

**SPECIAL MEETING MINUTES - SEPTEMBER 21, 1994**

The Board of Commissioners of the City of Pikeville was called to meet in Special Session on September 21, 1994 at 5:00 p.m. The meeting was held in the City Hall Public Meeting Room at 260 Hambley Boulevard.

There being a quorum present, Mayor Steven D. Combs called the meeting to order at 5:13 p.m. Commission Members present upon call of the roll were as follows:

MAYOR:	STEVEN D. COMBS
COMMISSIONER:	KENNY BLACKBURN
	WALTER BLANKENSHIP
	SHARON CLARK

Commissioner Eugene Davis was absent.

Pursuant to the laws governing Special Meetings, a notice was delivered to each Commission Member and the news media. The purpose of the meeting was to discuss the following:

1. TO CONSIDER A REPORT CONCERNING THE UDAG FUNDS FROM DAVID SOWELL, WASHINGTON H.U.D. REPRESENTATIVE

Mr. Sowell reported that he had met with the three developers who had requested UDAG assistance. The projects were identified as:

1. a retail facility at the old airport site
2. thirty moderate income housing units known as Keyser Phase II
3. YMCA Facility

Mr. Sowell remarked that all three projects were feasible however certain conditions must be met before the projects are approved.

With regard to SEI & Development Corporation's proposal to construct a retail facility, Mr. Sowell told the Commission that the developer does not yet have a signed lease. Financing is contingent upon an executed lease. According to Chris Penn of SEI & Development Corporation, an executed lease is expected by mid November. The developer has communicated that the project cost may be increased due to the increase in the cost of fill material. As a result of that cost increase, additional UDAG funds may be requested.

Concerning the Keyser Heights Phase II housing project, Mr. Sowell told the Commission that the idea is being considered for making the housing available to medium and low income households. Mr. Sowell reported that the developer needs to present a more detailed cost analysis.

The YMCA project has been started. Section 119 of the Housing and Community Development Act of 1974 states that



UDAG funds will be available to projects which will not go forth but for the UDAG funds. Mr. Sowell advised that he will be working with YMCA officials in the restructuring of the financial documentation to determine the amount of UDAG funds eligible for that facility.

Mr. Sowell advised the Commission that Pikeville may have the opportunity to utilize between \$2.5 and \$2.75 million of the \$4.5 million which is available in UDAG funds.

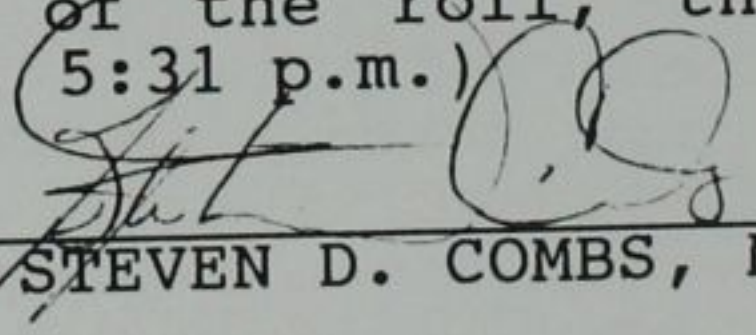
Administrative Assistant Sue Smallwood reported that she had contacted all of the original developers who had expressed interest in receiving UDAG assistance and invited them to attend the meeting.

Pikeville College President, Bill Owens, asked why Pikeville College was determined ineligible to receive UDAG funds while the YMCA was declared eligible. Mr. Sowell explained that UDAG funds can be utilized by private institutions for business producing and income producing activities. Those activities can not be connected with tuition or academic studies. Mr. Owens asked the possibility of receiving UDAG funds for the purpose of constructing a parking garage. Mr. Sowell explained that the project may be eligible if the parking garage is open to the public.

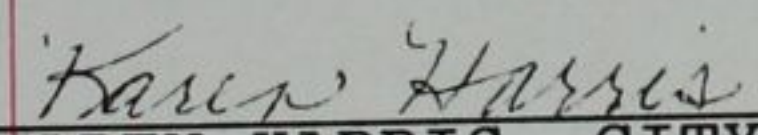
Mr. Sowell alerted the Commission to the possibility that the UDAG program may be extended an additional eighteen months from August 24, 1994, however, as of this date, the program is expected to end on October 17, 1994. The Commission was advised to have the application, requesting retainage of the 25% of unused UDAG funds, delivered to his office on October 17, 1994.

There being no further questions or comments, Commissioner Blankenship made the motion to adjourn. Commissioner Clark seconded the motion. Upon call of the roll, the motion carried 4 - 0. (Adjournment Time: 5:31 p.m.)

APPROVED

  
STEVEN D. COMBS, MAYOR

ATTEST:

  
KAREN HARRIS, CITY CLERK