



Louisville Metro Government

601 W. Jefferson Street
Louisville, KY 40202

Action Summary - Tentative Labor and Economic Development Committee

Chair Person David Yates (D-25)
Vice Chair Anthony Piagentini (R-19)
Committee Member Keisha Dorsey (D-3)
Committee Member Donna Purvis (D-5)
Committee Member Paula McCraney (D-7)
Committee Member Markus Winkler (D-17)
Committee Member Robin Engel (R-22)

Tuesday, January 28, 2020

3:00 PM

Council Chambers

THIS IS CONSIDERED A SPECIAL MEETING

Call to Order

Vice Chair Piagentini called the meeting to order at 3:00 p.m.

Roll Call

Vice Chair Piagentini introduced the committee members and non-committee members present. A quorum was established.

Chair Person Yates and Committee Member Dorsey had excused absences.

Present: 5 - Vice Chair Anthony Piagentini (R-19), Committee Member Donna L. Purvis (D-5), Committee Member Paula McCraney (D-7), Committee Member Markus Winkler (D-17), and Committee Member Robin Engel (R-22)

Excused: 2 - Chair Person David Yates (D-25), and Committee Member Keisha Dorsey (D-3)

Non-Committee Member(s)

Council Member Bill Hollander (D-9)

Support Staff

Laura Ferguson, Jefferson County Attorney's Office
Jason Fowler, Jefferson County Attorney's Office

Clerk(s)

Lisa Franklin Gray, Assistant Clerk
David B. Wagner, Assistant Clerk

Pending Legislation

1. [O-002-20](#)

AN ORDINANCE OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY, (I) AUTHORIZING THE ISSUANCE OF ITS HEALTH SYSTEM REVENUE BONDS (NORTON HEALTHCARE, INC.), SERIES 2020 IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$600,000,000, THE PROCEEDS OF WHICH SHALL BE LOANED TO NORTON HEALTHCARE, INC. AND NORTON HOSPITALS, INC. TO (A) PAY OR REIMBURSE NORTON HEALTHCARE, INC. AND NORTON HOSPITALS, INC. FOR THE COSTS OF ACQUIRING, CONSTRUCTING, RENOVATING AND EQUIPPING CERTAIN HEALTH CARE FACILITIES OF NORTON HEALTHCARE, INC. AND CERTAIN AFFILIATES, AND (B) REFUND AND RETIRE CERTAIN OUTSTANDING INDEBTEDNESS, AND (II) TAKING OTHER RELATED ACTION.

Sponsors: Primary Bill Hollander (D-9)

Attachments: [O-002-20 V.1 010920 Norton Bond.pdf](#)

[O-002-20 V.1 010920 ATTACH Exhibit A - Bond Indenture.pdf](#)

[O-002-20 V.1 010920 ATTACH Exhibit B - Loan Agreement.pdf](#)

[O-002-20 V.1 010920 ATTACH Exhibit C - Bond Purchase Contract.pdf](#)

[Bond Ordinance \(Norton Series 2020\) 4164-6115-4080 4.docx](#)

[Memo to Economic Development Committee 4165-5657-5265 2.pdf](#)

[Norton Healthcare - 2020 Plan of Finance and System Fact Sheet.pdf](#)

A motion was made by Committee Member Engel, seconded by Committee Member Winkler, that this Ordinance be recommended for approval.

Council Member Hollander spoke to the item stating the overall intent was to have the item approved by the end of January.

Council Member Hollander commended Norton Healthcare for being the number one withholding tax payer for Louisville Metro.

Riggs Lewis, Norton Healthcare spoke to the item. Riggs Lewis thanked Council Member Hollander for the work he has done in preparing this item and working with Norton Healthcare.

Riggs Lewis stated that the hospital has previously presented before the council. A 501 C 3 hospital and invested these monies in the five hospitals throughout Louisville.

They have increased salary and wages from 2016 to date. The average salary and sign of growth has grown from 16.8 to 22 million in occupational withholding taxes to Louisville Metro.

Helena Schultz, Norton Healthcare also spoke to the item. Helena Schultz stated that Norton Healthcare's debt to capitalization ratio in 2016 was fifty-two percent, while today it stands at forty percent.

Helena Schultz also noted Norton Healthcare's increase of cash-on-hand days from 228 days to 251 days.

Helena Schultz stated that the agency has prudently invested funds to improve standards, facilities, and healthcare within the area from 2016 to present.

Vice Chair Piagentini spoke to reiterate accolades for the report and healthcare investments that Norton Healthcare has brought to Louisville.

Vice Chair Piagentini asked that the presenters also speak to the debt to income ratio for the city and the impact, if any, to Metro Government and what, if any, liability it will have for Louisville Metro.

Riggs Lewis, Norton Healthcare, stated that the nonprofit healthcare has no debt to income impact to the city; and, the bonds are guaranteed for repayment to the city.

Riggs Lewis stated that the assets are going to be secured under the bond ordinance secured against the assets of Norton Healthcare.

Laura Ferguson, Jefferson County Attorney's Office, spoke to the item stating these are not general obligation bonds; they are revenue bonds.

Laura Ferguson stated, therefore, there will not be an impact to the city, there are provisions made so Norton Healthcare receives favorable interest rates to reinvest into the facility and the city.

Vice Chair Piagentini thanked Laura Ferguson for clarifying the impacts and statements.

Riggs Lewis reiterated Vice Chair Piagentini's statement.

Committee Member McCraney asked how these bonds are recorded and tracked for the city and/or the Office of Management and Budget.

Laura Ferguson responded to Committee Member McCraney's question by noting that the Office of Management and Budget keeps a separate spreadsheet known as a conduit debt listing.

Laura Ferguson further stated that this type of spreadsheet deals with this sort of revenue bond as opposed to a general obligation bond of Metro itself in which it is helping to facilitate this type of financing.

Laura Ferguson further stated she does not know how the bonds are recorded, but does know the bonds are tracked in some manner.

Council Member Hollander responded to Committee Member McCraney's question citing Norton Healthcare's annual comprehensive financial report.

Council Member Hollander stated that the report, published last month, speaks to conduit debt.

Council Member Hollander stated that Metro Government has recorded 3.9 percent of conduit debt since 2003.

Council Member Hollander further stated that this process has been done routinely.

Vice Chair Piagentini called for a vote on the item.

The motion carried by the following vote and the Ordinance was sent to the Consent Calendar:

Yes: 5 - Piagentini, Purvis, McCraney, Winkler, and Engel

Excused: 2 - Yates, and Dorsey

2. [R-168-19](#)

A RESOLUTION PURSUANT TO THE CAPITAL AND OPERATING BUDGET ORDINANCES APPROVING THE APPROPRIATION TO FUND THE FOLLOWING NONCOMPETITIVELY NEGOTIATED PROFESSIONAL SERVICE CONTRACT FOR LMPD CONCERNING CLINICAL FORENSIC MEDICINE OF LIVING PEOPLE - (UNIVERSITY OF LOUISVILLE - \$125,000.00).

Sponsors: Primary David Yates (D-25)

Attachments: [R-168-19 V.1 121219 Contract for LMPD for Forensic Medicine at UL.pdf](#)
[University of Louisville Research Foundation Dept of Pediatric Medicine](#)

A motion was made by Committee Member Winkler, seconded by Committee Member McCraney, that this Resolution be recommended for approval.

Major Josh Hasch, Louisville Metro Police Department, spoke to the item.

Major Hasch stated that this item is for investigative resources for the Crimes Against Children's Unit of the police department.

Vice Chair Piagentini asked Major Hasch to give a quick overview of the program so that all members have a good understanding.

Major Hasch stated that this money had previously been budgeted with the University of Louisville forensic experts to offer analysis to officers in order to ascertain how identified injuries have occurred.

Major Hasch states that these experts are vital to Metro Police's investigations.

Major Hasch stated that the University of Louisville experts help to train officers and testify in court.

Major Hasch further stated that Louisville Metro Police Department does not have the capability to help provide these services.

Vice Chair Piagentini asked Major Hasch if Louisville Metro Police Department has used the University of Louisville in the past.

Major Hasch confirmed that Metro had used these services in the past.

Vice Chair Piagentini asked how long this contract has been in effect.

Major Hasch did not readily have an answer to Vice Chair Piagentini's question.

Major Hasch stated to his knowledge the contract had been in effect for the last couple of years.

Vice Chair Piagentini called for a vote on the item.

The motion carried by a voice vote and the Resolution was sent to the Consent

Calendar.

3. [R-171-19](#)

**A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES TO TTA, LLC
AND ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF
PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32.**

Sponsors: Primary David Yates (D-25) and Primary Anthony Piagentini (R-19)

Attachments: [R-171-19 V.1 121219 Local Incentives for TTA, LLC.pdf](#)

[R-171-19 - TTA, LLC - KBI Board Report - 2-22-18.pdf](#)

[TTA, LLC - Local Support ltr. - 2-15-18.pdf](#)

A motion was made by Committee Member Winkler, seconded by Committee Member McCraney, that this Resolution be recommended for approval.

Rebecca Fleishaker, Louisville Forward, spoke to the item.

Rebecca Fleischaker stated that item is an incentive that also indicates the growth of our city.

Rebecca Fleischaker further stated that this company TTA also known as All Tour will provide, consolidate, and expand their business and provide twenty new jobs in the city.

Rebecca Fleischaker stated that the company is located behind the Paddock Shops located on Olympia Park Plaza.

Rebecca Fleischaker also stated that the average wage is \$36 per hour.

Rebecca Fleischaker additionally stated that this is a \$4.4 million dollar investment that the city is supporting with a one percent of occupational wages withholding for their expansion.

Vice Chair Piagentini called for a vote on the item.

The motion carried by a voice vote and the Resolution was sent to the Consent Calendar.

4. [R-172-19](#)

A RESOLUTION AMENDING RESOLUTION NO. 38, SERIES 2014, REGARDING THE GRANTING OF LOCAL INCENTIVES TO RXC ACQUISITION COMPANY DBA RXCROSSROADS PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32, TO INCLUDE AN ADDITIONAL APPROVED AFFILIATE OF RXCROSSROADS 3PL, LLC, AND TO APPROVE OF ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF.

Sponsors: Primary David Yates (D-25) and Primary Anthony Piagentini (R-19)

Attachments: [R-172-19 V.1 121219 Local Incentives for RXCrossroads.pdf](#)
[RxC Acquisition Company Local Resolution #19528.pdf](#)

A motion was made by Committee Member Engel, seconded by Committee Member Purvis, that this Resolution be recommended for approval.

Rebecca Fleischaker, Louisville Forward, stated that this item and the following item could be taken in tandem.

Vice Chair Piagentini stated the items would be heard separately to process each correctly procedurally.

Rebecca Fleischaker stated that these were previous resolutions that had been before the Metro Council several years prior and now need to add an affiliate that they need to add to the resolution.

Rebecca Fleischaker then stated that the Economic Development Department had changed the manner in which it drafts resolutions to where it now include all affiliates.

Rebecca Fleischaker noted however that this legislation was written prior to that process change.

Rebecca Fleischaker stated that the reason for the amendment was to add the new affiliate RX Crossings.

Vice Chair Piagentini asked Rebecca Fleischaker for clarity on the three separate items.

Rebecca Fleischaker stated that items four and five were similar incentives; simply adding the affiliate, while item six is a new item.

Rebecca Fleischaker confirmed Vice Chair Piagentini's statement on the items.

Vice Chair Piagentini called for a vote on the item.

The motion carried by a voice vote and the Resolution was sent to the Consent Calendar.

5. [R-173-19](#)

A RESOLUTION AMENDING RESOLUTION NO. 117, SERIES 2012, REGARDING THE GRANTING OF LOCAL INCENTIVES TO RXC ACQUISITION COMPANY DBA RXCROSSROADS PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32, TO INCLUDE AN ADDITIONAL APPROVED AFFILIATE OF RXCROSSROADS 3PL, LLC, AND TO APPROVE OF ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF.

Sponsors: Primary Anthony Piagentini (R-19) and Primary David Yates (D-25)

Attachments: [R-173-19 V.1 121219 Local Incentives for RXCrossroads.pdf](#)
[RxC Acquisition Company Local Resolution #18413.pdf](#)

A motion was made by Committee Member Winkler, seconded by Committee Member McCraney, that this Resolution be recommended for approval.

Rebecca Fleischaker, Louisville Forward, had previously spoke to this item in conjunction with the preceding item.

Vice Chair Piagentini stated that this item had been previously discussed in tandem with the prior item.

Vice Chair Piagentini called for a vote on the item.

The motion carried by a voice vote and the Resolution was sent to the Consent Calendar.

6. [R-174-19](#)

A RESOLUTION APPROVING THE GRANTING OF LOCAL INCENTIVES TO RXC ACQUISITION COMPANY DBA RXCROSSROADS AND ANY SUBSEQUENT ASSIGNEES OR APPROVED AFFILIATES THEREOF PURSUANT TO KRS CHAPTER 154, SUBCHAPTER 32 (AMENDMENT BY SUBSTITUTION).

Sponsors: Primary Anthony Piagentini (R-19) and Primary David Yates (D-25)

Attachments: [R-174-19 V.2 012820 CABS Local Incentives for RXCrossroads.pdf](#)

[R-174-19 MARKED AMENDMENTS FOR REVIEW ONLY - RXC Local Tax Participation.pdf](#)

[R-174-19 PROPOSED CABS 012820 Local Incentives for RXCrossroads.pdf](#)

[R-174-19 V.1 121219 Local Incentives for RXCrossroads.pdf](#)

[RXC Acquisition Company dba RXCrossroads- KEDFA Prelim April 28, 2016.pdf](#)

[RXC Acquisition Company dba RXCrossroads- Louisville Metro support letter.pdf](#)

A motion was made by Committee Member Winkler, seconded by Committee Member Purvis, that this Resolution be recommended for approval.

Rebecca Fleischaker, Louisville Forward, stated that the present Resolution was not amending a previous resolution.

She stated that this Resolution was actually updating a previous vendor that had undergone several acquisitions.

She further stated that this Resolution had not been before the council previously, but had appeared before the state for preliminary approval in 2016.

She further stated that the company is now at a hiring level to advance forward for incentive credits.

She stated this is a \$25,000,000 investment and a new Resolution for the Council's consideration.

Vice Chair Piagentini asked the County Attorney for clarification on the item.

Jason Fowler, Jefferson County Attorney's Office, stated that the item had a drafting error and suggested that an amendment by substitution should be considered.

He stated that this item is not an amendment of previous legislation.

Vice Chair Piagentini restated Jason Fowler's explanation by stating that this is not an item that had previously been before the Committee therefore, the Committee was not amending the item.

He stated that the Committee was voting on an item to replace the errored legislation previously submitted.

He stated that the Committee was simply substituting the present draft for the previous one.

He also stated that this is the first time the Committee will hear the legislation.

Committee Member McCraney asked Rebecca Fleischaker for clarity as to ascertain whether this item had previously been before the Committee.

Rebecca Fleischaker answered Committee Member McCraney's question stating that this item had not been before the committee.

She stated that there is an error in the original draft, thus an amendment by substitution was drafted to replace the original draft.

Committee Member McCraney asked for the location of the item in Granicus to verify what had just been stated in the meeting.

Jason Fowler addressed Committee Member McCraney's question "the updated version of the item had been added to the agenda as an attachment."

He also advised Vice Chair Piagentini to first vote on the amendment by substitution prior to voting on the actual resolution itself.

Vice Chair Piagentini asked Jason Fowler for parliamentary guidance as to how the committee could vote to substitute an item that had not been voted on previously.

Laura Ferguson addressed Vice Chair Piagentini's question and stated that the committee would vote to amend the present item before them with the amendment by substitution.

She additionally stated that after the initial vote, the item should be treated as any other resolution for review and approval, but noted that the first step would be to vote on the amendment by substitution.

A motion was made by Vice Chair Piagentini, seconded by Committee Member Winkler, that this Amendment by Substitution be approved. The motion carried by a voice vote and the Amendment by Substitution was adopted.

Committee Member Engel asked for clarity for the vote on the item.

He also asked how the committee could adopt an amendment by substitution if the item had never been introduced on the floor.

Vice Chair Piagentini responded to Committee Member Engel's question and stated that the item was originally brought to the table as an original resolution.

He further stated that due to a drafting error, the amendment by substitution was created and voted on in order to correct the drafting error originally submitted.

He additionally stated that further correction should be made as the original Resolution read into record was not an amendment, but an original piece of legislation.

He stated that, for this reason, a motion and second was made to adopt the amendment by substitution to correct the previous error.

Committee Member Winkler stated that the initial confusion may have come about due to the error in the title.

Rebecca Fleischaker agreed with Committee Member Winkler's statement and further noted that although the item title before the committee says it is an amendment, it is not.

Committee Member Winkler subsequently stated that the appropriate document for viewing is the first document in the system.

Committee Member McCraney asked where that document could be found and was guided to the document.

Vice Chair Piagentini further spoke to the item in the system as well as section two of the item.

Jason Fowler addressed the corrections made in the title of the item.

Rebecca Fleischaker stated that the original draft of the item aside from title is correct.

Committee Member Winkler also spoke to the original intent of the Resolution.

Vice Chair Piagentini asked for any further discussion.

Vice Chair Piagentini called for a vote on the item.

The motion to recommend for approval carried by a voice vote and the Resolution was sent to Old Business.

7. [O-003-20](#)

AN ORDINANCE AMENDING THE LOUISVILLE METRO CODE OF ORDINANCES ("LMCO") SECTIONS 154.02, 154.03, AND 154.04(B) RELATING TO PROPERTY ASSESSMENT AND REASSESSMENT MORATORIUM PROGRAMS.

Sponsors: Primary David James (D-6), Primary Barbara Sexton Smith (D-4), Primary Keisha Dorsey (D-3), Primary Donna L. Purvis (D-5), Primary Jessica Green (D-1) and Primary Pat Mulvihill (D-10)

Attachments: [O-003-20 V.1 010920 Amending LMCO 154 Regarding Property Assessment and Reassessment Moratorium Programs.pdf](#)
[O-003-20 V.1 010920 ATTACH Exhibit A.pdf](#)
[Tax Moratorium - Revised Ordinance Summary - January 2020.pdf](#)

This item was held in Committee.

8. [R-158-19](#)

A RESOLUTION CALLING ON MAYOR FISCHER TO EXPEDITE NECESSARY ACTIONS BY METRO AIR POLLUTION CONTROL DISTRICT TO END THE MANDATED USE OF REFORMULATED GAS IN LOUISVILLE.

Sponsors: Primary Anthony Piagentini (R-19)

Attachments: [R-158-19 V.1 110719 End Mandated Use of Reformulated Gas.pdf](#)

This item was held in Committee.

Adjournment

Without objection, Vice Chair Piagentini adjourned the meeting at 3:33 p.m.

***NOTE:** Items sent to the Consent Calendar will be heard before the full Council at the Metro Council Meeting on February 6, 2020.