

# MINUTES } CITY OF PIKEVILLE

## SPECIAL MEETING - DECEMBER 27, 1990

The City of Pikeville Board of Commissioners met in a Special Meeting on Thursday, December 27, 1990. The meeting was held in the City Commission's regular meeting place in the City Hall Public Meeting Room at 260 Hambley Boulevard, Pikeville, Kentucky.

There being a quorum present, Mayor Walter E. May called the meeting to order at 5:00 P.M. Commission Members present upon call of the roll were as follows:

MAYOR:	WALTER E. MAY
COMMISSIONER	EUGENE DAVIS
	JOHNNY MOUNTS

Commissioner Frank Morris arrived at 5:06 P.M.  
Commissioner Walter Blankenship was absent.

The Special Meeting was called for the following purposes:

1. Consider property option of tract adjacent to mall site (old softball field)
2. Consider approval of UDAG Agreement extension
3. Consider Kentucky Infrastructure Authority Fund "A" loan extension
4. Consider adoption of an emergency ordinance amending the property tax ordinance
5. Consider first reading of an ordinance changing the City Commission's scheduled meetings.
6. Consider first reading of an ordinance naming the handicapped trail and drive leading to the Overlook.

City Attorney, Russell Davis, Jr., advised the Commission that C. J. May who is spearheading the mall project for Pinnacle Trust Development Company and Rein Properties, has indicated that he is very near to closing a deal with CIGNA for financing of the project. In order to complete the financial arrangements, CIGNA has requested that Pinnacle Trust comply with certain conditions. One of those conditions is that Pinnacle Trust should try to acquire an option on the City owned tract (ball field) adjacent to the mall site. Mr. Davis advised that a prior Commission had previously agreed to sell this tract and one other tract in the area to the IDEA Board for the City's original purchase price. There was a condition placed in the agreement that should the City find a developer before the IDEA Board found a developer, the City could sell to its developer. Mr. Davis presented an option agreement to the Commission for consideration which would give the mall developer the right to purchase this 19.3 acre tract for \$100,000.00. Mr. Davis explained that the developer would be given a six month option to purchase, but before the option can be exercised, the developer must satisfactorily show the City of Pikeville that they have the financial capability to proceed in the mall construction and all evidentiary material must be produced for the HUD office. Mr. Davis further explained that a provision has been added to the agreement to afford the City the right to repurchase the property from the developer for a period of one year for \$100,000.00 should the foundation of the mall not be underway within two years. Mayor May reported the developers had verbally agreed to heat the mall with natural gas purchased from the City of Pikeville and the mall will be named the Pikeville Regional Mall. These provisions have been incorporated into the option agreement. Since there was a motion passed by a previous Commission to extend an option to purchase the property in question to the IDEA Board for \$75,000.00, Commissioner Morris made the motion to rescind the Commissioner's earlier resolution whereby they agreed to sell the airport tract of property owned by the City to the IDEA Board in that the City has found a developer for the tract of property. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0. Mayor May reported that he had spoke with the Chairman of the IDEA Board who indicated he supports this decision. Commissioner Mounts made the motion to authorize the Mayor to execute an option after such time as he has read the option and has determined the document to have the provisions as described by the City Attorney. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried 4 - 0.

At the time the City applied for an extension to submit the evidentiary materials for the UDAG funds, a stipulation was placed in the letter of understanding with the developer that the City would only be committed to

# MINUTES } CITY OF PIKEVILLE

them for an additional 45 days. After the 45 day period, the City would be free to ask HUD to transfer the grant to another developer. The developer has indicated their financial package is nearing completion, and they have to deposit \$720,000.00 with CIGNA to bind their agreement for financing. The developer has requested the City give them a time extension of six months. A resolution was presented as follows:

## RESOLUTION AUTHORIZING THE CITY OF PIKEVILLE TO COOPERATE WITH PINNACLE TRUST IN THE CONSTRUCTION OF THE PIKEVILLE MALL

BE IT RESOLVED by the City of Pikeville that the City of Pikeville hereby agrees to cooperate with Pinnacle Trust or its successors in the development of the Pikeville Mall for a period of one hundred and eighty (180) days from the date hereof. The Mayor is hereby authorized to request any necessary extensions for the HUD grant necessary for development of the Mall during this period.

Passed this 27th day of December, 1990.

Commissioner Johnny Mounts moved the adoption of the foregoing resolution. Commissioner Eugene Davis seconded the motion.

Upon roll call, the votes were as follows:

	YES	NO
WALTER E. MAY, MAYOR	X	
GENE DAVIS, COMMISSIONER	X	
FRANK MORRIS, COMMISSIONER	X	
JOHNNY MOUNTS, COMMISSIONER	X	
WALTER BLANKENSHIP, COMMISSIONER		ABSENT

The Mayor declared the within resolution adopted.

/s/ Walter E. May  
WALTER E. MAY, MAYOR

ATTEST:

/s/ Karen Harris  
KAREN HARRIS, CITY CLERK

2. The City Attorney advised that the City had to apply for a 90 day extension with HUD for the UDAG funds or lose the grant for failure to submit the required evidentiary materials. Mr. Davis reported the Mayor filed for an extension of time. HUD has now forwarded the paperwork to the City which needs to be executed for approval of the time extension. Commissioner Mounts made the motion to authorize the Mayor to execute an agreement for an extension of the UDAG grant. Commissioner Morris seconded the motion. Upon call of the roll, the motion carried 4 - 0.

3. The City Manager advised that at the prior City Commission Meeting, the time extension for the Fund "B" loan was approved. Presented for approval was the time extension for the Fund "A" loan (\$3,025,685.00) with regard to the Sewage Treatment Plant Project. Mr. Johnson estimated the time extension to expire April 10, 1991. Commissioner Morris made the motion to authorize the Mayor to execute an agreement for the extension of the Kentucky Infrastructure Authority Fund "A" Loan. Commissioner Mounts seconded the motion. Upon call of the roll, the motion carried 4 - 0.

4. Presented for approval with an emergency clause was an Ordinance amending the Property Tax Ordinance. Mayor May announced the reason for the amendment was due to the tax bills going out later than anticipated. The Ordinance is amended to the extent to provide later dates in which to pay tax bills and receive the 2% discount; payment for the face amount of the tax bill; and payment of the tax bill with a 10% penalty. City Attorney, Rusty Davis, reported that he is unsure of whether the property tax bills being sent out late is the fault of the local Property Valuation Administrator. Mr. Davis pointed out the rolls are prepared locally, however are forwarded to the state for certification. The Ordinance was presented and read entitled:

AMENDED ORDINANCE FIXING A TAX LEVY ON REAL AND TANGIBLE PERSONAL PROPERTY, FRANCHISES, BANK SHARES, ALL FOR THE GENERAL OPERATING EXPENSE PURPOSES AND PROVIDING FOR A DISCOUNT ON ALL TAXES, IF PAID ON OR BEFORE FEBRUARY 8, 1991, AND A PENALTY IF NOT BY MARCH 29, 1991 ORDINANCE #O-90-039

Commissioner Morris made the motion to adopt Ordinance O-90-039, said emergency being declared to exist in that tax bills have already been

# MINUTES } CITY OF PIKEVILLE

mailed to tax payers reflecting a new payment date. Commissioner Davis seconded the motion. Upon call of the roll, the motion carried by the following votes:

MAYOR:	WALTER E. MAY	YES
COMMISSIONER	WALTER BLANKENSHIP	ABSENT
	EUGENE DAVIS	YES
	FRANK MORRIS	YES
	JOHNNY MOUNTS	YES

5. The Commission had discussion relative to changing the City Commission Meeting schedule and times, and scheduling of a work session prior to the meeting to set the agenda. First reading was given to an Ordinance setting the time for City Commission Meetings for the Fourth Monday of each month at 7:00 P.M. in the City Hall Public Meeting Room. A work session will be scheduled at the meeting to set the next meeting's agenda. The Commission discussed meeting on January 14, 1991 and then not meeting again until February 25, 1991.

6. First Reading was given to Ordinances entitled:

ORDINANCE DEDICATING AND NAMING HANDICAP TRAIL "PEGGY & SMOKEY  
BLANKENSHIP HANDICAP TRAIL"

and

ORDINANCE NAMING STREET WITHIN BOB AMOS PARK LEADING TO THE OVERLOOK,  
"OVERLOOK DRIVE"

Mayor May reported that Commissioner Blankenship has been responsible for the development of the Bob Amos Overlook area, picnic area and trails. He has donated endless hours of time, effort and work to see that the area is developed into a tourist attraction. For these reasons, the Commission felt it only appropriate to name the handicap trail in honor of both Commissioner Walter "Smokey" Blankenship and his wife Peggy, who is now deceased. Commissioner Davis pointed out that most of the improvements in the area were Mrs. Blankenship's ideas.

City Manager, John Johnson, advised the Commission that he has applied for a \$20,000.00 matching grant from the Land & Water Conservation Fund to be used for improvements in the Bob Amos Park. If the City is successful in obtaining the grant, the Park Board will oversee the improvements.

There being no further business to come before the Commission, Commissioner Davis made the motion, seconded by Commissioner Morris to adjourn the meeting. Upon call of the roll, the motion carried 4 - 0. (Adjournment Time: 5:45 p.m.)

The City Commission's next scheduled meeting is January 14, 1991.

APPROVED

*Walter E. May*  
WALTER E. MAY, MAYOR

ATTEST:

*Karen Harris*  
KAREN HARRIS, CITY CLERK