

CITY OF DAYTON, KENTUCKY  
PUBLIC HEARING  
SEPTEMBER 11, 2008

A Public Hearing was held on Thursday, September 11, 6:00 p.m. in the council chamber of the Dayton City Building. The hearing was held to receive public input and comments on the Manhattan Harbour Development Plan. The Public Hearing was advertised and all council members were notified in advance.

Mr. Parsons, Mr. David Imboden and Mr. Kersting representing DCI were in attendance. Mr. Parsons passed out a fact sheet to Mayor and Council.

Mr. Parsons said the purpose of this hearing was to discuss the Development Plan and the Public Hearing was relevant to that. The plan is an integrated mixed-use development on 130 acres along the Riverfront. There will be 2000 living units, commercial units and a hotel. The land was rezoned and the site plan was approved by the city. FEMA agreed to the flood line.

In December 2006 we looked into passing Individual Revenue Bonds, similar to other projects. In March 2007 the Kentucky General Assembly approved TIF, pledged revenue from new revenue. This is for signature projects in excess of \$2,000,000. Last year the State approved five projects. One project was in Newport.

What is a TIF District? That is using a portion of the new revenue generated by a new development. You do not use the current revenue and do not create any new taxes. Income generated on the new project can be used to support the development. It's usually a 30-year period or less if the revenue comes in quicker. TIF is over when the financing is paid off. Until recently no State money was used for residential developments. It's now for market rate housing, upscaled housing and limited for Community Development. We have a controlled fill situation; there will be a new boulevard the length of the Levee and a new access point on Berry Avenue. The plan does require the city to agree to a pledge of new revenue to help with the infrastructure. We are asking the county also. After this there is a 30-day waiting period. If council agrees then we need an ordinance to adopt the new development plan the boundary of the Tif District plus a local participation agreement. Things should be done by the middle of October and then we'll file with the State. It's about the same process as the Ovation Project in Newport. We'll provide financial data with the application. All cost will be paid by DCI. The Dayton School District and Campbell County School District will receive all of the income due to both districts.

Comments:

Paule Asch, Riverpointe: Because of the economic change do you think you can fill 13,000 units? Mr. Parsons said the financial market is not great today but it may come back. The baby-boomers are still strong. This is a phased project.

The bonds are not a risk to the city, all they are pledging is what might happen. Unless you spend \$200,000,000 in six years you don't get the state incentive, so we need to move forward.

Mr. Kersting said we've done demographic studies. You hire the best people to give you the best information. The baby-boomers want to sell their houses. They'll start selling again when the market comes back.

Mayor Rankle asked how long it would take after it gets to the State? Mr. Parsons said about two months or a little longer. This will be the first signature project to go through under the new rule. We need to schedule a meeting in October to go to Frankfort and help move them along. January or February would probably be a good date for their approval.

Mayor Rankle expressed his disappointment with the amount of time the project is taking. We had a whole year of doing nothing. Mr. Kersting said they are disappointed also. In the very beginning of the project Tif was not available. But, now that Tif is available the project will have more units, this is the best use for the 142 acres. Most any developer in this town is buying a little time. Everyone is riding this market out. All projects are in motion but slowing down. We have 14 permits in approval. There

has been a lot of risk taking on DCI's part. We have every incentive to put this project on a realistic time line. In the big picture it's okay. The market will come back nicely but we really don't think it will be back until 2010. Mr. Imboden is starting, with his own money, Manhattan Flats this spring. This is more aggressive than anyone out there. We're moving forward at a pace that is responsible.

It's a big asset to get the State's approval and the financing in place. Mr. Parsons said the pledge of revenue from the State is not with the Developer, it's with the city. You're in control of some of the process.

Dennis Redmond, City Adm., said this Mayor has been the biggest and greatest advocate and defender of DCI from the very beginning. But, he has a responsibility to the Community. All of us are disappointed. In Nov. 2005 we started the process to develop an area in our city that is currently in the 25 & 100-year flood plain. To develop that area was almost impossible. In March 2007 we found out we could get Tif Financing for the project. Tif is the only way I know you could develop the Riverfront. It's easy for a developer to go to a green field outside of the flood plain. When you come to the river valley developing here is sometimes smoking mirrors. Every council member wants to make sure the local schools are not left out of the process. Tif includes them.

Paule Asch, Riverponte, asked about the height of the buildings. Has this changed? Mr. Kersting said the design is into the levee, it will be a zero depth from the toe of the levee towards the river with an opportunity to bring in a million yards of dirt. There will now be 42 acres of green space.

Steven Wright, Riverponte, asked about the timelines and where they will start. Mr. Parsons said the major issues are the Berry Street connections, the fill, build the Boulevard, the Community Center and the New Condos near the Marina. But first we need to get the basic infrastructure in that will support the development. To get the Boulevard in it will take about 800,000 yard of fill. We're very optimistic about the continued care retirement community.

Mr. Parsons said they are currently working with a major investor. He cannot share the details at this time. Mr. Kersting has developers on site at least once a week.

Dennis Redmond, City Adm., advised that everyone will see a 19% decrease in the city real estate tax rate this year. Council's goal is to reduce your tax rate from here on. The way you do this is take 142 acres that could not be used yesterday and start using them tomorrow.

Maureen O'Neal, Riverpointe, is worried about her view and the noise from pile drivers. Mr. Kersting said there would not be any loud pounding of steel; they have auger cast piers that drill down now. Mr. Imboden said there would be one tall building but it will be beautiful and he didn't think she would be disappointed. It will not hurt your view.

Member Volter said she trusted DCI to put in a wonderful development and make it a part of the old Dayton. Is the floodwall secured right now? Mr. Kersting is meeting with the Corps next week. The work needed will be taken care of. Mr. Parsons said the city would have extra protection once the development is done.

Mayor Rankle closed the hearing at 6:55 p.m.

Respectfully submitted,

Donna Leger  
Clerk/Treas.

ATTEST:

Kenneth E. Rankle  
Mayor

