

CITY OF NEWPORT, KY
SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
Tuesday, August 21, 2018
MINUTES

CALL TO ORDER / ROLL CALL FOR SPECIAL MEETING

The special meeting was called to order by Mayor Peluso at 4:00 p.m. in the Multi-Purpose Room of the Newport Municipal Building at 998 Monmouth Street.

In attendance were: Commissioner Beth Fennell, Commissioner Frank Peluso, and Mayor Jerry Peluso. Absent: Commissioner Ken Rehtin, Absent: Commissioner Thomas Guidugli, Jr. Also in attendance were: City Manager Thomas Fromme, City Attorney Dan Braun, Assistant City Manager Larisa Sims, Finance Officer Lenny Kuntz, Police Chief Tom Collins, Fire Chief Bill Darin, and City Clerk Amy Able.

NEW BUSINESS

The city clerk read **R-2018-059**.

AN ORDER **APPROVING AN INDUCEMENT CONTRACT** BETWEEN THE CITY AND NAP ACQUISITIONS, LLC AND ITS SUCCESSORS, ASSIGNS AND/OR TRANSFEREES IN WHICH THE CITY AGREES TO ASSIST IN FINANCING THE ACQUISITION AND CONSTRUCTION OF AN INDUSTRIAL BUILDING PROJECT ON A TRACT OF LAND LOCATED WITHIN THE CITY, THROUGH THE ISSUANCE BY THE CITY OF ITS INDUSTRIAL BUILDING REVENUE BONDS IN THE AGGREGATE AMOUNT NOT TO EXCEED \$200,000,000 FOR THE ACQUISITION AND CONSTRUCTION OF A MAJOR ENTERTAINMENT DESTINATION CENTER TOGETHER WITH MIXED-USE COMMERCIAL USES FOR DOWNTOWN REDEVELOPMENT AND EMPLOYMENT IN SAID CITY; AND AUTHORIZING THE BEGINNING OF ACQUISITION AND CONSTRUCTION OF THE PROJECT PRIOR TO THE ISSUANCE OF THE BONDS, WITH NAP ACQUISITIONS, LLC AND ITS SUCCESSORS, ASSIGNS AND/OR TRANSFEREES PAYING FOR SAME AND TO BE REIMBURSED OUT OF THE PROCEEDS OF THE BONDS FOR ALL COSTS ADVANCED BY IT TOWARD THE COST OF THE PROJECT.

Commissioner Peluso made a motion for approval, Commissioner Fennell offered a second to the motion. An overview was given by Mr. Fromme explaining the inducement (for IRBs for acquisition and PILOT agreements and the redemption of the garage and plaza bonds relieving debt service payments. Mr. Richard Spoor of Keating, Muething, and Klekamp commented that this is a step transaction; the City is consenting to assignment for the sale and North American will use IRBs to pay for the sale. Responding to a question, Mr. Spoor stated there were four existing bond issues, (one for the garage and plaza, one for the center, one for Aqua on the Levee, and one for IMAX,) and this new bond issue will take the place of those and will take the garage and plaza bonds off the City's books. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes **Commissioner Rehtin: Yes**
Commissioner Fennell: Yes **Mayor Peluso: Yes**

Motion carried 4-0.

The city clerk read **R-2018-060**.

AN ORDER **AUTHORIZING THE EXECUTION OF THE CONSENT TO ASSIGNMENT OF PROJECT DOCUMENTS** RELATED TO THE NEWPORT ON THE LEVEE

DEVELOPMENT; AND AUTHORIZING THE EXECUTION OF OTHER DOCUMENTS RELATED TO THE PROJECT IN CONNECTION WITH THE SALE; AND, AUTHORIZING THE MAYOR AND THE CITY MANAGER TO TAKE SUCH OTHER ACTIONS AS IS NECESSARY OR REQUIRED WITH RESPECT TO THE SALE OF THE PROJECT.

Commissioner Peluso made a motion for approval, Commissioner Fennell offered a second to the motion. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Fennell: Yes Mayor Peluso: Yes **Motion carried 4-0.**

At 4:08 p.m. Commissioner Rehtin made a motion for recess from the regular session, Commissioner Peluso offered a second to the motion. The mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Fennell: Yes
Commissioner Rehtin: Yes Mayor Peluso: Yes **Motion carried 4-0.**

See attached minutes of the Newport Public Properties Corporation.

Commissioner Rehtin made a motion to enter into a session for a meeting of the City of Newport Public Properties Corporation, Commissioner Peluso offered a second to the motion. The mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Fennell: Yes
Commissioner Rehtin: Yes Mayor Peluso: Yes **Motion carried 4-0.**

Attendance was noted for the Board of Directors of the Newport Public Properties Corporation with the following members present. Commissioners Peluso, Fennell, Rehtin and Mayor Peluso.

The city clerk read Resolution 2018-001 of the Newport Public Properties Corporation authorizing President Thomas J. Fromme to (1) execute a Quit-Claim Deed and other documents related to the sale of the project. Commissioner Peluso offered a motion to adopt Resolution 2018-001; second to the motion was offered by Commissioner Fennell. There being no further comments or discussion the mayor called for a roll call vote.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Fennell: Yes Mayor Peluso: Yes **Motion carried 4-0.**

There being no further business for the Newport Public Properties Corporation to address, Commissioner Peluso made a motion to adjourn the meeting; second to the motion was offered by Commissioner Fennell.

Commissioner Peluso: Yes Commissioner Rehtin: Yes
Commissioner Fennell: Yes Mayor Peluso: Yes **Motion carried 4-0.**

ADJOURNMENT OF SPECIAL MEETING

The recess ended at 4:12 and regular session resumed for the special meeting with Commissioners Peluso, Fennell, Rehtin, and Mayor Peluso present. There being no further business for the Board of Commissioners on the special meeting agenda, the meeting adjourned at 4:12 p.m.

Date Approved/Signed
Attest:

Jerry R. Peluso, Mayor

Amy B. Able, City Clerk

MINUTES

The following comprises the Minutes of the City of Newport, Kentucky Public Properties Corporation, at a duly authorized meeting, with notice being given, and held within the City of Newport at 998 Monmouth Street, convening at 4:08 p.m. on August 21, 2018.

The following Officers, members of the Board of Directors, were present and constituted a quorum: Directors Jerry R. Peluso, Beth Fennell, Frank Peluso, and Ken Rehtin.

The only order of business upon Motion duly made, seconded and unanimously approved, in keeping with the general purposes of the Corporation was to adopt a **Resolution, 2018-001, authorizing President Thomas J. Fromme to execute a Quit Claim Deed and other documents related to the sale of the project.** Upon motion by Frank Peluso, second to the motion offered by Beth Fennell. Mr. Richard Spoor of Keating, Muething, and Klekamp offered to take questions and commented that upon performance of necessary title searches, clarification of prior conveyance from deeds issued some twenty years ago was necessary.

There being no further questions or comments, a roll call vote was taken, the motion carried 4:0.

There being no further business, upon motion made by Frank Peluso, seconded by Beth Fennell and unanimously passed, the meeting was adjourned at 4:11.

Attest:

Amy B. Able
Secretary