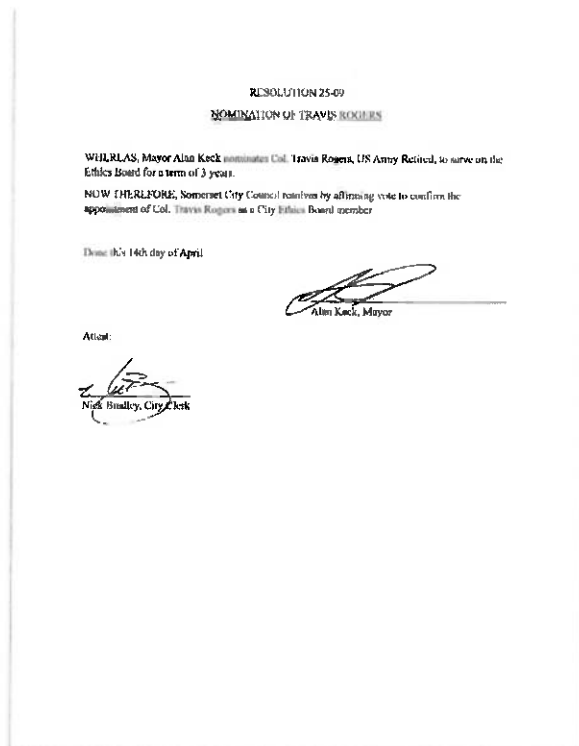


MINUTES OF MEETING HELD APRIL 14, 2025

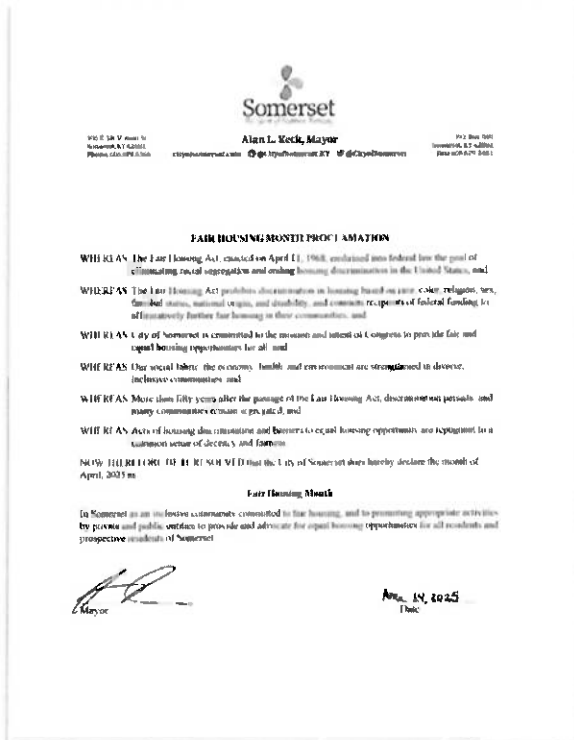
The Common Council of the City of Somerset, Kentucky met in a regular meeting on Monday April 14, 2025, at 6:00 p.m. with the following present: Council Members David Godsey, Amanda Bullock, Tom Eastham, David Burdine, Brian Dalton, Brannen Wheeldon, Jimmy Eastham, Margaret Dick, Phyllis Lawson, Patrick Hunley, John Minton, Jim Mitchell, Mayor Alan Keck, City Attorney John Adams, and City Clerk Nick Bradley.

Mr. T. Eastham made a motion to approve the minutes of the regular meeting of March 24, 2025. Mr. Godsey seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Burdine, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, Ms. Lawson, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

Mr. J. Eastham made a motion to approve the following Resolution Number 25-09: CONFIRMING THE APPOINTMENT OF COL. TRAVIS ROGERS AS A CITY ETHICS BOARD MEMBER. Mr. T. Eastham seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Burdine, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, Ms. Lawson, Mr. Hunley, Mr. Minton, and Mr. Mitchell.



The council approved by acclamation the declaration of April 2025 as FAIR HOUSING MONTH.



Mr. Wheeldon made a motion to approve the following Resolution Number 25-10: ADOPTING AND APPROVING THE EXECUTION OF A MUNICIPAL AID CO-OP PROGRAM CONTRACT BETWEEN THE INCORPORATED CITY AND THE COMMONWEALTH OF KENTUCKY, TRANSPORTATION CABINET, DEPARTMENT OF RURAL AND MUNICIPAL AID FOR THE FISCAL YEAR BEGINNING JULY 1, 2025, AS PROVIDED IN THE KENTUCKY REVISED STATUTES AND ACCEPTING ALL STREETS REFERRED TO THEREIN AS BEING STREETS WHICH ARE PART OF THE INCORPORATED CITY. Mr. Burdine seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Burdine, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, Ms. Lawson, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

**MUNICIPAL ROAD AID COOPERATIVE
PROGRAM AGREEMENT**

THIS AGREEMENT, entered into as of the date of the signature below of the Secretary of the Transportation Cabinet, is made by and between the Commonwealth of Kentucky Transportation Cabinet, Department of Rural and Municipal Aid ("the Department"), and the Legislative Body of the Incorporated City of SOMERSET, Kentucky (the "City")

WHEREAS, Kentucky Revised Statutes (KRS) § 177.165(1) provides that 7.7% of revenue resulting from the imposition of motor fuel taxes on taxpayers pursuant to KRS § 138.220(1)(2), KRS § 138.660(1)(2), and KRS § 234.220 shall be set aside by the Finance and Administration Cabinet for the construction, reconstruction, and maintenance of urban roads and streets, and for no other purpose ("Municipal Road Aid Funds"); and

WHEREAS, the City has accepted an invitation from the Department to allow it to participate in a cooperative program to assist the City in the construction, reconstruction, and maintenance of certain roads and bridges using its share of the Municipal Road Aid Funds apportioned to it by the Department as provided below (the "Cooperative Program"); and

NOW, THEREFORE, in consideration of the terms and conditions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Department and the City agree as follows:

1. **Apportionment of Municipal Road Aid Funds.** The City's apportionment of Municipal Road Aid Funds shall be based on revenue estimates supplied by the Office of State Budget Director. For the fiscal year beginning July 1, 2023, this amount is \$478,758.05 (the "Apportionment"). The above referenced estimate is based on the most recent available data and

Page 1 of 8

is subject to change according to available revenue. The Apportionment shall be distributed by the Department to the City in accordance with the terms of this Agreement.

2. **Assignment of the Apportionment.** The City hereby assigns all of its right, title and interest in and to the Apportionment to the Transportation Cabinet's Division of Accounts for fiscal year 2026.

3. **Distribution of Municipal Road Aid Funds.** The City and the Department agree that the Apportionment shall be distributed by the Department to the City as follows:

a. **First Distribution.** The Department shall initially distribute to the City sixty percent (60%) of the Apportionment, less three percent (3%) of the Apportionment set aside for the emergency fund below. This initial amount is \$167,235.

b. **Second Distribution.** The Department shall distribute up to and including an additional thirty percent (30%) of the Apportionment to the City, less three percent (3%) of the Apportionment set aside for the emergency fund below. The amount of the second distribution will depend on how actual revenues compare to revenue estimates.

c. **Final Distribution.** The Department shall allocate and distribute the remaining balance of the Apportionment, less three percent (3%) set aside for the emergency fund below. The Final Distribution shall be based on actual revenues tabulated after the end of the fiscal year (fiscal year 2026).

4. **Emergency Fund.** The City agrees that three percent (3%) of the Apportionment shall be withheld by the Department in an emergency fund (the "Emergency Fund"). The Emergency Fund shall include three percent (3%) of the total apportionment of all participants in the Cooperative Program, plus any remaining balances from previous fiscal years. The Department, upon written application from a duly authorized representative of the City, may

Page 2 of 8

disburse these funds to the City for the purpose of using said funds for emergency roadway and bridge projects designated by the City and lying within city limits. The Department may disburse up to fifty percent (50%) of the approved funds to the City for the purpose of using said funds for emergency roadway and bridge projects designated by the City. Following the completion of the project, after final cost documentation has been submitted and processed, the Department will then distribute the determined remaining amount. If the actual cost of an emergency project is less than the amount of Emergency Funds disbursed by the Department, then the City shall reimburse the difference to the Department.

5. **Disbursement of Funds.** Upon execution of this Agreement, the Department will disburse the foregoing allocated funds directly to the City to pay for materials, labor and equipment necessary for the City to accomplish construction, reconstruction, and maintenance on streets designated by the City and lying within city limits. This assistance is extended insofar as funds are available from the Apportionment. The City shall be responsible for all costs associated with the construction, reconstruction and maintenance of roadways and bridges in excess of the amount of the Apportionment allocated and disbursed by the Department to the City. The Department may assist the City in fulfilling its needs by disbursing funds to the City for materials and work performed by contract, for materials obtained by contract and for the rental or purchase of road maintenance and construction equipment. Any rental rates shall be based on current edition of the "Rate Book for Rental of Equipment" or the Department's official rental rates. The Department may also disburse funds to the City for the hourly rate for personnel who perform the work. This rate may include employee fringe benefits such as leave overlay, retirement, social security, insurance, etc.

Page 3 of 8

6. **Use of Municipal Road Aid Funds.** The City agrees and certifies that the Apportionment will be expended by the City solely for the purpose of construction, reconstruction, and maintenance of city streets as defined in KRS § 177.165(4).

7. **Right of Way.** The City, if required under applicable law, will acquire any right-of-way contemplated under this Agreement and assumes responsibility for any claims for damages arising from such acquisitions.

8. **Indemnification.** The City shall fully indemnify, hold harmless and defend the Department from and against all claims, actions, suits, demands, damages, liabilities, obligations, losses, settlements, judgments, costs and expenses (including without limitation reasonable attorney's fees and costs), whether or not involving a third party claim, which arise out of, relate to or result from (a) any breach of any representation or warranty of the City contained in this Agreement, (b) any breach of any covenant or other obligation or duty of the City under this Agreement or under applicable law, in each case whether or not caused by the negligence of the Department and whether or not the relevant claim has merit.

9. **Reimbursement of Losses.** The City will reimburse the Department for losses it may sustain arising out of performance of this Agreement. Such loss as sustained by the Department may be charged to the Apportionment in this or future fiscal years.

10. **Termination of Agreement.** The Department reserves the right to cancel this Agreement at any time deemed to be in the best interest of the Department by giving thirty (30) days written notice of such cancellation to the City. If this Agreement is canceled under this provision, then the City will receive any unpaid portion of the Apportionment from the Finance and Administration Cabinet.

Page 4 of 8

11. Access to Records The City acknowledges and agrees that pursuant to KRS § 177.360(3) it shall retain all records of the expenditures of the Appurtenances for a period of five (5) years and said records, including any books, documents, papers, records, or other evidence, which are directly pertinent to this agreement (records and other propinquity information confidentially disclosed on part of the bid process shall not be deemed as directly pertinent and shall be exempt from disclosure as provided in KRS 61.876(1)(c)), shall be subject to audit by the Finance and Administration Cabinet or its duly authorized agent and made accessible by the City to the Finance and Administration Cabinet or its duly authorized agent for said period of time in order to determine the proper expenditure of said money, for the purposes required by KRS § 177.360(1). The City also recognizes that any books, documents, papers, records, or other evidence received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS § 61.870 to KRS § 61.884.

12. Authentication The Legislative Body of the City shall pass a resolution adopting and approving the terms of this Agreement in the form of this resolution attached to this Agreement and made a part hereof. The Chief Executive Officer of the City, and the Commissioner of the Department, or their authorized representatives, under their respective seals and in accordance with the laws of the Commonwealth of Kentucky, shall act for their respective parties on all matters arising under this Agreement.

13. Choice of Law and Venue All questions as to the execution, validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the Commonwealth of Kentucky. Furthermore, the parties hereto agree that any legal action which is brought on the basis of this Agreement shall be filed in the Franklin County Circuit Court of the Commonwealth of Kentucky.

Page 3 of 8

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the dates listed below:

INCORPORATED CITY OF SOMERSET

BY [Signature] Date _____
Chief Executive Officer (Mayor)

(For Kentucky Transportation Cabinet use only)

DEPARTMENT OF RURAL AND MUNICIPAL AID
OFFICE OF RURAL & SECONDARY ROADS

BY _____ Date _____
Commissioner

APPROVED AS TO FORM AND LEGALITY

BY _____ Date _____
Office of Legal Services

COMMONWEALTH OF KENTUCKY
TRANSPORTATION CABINET

BY _____ Date _____
Secretary

Page 4 of 8

RESOLUTION 25-10

Incorporated City of SOMERSET

Resolution adopting and approving the execution of a Municipal Aid Co-op Program Contract between the Incorporated City and the Commonwealth of Kentucky, Transportation Cabinet, Department of Rural and Municipal Aid for the fiscal year beginning July 1, 2025, as provided in the Kentucky Revised Statutes and accepting all streets referred to therein as being streets which are a part of the Incorporated City.

Be it resolved by the Legislative Body of the Incorporated City that:

The Legislative Body of the Incorporated City does hereby accept all streets referred to in said Contract as being city streets which are a part of the Incorporated City; and

The Legislative Body of the Incorporated City does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements contained in said Contract and does hereby accept said Contract and by such acceptance agrees to all the terms and conditions therein stated; and

The Chief Executive Officer of the said Incorporated City is hereby authorized and directed to sign said Contract as set forth on behalf of the Legislative Body of, and the City Clerk of SOMERSET is hereby authorized and directed to certify thereto.

Page 7 of 8

The vote taken on said Resolution, the result being as follows:

AYES		NAYS	
Mr. Godsey	Mr. J. Ennam		
Mr. Bullock	Mr. Dick		
Mr. T. Ennam	Mr. Lawson		
Mr. Burdine	Mr. Hurley		
Mr. O'Brien	Mr. Minion		
Mr. Whelan	Mr. Mitchell		

COMMONWEALTH OF KENTUCKY
INCORPORATED CITY OF SOMERSET

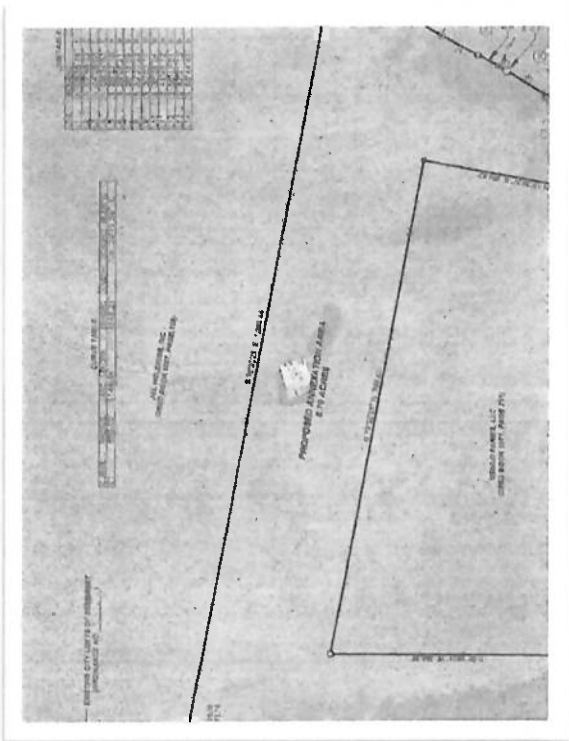
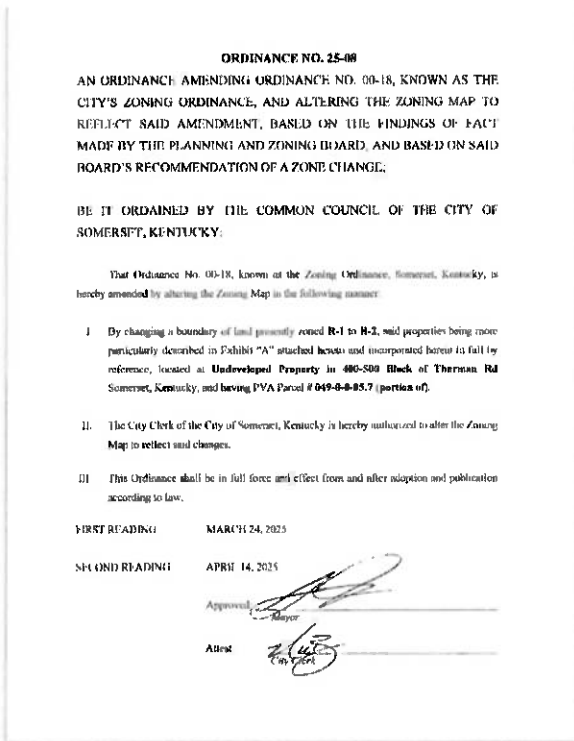
I, Nick Bradley, City Clerk of SOMERSET certify that the foregoing is a true copy of the Order above, given under my hand and seal of office this the 19th day of April, 2025.

SIGNED [Signature]
CLERK OF SOMERSET

Page 8 of 8

Ms. Lawson made a motion to approve the following Ordinance Number 25-08: AMENDING ORDINANCE NO. 00-18, KNOWN AS THE CITY'S ZONING ORDINANCE, AND

ALTERING THE ZONING MAP TO REFLECT SAID AMENDMENT, BASED ON THE FINDINGS OF FACT MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE CHANGE OF A PORTION OF PARCEL NUMBER 049-0-0-05.7 FROM R-1 TO B-3. Ms. Bullock seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Burdine, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, Ms. Lawson, Mr. Hunley, and Mr. Minton. "Pass" Mr. Mitchell.



CITY OF SOMERSET, KENTUCKY
PLANNING AND ZONING COMMISSION

FINDINGS OF FACT, CONCLUSIONS
AND RECOMMENDATION

CASE NO. _____

Re: Zone Change, Merlo Farms, LLC.

For recording purposes.

Listed below are the parties involved in the Zone Change for

630 Thurman Road

Somerset, Kentucky

0.57 acres and being a portion of PVA Parcels 049-0-0-05.7, and 049-0-0-06.1, as well as all of parcels 049-0-0-06.2 and 049-0-0-06.3.

Party One

City of Somerset,
Planning & Zoning Commission
P.O. Box 509
Somerset, Kentucky, 42562

Party Two

Merlo Farms, LLC,
503 N. Main Street
Somerset, Kentucky, 42561

The Planning and Zoning Commission having heard testimony at a public hearing conducted before the Commission on the 11th day of March 2023 and based on the evidence presented, the Planning and Zoning Commission enters the following FINDINGS OF FACT, CONCLUSIONS AND MAP AMENDMENT.

FINDINGS OF FACT

Merlo Farms, LLC is the owner of record of an 0.57 acre that is in the process of being annexed into the City of Somerset.

The tract is on the east side of Thurman Road.

It is a portion of the lands conveyed to Merlo Farms, LLC, by deed of conveyance dated the 14th of February 2023 and of record in Fiscal Book 1072 Page 211.

The parcel is zoned R-1 (Low Density Residential) in accordance with Article 4.17.

The recently adopted comprehensive plan's future use map does not include any tracts within the City Limits of Somerset.

The land is improved, with a small commercial building and barn.

It is a portion of PVA Parcel 049-0-0-05.7, and 049-0-0-06.1, as well as all of parcels 049-0-0-06.2 and 049-0-0-06.3.

The tract situated on a 19.30-acre tract. The assessed portion contains 0.78-acre. There remains 10.52 acres in the tract. The distillery is located on that portion of Parcel 049-0-0-05.7 remaining to the county.

The parcel to the north 049-0-0-05.5, Thurman Road, J.M. Holdings, LLC, 20.31 acres, is in the unincorporated & not zoned.

The parcels to the west across Thurman Road are:

Thurman Road, Parcel 049-0-0-06.1, 10.00 acres, unincorporated & not zoned.

Thurman Road, Parcel 049-0-0-06.1, 10.00 acres, unincorporated & not zoned.

589 Thurman Road, Parcel 049-0-0-05.1, Robert Wayne Evans, residence, 0.4 acres, unincorporated & not zoned.

630 Thurman Road, Parcel 049-0-0-05.2, Patricia Hughes, residence, 0.57 acre, unincorporated & not zoned.

The parcels belonging to Merlo Farms to the south are:

Thurman Road, Parcel 049-0-0-06.1, Merlo Farms, LLC, 0.78 acre, unincorporated & not zoned.

509 Thurman Road, Parcel 049-0-0-05.7 (remained), Merlo Farms, LLC, unincorporated & not zoned.

And these residences in Highland Tract upon the assessed parcel along the north boundary.

182 Ridge 101 Trail, Parcel 049-0-2-5.1, 1.00 acre, unincorporated & not zoned.

300 Ridge 101 Trail, Parcel 049-0-2-5.2, 1.00 acre, unincorporated & not zoned.

224 Ridge 101 Trail, Parcel 049-0-2-5.3, 1.00 acre, unincorporated & not zoned.

250 Ridge 101 Trail, Parcel 049-0-2-5.4, 1.00 acre, unincorporated & not zoned.

270 Ridge 101 Trail, Parcel 049-0-2-5.5, 1.00 acre, unincorporated & not zoned.

290 Ridge 101 Trail, Parcel 049-0-2-5.6, 1.00 acre, unincorporated & not zoned.

300 Ridge 101 Trail, Parcel 049-0-2-5.7, 1.00 acre, unincorporated & not zoned.

No one can see, all adjoining tracts are in the county and not zoned.

During the public hearing, Mr. Richard Van Damm, principal of Merlo Farms, LLC, stated the property was improved and should have been brought in as commercial also to the current policy that the property should have been brought in as a vacant use. Mr. Adams, city attorney, stated that the property was brought in under R-1 because the current improvements are non-farmington. Mr. Van Damm contended that the property has been functioning as a commercial property since its construction in 2024.

Chairman Vaughn asked why it was requested as B-2 (Highway Commercial) instead of B-3 (Neighborhood Commercial). After a short discussion, Chairman Vaughn asked if the petitioner would change his request to B-3, to which the petitioner readily agreed after Mr. Adams stated that the would not affect the rezoning and the B-3 was more appropriate for the property due to the type of land upon which the tract is situated (country freer road).



White Building and Black Building are remaining in county, tax building and been site on annex property.

During the Public Hearing, Mr. Larry Abbott, 664 Summer Shade Drive, asked the following questions.

- Q: This is going to be a distillery, and they are going to sell alcohol in that little building that he built, that little barn. Is that what I am understanding?
A: Van Damm stated that they have already distilling and selling liquor at Kroger's and all local liquor stores for several years.
- Q: Does he have a liquor license for this location?
A: Vaughn: Yes, he's got it. Van Damm: Yes.
- Q: Does he have a liquor license for this building that you all are bringing into the city?
A: Van Damm: I can produce and sell, it is under the three licenses. I can sell direct to consumer, I can sell to distilleries.
- Q: How can he get a liquor license because the [Public] County is not wet?
A: Vaughn: he can produce but not sell.
A: Vaughn: Can you produce and not sell [directed to Van Damm].
A: Van Damm: I can produce and sell, it is under the three licenses. I can sell direct to consumer, I can sell to distilleries.
- Q: So, does that mean anybody in Pulaski County get them a liquor license and sell?
A: Vaughn: If they had a distillery.

At this point Mr. Abbott spoke for several minutes concerning the distillery and its impact on the adjoining home values and the consequences of producing liquor and the restricted funds. He stated that I assume you are the grandson (Van Damm) that moved in the mobile homes, at which point Chairman Vaughn and Mr. Van Damm both stated that that was not so. Abbott then stated "I assumed that you guys made them move that back out", to which Vaughn answered, that as in county and we have no jurisdiction over that. Van Damm stated that he asked the landowner to move the mobile homes.

At this point Mr. Abbott returned to the distillery building. Mr. Van Damm stated that he had been producing and selling at that location for over two years.

- Q: You've been producing at that location, in that little building?
A: Van Damm, yeah, I'll give you a tour if you want.

At this time Mr. Abbott stated Yeah, I don't think that a post plan fails, it needs to be.

At this point Vaughn stated that it was in the county and we (city) have no jurisdiction over that.

Mr. Abbott talked about the building (distillery) for several minutes and finally understood that the building is operating as in the county. He then asked why the sign was at the driveway. Before getting an answer, Mr. Abbott asked several questions about selling liquor from the distillery, to which Vaughn and Burges stated that it was in the county and that would have to be brought up with the state or county.

A discussion was held about licenses held by the applicant. It was finally clarified that sales were via mail-order and no sales were occurring within the distillery.

After this discussion, the issue became the sign. Mr. Abbott asked that the sign be corrected and placed on the tract and the meeting continued on a later date. Mr. Adams stated that the sign had served its purpose, and it had given proper notice to any passerby.

After this, Mr. Abbott was concerned about the zoning change. Mr. Abbott asked that the meeting be continued since the meeting was changed from that advertised. Mr. Adams stated that changing it during the meeting was not an issue because it was in the same category and more restrictive than that requested and that the zoning requested was not appropriate due to the road frontage along the subject tract. A question was asked by Burges, and Mr. Adams responded on this issue by stating that had it been from a B to a R zone, then it would need to be assigned and confirmed at another date. Mr. Abbott then stated that the meeting should be continued since the adjoining owners were not aware that the meeting had been changed. Mr. Abbott was informed that letters had been sent to all adjoining landowners in accordance with the required laws. Upon further questioning, it was stated that 20 letters were sent out, including those owners with property adjoining the Merlo Farms tract. Chairman Vaughn stated that it seemed that no adjoining owners had shown up. After this issue was resolved, Mr. Abbott continued to talk about the distillery directly to Mr. Van Damm and the Chairman asked him to stop asking and pursue his concerns as private so the meeting could continue. Mr. Abbott had spoken on this matter for 19 minutes.

No adjoining property owners were in attendance and no others spoke on the matter during the public hearing.

CONCLUSIONS

As stated above, there were several concerns at the public hearing, however, no adjoining property owners were present. Mr. Abbott was the only one who spoke during the hearing as outlined above. The board felt that the proposed zoning request (revised) is appropriate as it allows the continued use of the property prior to its annexation.

The board felt there were sufficient grounds to grant a zoning change, zoning 0.0 in favor of said change with Burges, Floyd, Holladay, Lynch, Strasser and Vaughn voting in favor of the rezoning from R-1 to B-3.

RECOMMENDED MAP AMENDMENTS

Parcels 049-0-0-06.2, 049-0-0-06.3 and portions of PVA Parcels 049-0-0-05.7, and 049-0-0-06.1

It is hereby recommended by the Commission that the map amendment be granted, having met the requirements of RCN 100.215 (1) (a), that the project zoning is appropriate and the required uses are appropriate and therefore the tract should be zoned to Neighborhood Commercial (N-C).

A true and correct copy of this Findings of Fact, Conclusions and Recommended Map Amendment shall be sent to the City of Sonoma City Council for adoption.

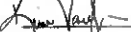
DONE AND ORDERED this 17th day of March 2025



Chairperson, Planning and Zoning Commission

City of Sonoma

ATTEST



Planning & Zoning Commission Clerk

This document was prepared by the staff of the Planning and Zoning Department under the supervision of John Adams, City Attorney.

City Attorney

Mr. J. Eastham made a motion to approve the following Ordinance Number 25-09: AMENDING ORDINANCE NO. 00-18, KNOWN AS THE CITY'S ZONING ORDINANCE, AND ALTERING THE ZONING MAP TO REFLECT SAID AMENDMENT, BASED ON THE FINDINGS OF FACT MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE CHANGE OF A PORTION OF PARCEL NUMBER 061-8-1-66 FROM R-1 TO R-3. Mr. T. Eastham seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Godsey, Ms. Bullock, Mr. T. Eastham, Mr. Burdine, Mr. Dalton, Mr. Wheeldon, Mr. J. Eastham, Ms. Dick, Ms. Lawson, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

ORDINANCE NO. 25-09

AN ORDINANCE AMENDING ORDINANCE NO. 00-18, KNOWN AS THE CITY'S ZONING ORDINANCE, AND ALTERING THE ZONING MAP TO REFLECT SAID AMENDMENT, BASED ON THE FINDINGS OF FACT MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE CHANGE.

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF SOMERSET, KENTUCKY:

That Ordinance No. 00-18, known as the Zoning Ordinance, Somerset, Kentucky, is hereby amended by altering the Zoning Map in the following manner:

- I. By changing a boundary of land presently zoned R-1 to R-3, said properties being more particularly described as Exhibit "A" attached herein and incorporated herein in full by reference. Located at Undeveloped Property on Monticello St. Somerset, Kentucky, and having PVA Parcel # 001-0-1-46 (Portion of the Parcel).
- II. The City Clerk of the City of Somerset, Kentucky is hereby authorized to alter the Zoning Map to reflect said changes.
- III. This Ordinance shall be in full force and effect from and after adoption and publication according to law.

FIRST READING: MARCH 24, 2025

SECOND READING: APRIL 14, 2025

Approved:

Attest:

The recently adopted comprehensive plan does not include any tracts outside the City Limits of Somerset.

The property is surrounded by the Kentucky Community and Technical College System on the north, west and south. These sections of the KCTCS System Tracts within the City of Somerset are zoned Low to Moderate Density Residential (R-2).

The tract across Monticello Street (Polaski Parcel 062-1-0-02) (Landscape Development, LLC) is not in the City of Somerset and not zoned. It is vacant.

The latest reconstruction along the Monticello Street corridor was the Foothills Academy residential units at the intersection of Monticello Street and Walker Avenue (Parcel 062-4-0-01). It is Zoned Low Moderate Density Residential (R-2).

Along the Monticello Street Corridor there are four apartment complexes, the previously mentioned Foothills Academy complex, 350 Monticello Street, Eagle Creek Apartments, a 36 unit apartment complex at 3049 Monticello Street (Parcel 062-1-0-79, unincorporated), Magnolia Apartments, 15 unit apartment complex at 750 Monticello Street (Parcel 061-4-2-01) and zoned Highway Oriented Commercial (R-3) and Somerset Village Apartments (eleven buildings) 132 units Parcel 061-6-2-04) zoned R-2, off Monticello Street near an intersection with E Washington Drive.

There is a Senior Living Community- Fagles Landing, (Parcel 062-4-0-19) Zoned R-3, on Patton Way, to the south of Somerset Village Apartments.

In addition, there are two duplexes at the Monticello Street/ Ford Drive intersection (064 Monticello Street & 100 Ford Drive), and two townhouses on Ford Drive (114 & 116). These four tracts are zoned Low-Moderate Density Residential (R-2).

Somerset Village Apartments is an older complex that was in place prior to the adoption of the current zoning ordinance (00-18) and is legal nonconforming. The property would be zoned R-3 if it was to be developed in the present.

Monticello Street (KY 2292) is a secondary north-south artery that is used by traffic headed to or from the Downtown Business District to bypass the heavily traveled KY 27 in the west. Monticello Street was the main artery for north-south traffic prior to the construction of US 27 in the early 60's. The former businesses along Monticello Street have been repurposed or razed. There are several single-family residences interspersed amongst the businesses along Monticello Street and the Community College, and Rural Response Development Center.

While the tract is almost two acres in size, and has 280 feet of frontage along Monticello Road, there are topographical issues that make a portion of the tract unsuitable. Allen Branch runs through or near the south property line resulting in sloping that makes a portion unsuitable for development.

The traffic has been cited in a past zone change of a 3-bedroom single-family residence (R-2) on Monticello Street into a R-3 prior to the rezoning where they are having trouble retaining the property. Tenants did not like the volume of traffic and noise from their children in close proximity to noise. The zoning petitioners have indicated they could use the house as rental either for a company he owned/supervised.

Zone Determination-Findings of Fact
Amendment Somerset Development, LLC Monticello Street

CITY OF SOMERSET, KENTUCKY
PLANNING AND ZONING COMMISSION

FINDINGS OF FACT

FOR

ANNEXATION NO. 25-

R-3 Zone Determination: Somerset Development, LLC, PVA Parcel 062-4-0-22 and 062-4-0-23 former Candidate for Higher Education at Southern Kentucky, Inc. tracts on Monticello Street, Somerset, Kentucky

For Recording purposes,

Listed below are the parties involved in the zone determination of the aforementioned Polaski PVA Parcel on Monticello Street, Somerset, Kentucky being annexed into the corporate limits of the City of Somerset.

PVA Parcel 062-4-0-22 and 062-4-0-23

Party One
City of Somerset,
Planning & Zoning Commission
PO Box 989
Somerset, Kentucky, 40502

Party Two:
Somerset Development, LLC
4601 Country Club Drive
Somerset, Kentucky, 40502

The Somerset Planning and Zoning Commission has been asked to zone two (2) tracts of land on Monticello Street (KY 2292) south of its intersection with Somerset Community College Drive (KY 2297).

The Planning and Zoning Commission has been notified at a public hearing conducted before the Commission on the 11th day of March 2025 and issued the rezoning presented, the Planning and Zoning Commission enters the following FINDINGS OF FACT, CONCLUSIONS AND RECOMMENDATIONS:

The two tracts are to be combined in one parcel that contains 1.965-acres. The tract is approximately 130 feet south of the intersection of Hwy 2297 (Monticello Street) and KY 2297 (Somerset Community College Drive).

The tract was purchased by the petitioner at Master Commissioner Auction conducted on the 26th of June 2021. The sale was confirmed by the Circuit Court on the 15th of July 2021 and a Commissioner Deed was made and recorded in Deed Book 1908 Page 31. The sale was the result of Circuit Court Order 2021-01040 Docket 11 signed Kentucky Tax Collector, LLC vs Cashman for Higher Education at Southern Kentucky, Inc. et al.

The petitioner has requested that this tract be zoned Medium Density Residential (R-3).

The 2010 comprehensive plan has this tract as unclassified.

Zone Determination-Findings of Fact
Amendment Somerset Development, LLC Monticello Street

While the corridor has high traffic counts, it appears that this has not corresponded to a high demand for properties along this stretch of the Monticello Street corridor. The only construction along the corridor seems to have been expansion of businesses located on larger tracts that have direct access onto US 27 as well as secondary access onto Monticello Street (Mow Blackie, Ford, Jim & Francis Bank, Dave Franklin Nissan, and Country Somerset).

A major issue is the topography, at the intersection area is the common zone from the slightly rolling topography south of the Monticello Street/ Somerset Community College Drive intersection to the rugged drainage area along Allen Branch that intersects Monticello Street to the south. After crossing Monticello Street/ Somerset Community College Drive intersection, Monticello Street drops 30 feet to Allen Branch (600 feet) and then rises continuously for a mile before intersecting Hwy 27 at roughly 11'. The road rises approximately 100 feet in this stretch. Much of the adjoining property is above or below the road grade making development costly or requiring larger tracts so that the entrance can be lengthened to overcome the difference in grade. This is very apparent on the west side of Monticello Street through this stretch, as much as that one of the larger tracts on the west side of Monticello Street was developed with US 27 access as a key feature instead with no ingress and egress onto Monticello Street.

The tract has been vacant for over 15 years. There was a building on the site from the mid 50's to the late 80's. It appears to have been a service station based on a past owner.

It is presumed that the property has been listed for sale by the current owner for a sufficient time so that the Kentucky Community and Technical College System would have had knowledge of the availability and had enough time to approach and consider an offer for the property.

Since it appears that purchase by the KCTCS System for accessibility with the campus is not a possibility, one must consider alternate uses.

Based on its location or size, the following uses are susceptible:

Single Family Residential (R-3) due to lower volume of traffic and the tract limited depth. Highway Oriented Commercial (R-3) Retail, or Office is possible, but impractical due to its proximity to Hwy 27 and the amount of retail uses available along same and the cost of constructing a commercial building. In addition, there are better sites to the north that are off Monticello Street that would be better suited for these uses, one of which is under construction.

Agricultural uses are not physically possible.

Light Industrial may be possible, but the amount of usable area on the site may preclude this use in this sector. SPEDA owned two larger tracts on E. Bourbon Road for light industrial development but had no offer during their ownership period (2005-2020-15 years) as the use in this sector is susceptible as well.

The applicants requested rezoning Medium Density Residential, develops the property to the maximum extent and could be considered the highest and best use of the tract. The proposed use and its location, abutting the Campus of the Somerset Community College are ideal for R-3 type buildings. This is further exemplified by the number of R-2 and R-3 type buildings cited above that are found along the tract on and off the Monticello Street Corridor.

Zone Determination-Findings of Fact
Amendment Somerset Development, LLC Monticello Street

Topic: Developmental Psychology

Page 9 of 11
April 14, 2025

ORDINANCE 25-10

AN ORDINANCE OF THE CITY OF SOMERSET, KENTUCKY, RESTATING MOST OF ORDINANCE 13-06, BUT AMENDING PARTS OF ORDINANCE No. 13-06 FOR SHORT-TERM RENTALS AND THE USE OF A BRAND NAME, ORDINANCE 13-06 CREATED A CITY OF SOMERSET TOURISM AND CONVENTION COMMISSION PURSUANT TO KRS CHAPTER 91A, AND ESTABLISHED A TRANSIENT ROOM TAX AND A SPECIAL TRANSIENT ROOM TAX SET FORTH IN KRS CHAPTER 91A, AND OTHER APPLICABLE LAW, SAID COMMISSION AND TAX IS CONTINUED HEREIN WITH MINOR CHANGES

WHEREAS, the City of Somerset is not an official member of the Pulaski County Tourist and Convention Commission, but the Commission created in Ordinance 13-06 has expressed an intention to further cooperate with the Pulaski County Tourist Commission; and,

WHEREAS, the City of Somerset receives no transient room tax, or a part thereof, collected by the Pulaski County Tourist and Convention Commission and thereby does not benefit financially from participating in said county commission in its current form; and,

WHEREAS, when Ordinance 13-06 was passed the tourism phenomenon of short-term rentals and related newer types of rentals was not a significant source of tourism lodging; and,

WHEREAS, tourism industry organizations often do business as in by way of a marketing name or brand name; and,

WHEREAS, the City of Somerset has determined it is in its best interest to maintain a City of Somerset Tourist and Convention Center Commission for the benefit of its citizens, to provide financial aid from a special tax under this established Commission to be used for any Convention Center(s), including but not limited to the Center for Rural Development, and finally for the promotion of tourism to the City of Somerset

THEREFORE, BY ORDINANCE 25-10, the Common Council of the City of Somerset that there the commission created in Ordinance 13-06 known as the City of Somerset Tourist and Convention Commission which shall continue, and operate as provided in this Ordinance and according to all applicable law, and further the Transient Room Tax created in 13-06 shall continue to be charged, collected, and used as set forth in this Ordinance and according to all applicable law, 1% (One Percent) of which may be provided for Convention Center(s), including the Center for Rural Development. Ordinance 13-06 is amended to include participation by other forms and other rental types.

ORD 25-10

SECTION I. CREATION OF COMMISSION

There is hereby created the CITY OF SOMERSET TOURIST & CONVENTION COMMISSION, "the commission", may use a "brand name", "doing business as", or other marketing name. Currently the organization does business as "SEE SOMERSET", said brand name may be changed by the Commission.

The Commission is established for the purpose of promoting recreational, tourist and convention activity in Somerset and Pulaski County, which means shall be governed by KRS 91A 350 - 91A 390 and other applicable provisions of the Kentucky Revised Statutes as they now read and as they may hereafter be amended; and the bureau shall therefore, have all the authority, powers, duties and obligations granted to it by these Statutes.

SECTION II. COMPOSITION OF COMMISSION, APPOINTMENT AND TERMS OF COMMISSIONERS

1. The Commission shall be composed of seven (7) Commissioners to be appointed by the Mayor of City of Somerset in the following manner:

- Two (2) commissioners from a list submitted by the local city hotel and motel associations.
- One (1) commissioner from a list submitted by the local county hotel and motel associations, provided that if only one (1) local hotel and motel association exists which covers both the city and county, then three (3) commissioners which may include short-term rental owners, shall be appointed from a list submitted by that association.
- One (1) commissioner from a list submitted by the local restaurant associations or associations.
- One (1) commissioner from a list submitted by the chamber of commerce of the largest city in the county.
- Two (2) large commissioners nominated and appointed by the Mayor of Somerset.

2. In the absence of any regional associations as specified in 1 (a) (b) (c) or (d), the position shall be filled by persons affiliated with similar business or organizations as determined by the Mayor of Somerset.

3. Vacancies shall be filled in the same manner that original appointments are made.

2

ORD 25-10

4. The Commissioners shall be appointed for terms of three (3) years, provided, that in making the initial appointments, the Mayor of Somerset shall appoint two (2) commissioners for a term of three (3) years, two (2) commissioners for a term of two (2) years and three (3) commissioners for a term of one (1) year.

5. The Commission shall elect from its membership a Chairman and a Treasurer, and may employ such personnel and make such contracts as are necessary to effectively carry out the purpose of KRS 91A.350 - 91A.390. Such contracts may include but shall not be limited to the procurement of promotional services, advertising services and other services and materials relating to the promotion of tourist and convention business; provided, contracts of the type aforesaid shall be made only with persons, organizations, and firms with experience and qualifications for providing promotional services and materials such as advertising firms, chambers of commerce, publishers and printers.

6. The books of the commission, including any account(s) established under KRS 91A.390, shall be audited annually using the audit standards issued annually by the State Auditor of Public Accounts, and audit to be performed by an independent certified public accountant who serves as auditor for the commission. Said auditor shall make a report to the commission, to any associations submitting lists of names from which commission members are selected, to the Mayor of Somerset, to the State Auditor of Public Accounts, and to Somerset City Council. Said audit report(s) shall be made available by the commission to members of the public upon request and at no charge. The commission may request that the State Auditor of Public Accounts review said report, and all related work papers and documents, of the auditor referenced above. Any costs associated with such a review, or resulting subsequent audit(s) by the State Auditor of Public Accounts, shall be borne by the commission.

7. A commissioner may be removed from office, by the Mayor of Somerset, as provided by KRS 65.007. Removals pursuant to this subsection shall not require city council approval.

SECTION III. IMPOSITION OF TRANSIENT ROOM TAX COLLECTION PROVISIONS, EXCEPTIONS

1. (a) That any person, firm, company or corporation engaged in the rental or offering of rental of rooms, rooms or other transient accommodations in the City of Somerset first be registered with the commission created herein and be in possession of a transient tax permit.

(b) For the purpose of operating the commission and to finance the operation and maintenance of the Somerset there is hereby imposed and levied on every person, company, corporation, or other like or similar persons, groups, or organizations doing business as motor courts, motels, hotels, inns, tourist camp, tourist cabins, campgrounds, recreational vehicle parks, or any other place in which rooms, lodgings, campsites, or accommodations are regularly furnished to transients for a

3

ORD 25-10

consideration, or like business in the City of Somerset, a local transient room tax of four percent (4%) of the gross rent for every occupancy of a room, room or room charged and collected. Said tax shall be paid monthly in the on the 25th day of the month with a grace period of ten (10) days. Said tax shall be paid monthly to the City of Somerset no later than twenty (20) days after the last day of the month, together with a return on a form furnished by the Somerset setting forth the aggregate amount of gross rentals charged and collected during the occupancy to which the transient room tax applies.

2. Any tax imposed by the Ordinance which shall remain unpaid after it becomes due, as set forth herein, shall have added to it a penalty of ten (10%) percent, in no case shall the penalty be less than twenty-five dollars (\$25.00). Any tax not paid in full after thirty (30) days shall have added a maximum of twenty (20%) percent of the tax for each thirty (30) days or fraction thereof for failure to pay the tax by the due date.

3. The tax imposed by this ordinance shall be in addition to other general taxes, occupational or business license tax.

4. (a) Any person, firm, organization or other like or similar organizations or businesses required herein to file a return, shall be required to make all books, records and account upon which information required by the Ordinance is based, available to the City of Somerset, their agents or employees, for the purpose of examination, audit or verification.

(b) The commission, or city employee working on behalf of the commission, or any of its agents or employees, are hereby empowered to examine the books, papers and records of any firm, organization or other like or similar accommodation business required herein to file a return. Said examination shall be permitted in order to determine the accuracy of any return made, or if no return was made, to determine the amount of room tax due and owing. Any reports, examination or audit of books, records, accounts, or any other source, in the administration of this Ordinance, shall be treated and considered as confidential and privileged except for official purposes, unless otherwise treated by judicial decree or specific provision of law, and shall not be open to inspection by the public.

5. Pursuant to KRS 91A 350 - 91A.390 - there are no exemptions related to transient tax.

SECTION IV. ENFORCEMENT

The commission set forth herein is charged with the duty of collecting this tax. It shall have the power and it shall be its duty to make and publish such rules and regulations as may be necessary to administer and enforce the provisions of this Ordinance and to provide:

4

such printed forms as may be required for reporting, paying and receipting for all such funds and for all other requirements in the proper and efficient administration of this Order.

SECTION V. PENALTY

Any person, firm, company or organization who shall fail neglect or refuse to properly complete and file a return as required herein, or any person, firm, company or organization who shall knowingly file a false or fraudulent return required by this Ordinance, or fail to pay the tax imposed herein or any portion thereof, or fails to perform under any specific provision herein, shall be subject to criminal and/or civil penalties.

Upon a criminal conviction, a person, firm, company or organization, shall be subject to a fine of not less than two hundred twenty-five dollars (\$225.00) nor more than five hundred dollars (\$500.00) or imprisonment of not more than ninety (90) days, or both fine and imprisonment. Each day of any violation shall constitute a separate offense.

Should any person, firm, company or organization become in default of any provision herein, for a period of ninety (90) days, the City of Somerset may revoke the transient tax permit of said person, firm, company or organization. In the event a transient tax permit is revoked, it may only be reinstated upon full payment of all delinquent taxes and the posting of a cash bond (to be provided by the delinquent entity) to the commission in an amount equal to the total tax due for the preceding twelve months. Said cash bond shall be refunded at the end of twelve months of compliance with the provisions of this ordinance. In all circumstances that the person, firm, company or organization fails to file true report and pay all taxes, including penalties and interest levied under KRS 91A 350-91A, 390 during the next twelve (12) month period on or before the monthly due date, the City of Somerset will immediately revoke the transient tax permit and the cash bond will be forfeited.

SECTION VI. USE OF TRANSIENT TAX PROCEEDS

The net proceeds from the transient tax shall be used for such purposes as enumerated in KRS 91A 350-91A, 390. The City of Somerset prohibits the Commission to issue Revenue Bonds or to borrow money beyond the Fiscal year without the express consent of the City of Somerset. The Fiscal year will begin July 1 and terminate on June 30 in each successive year.

SECTION VII. REPORTS

The Treasurer and any other officer of the Commission writing checks, receiving, and distributing funds shall be bonded by the City of Somerset in an amount commensurate with the largest amount of money on hand in any given month.

SECTION VIII. SEVERABILITY

Each section and each provision of each section of this Ordinance are severable, and if any provision, section, paragraph, sentence or part thereof, or the application thereof to any person, license, class or group, be held unconstitutional or invalid for any reason, such holding shall not affect or impair the remainder of this Ordinance, it being the legislative intent to retain and enact each provision, section, paragraph, sentence and part thereof, separately and independently of every other.

SECTION IX. REPEALER

Any repeal of any transient tax levied before 2013 and replaced in Ordinance 13-06 is repealed and voided here.

SECTION X. EFFECTIVE DATE

This Ordinance shall become effective upon its publication as per Kentucky Law.

SECTION XI. PUBLICATION

This Ordinance shall be published as per Kentucky Law.

Last reading was given to the Somerset City Council on April 14, 2025.

Adopted, on Motion made by _____ and seconded by _____
and passed by majority vote of the Somerset City
Council at duly session assembled on the _____ day of _____, 2025.

CITY OF SOMERSET MAYOR

ATTEST

SOMERSET CITY CLERK

There being no further business, the meeting was adjourned at 6:40 p.m.

APPROVED: _____

MAYOR

ATTEST: _____

CITY CLERK