

LUDLOW COUNCIL SPECIAL MEETING
MINUTES

August 29, 2024

Mayor Chris Wright called the meeting to order at 7:00 p.m. followed by the Pledge of Allegiance. Laurie Sparks called the roll, which showed the following council members present: Steve Chapman, Lori Davenport, David Ziegler, Samantha Frank, Julie Terry Navarre, and Abigail Miller.

ALSO ATTENDING: City Clerk Laurie Sparks, Police Chief Scott Smith

UNFINISHED BUSINESS

Second Reading of Ordinance 2024-5

Discussion on concerns about approving an ordinance that will designate two limited parking spaces in front of Reeves Market, including setting a precedent for other businesses and the traffic congestion in the area. **Following discussion, Mayor Wright completed the second reading of Ordinance 2024-5 An Ordinance of the City of Ludlow Amending Chapter 76: Parking Schedules, Schedule II. Limited Parking Zones, Establishing Limited Parking for Two 30-Minute Parking Spaces on Helen Street. Motion by Ms. Terry Navarre, second by Ms. Davenport, to adopt Ordinance 2024-5. Following a roll call vote, motion carried: all ayes.**

Resolution 2024-10

Mayor Wright read Resolution 2024-10 *A Resolution of the City of Ludlow, Kentucky, Declaring Real Property as Surplus and Authorizing the Sale or Other Disposition of Such Real Property* regarding the City's property at 1 Adela Avenue. Discussion on the agreement in which the City will waive the lease fee for McGinnis to use 1 Adela Avenue in exchange for McGinnis granting an easement to allow the City to use their property for the riverwalk. **Following further discussion, motion by Ms. Terry Navarre, second by Ms. Frank, to approve Resolution 2024-10. Following a roll call vote, motion carried: one abstention (Mr. Chapman), four ayes (Ms. Davenport, Mr. Ziegler, Ms. Frank, Ms. Terry Navarre), and one nay (Ms. Miller).**

NEW BUSINESS

Discussion on the Ordinance Setting the Real and Personal Property Tax Rate

Mr. Chapman advised that the current tax rate on real property is \$.499 (per \$100 assessed value), the compensating rate for 2024 is \$.534 (per \$100 assessed value), and the compensating plus 4% rate is \$.555 (per \$100 assessed value). Discussion on the difference in revenue generated by each rate. Mr. Chapman recommended that council keep the rate at \$.499 for 2024 and make up the shortfall through other revenue sources, such as payroll taxes collected from the school construction and Fischer development. Chief Smith advised that if the tax rate is kept at \$.499, it would create a shortage of \$100,000.00 in revenue. Chief Smith discussed upcoming equipment purchases the City will need to make, including \$70,000.00 for a new Bobcat for public works, and a new ladder truck for the fire department. The ladder truck will need to be replaced in six years with the current cost of a new truck at \$1.2 million. Chief Smith advised that if the City does not take the compensating rate, it will set us back for years to come because calculations for next year's rate will be based on the rate set this year. Ms. Miller advised that she did her own calculations and recommended lowering the tax rate to \$.478 (per \$100 assessed value) to generate the amount of revenue that is written in the budget. Chief Smith advised that the budgeted amount of tax revenue is only an estimate, and he guessed lower than the actual amount of

revenue that could be generated by the compensating rate. The compensating rate would cost the owner of a \$150,000.00 house around an additional \$4.00 per month.

CITIZENS WISHING TO ADDRESS MAYOR AND COUNCIL

Mayor Wright opened the floor for public comment and reminded everyone that they are limited to discussion only on items on the agenda because it is a special meeting.

Alisa inquired how much the riverwalk would cost the residents. The City expects to receive a donation of \$780,000.00 and can apply for grants along with other cities to cover additional costs of the project. The final costs of the project are unknown. Mayor Wright advised that the City is not paying anything toward the project in this fiscal year.

Vanessa Lannigan, 705 Adela Avenue, inquired about the status of the building where the Ludlow Pharmacy was located. Chief Smith advised that the building is privately-owned. Ms. Lannigan inquired about the status of Bircus. Chief Smith advised that the owner has not posted a sale price for the property. The City does not receive a lot of tax revenue from local businesses because it does not have large businesses like they do in Edgewood.

Cindy, Highway Avenue, inquired whether the public would get to comment on the tax rate again before it is passed. Mayor Wright advised that the public will be allowed to comment before the second reading of the ordinance at the next meeting. Cindy discussed issues she has had with construction trucks at the Fischer development blocking her driveway.

First Reading of Ordinance 2024-6

In response to Mayor Wright's question of what tax rate each council member prefers, Mr. Chapman would like to keep the rate at \$.499, Ms. Terry Navarre and Ms. Frank would like to adopt the compensating rate of \$.534, and Ms. Miller, Mr. Ziegler, and Ms. Davenport would like to lower the tax rate to \$.478. Mayor Wright advised council to keep in mind that the most the City could collect is the compensating tax rate, plus 4%. There is a risk in setting the tax rate too low and realizing that we need more revenue because next year it will be difficult to get back up to the current revenue level. Chief Smith advised that it may take five years to get back to a balanced budget if the tax rate is set too low. Ms. Terry Navarre advised that if council lowers the tax rate, the City will always be playing catch up and she does not want the City to suffer a setback. Ms. Frank asked that council not lower the tax rate for the sake of public works to cover the costs of the equipment purchases they need.

Following discussion, Mayor Wright held three first readings Ordinance 2024-6 *An Ordinance of the City of Ludlow, Kenton County, Kentucky, Fixing the Tax Rate for the Fiscal Year Beginning July 1, 2024, and Ending June 30, 2025, Upon Real Estate, Personal, and Mixed Property in the City of Ludlow, Kentucky, and Fixing the Time for Payment and Penalty for Non-Payment of Same* changing the real property tax rate each time. The three proposed property tax rates are \$.478 for real property and \$1.667 for personal; \$.499 for real property and \$1.667 for personal; and \$.534 for real property and \$1.761 for personal (per \$100 assessed value).

First Reading of Ordinance 2024-7

Mayor Wright completed the first reading of Ordinance 2024-7 *An Ordinance of the City of Ludlow, Kenton County, Kentucky, Fixing the Tax Rate for the Fiscal Year Beginning July 1, 2024, and Ending June 30, 2025, Upon Real Estate, Personal, and Mixed Property in the City of Ludlow, Kentucky, for the*

Fire Protection and Emergency Medical Services Special Ad Valorem Tax, and Fixing the Time for Payment and Penalty for Non-Payment of Same. The rate will be set at \$.175 (per \$100 assessed value).

Motion by Ms. Terry Navarre, second by Mr. Ziegler, to adjourn the meeting at 8:08 p.m. Following a voice vote, motion carried: all ayes.

Respectfully submitted,

Laurie Sparks, City Clerk

Attest: _____
Chris Wright, Mayor