

MINUTES OF MEETING HELD APRIL 8, 2024

The Common Council of the City of Somerset, Kentucky met in a regular meeting on Monday April 8, 2024, at 6:00 p.m. with the following present: Council Members David Godsey, Amanda Bullock, Tom Eastham, David Burdine, Brian Dalton, Jerry Wheeldon, Jerry Girdler, Robin Daughetee, Patrick Hunley, John Minton, Jim Mitchell, Mayor Alan Keck, and City Clerk Nick Bradley. Absent: Jimmy Eastham and City Attorney John Adams.

Mr. Burdine made a motion to approve the minutes of the regular meeting of March 25, 2024. Mr. Daughetee 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. Girdler, Mr. Daughetee, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

Mr. Wheeldon made a motion to approve the following Resolution Number 24-07: AGREEMENTS IN PRINCIPLE WITH THE PULASKI COUNTY GOVERNMENT REGARDING THE FUNDING, MANAGEMENT, INFORMATION, AND PLANNING OF SOMERSET/PULASKI COUNTY EMS. 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. Girdler, Mr. Daughetee, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

RES 24-07

Resolution 24-07

Whereas the City of Somerset and the County of Pulaski, both in the Commonwealth of Kentucky, have an interlocal agreement (April 2013) and amended in 2014 pertaining to the operation of emergency medical services (EMS);

Whereas the legislative bodies of both entities desire to continue operation of county wide EMS under subsequently the same terms, but with some amendments relating to funding and information/planning for better future operation;

Now therefore be it resolved the Somerset City Council proposes the following agreement in principle with the Pulaski County Fiscal Court, in the following principal understandings:

As to funding all prior agreements and amendments shall be changed to:

1. Fiscal year 2024- 2025 the funding amount paid by Pulaski County will increase from \$1,300,000 to \$1,450,000
2. Fiscal year 2025- 2026 the funding amount paid by Pulaski County will increase to \$1,600,000
3. Beginning with fiscal year starting July 1, 2026 through June 30, 2027, the funding paid by the County will increase 2.5 % annually through budget year 2028

As to management, information, and planning:

1. That the current Advisory Board found in the EMS interlocal agreement be amended to be composed of the Mayor of the City of Somerset, the Pulaski County Judge Executive, two Somerset Council members, two Pulaski County Judges, the Pulaski County Treasurer, the City of Somerset Chief Executive Officer and one Paramedic and one EMT. The City of Somerset would continue as the payee of the Somerset/Pulaski County EMS services. If other cities outside Pulaski County contribute, they can also sit on this advisory board. The responsibility and management control shall continue to be in the Executive of the City of Somerset.
2. That a qualified independent consultant or firm be retained by the board to assist the board in developing a strategic plan to improve the future operations of the City of EMS, with Pulaski County Fiscal Court bearing that cost of the consultant.
3. That a detailed financial report be provided on a monthly basis to Fiscal Court and the Somerset City Council.
4. In the event it is determined by either entity that the agreement is not in the best interest of that entity, and in order to provide sufficient time to ensure EMS services are not interrupted, the agreement can be terminated by either entity upon 12 months advance written notice from the terminating entity to the non-terminating entity.

The foregoing agreement shall be formally memorialized in an amendment to the original EMS Interlocal Agreement (Concerning Pulaski County). Both the City and the County will work together to make such agreement. If the formal interlocal agreement is not procedurally completed by July 1, 2024, both parties agree to the funding terms prior to the formal agreement's completion. Both parties agree to budget in its respective budget ordinances for July 2024-June 2025 the foregoing terms, notwithstanding the final completion of the formal interlocal agreement.

To achieve a "meeting of the minds" Pulaski Fiscal Court is asked in part by vote of majority a concurring resolution with the terms stated above before May 1, 2024.

Motioned and Voted Successfully on the 8th day of April, 2024, as proven and executed by the officers below:

Alan L. Keck, Mayor of the City of Somerset

And returned by:

Nick Bradley, Clerk of the City of Somerset

Mr. Mitchell made a motion to approve the following Resolution Number 24-08: ESTABLISHING A PROCESS RULE FOR THE TIMING OF A RESOLUTION SHALL GOVERN AT SOMERSET CITY COUNCIL MEETING. 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. Girdler, Mr. Daughetee, Mr. Hunley, Mr. Minton, and Mr. Mitchell.

**Resolution 24-09**


Whereas the Somerset City Council desires a recognized procedural process for the timing of the voting on a resolution:

Now therefore be it resolved the Somerset City Council, the rules and procedures for the timing of a Resolution shall govern at all regular and special meetings:

1. In discussing a matter for Resolution a member of the City Council may state an objection to voting the resolution at the current meeting (i.e. object to voting in this meeting because it needs more time). Unlike a motion pursuant to the avar paragraph it made the Council shall refrain from voting until the next meeting of the Council. The members may continue discussion of the matter for a reasonable time after the objection is stated. The matter will be automatically placed on the next meeting agenda and the members should have the expectation to vote at the next meeting if regular or regular if the issue is still pending and not having become moot.
2. When an objection to voting in the current meeting is stated by a member. Another member desiring a vote at the current meeting may make a motion to vote immediately over the stated objection and seek a second for an immediate vote. If there is a second, there shall be a vote on whether to vote at the current meeting "Aye" for yes or a vote to vote "Nay" (or no) is a vote to defer the vote to the next meeting.
3. In conducting the meeting, the Mayor or Chair Person may ask if there is any objection to voting now (at this meeting). If no objection to voting is stated, the matter is voted on the merits. If an objection is made then the Mayor or Chair Person may ask for motion to vote now or at the meeting to invoke the proceeding paragraph (Paragraph 2).

Motioned and Voted Successful on the 10<sup>th</sup> day of April, 2024 as provided for by the officers herein:

  
Matt Kocik, Mayor of the City of Somerset

And attested by  
  
Matt Daughetee, Clerk of the City of Somerset

Mr. Burdine made a motion to approve the following Resolution Number 24-09: AUTHORIZING THE EXECUTION OF A MEMORANDUM OF AGREEMENT BETWEEN THE CITY AND C. M. FORD INVESTMENTS, LLC RELATING TO THE ACQUISITION, CONTRUCTION, EQUIPPING AND INSTALLATION OF A MIXED-USE COMMERCIAL AND RESIDENTIAL PROJECT; AGREEING TO UNDERTAKE THE ISSUANCE OF INDUSTRIAL REVENUE BONDS AT THE APPROPRIATE TIME TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING AND ISTALLING SAID PROJECT AND FACILITIES; APPROVING AN AGREEMENT IN LIEU OF TAXES WITH THE COMPANY; TAKING OTHER PRELIMINARY ACTION; AND AUTHORIZING THE MAYOR IN FURTHRUANCE OF THIS RESOLUTION. Mr. Daughetee 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. Girdler, Mr. Daughetee, Mr. Hunley, and Mr. Minton. "Pass": Mr. Mitchell.

RESOLUTION NO. 24-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY (THE CITY), AUTHORIZING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE COMPANY FOR THE ISSUANCE OF BONDS TO FINANCE THE ACQUISITION, CONSTRUCTION, EQUIPPING, AND INSTALLATION OF A MIXED USE COMMERCIAL AND RESIDENTIAL PROJECT (THE PROJECT), AGREEING TO UNDERTAKE THE ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS AT THE APPROPRIATE TIME TO PAY THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING, AND INSTALLING SAID PROJECT AND FACILITIES APPROVING AN AMOUNT OF INDUSTRIAL TAXES WITH THE COMPANY, TAKING OTHER PRELIMINARY ACTION, AND AUTHORIZING THE MAYOR TO SIGN ANY AND ALL DOCUMENTS IN FURTHERANCE OF THIS RESOLUTION.

WHEREAS, Somerset Investments, LLC (the Company), a Kentucky limited liability company, or its agent (the Company) proposes the acquisition, construction, equipping and installation of a mixed-use commercial and residential project to be located within the City and Pleasants County, Kentucky on property located at KY 10 and KY 914 (the Project), as provided for in Section 103.000(a) of the Kentucky Revised Statutes, and in this connection it has been determined that the City must assist the Company by causing the acquisition, construction, equipping and installation of the Project and by entering into an appropriate lease or license agreement with the Company pursuant to authority of Sections 103.790 to 103.815, inclusive, of the Kentucky Revised Statutes (collectively, the Act), all in furtherance of the purpose of the Act and the public benefit of the citizens and inhabitants of the City, such lease agreement to be upon such terms and conditions as the Act may require and the City may deem advisable, and

WHEREAS, the acquisition, construction, equipping and installation of the Project by the Company will encourage the expansion of commerce in accordance with the public policy of the Commonwealth of Kentucky by promoting the economic development of the Commonwealth of Kentucky and the City will relieve conditions of unemployment, will encourage the outflow of commerce and will improve the economic welfare of the people of the City; and

WHEREAS, the City is further authorized by the Act to issue bonds, which term under the Act encompasses bonds, variable rate bonds, commercial paper bonds, bond anticipation notes or any other obligations for the payment of moneys issued by a city, county or other authority pursuant to the Act, for the purpose of deferring the cost of acquiring, constructing, equipping and installing an industrial building or buildings, as defined in the Act, discussions have occurred between representatives of the Company and the City, including the issuance of industrial building revenue bonds by the City, the City has agreed with the Company to issue such bonds upon compliance by the Company with certain conditions, requirements and obligations, and subject to the approval of the City at the terms of all agreements, resolutions and other documents required in order to said bond issue, and the City has authorized the Company to proceed with the acquisition, construction, equipping and installation of the Project subject to reimbursement of the costs of the Project from the proceeds of such bonds, when, as and if issued, and

WHEREAS, based upon an estimate of the costs of the Project, the City proposes to issue industrial building revenue bonds in one or more series as determined by the Company and agreed to by the City in an amount not to exceed One Hundred Million Dollars (\$100,000,000) (the "Bonds") for a term of thirty years (30) years, such Bonds to be sold and delivered in one or more series by the City to pay the costs of the Project, together with costs incident to the

authorization, sale and issuance of such Bonds, but with such contributions from the Company as may be necessary; and

WHEREAS, the City proposes to enter into at the appropriate time a lease agreement with the Company with respect to the Project, whereby the Company will construct and agree to pay amounts sufficient to provide for the payment of principal of and premium, if any, and interest on the Bonds, together with all trustee and paying agent fees in connection with the Bonds as the same become due and payable; the liability of the Company under this instrument or any other instrument related to the issuance of the Bonds shall be limited to its interest in the Project to be financed thereby and no party shall have the right to obtain payment from the Company or from any assets of the Company other than such Project; and

WHEREAS, it is deemed necessary and advisable that a Memorandum of Agreement between the City and the Company be executed setting forth the preliminary agreements of the parties with respect to the acquisition, construction, equipping and installation of the Project, the issuance of the Bonds to defray the costs thereof and the payments to be made by the Company with respect to the Project; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY, AS FOLLOWS:

Section 1. It is hereby found, determined and declared that the terms, conditions and the preamble to this Resolution, which are incorporated in this Section by reference, are true and correct; (i) the total amount of money necessary to be provided by the City for the acquisition, construction, equipping, and installation of the Project to be financed by the Bonds in one or more series of Bonds, will not exceed One Hundred Million Dollars (\$100,000,000); (ii) the Company has represented that it will have sufficient financial resources to acquire, construct,

equip and install the Project and to place it in operation and to continue to operate, maintain and insure the Project throughout the term of the Bond issue, except when due the obligations of the proposed lease agreement, and (iv) sufficient safeguards will be provided by the lease agreement to insure that all moneys provided by the City from the proceeds of the sale of the Bonds will be expended by way of direct expenditure or reimbursement, solely and only for the purposes of the Project.

Section 2. It is hereby found, determined and declared that the cost of acquiring, constructing, equipping and installing the Project will be paid out of the proceeds of the Bonds and such contributions of the Company as may be necessary to complete the Project as defined in the lease agreement to be executed by and between the City and the Company at the appropriate time pursuant to the Act, THAT NONE OF THE BONDS WILL BE GENERAL OBLIGATIONS OF THE CITY; THAT NEITHER THE BONDS NOR THE INTEREST THEREON SHALL CONSTITUTE OR GIVE RISE TO ANY INDEBTEDNESS OF THE CITY OR ANY CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER, BUT THAT THE BONDS AND THE PAYMENT OF INTEREST THEREON SHALL BE SECURED AND PAYABLE SOLELY AND ONLY BY A PLEDGE OF AMOUNTS TO BE PAID BY THE COMPANY UNDER SUCH LEASE AGREEMENT; AND THAT NO PART OF SAID COSTS WILL BE PAYABLE OUT OF ANY GENERAL FUNDS, REVENUES, ASSETS, PROPERTIES OR OTHER CONTRIBUTIONS OF THE CITY.

Section 3. In order to induce the acquisition, construction, equipping and installation of the Project in the City with the least use of public funds it is determined that it is deemed necessary and advisable that the Memorandum of Agreement hereinafter referred to be approved and executed for and on behalf of the City. Accordingly, the Memorandum of Agreement, with

The attached Agreement in Full Text (the "Pilot Agreement") by and between the Company and the City substantially in the form and with the contents set forth on [X] (the "Agreement") attached hereto and incorporated herein in full and the Pilot Agreement as hereby approved and the Mayor is hereby authorized and directed to execute and deliver said Memorandum of Agreement and the Pilot Agreement.

Section 4. Inasmuch as the Project is to be acquired, constructed, equipped and installed in order to conform to the requirements of the Company, and the Company may provide additional financing, economic development and employment to residents and visitors of the local economy and inasmuch as the Company is able to plan, acquire, construct, equip and install the Project and guarantee these operations in such matters as its faculty board determined and declared that acquisition, construction, equipping and installation of the Project should be undertaken or caused to be undertaken by the Company. Accordingly, the Company is hereby authorized to formulate and develop plans for the acquisition, construction, equipping and installation of the Project and to enter into such contracts and undertakings as may be required for the acquisition, construction, equipping and installation of the Project. Reimbursements made to the Company after the receipt of the proceeds of the sale of the proposed Bond issue by the City shall be subject to the certification by qualified persons to be designated by the Company as specified in the loan agreement to be entered into by the City and the Company at the appropriate time pursuant to the Act.

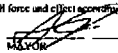
Section 5. The City hereby designated the Project site to be within a designated downtown business district pursuant to KRS 103.700(1)(c).

Section 6. This Resolution and the Memorandum of Agreement approved hereby constitute the present official intent of the City to issue the Bonds at a later date.

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INTRODUCED, SECONDLY READ AND ADOPTED AT A DULY CONVENED MEETING OF THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY, held on the 8th day of April, 2024, on the same occasion signed in open session by the Mayor in evidence of his approval attested under seal by the City Clerk, ordered to be filed and recorded as required by law, and declared to be in full force and effect according to law.

  
MAYOR

ATTEST  
  
CITY CLERK

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Section 7. Acting, Meeting & Kierkamp PLLC, Cincinnati, Ohio, is hereby approved as local Bond Counsel. Local Bond Counsel is authorized and directed to take any legal action necessary or appropriate in connection with the issuance of the Bonds. The City Attorney is authorized and directed to advise the Local Bond Counsel in any appropriate manner.

Section 8. City funds shall be expended on the Project, except such as are derived from Bond proceeds. Any out-of-pocket expenses to the City related to the issuance of the Bonds shall be paid by the Company, including, but not limited to, any separate City special counsel fees incurred by the City to review the Bonds and related closing documents.

Section 9. To the extent any resolution, ordinance or part thereof is in conflict, the provisions of this Resolution shall prevail and be given effect.

Section 10. The Mayor and other officials of the City are hereby authorized to execute any and all documents to implement and effectuate the intent of this Resolution, including, but not limited to, executing the application to the State Local Debt Office for the approval to issue Bonds for the Project.

Section 11. This Resolution shall be in full force and effect from and after its adoption as provided by law.

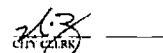
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**CERTIFICATION**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of Somerset, Kentucky, and as such City Clerk, I further certify that the foregoing is a true, correct and complete copy of Resolution No. 24-09, duly adopted by the City Council of said City at a duly convened meeting held on the 8th day of April, 2024, signed by the Mayor, duly filed and recorded in my office, all in accordance with the official records of said City in my possession and under my control.

IN WITNESS WHEREOF, I, the undersigned, set my hand and affixed the seal of said City this 10th day of April, 2024.

(S:AT)

  
CITY CLERK

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EXHIBIT A  
MEMORANDUM OF AGREEMENT REGARDING ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS

This MEMORANDUM OF AGREEMENT REGARDING ISSUANCE OF INDUSTRIAL BUILDING REVENUE BONDS, by and between the CITY OF STAMPA, KENTUCKY (the "City") and a Member of the Board of Directors of a Kentucky limited liability company, authorized to do business in the Commonwealth of Kentucky, is as follows (the "Company").

WITNESSETH

1. The terms of this Memorandum of Agreement and the matters which have resulted in the execution of this Memorandum of Agreement by and between the parties are the following:

(a) The Company is desirous of acquiring, constructing, and equipping a certain commercial and residential project to be located and in the City of Stamp, Putnam County, Kentucky (the "Project").

(b) The Project proposed to be acquired, constructed, equipped and installed for use by the Company will constitute an "industrial building" within the meaning of Section 101.200 of the Kentucky Revised Statutes.

(c) The Company is initiating the development of plans, specifications and designs for the Project and has entered into discussions with the City with respect to the financing thereof. The Company estimates that the project will require a total of One Hundred Million Dollars (\$100,000,000) to be paid up in advance.

(d) The City is authorized and empowered by the provisions of Sections 101.200 to 101.210, inclusive, of the Kentucky Revised Statutes, by the Act that the bonds, which term under the Act encompasses bonds, notes, variable rate bonds, interest free paper bonds, bond anticipation notes or any other obligations, not to be issued or placed in trust by a city, county or other public entity, to be used for the purpose of financing the acquisition, construction, construction, equipment and installation of the Project, and for the purpose of accounting, construction, equipment and installation of the Project, as defined in the Act, in order to promote the economic development of the Commonwealth and the establishment and maintenance of a certain industrial building, to be acquired, constructed, equipped and installed, at any time at the appropriate time a lease agreement with the Company is entered into and when the bonds shall become payable to the Company and such other terms, and conditions as shall be determined by the City.

(e) The purpose of the Act, which shall be to promote the economic development of the Commonwealth of Kentucky, to reflect conditions of unemployment, to provide resources to a purchase necessary, to aid in the rehabilitation of returning veterans, to encourage the increase of industry in Kentucky, and to aid in the retention of existing industry.

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by certain described means. In order to carry out such purposes, the City, in the request of the Company, proposes to cause to be acquired, constructed, equipped and installed the Project for the Company's use, in connection with the operation of the Company at the City. The City intends to finance the Project and to make use of the appropriate time in the agreement with the Company pursuant to the provisions of the Act with respect to the Project.

(f) The Company is ready, willing and able to cause initial acquisition, construction, equipping and installation of the Project to be undertaken, but has been advised by counsel that in order to secure the issuance of industrial building revenue bonds by the City it is necessary that official action be taken by the City approving the Project and agreeing to issue at the appropriate time industrial building revenue bonds to finance the costs of acquisition, construction, equipping and installation of the Project.

(g) Representatives of the City have indicated the willingness of the City to generally will and to carry out such industrial building revenue bond issuance in order to effectuate the purposes of the Act and have advised the Company that, subject to due compliance with all requirements of law and the obtaining of all necessary consents and approvals required by law and to the happening of all acts, conditions and things required precedent to such financing, including satisfaction of all requirements of the City, the City, by virtue of authority of the Act, will issue and sell its industrial building revenue bonds in one or more series as determined by the Company and agreed to by the City in an amount not to exceed One Hundred Million Dollars (\$100,000,000) for a term of thirty (30) years (the "Bonds").

(h) The City resolves and determines that the acquisition, construction, equipping and installation of the Project, and the execution of a lease agreement with the Company at the appropriate time with reference to the Project, will promote and further the purposes of the Act.

(i) Pursuant to KRS 103.232(1), the Company has requested and hereby requests that the sale of the Bonds by the City be made upon a negotiated basis in a manner to be determined by the Company.

(j) The City represents that the location of the Project is located within a designated downtown business district as set forth in KRS 101.200(1)(k).

(k) That the City and Company acknowledge that the commitment of the City to issue the Bonds shall be conditioned upon an annual payment in lieu of taxes ("PILOT Payment") to be made in accordance with the Agreement in lieu of taxes attached as Exhibit A.

2. Representations and Warranties. The terms of the Company, the Company's records, undertakings, covenants and agreements follow:

(a) That the Company intends to use the Project to carry out the Project to be located, at all times during the term of the lease agreement or the period of use of the Project as determined by and between the City and the Company with reference to the Project for the purposes hereinbefore indicated.

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(b) That the Project will tend to provide housing and reduce conditions of unemployment.

(c) That the Company will cause contracts to be entered into for or will otherwise provide for the acquisition, construction, equipping and installation of the Project.

(d) That upon the completion of the Project, the Company will cause the Company to be subject to a lease agreement with the City under the terms of which the Company will obligate itself to acquire, construct, construct, equip and install the Project and to pay to the City, from time to time, in the aggregate, to pay the principal of, interest on, and redemption of the Bonds as and when the Bonds shall become due and payable, with such other terms and conditions as shall be agreed upon by the City and the Company; and

(e) The Company will take such further action and adopt such further proceedings as may be required to implement its aforesaid undertakings or as it or the City may deem appropriate to consummate thereof.

3. Understanding on the Part of the City. Subject to the fulfillment of the several conditions herein stated, the City agrees as follows:

(a) That it will at the appropriate time and upon such terms, conditions, and sale of the Bonds pursuant to the terms of the Act as then in effect, in an aggregate principal amount not to exceed One Hundred Million Dollars (\$100,000,000), or such other amount as shall be sufficient to pay the costs of the Project and related costs as may be determined.

(b) That it will adopt or cause to be adopted such laws, regulations and ordinances, the execution of such documents as may be necessary or expedient for (i) the issuance, issuance and sale of the Bonds, (ii) the acquisition, construction, equipping and installation of the Project, and (iii) the payment of principal and interest on the Bonds by the lease agreement with the Company pursuant to the Act all of which shall be authorized by the Act and upon terms which shall be mutually satisfactory to the City and the Company.

(c) That the aggregate lease payments stipulated to be made by the Company under the lease agreement with the City with reference to the Project shall be at least sufficient (in addition to covenants of the Company to properly operate, maintain and insure the Project) to pay the principal of, interest on and redemption of the Bonds as and when the same become due and payable, whether at maturity or prior redemption or upon any acceleration of payment of principal as provided in the Bond proceedings, and

(d) That it will take or cause to be taken such other acts and adopt such further proceedings as may be required to implement the aforesaid undertakings as it may deem appropriate.

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4. General Provisions.

(a) The Company has requested that the sale of the Bonds be negotiated in the manner prescribed by statute and that the terms of the sale be subject to approval by the Company.

(b) All amendments of the City and the Company pursuant to this Memorandum of Agreement are subject to the condition that on or before six months prior to the date hereof or such later date as shall be agreed upon by the City and the Company, the City and the Company shall have agreed to mutually acceptable terms and conditions with respect to the lease agreement referred to in this Memorandum of Agreement and the details of the industrial building revenue bond financing.

(c) If the event set forth in (b) of this paragraph does not take place within the time specified herein, the Company shall, upon the expiration of the Bonds, be deemed to have agreed to the terms and conditions set forth in (b) of this paragraph and the Company shall be deemed to have agreed to the terms and conditions set forth in (b) of this paragraph and the performance by the City of its obligations hereunder shall be subject to the same.

(d) This Memorandum of Agreement and the Resolution approving this Memorandum of Agreement constitute the present official intent of the City to issue the Bonds at a later date.

(e) NONE OF THE BONDS WILL BE GENERAL OBLIGATIONS OF THE CITY AND NEITHER THE BONDS NOR THE INTEREST THEREON SHALL CONSTITUTE OR GIVE RISE TO ANY INDEBTEDNESS OF THE CITY OR ANY CHARGE AGAINST ITS GENERAL CREDIT OR TAKING POWER. THE BONDS AND THE PAYMENT OF INTEREST THEREON SHALL BE RECEIVED AND PAYABLE SOLELY AND ONLY BY A FLEECHE OF AMOUNTS TO BE PAID BY THE COMPANY UNDER ANY LEASE AGREEMENT WITH THE CITY AS REQUIRED BY THE ACT. NO PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, EQUIPPING AND INSTALLING THE PROJECT WILL BE PAYABLE OUT OF ANY GENERAL FUNDS, REVENUES, ASSETS, PROPERTIES OR OTHER CONTRIBUTIONS OF THE CITY.

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IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Agreement to be signed, stamped and attested as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

CITY OF BOWLING GREEN, KENTUCKY

BY \_\_\_\_\_ Mayor

C. M. FORD INVESTMENTS, LLC, a Kentucky Limited Liability Company

BY \_\_\_\_\_

TITLE \_\_\_\_\_

**AGREEMENT IN LIEU OF TAXES**

The Agreement in Lieu of Taxes (the "Agreement") is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2024, by and among the City of Somerset, Kentucky (the "City"), the County of Pulaski, Kentucky (the "County"), the Pulaski County School District (the "School District") and C. M. Ford Investments LLC a Kentucky limited liability company, and its successors, assigns and/or transferees (the "Developer"). (The aforementioned are together referred to as the "Parties")

**WITNESSETH**

WHEREAS, the Developer has property located at the intersection of KY 80 and KY 914, located in or to be located in the City of Somerset, Kentucky (the "Property"), and plans to develop the Property as a combined commercial and residential development together with related site amenities (the "Project"); and

WHEREAS, the City has agreed to (i) issue Industrial Building Revenue Bonds (the "Bonds") to finance the acquisition and construction of the Project, (ii) accept title to the Property and enter into a Lease Agreement with the Developer for the Property (the "Lease Agreement"), and (iii) in conjunction with the foregoing enter into the Agreement to memorialize the Developer's obligation to make payments in lieu of taxes ("PILOT Payments") with respect to the Property to the City, the County, the School District and the other local taxing districts in the County of Pulaski (that have taxing jurisdiction over the Property (the City, County and School District and the other local taxing districts being collectively the "Local Taxing Districts") in the amounts set forth herein; and

WHEREAS, the Developer and the City has entered into an Inducement Contract wherein the City agreed to authorize, issue, and sell the Bonds in an amount specified

Local Taxing Districts

1.5

herein, pursuant to KRS 103.200 through 103.285 to finance the construction of the Project; and

WHEREAS, the Bonds will be issued, subject to the terms of a Trust Indenture executed at the time of the issuance and delivery of the Bonds (the "Trust Indenture") which Trust Indenture shall appoint a trustee (the "Trustee") for the administration thereof; and

WHEREAS, the economic incentive to the Developer by virtue of the issuance of the Bonds and the execution of the Lease Agreement, is the abatement of real property ad valorem taxes with respect to the Property; and

WHEREAS, it is understood by the Parties that the Pulaski County Property Valuation Administrator (the "PVA") is responsible for establishing assessed value of real property within Pulaski County, Kentucky, for the purpose of imposing real property ad valorem taxes; and

WHEREAS, it is further understood by the Parties that the payment obligations created by this Agreement shall be secured by a mortgage (the "Pilot Mortgage") and paid to the City to be held and disbursed as required by the Agreement and the Trust Indenture; and

WHEREAS, the Developer plans to subdivide the Property into one or more lots (the "Lots") for sale or lease to third-parties (the "Third-Party Purchasers");

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter contained, the Parties herein agree as follows:

1. **Recitals.** The Parties hereto confirm and affirm the accuracy of the Recitals contained above and those contained herein.

2. **Valuation of Property.** That the valuation of the Project, will initially be the fair cash value of the Property as determined by the PVA, which shall be updated based on the transfer of the Commercial Lots, based on the sale price of the Commercial Lots to Third-Party Purchasers. The tax rates for use in calculating PILOT Payments for the term of this Agreement will be the actual real property ad valorem tax rates for the Local Taxing Districts in effect for each respective year the Bonds are outstanding. It is understood that the valuation of the Property may change over time as reasonably determined by the PVA in accordance with the PVA's standard practices.

3. **Commencement of Obligations.** The obligation to make PILOT Payments will commence on November 30<sup>th</sup> the year after the date the Bonds are issued, and shall be due each November 30<sup>th</sup> thereafter during the term of the Bonds, and shall be the obligation of the Developer, except that Developer may assign its obligation to Third-Party Purchasers.

4. **Issuance of Bonds/ Tax Abatement.** Upon the issuance of the Bonds, the transfer of the Property and the execution of the Lease Agreement, the Property will be exempt from local real property ad valorem taxes pursuant to the provisions of Section 103.285 of the Kentucky Revised Statutes, but shall be subject to the PILOT Payments as set forth in the Agreement. The term of the exemption from real property ad valorem taxes with respect to the Property shall be the earlier of (i) the termination of the Lease

Agreement, (f) thirty (30) years from the date the Bonds are issued or (to) the date the Bonds are fully paid or defeased (the Exemption Termination Date.)

5. **Obligation to Make PILOT Payments.** During the term of the Bonds the Developer or the Third Party Purchasers (for the Commercial Lots that are transferred to Third-Party Purchasers shall make the PILOT Payments to the City based on a PILOT Tax bill generated by the City, in an amount based on combined tax rates for each respective tax year, applicable to the Local Taxing Districts, the School District and the State of Kentucky, in an amount that would have been due on the Property had Bonds not been issued (the "Gross Pilot Payment"). From the Gross Pilot Payment the City shall pay

- a. To the respective Local Taxing Districts an amount equal to fifty percent (50%) of the amount the Local Taxing Districts would have received from the Property based on the value of the Property as determined by the PVA over \$341,800, but for the issuance of the Bonds, based on their respective real property ad valorem tax rates, plus an amount equal to one hundred percent (100%) of the amount the Local Taxing Districts would have received based on the taxable value of the Property in calendar year 2023 of \$341,800 (the "Local Taxing Districts PILOT Payment")
- b. After payment of the Local Taxing Districts PILOT Payment, the balance of the Gross PILOT Payments shall be paid to the Trustee in the amount set forth in the Trust Indenture
- c. For purposes of this Agreement and the calculation of the Gross PILOT Payments due from the Developer and/or Third Party Purchasers, the

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\$341,800 calendar year 2023 value will be allocated among the Developer and/or Third Party Purchasers of the Lots based on the acreage of each Lot, to the acreage on the Property subject to this Agreement

6. **Real Property Ad Valorem Taxes After Bonds Maturity.** Upon the Exemption Termination Date, the City shall convey the Property to the Developer (or its assignee or transferee), and the real property ad valorem tax exemption shall cease, and the Local Taxing Districts, shall receive one hundred (100%) of the real property ad valorem taxes with respect to the Property at the tax rates established each year in accordance with the assessment for the Property as determined by the PVA in accordance with the PVA's standard practices

7. **Other Taxes.** Other than the real property ad valorem taxes decreased herein, this Agreement does not affect or apply to any other taxes or fees that may be owed by the Developer (or its assignee or transferee) to the Local Taxing Districts. The Developer acknowledges that this Agreement will not be inconsistent with or will not conflict with any bond placement agreement, any financing agreement, the Trust Indenture, or the Lease Agreement executed or to be executed in connection with the Bonds (collectively, the "Bond Documents"), and to the extent that this Agreement is inconsistent or in conflict with the Bond Documents, the terms and language of the Agreement shall control over the Bond Documents

8. **Term of Bonds.** It is further understood by the Parties that the final maturity date of the Bonds shall not exceed thirty (30) years from their date of issuance

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9. **Notices**

All notices sent to the Developer shall be sent to

C. M. Bond Investments LLC  
P. O. Box 400  
Somerset, Kentucky 42502  
Attn: Matt Fries

All notices sent to the County shall be sent to

City of Somerset, Kentucky  
308 E. Hill Vernon  
Somerset, Kentucky 42501  
Attn: Mayor

All notices sent to the County shall be sent to

County of Pulaski, Kentucky  
100 N. Main Street  
Somerset, Kentucky 42501  
Attn: County Judge/Executive

All notices sent to the School District shall be sent to

Pulaski County Board of Education  
928 N. Main Street  
Somerset, Kentucky 42503  
Attn: Superintendent

10. **Modification and Assignment.** This Agreement may not be changed orally, but only by an agreement in writing executed by the Parties. The Developer may assign its rights and obligations under this Agreement to a third-party purchaser(s) of the Property or Project, a lender that may provide financing for the Project, or to an entity controlled by the Developer that may be formed to undertake all or part of the Project

11. **Effect of Bankruptcy.** In the event that the Developer, its assigns or transferees shall file a voluntary petition seeking relief under applicable bankruptcy laws, or have an involuntary action filed against it seeking such relief, then and in that event,

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it is agreed that all payments required by the Agreement shall be treated the same as if they were ad valorem taxes under applicable Kentucky law, giving said payments and obligations preference over all other secured and unsecured creditors

12. **Unsecured Creditors.** PILOT Payments not paid when due shall be subject to interest and penalty to the same extent as regular real property ad valorem taxes to the County

13. **Legal Binding.** This Agreement is legally binding upon the City, the County, the School District, and the Developer and its assigns and transferees.

14. **Governing Law and Jurisdiction.** The Parties agree that this Agreement is governed by the laws of the Commonwealth of Kentucky. Any action taken by the Parties or Trustee to enforce or seek relief from the terms and conditions of the Agreement shall be brought in Pulaski Circuit Court.

15. **Final Agreement.** This Agreement contains the entire agreement of the Parties hereto in respect to the transaction contemplated hereby and all prior agreements, whether oral or written, are superseded hereby.

16. **Severability.** Wherever possible, each provision of the Agreement shall be interpreted in such manner as to be effective and valid, but if any provision herein shall be deemed to be invalid such provision shall be ineffective to the extent of such invalidity without invalidating the remainder of the provisions contained in this Agreement.

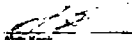
17. **Authorization.** The Parties hereto represent that each is duly authorized and empowered to enter into this Agreement.

18. **Copies/Parts.** This Agreement may be executed in any number of separate originals and each duplicate original shall be deemed to be an original.

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Signature Page to Agreement in Lieu of Taxes

CITY OF SOMERSET, KENTUCKY

By   
Alan Ruck  
Mayor

COUNTY OF PULASKI, KENTUCKY

By \_\_\_\_\_  
Mitchell Todd  
County Judge/Executive

PULASKI COUNTY SCHOOL DISTRICT

By \_\_\_\_\_

C. M. Ford Investments, LLC a  
Kentucky limited liability company

By  
Matt Ford  
Manager

11-1-20

3

First reading was given the following Ordinance Number 24-05: AMENDING THE TEXT OF ORDINANCE NO. 00-18, PERTAINING TO ANNEXATION OF PROPERTIES, BASED ON THE RECOMMENDATIONS MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE ORDINANCE TEXT CHANGE TO RECOGNIZE PROCEDURES UNDER KRS 100.209 AS THEY PERTAIN TO THE ZONING OF PROPERTY IN PROCESS OF ANNEXATION.

ORDINANCE NO. 24-05

AN ORDINANCE AMENDING THE TEXT OF ORDINANCE NO. 00-18 PERTAINING TO ANNEXATION OF PROPERTIES, BASED ON THE RECOMMENDATIONS MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE ORDINANCE TEXT CHANGE TO ADDRESS PROCEDURES UNDER KRS 100.00 AS THEY RELATE TO THE ZONING OF PROPERTY IN PROCESS OF ANNEXATION

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

Somerset's Zoning Ordinance Text shall be amended to include the following provisions:  
paragraph 4.17

"The City of Somerset recognizes KRS 100.209. The planning and zoning commission and the City Council may proceed under this statute. Nothing herein shall be inconsistent with KRS 100.209."

FIRST READING: Read on April 24

SIXTH READING & PASSAGE: day of 2024

APPROVED:  
ALAN KUK, MAYOR, CITY OF SOMERSET, KY

ATTEST:  
NICK BRADLEY, CITY CLERK

First reading was given the following Ordinance Number 24-06: AMENDING THE TEXT OF ORDINANCE NO. 00-18, BASED ON THE RECOMMENDATIONS MADE BY THE PLANNING AND ZONING BOARD, AND BASED ON SAID BOARD'S RECOMMENDATION OF A ZONE ORDINANCE TEXT CHANGE TO ADDRESS CANNABIS BUSINESS LICENSED UNDER 23 REGULAR SESSION SENATE BILL 47, KRS 218B.080, 218B.085, AND 218B.090 AND SUBSEQUENT CANNABIS REGULATION.

ORDINANCE NO. 24-06

AN ORDINANCE AMENDING THE TEXT OF ORDINANCE NO. 00-18 PERTAINING TO ANNEXATION OF PROPERTIES, EAST ON THE RECREATION BOARD, AND DART DISKETS BEYOND RECREATION BOARD A ZONE ORDINANCE TO RE-CLASIFIC. TO ADDRESS CASHMERE BUSINESS LICENSE UNDER R 23 RE OF LAR ST 99 IN SEATT 001 37, KRS 21B.00, 21B.05, AND 21B.09 AND SUPPLEMENT CANONARY REGULATIONS

- b. A cannabis business shall not be located within one thousand (1,000) feet of a Church of Jesus Christ of Latter-day Saints.
- c. A cannabis business shall not be located in a residential zone.

FIRST READING 27 day of April 2024

SECOND READING & PASSAGE Day of 2024

BE IT ORDAINED BY THE COMMONS COUNCIL OF THE CITY OF SOMERSET KENTUCKY

That the City Ordinance text shall be amended to include the following provisions at relevant place

APPROVED ALAN KLICK, MAYOR CITY OF SOMERSET, KY

ATTEST NICK DRAYTON, CLERK

(1) Zoning for any Cannabis Dispensary as located under KRS 21B.00, 21B.05 and 21B.09 shall not be located within one thousand (1,000) feet of any school or day care center as defined by KRS 199.004(1) any "day care center" as defined by KRS 199.004(1), and any registered child care provider as the Child Care Act of 1997 (as amended by 1997 KAR 218) The enforcement shall be one thousand (1,000) feet or a straight line from the rear property line of an existing elementary school, secondary school, or day care center on a related property line of the proposed place of business.

(2) Any Utilization Production Storage Safety Compliance Facility or "Wholesaling" of cannabis pursuant to Senate Bill 37 KRS 21B.00 21B.05 and 21B.09 or subsequent law shall be limited to Industrial Zone and any Special Agricultural Zone (if the Agricultural Zone Dispensary is applicable)

(3) Somersets to enforce the law of the Commonwealth of Kentucky. A cannabis business shall not be located within one thousand (1,000) feet of an existing elementary or secondary school or a day care center. Day care center "Day care center" as defined by KRS 199.004(1), and any registered child care provider as the Child Care Act of 1997 (as amended by 1997 KAR 218) The enforcement shall be one thousand (1,000) feet or a straight line from the rear property line of an existing elementary school, secondary school, or day care center on a related property line of the proposed place of business.

(4) In addition to the State Law above, the City of Somerset requires

- n. A cannabis business shall not be located within one thousand (1,000) feet of a recreational facility or property (playground, park, pool or water area) frequented by youth.

First reading was given the following Ordinance Number 24-07: ANNEXING BY CONSENT PROPERTY AS DESCRIBED BELOW AND IN ATTACHMENTS TO THIS ORDINANCE, ATTACHMENTS INCORPORATED IN FULL BY REFERENCE HERIN OF 1611 EAST MT. VERNON STREET.

ORDINANCE NUMBER 24-07

AN ORDINANCE OF THE CITY OF SOMERSET, KENTUCKY, ANNUALLY BY CONSISTENT COURSE AS HERETOFORE AND IN ATTACHMENT TO THIS ORDINANCE ATTACHED AND INCORPORATED IN FULL BY REFERENCE HEREIN, AND

WHEREAS, ANNEXATION REQUEST FORMS HAVE BEEN SUBMITTED BY THE PROPERTY OWNERS, AND THE TOWNSHIPS HAVE BEEN ACCEPTED BY THE CITY AS COMPLETED, AND THE PROPERTY OWNERS EACH HAVING WAIVED THE SIXTY-DAY WAITING PERIOD BY AND THROUGH THE ANNEXATION REQUEST FORMS MADE BY THE OWNER AND/OR AN AUTHORIZED AGENT OF THE OWNER AND INCORPORATED IN FULL HEREIN BY REFERENCE AND MADE PART OF THE ATTACHMENTS TO THIS ORDINANCE; AND

WHEREAS, ALL DOCUMENTS AND RECORDS NEEDED TO PROCEED WITH ANNEXATION OF THE PROPERTY INTO THE CORPORATE LIMITS OF THE CITY OF SOMERSET, AND

WHEREAS, THIS DOCUMENT WAS SENT TO THE JUDGE EXECUTIVE AND COUNTY ATTORNEY OF THE COUNTY AFTER THE NECESSARY ASSESSMENT UNDER 2017 OF LAND IN SOMERSET, KY, AND

WHEREAS, THE PROPERTY IS SUBJECT TO REQUIREMENTS FOR ANNEXATION AS SET FORTH IN KRS AND ALL OTHER APPLICABLE LAWS

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SOMERSET, KENTUCKY

SECTION 1 THAT THE PROPERTY DESCRIBED BELOW IS ATTACHED TO THE CITY OF SOMERSET, KY AND IS TO BE ANNEXED INTO THE CITY'S CORPORATE LIMITS

EXHIBIT A ONE TRACT LOCATING OR ACREAGE SHOWN ON AN ANNEXATION MAP FILED IN THE CITY OF SOMERSET, KENTUCKY, 2017 BY DEED AND MAPS: VIMS 24-01-17-04 SAID ANNEXATION MAP BEING LOCATED AT 1711 E. MT. VERNON STREET, SOMERSET, KY 42501. THE PROPERTY IS CURRENTLY KNOWN AS SEARS GLASS SHOP AND IS IDENTIFIED BY MAP 2024-01-01-17-04

SECTION 2 THE LANDOWNER IS PROCEEDING TO THE CITY'S PLANNING AND ZONING BOARD FOR A RECOMMENDATION BY THE SECOND READING, THE LAND WILL BE IN ITS CURRENT USE AS IMPROVED

SECTION 3 NOTICE TO PUBLISHERS: THIS IS A NOTICE TO PUBLISHERS TO BE GIVEN AFTER THE FIRST READING AND 45 DAYS BEFORE THE SECOND READING. THE PROPERTY OWNER SEEKS CITY UTILITY RATES AND IMPOSITIONS THE LEGAL RIGHT TO CURE ANNEXATION. THE FURTHER REQUIREMENTS FOR ANNEXATION BEFORE JULY 1, 2024, PURSUANT TO 2017 REQUIREMENTS IN MAP 2024-01-01-17-04

SECTION 4 THIS ORDINANCE SHALL TAKE EFFECT UPON ITS PASSAGE AND THEN PUBLICATION BY LAW

ENCLOSURE APRIL 8, 2024

2<sup>ND</sup> READING (NOT BEFORE MAY 21, 2024)

APPROVED: ALAN K. KICK, MAYOR CITY OF SOMERSET, KY

ATTEST: NEVA BRADLEY, CITY CLERK

The property at 1611 E. Mt. Vernon St., Somerset KY 42501, formerly known as Sears Glass Shop, will be the future home of Basil Dental Lab Inc.

Brian Helton CDT

*Brian Helton*

City of Somerset, KY, Annexation Ordinance No. 24-07

DESCRIPTION

A certain tract or parcel of land lying on the north side of Kentucky Highway 182 and the north side of East Mount Vernon Street in Somerset, Kentucky, County of Falmouth and more particularly described as follows:

A.1. Dealing with person were recorded to City, North Kentucky LLC (1400) Single Home, per 1<sup>st</sup> observation as observed on March 11<sup>th</sup>, 2024.

Beginning at a found 5/8" rebar with an aluminum survey cap (corner Henry Wayne Russell PLS 4048 located on the north 70.0' right-of-way of East Mount Vernon Street (formerly Highway 80), said rebar being a corner to C.M. Ford Investments, LP (Deed Book 1024, page 339-Track B) and having a Kentucky Single Home State File Identification Number 152,034-23, R 3, 241,812-22) thence with the southeasterly end of East Mount Vernon Street the following (1) call: 8 1/2" x 10" x 4" a distance of 24.49' to a point thence N 45°02'10" E a distance of 64.16' to a point thence N 80°55'15" E a distance of 30.15' to a found 3/4" metal post in concrete being a corner to Arnold Harris (Deed Book 825, page 122); thence with the line, S 15°33'15" E a distance of 41.15' to a found 3/4" metal post in concrete being a common corner to Harold Hazzler, Gerald Hazzler (Deed Book 1084, page 568-Track 115) and William and Ouida Frazier (Deed Book 129, page 191); thence with the line the following (2) call: 4 1/2" x 10" x 4" a distance of 20.29' to a found 3/4" metal post in concrete thence N 12°48'11" E a distance of 174.10' to a found 3/4" metal post in concrete located on the north 70.0' right-of-way of Kentucky Highway 182; thence with the north right-of-way of Kentucky Highway 182, N 1°41'11" E a distance of 162.67' to a found 3/4" metal post in concrete being a corner to Henry Wayne Russell PLS 4048 being a corner to C.M. Ford Investments, LP (Deed Book 1024, page 339-Track B) and having an area of 0.68 acres 22,887.77 sq. ft., according to a field survey completed on March 11<sup>th</sup>, 2024 and performed under the direct supervision of Jody Daigley PLS 3123, with JB Lark Surveyors, Inc.

Above described annexation is subject to all easements, encumbrances, right-of-ways, covenants, and restrictions of record or that may apply.

*Jody Daigley*  
Jody C. Daigley

3-27-24

Date

City of Somerset, KY

City Clerk

City of Somerset, KY

City of Somerset, KY

City of Somerset, KY

City of Somerset, KY



Parcel ID	Map to Page	Parcel Address	Legal Description	Subdivision	Lot Area	Area	Permit	Notes
000000	000000	000000	000000	000000	000000	000000	000000	000000

City of Somerset  
 2024-000000

City of Somerset  
 2024-000000

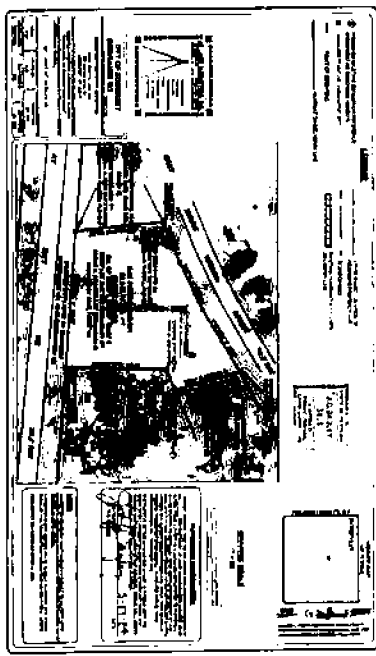
Somerset

DEPARTMENT OF HOUSING, BUILDINGS AND CONSTRUCTION  
 Planning & Zoning Commission

ANNEXATION REQUEST FORM

I, Brian Helton, formally request annexation  
 of my property located at 1611 E. Mt. Vernon Street  
 into the City of Somerset.  
 I hereby request that the locally existing zoning be changed  
 and request that this property be zoned

Brian Helton 057 3-28-2024



First reading was given the following Ordinance Number 24-08: AMENDING ORDINANCE NUMBER 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 200 & 202 BOURNE AVE FROM R-3 TO R-1A.

**ORDINANCE NO. 24-09**

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, State of Kentucky is hereby amended by altering the Zoning Map in the following manner:

- I. By changing a boundary of land presently zoned B-2 to R-1 and B-1 to R-1A and properties being more precisely zoned as B-2 to R-1 and B-1 to R-1A and properties being more precisely described in Exhibit A attached hereto, and incorporated herein in full by reference, located at 75 Blountsboro Dr., Somerset, Kentucky, and having PVA Parcel # 049-7-2-67-1 & 049-7-2-68-1.
- II. The City Clerk of the City of Somerset, Kentucky, is hereby authorized to alter the Zoning Map in reflected changes.
- III. This Ordinance shall be in full force and effect from and after its publication in accordance with the law.

FIRST READING: April 8, 2024

SECOND READING:

Approved: Mayor  
Attest: City Clerk

**CITY OF SOMERSET, KENTUCKY  
PLANNING AND ZONING COMMISSION**

**FINDINGS OF FACT,  
CONCLUSIONS AND RECOMMENDED MAP AMENDMENT**

CASE NO. \_\_\_\_\_

Re: Zone Change, 200 & 202

For Review by the Planning and Zoning Commission, the following information is provided: The subject property is located at 200 & 202 Bourne Ave, Somerset, Kentucky. PVA Parcel # 049-7-2-67-1 and 049-7-2-68-1.

Party Name: Jerry Hill  
City of Somerset: Jerry Hill  
Planning & Zoning Commission: 151 East 9th St, Somerset, Kentucky 40362  
1007 Harrison Ave, Somerset, Kentucky 40362

The Planning and Zoning Commission, having held a public hearing conducted before the Commission on the 27th day of April 2024 and based on the findings of fact, the Planning and Zoning Commission makes the following FINDINGS OF FACT, CONCLUSIONS AND RECOMMENDATIONS:

**FINDINGS OF FACT**

Jerry Hill is the owner of record of three lots on Blountsboro Drive. Lots 4 and 5 of Blountsboro Drive are located at the corner of Blountsboro Drive and 27th Avenue. Lot 4 is 0.52 acres and is zoned B-2. Lot 5 is 0.52 acres and is zoned B-1. The subject property is located at 200 & 202 Bourne Ave, Somerset, Kentucky. PVA Parcel # 049-7-2-67-1 and 049-7-2-68-1. The subject property is currently zoned B-2. The subject property is currently zoned B-2. The subject property is currently zoned B-2. The subject property is currently zoned B-2.

**CONCLUSIONS**

There were no objections at the public hearing and the board had no questions for the applicant. The board felt that the proposed zone change is in the best interest of the City of Somerset. The board felt that the proposed zone change is in the best interest of the City of Somerset. The board felt that the proposed zone change is in the best interest of the City of Somerset.

**RECOMMENDED MAP AMENDMENT**

It is hereby recommended by the Commission that the zone change be granted, as the proposed zoning is in compliance with the Comprehensive Plan, having due regard for the requirements of KRS 100.211(1).

A true and correct copy of the findings of fact, conclusions, and recommended map amendment shall be sent to the City of Somerset City Council for adoption.

DONE AND ORDAINED this 27th day of April 2024.

*[Signature]*  
Chairman, Planning and Zoning Commission  
City of Somerset  
ATTEST:  
*[Signature]*  
Planning & Zoning Commission Clerk

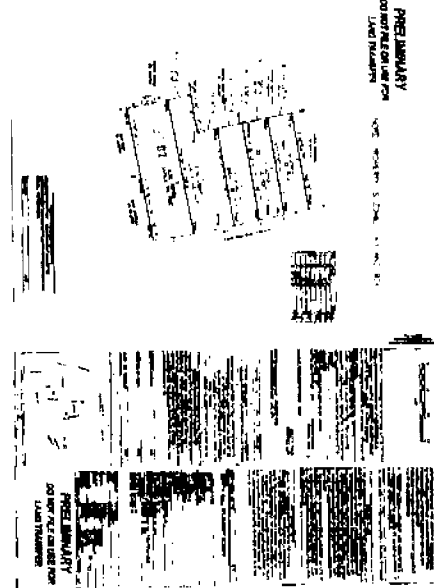
This document was prepared by the staff of the Planning and Zoning Department under the supervision of John Adams, City Attorney.

City Attorney

To the south are two parcels:  
876 W Hwy 90, Parcel 049-7-2-66 (J. McDonald), Zone B-2.  
898 W Hwy 90, Parcel 049-7-2-67 (J. Scott), Zone B-2.  
To the west are two parcels:  
916 W Hwy 90, Parcel 049-7-2-68 (J. Cookin), Zone B-2.  
Sage Drive, Parcel 049-7-2-65 (2017 Common Family Tract) zoned R-1.  
There is one parcel to the north:  
58 Sage Drive, Parcel 049-7-2-64 (Herald Bradley), Zone R-1.  
To the east across Blountsboro Drive are two parcels:  
Rungel Rd, Parcel 061-1-2-41 (Sage Drive MHP, LLC) Zone R-1  
852 W Hwy 90, Parcel 041-1-2-57 (Sagecrest Development, LLC) Zone R-2.  
The future use of the tract is residential.  
As stated earlier, Lots 4 & 5 are zoned B-1 and Lot 3 is zoned B-2.  
The applicant wishes to have all of Lot 3 remain in R-1.  
The applicant wishes to have 0.47 acres of Lot 3 & 5 (0.52-acre total) to be rezoned R-1A. A small portion of 1/4 of a parcel (Lot 4, 0.10-acre) will remain B-2.

The trend of lots in Somerset is for buildings to construct smaller newer homes on similar sized lots within the City. The owner will get three R-1A lots if it is rezoned. His original intent was to get six R-1A lots, but two of them were larger than that allowed in the Article. The buildings making the rezoning to R-1A are getting the most economic benefit from the land, and that is another example of the trend. This is the second R-1A rezoning since March 26, and there is another one in the discussion stage at this point.

Mr. Hill was informed that the proposed zone change conforms with the Planned Use Map, which means the requirements of KRS 100.211(1).  
KRS 100.211 Findings necessary for proposed map amendment - Reconsideration (1) Before any map amendment is granted, the planning commission or the legislative body or fiscal court must find that the map amendment is in agreement with the adopted comprehensive plan.  
He had nothing further to add.



First reading was given the following Ordinance Number 24-09: AMENDING ORDINANCE NUMBER 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 75 BLUGRASS DRIVE FROM B-2 TO R-1 AND R-1 TO R-1A.

**ORDINANCE NO. 24-08**

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-3 to R-1A, and properties being more particularly described as follows: All lots and parcels shown to fall by reference, located at 204 R. 302 Bourne Ave. Somerset, Kentucky, and having PVA Parcel # 061-5-7-40 & 061-5-7-49
- II. The City Clerk of the City of Somerset, Kentucky is hereby authorized to alter the Zoning Map to reflect said change.
- III. This Ordinance shall be in full force and effect from and after its publication according to law.

FIRST READING: April 8, 2024

SECOND READING:

Approved	_____
Attest	City Clerk

To the south at 1000 Race Street,  
 130 Bourne Avenue, Parcel 061-5-7-50 (B. Phelps), Zone R-3.  
 330 Race Street, Parcel 061-5-7-28 (J. Gilmore), Zone R-3.  
 To the west is:  
 134 Race Street, Parcel 061-5-7-3; (Stevenson Family Irrevocable Trust), Zone R-2.  
 To the north is:  
 204 Bourne Avenue, Parcel 061-5-7-47 (A. Wynn), Zone R-3.  
 To the east are:  
 201 Bourne Avenue, Parcel 061-8-1-55 (D. Inapatrik), Zone R-3  
 201 Bourne Avenue, Parcel 061-8-1-54 (J. Edwards), Zone R-3  
 The future use of the tract is residential.  
 The current zone is R-3 and the requested zone change is R-1A.  
 The tract of land in Somerset is for builders to construct smaller starter homes on smaller sized lots within the City. The owner will orient the homes along Race Street and get three lots if it is rezoned. R-1 has the largest setbacks of the four residential zones. R-1A has the smallest setbacks. The builder's working plan is to make R-1A get the most economic benefit from the land, and this is another example of the trend. There is a trustee and subdivision of two lots in front of the Planning and Zoning Commission on April 2, as well as another gentleman who wishes to divide a R-3 Lot into R-1A lots that is in the discussion phase with the Commission.

The representative for Habitat for Humanity, Polk County Corporation spoke and answered several questions from the board regarding the property and proposed improvements.

The zone change meets the requirements of KRS 100.213 (1) KRS 100.213 (1) Findings necessary for proposed map amendments -- Reconsideration (1) Before any map amendment is prepared, the planning commission or the legislative body or fiscal court must find that the map amendment is in agreement with the adopted comprehensive plan.

CITY OF SOMERSET, KENTUCKY  
PLANNING AND ZONING COMMISSION  
FINDINGS OF FACT,  
CONCLUSIONS AND RECOMMENDED MAP AMENDMENT

CASE NO.

RE: Zone Change: Habitat for Humanity

For the reasons set forth herein, I voted in favor of the petition filed in the Zone Change for Lots at the corner of Bourne Avenue at Race Street, Somerset, Kentucky, PVA Parcel 061-5-7-40 & 061-5-7-49.

Party One	Party Two
City of Somerset	Habitat for Humanity, Polk County Corporation
Planning & Zoning Commission	
PO Box 400	PO Box 1685
Somerset, Kentucky 42502	Somerset, Kentucky 42502

The Planning and Zoning Commission having heard testimony at a public hearing conducted before the Commission on the 26<sup>th</sup> day of March 2024 and based on the evidence presented, the Planning and Zoning Commission issues the following FINDINGS OF FACT, CONCLUSIONS AND MAP AMENDMENT:

**FINDINGS OF FACT**

Habitat for Humanity, Polk County Corporation is the owner of record of two tracts of land at Bourne Avenue at its intersection with Race Street. The two tracts of land are those properties conveyed to Habitat for Humanity, Polk County Corporation by Deed dated the 2<sup>nd</sup> of December 2023 by the City of Somerset, Kentucky a Kentucky Municipal Corporation and of record in Deed Book 1063 Page 336. The two parcels are listed as:

**CONCLUSIONS**

There were several changes at the public hearing but on one issue: Forward during the comments session of the public hearing concerning this property. The board felt that the proposed zoning was similar to other properties in the City of Somerset and provide housing for a certain market segment that have a need. The representative from Habitat for Humanity, Polk County Corporation stated that there are very favorable loan terms enabling the veterans to purchase these houses. The board felt there were sufficient grounds to grant a zone change, voting 6-0 in favor of said change with Burgin, Floyd, Holland, Lynch, Stricker and Vandy voting in favor of the rezoning from R-3 to R-1A.

**RECOMMENDED MAP AMENDMENT**

It is hereby recommended by this Commission that the map amendment be granted, as the present zoning is in compliance with the Comprehensive Plan, having met the requirements of KRS 100.213 (1).

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

DONE AND ORDERED this 7<sup>th</sup> of April 2024

Chairman, Planning and Zoning Commission

City of Somerset

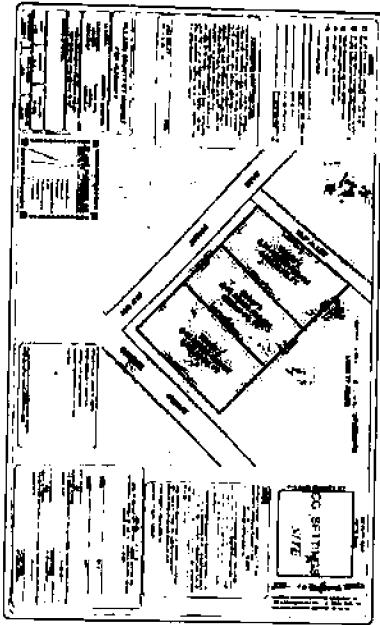
(ATTN)

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Planning & Zoning Commission Clerk

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City Attorney



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There being no further business the meeting was adjourned at 6:53 p.m.

APPROVED:



MAYOR

ATTEST:



CITY CLERK