block 12 with the parking structure. In short, Mayor Walker declared she had seen none of the retail, commercial or restaurants developed which was needed for the TIF to pay for itself.

Comm. Denning stated the City initially gave land and agreed to a development that would provide opportunities over and above what would have occurred naturally. Now, he was concerned that all the attention would be provided to WKU's project, and the other areas toward the river would be forgotten. He went on to say that the City was giving up 80% of its occupational and property tax growth to a WKU project and he had a problem with that.

Mayor Walker remarked that she was troubled by the City routinely being asked to act quickly on a crucial vote with little leeway and not a lot of specifics. She stated she believed in the downtown TIF plan and she recounted how she fought for it in Frankfort. However, she asserted that when a question was asked a different answer would be provided each time and that the answers seemed to accommodate the questions. Instead, an overall plan should have been created and we should be moving to achieve that plan. She expressed disappointment with the moving of the garage and not bringing WKU further into the downtown as originally planned. She maintained she still believed in the TIF and hoped that it would work; however, she would not support this action.

In response to several questions from Comm. Hamilton, Mr. Brooks confirmed that 70 new jobs would be located in this proposed development for Blocks 12 and 14, about three blocks in the TIF district out of around 50 blocks had been developed to date, and that approximately \$450,000 of incremental revenues would be generated from this particular investment. Once all the discussion ended, a roll call vote was taken.

ROLL CALL: Voting Yea: Hamilton, Nash and Wilkerson

 Voting Nay: Denning and Walker

First reading of Ordinance No. BG2010 - 27 was approved by majority vote.

ADJOURNMENT

This being a special meeting and with no further business to come before the Board of Commissioners, at approximately 4:20 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