Northern Kentucky Area Planning Commission
Meeting Minutes: February 24, 2014

Chairman Tom Litzler called the February business meeting of the Northern Kentucky Area Planning Commission to order at 5:15 PM in the Commission Chambers of the NKAPC Building in Fort Mitchell. Attendance of members was as follows.

<table>
<thead>
<tr>
<th>Term</th>
<th>Present</th>
<th>Absent</th>
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<tbody>
<tr>
<td>Chairman Tom Litzler</td>
<td>May 2012 through April 2014</td>
<td>X</td>
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<td>Vice Chairman Paul Meier</td>
<td>May 2012 through April 2014</td>
<td>X</td>
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<td>Treasurer Dick Spoor</td>
<td>May 2011 through April 2015</td>
<td>X</td>
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<td>Commissioner Nancy Atkinson</td>
<td>May 2012 through April 2014</td>
<td>X</td>
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<td>Commissioner Sherry Carran</td>
<td>May 2011 through April 2015</td>
<td>5:23</td>
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<td>Commissioner Bill Goetz</td>
<td>May 2012 through April 2014</td>
<td>X</td>
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<tr>
<td>Commissioner Gene Weaver</td>
<td>May 2011 through April 2015</td>
<td>X</td>
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Also present were: Mayor Joe Nienaber, City of Fort Wright; Jan Crabb, PHR, Finance/HR Administrator; Garry Edmondson, Legal Counsel; Dennis Andrew Gordon, FAICP, Executive Director; and Lori Remley, Administrative Assistant.

Chairman Litzler asked for a moment of silence and then led the Pledge of Allegiance. After Ms. Remley called the roll, he asked that the record reflect that a quorum was present.

**ACCEPTANCE OF AGENDA**

Chairman Litzler asked if there was a motion on the agenda as presented. Commissioner Weaver made a motion to accept the agenda as presented; Commissioner Atkinson seconded the motion. Chairman Litzler asked for a voice vote on the motion which found unanimous approval. The motion passed.

Chairman Litzler asked if there were any comments from the public and noted that there were none.

**NEW BUSINESS**

Chairman Litzler asked for review of draft Resolution 826-2014 pledging an incremental increase in real property taxes and authorizing the execution of a local participation agreement to pay for project costs and redevelopment assistance within the Dixie Highway-Kyles Lane Development Area of the City of Fort Wright.
Chairman Litzler reminded members that the TIF proposal had been presented to the NKAP Council at its January meeting and that the Council recommended approval of it to the Commission. He then outlined Commissioner Goetz’s email comments since Commissioner Goetz was unable to attend this meeting. Discussion followed regarding developing a policy regarding review of future TIF participation requests.

Mr. Gordon indicated that the Council had approved the Fort Wright TIF proposal just as it had the Covington proposal last year. He stated that the Fort Wright request mirrors the Covington program and outlined the city’s request: 50% of the incremental increase in real estate taxes for 30 years.

There was discussion regarding the inclusion of Kyle’s Lane and Highland and the length of time for which the city had committed funds.

At this time (5:30), Mayor Nienaber joined the meeting and apologized for his late arrival.

Members asked Mayor Nienaber what length of time the city had committed funds for this project. Mayor Nienaber indicated that he didn’t have a copy of the city’s resolution but that he thought it had committed to 30 years.

There was discussion regarding the difference between an IRB and TIF funding. Mayor Nienaber advised members that the city had an old TIF project (from 2007) on Madison Pike which was funded by only city money. He stated that this money could only be used for infrastructure improvements and other similar work. He stated that the money from this new TIF can be used for the “public good” and wouldn’t be as restricted as the old TIF. Commissioner Carran indicated that the Covington TIF has a board that reviews what the money will be used for and what businesses are targeted/recruited to the area.

There was a brief discussion regarding NKAPC having a seat on the Fort Wright review board. Mayor Nienaber responded that he understood the request and would be asking the same thing if he sat in one of the Commission’s seats.

Discussion followed regarding how the tax would be calculated and how payments would be made. Mayor Nienaber indicated that the current tax would be bench-marked and that 50% of NKAPC’s incremental increase would be paid to the TIF district. He stated that all tax funds would be paid to NKAPC as usual and that NKAPC would then pay 50% of the incremental increase to the TIF. He also stated that the city wouldn’t do anything to decrease the taxable value of the property and that NKAPC would only pay 50% of the increase. There was additional discussion regarding payments, the TIF contract and provision for dispute resolution.

Commissioner Weaver expressed concern over using government tax money for funding such projects and stated that it may be unfair to taxpayers in other jurisdictions. Mayor Nienaber clarified that the tax money being committed would only be a portion of the increased real estate taxes on the property within the project area which would not affect or take away from anyone outside of Fort Wright.
There was discussion regarding the language in the first “RESOLVED” paragraph of the proposed resolution. Several members recommended that the term of commitment should be the same as the city’s commitment and questioned what would happen if the city stopped its funding. Mayor Nienaber stated that the city wouldn’t expect NKAPC to continue funding the project if the city had stopped.

Following this discussion, Commissioner Spoor suggested the following language:

RESOLVED, that the Northern Kentucky Area Planning Commission agrees to pledge 50% of the incremental increase in its real property taxes from the Development Area for the same period of time as provided in the Fort Wright TIF ordinance to pay for project costs and redevelopment assistance within the Development Area in accordance with the provisions of the Act; and be it further

After some additional discussion, Chairman Litzler asked for a motion. Commissioner Meier made a motion to adopt Resolution 826-2014 with the amendment to the first “RESOLVED” paragraph; Commissioner Carran seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Atkinson, Carran, Meier, Spoor, Weaver and Chairman Litzler in favor of the motion. The motion passed unanimously.

Commissioner Weaver again expressed the need to develop a policy for future TIF district funding requests. He also recommended that NKAPC have a seat on the review board for any TIF that it is contributing tax dollars to. The members unanimously agreed to develop an approval policy/procedure and to pursue a seat on the review board.

ONGOING BUSINESS

Chairman Litzler asked if the Minutes of the January 27, 2014 business meeting were acceptable or if anyone had any additions/corrections. Commissioner Weaver made a motion to accept the Minutes of the January 27, 2014 business meeting as presented; Commissioner Meier seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Atkinson, Carran, Meier, Spoor, Weaver, and Chairman Litzler in favor of the motion. The motion passed unanimously.

Chairman Litzler asked if the Minutes of the February 5, 2014 work session were acceptable or if anyone had any additions/corrections. Commissioner Meier made a motion to accept the Minutes of the February 5, 2014 work session as presented; Commissioner Spoor seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Carran, Meier, Spoor, Weaver, and Chairman Litzler in favor of the motion with Commissioner Atkinson present but not voting. The motion passed unanimously.

Ms. Crabb gave an overview of the monthly financial report for the period ending January 31, 2014 (general fund, reserve funds, and fee-based revenue). She advised members that fee-based revenue ended the month $175,292 ahead of projections. After a brief discussion, Chairman Litzler asked for a motion. Commissioner Carran made a motion to accept the
January 31, 2014 report as presented subject to audit; Commissioner Atkinson seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Atkinson, Carran, Meier, Spoor, Weaver, and Chairman Litzler in favor of the motion. The motion passed unanimously.

Chairman Litzler asked for review of information requested from staff regarding health insurance issues created by NKAPC’s altered program year. Ms. Crabb outlined the deductible payment information received from staff (copy of which is attached to the original minutes) and the total cost of reimbursement if handled through 1099, payroll, or HSA/FSA contribution. She recommended going through payroll if the Commission decided to go ahead with the reimbursement. There was discussion regarding the hardship staff incurred by the Commission renewing early, how much money was saved by renewing early and what the total reimbursement cost would be including taxes and Social Security liability.

After a brief discussion, Chairman Litzler asked for a motion. Commissioner Meier made a motion to reimburse employees for money paid toward their deductibles from July 1 through November 30, 2013 by grossing up the amount and paying it through payroll; Commissioner Spoor seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Atkinson, Carran, Meier, Spoor, Weaver, and Chairman Litzler in favor of the motion. The motion passed unanimously.

Chairman Litzler then opened discussion regarding the fiscal management recommendations given to the Commission by the NKAPCouncil. Members reviewed a proposed response to Kenton County Planning Commission chairman Paul Darpel. Mr. Edmondson outlined several minor changes – “forgive” the debt not “cancel” and striking sentence regarding “until financial position improves”.

Commissioner Meier excused himself from the meeting during this discussion (6:20).

After some additional discussion, Chairman Litzler asked for a motion. Commissioner Atkinson made a motion authorizing the Chairman to sign and send the letter with the changes discussed; Commissioner Spoor seconded the motion. Chairman Litzler asked for a roll call vote on the motion which found Commissioners Atkinson, Carran, Spoor, Weaver, and Chairman Litzler in favor of the motion. The motion passed unanimously.

Chairman Litzler asked for a report from legal counsel. Mr. Edmondson stated that there was nothing new to report.

Chairman Litzler asked for the report from the executive director. Mr. Gordon advised members that he and Martin Scribner had spoken to the three pre-qualified vendors for an RFP and explained that the Commission believes the organizational assessment will cost more than was originally anticipated. They requested that each vendor submit a written estimate and provided a copy of the RFP to each by email. The deadline for submitting estimates was set for Monday, March 10th. Mr. Gordon indicated that once the estimates are received, the Commission can determine whether to pursue the RFP. Discussion followed.
Chairman Litzler asked for reports from committees and/or members of the Commission. There were none. Mr. Gordon advised members of a change to the meeting schedule. He noted that due to the national APA conference, he would not be here for the April 28th meeting and requested that the meeting be rescheduled to May 5th at 5:15 PM. Members unanimously agreed to this change.

With no further business, Chairman Litzler reminded members of upcoming meetings as noted on the agenda. Commissioner Atkinson made a motion to adjourn; Commissioner Carran seconded the motion. With no objections, Chairman Litzler adjourned the meeting at approximately 6:50 PM.

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Tom Litzler, Chairman

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Dennis Andrew Gordon, FAICP
Executive Director/Secretary