

AGENDA

OWENSBORO BOARD OF COMMISSIONERS

December 19, 2006

5:00 p.m.

INVOCATION/PLEDGE - Commissioner Jim Glenn

PRESENTATION:

Golden Santa Christmas Lights Award
(Keith Free, Community Development Director)

1. Consider approval of minutes of December 5, 2006
2. Consider appointments

ORDINANCES - 1st reading

3. **CONSIDER ON 1ST READING ORDINANCE NO. 52-2006, REZONING PROPERTY AT 1912 JAMES DAVID COURT AND 1911 WEST PARRISH AVENUE**

BACKGROUND: The applicant, Adam Hansen, is seeking a zoning classification amendment from R-4DT Inner-City Residential to B-4 General Business for a 0.215 acre tract of land located at 1912 James David Court and 1911 West Parrish Avenue. The site is situated within a mixed land use area near the intersections of Bosley Road with West Parrish Avenue and James David Court. The subject property also fronts West Parrish Avenue. The proposed land use for the property once rezoned is a retail center with a restaurant. By a vote of 9-0, the Owensboro Metropolitan Planning Commission has recommended that the proposed zoning classification amendment be approved in that the proposal is in compliance with the adopted Comprehensive Plan.

RECOMMENDATION: Introduce and publicly read ordinance on first reading.

4. **CONSIDER ON 1ST READING ORDINANCE NO. 53-2006, REZONING PROPERTY AT 1018, 1020, 1022, 1024 & 1026 OGLESBY STREET**

BACKGROUND: Tenth Street Baptist Church is seeking a zoning classification amendment from R-4DT Inner-City Residential to P-1 Professional/Service for a 0.499 acre tract of land located at 1018, 1020, 1022, 1024 & 1026 Oglesby Street. The proposed expansion of the P-1 Professional/Service zone is for construction of a new multi-purpose facility for Tenth Street Baptist Church.

The applicant has submitted a consolidation plat to OMPC in order to consolidate the subject properties with the main church building lot that is currently zoned P-1 Professional/Service. By a vote of 9-0, the Owensboro Metropolitan Planning Commission has recommended that the proposed zoning classification amendment be approved in that the proposal is in compliance with the adopted Comprehensive Plan.

RECOMMENDATION: Introduce and publicly read ordinance on first reading.

MUNICIPAL ORDERS - one reading

5. CONSIDER MUNICIPAL ORDER NO. 26-2006, APPROXING A 3.3% COST-OF-LIVING INCREASE FOR ALL PENSION ANNUITANTS UNDER THE (CLOSED) CITY EMPLOYEES' PENSION FUND

BACKGROUND: The proposed increase will have an actuarial impact of approximately \$81,551.00. The proposed increase will not impact the soundness of the plan.

RECOMMENDATION: Adopt Municipal Order No. 26-2006.

6. CONSIDER MUNICIPAL ORDER NO. 27-2006, AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE A "SECOND AMENDMENT TO LEASE PURCHASE AGREEMENT" BETWEEN THE CITY AND DART CONTAINER CORPORATION EXTENDING THE TERM OF DART'S LEASE WITH THE CITY TO COINCIDE WITH THE TERM OF DART'S SUBLEASE WITH KEDFA, AND FURTHER GRANTING THE CITY'S CONSENT FOR DART TO OBTAIN TWO NEW MORTGAGES FOR APPROXIMATELY \$925,000,000.00 AS OPERATING CAPITAL FOR ITS MANUFACTURING FACILITIES WORLDWIDE

BACKGROUND: In 1976, Hammond Plastics constructed a manufacturing facility in the Owensboro Riverport and the City issued 2.5 million dollars in Industrial Revenue Bonds for the benefit of Hammond. All rights under that 2.5 million dollar bond issue were transferred to Dart Polymers, a Michigan corporation, in 1982. In March of 1985, Dart needed to expand its operations and at its request, 3.2 million dollars in Limited Obligation Revenue Bonds were issued by the City for Dart's benefit. As collateral for the bonds, Dart conveyed fee simple title to its property and improvements to the City and then leased its property from the City in a document entitled Lease Purchase Agreement. In February of 1988, Dart Container Corporation (formerly Dart Polymers) purchased some additional land across the road from its original location with the intention of relocating and expanding its manufacturing facility. It consolidated the properties and prepared a "First Amendment to Lease Purchase Agreement" to incorporate the additional property and the City approved the First Amendment. In 1990, Dart borrowed an additional \$26,000,000.00 from the Kentucky Development Finance Authority (KEDFA) and as collateral therefor, subleased its leasehold interest in the Riverport property to KEDFA for a longer term of years than the term of the lease previously entered into with the City. Since the property will be reconveyed to Dart Container when the

outstanding bond indebtedness is retired, it is imperative that the terms of the lease with the City and the sublease with KEDFA terminate at the same time. Bond counsel for Dart has contacted the City and requested that the term of Dart's lease with the City be extended and assigned a termination date commensurate with the termination date of the KEDFA sublease and that will be accomplished through the Mayor's execution of a "Second Amendment to Lease Purchase Agreement." By execution of this Amendment, the City does not incur any additional responsibility or obligations other than the extension of the term of the Lease Purchase Agreement to make it coincide with the term of the sublease with KEDFA. In addition, Dart has borrowed approximately \$925,000,000.00 that will be utilized by numerous Dart facilities as operating capital and has obtained a first mortgage lien and a second mortgage lien, both dated June 30, 2006, and is requesting the City to consent to Dart using its leasehold interest in the City's Lease Purchase Agreement as collateral for the mortgages, which consent has also been approved by KEDFA.

RECOMMENDATION: Adopt Municipal Order No. 27-2006.

7. City Manager's items:

- A. Consider the financial report for the period ended November 30, 2006.
- B. Consider the probationary full-time non-Civil Service appointments of Abby Miarecki Shelton to Assistant to City Manager/Community Coordinator, Administration Department, and Julie Cranz to Clerk Typist, Police Department, effective December 26; and the regular full-time non-Civil Service appointment of April Crosley to Clerk Typist, Police Department, effective January 2, 2007.
- C. City Manager's comments.

8. OPEN PUBLIC FORUM

Members of the audience are invited to address the City Commission on any subject not on tonight's agenda. Speakers must come to the podium, state their name and address for the Clerk's record, and limit their remarks to under five (5) minutes. As an unagendized item, no response is required from City staff or the Commission, and no action can be taken; however, the Commission may instruct the City Manager to agendize the item for a future meeting.

9. COMMUNICATIONS FROM ELECTED OFFICIALS

The elected officials will answer questions previously received from the general public and they will announce special events or activities of public interest occurring within the City.

10. Adjournment

