



# Louisville Metro Government

## Action Summary - Final Budget Committee

*Chair Bill Hollander (D-9)*  
*Vice Chair Kevin Kramer (R-11)*  
*Committee Member Jecorey Arthur (D-4)*  
*Committee Member Paula McCraney (D-7)*  
*Committee Member Cassie Chambers Armstrong (D-8)*  
*Committee Member Cindi Fowler (D-14)*  
*Committee Member Markus Winkler (D-17)*  
*Committee Member Anthony Piagentini (R-19)*  
*Committee Member Nicole George (D-21)*  
*Committee Member Robin Engel (R-22)*  
*Committee Member Brent Ackerson (D-26)*

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Thursday, September 16, 2021

5:00 PM

Council Chambers/Virtual

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**THIS MEETING IS BEING HELD VIA VIDEO TELECONFERENCE**

### Call to Order

Chair Hollander called the meeting to order at 5:04 p.m.

### Roll Call

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

**Note:** All committee members and non-committee members present attended virtually, except for Committee Member Arthur, Committee Member Chambers Armstrong, Chair Hollander, and Committee Member George who attended in Chambers.

**Present:** 11 - Committee Member Jecorey Arthur (D-4), Committee Member Paula McCraney (D-7), Committee Member Cassie Chambers Armstrong (D-8), Chair Bill Hollander (D-9), Vice Chair Kevin Kramer (R-11), Committee Member Cindi Fowler (D-14), Committee Member Markus Winkler (D-17), Committee Member Anthony Piagentini (R-19), Committee Member Nicole George (D-21), Committee Member Robin Engel (R-22), and Committee Member Brent Ackerson (D-26)

### Non-Committee Member(s)

Council President David James (D-6)

### Support Staff

Hollie Hopkins, Jefferson County Attorney's Office  
Latonya Bell, Metro Council Staff  
Beth Sternberg, Metro Council Staff

### Clerk(s)

Olivia Bennett, Assistant Clerk

Sonya Harward, Clerk

## Pending Legislation

1. [O-449-21](#)

**AN ORDINANCE OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY, AUTHORIZING EXECUTION AND DELIVERY OF (I) A THIRD SUPPLEMENTAL TRUST INDENTURE AND (II) A THIRD SUPPLEMENTAL LOAN AGREEMENT RELATED TO THE OUTSTANDING LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT, KENTUCKY FIRST MORTGAGE RESIDENTIAL CARE FACILITIES REVENUE BONDS (TREYTON OAK TOWERS ECONOMIC DEVELOPMENT PROJECT) SERIES 1995B; AND AUTHORIZING RELATED ACTIONS.**

**Sponsors:** Primary David James (D-6)

**Attachments:** [O-449-21 V.1 090921 Treyton Oak Towers Economic Development Project and authorizing related actions.pdf](#)  
[ATTACH EXHIBIT A Form of Third Supplemental Trust Indenture.pdf](#)  
[ATTACH EXHIBIT B Form of Third Supplemental Loan Agreement.pdf](#)

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

The following spoke to this item:

- Chair Hollander
- Mark Franklin, Dinsmore & Shohl LLP

The following was discussed:

- Financing mechanism for Treyton Oak Towers
- The Ordinance allows the developers to receive a lower interest rate
- Loan is now being refinanced
- This project has no liability
- Treyton Oak Towers is a senior living facility residing in Old Louisville
- The revenue bonds designated for the Treyton Oak Towers facility originated in 1986
- The organization has filed for two bankruptcies due to the original 17% interest rate
- The most recent bankruptcy was established in 1995
- The revenue bonds were split into two different series, one of which was paid as of September 1, 2021
- Only one series of revenue bonds remaining -- the 1995B bond -- this bond matures June 30, 2022
- Whether the bond documents language as written can be modified as written
- Currently as written in the bond document's, Treyton Oak Towers cannot pay the loan early -- changing the revenue bond document language would allow for early payment

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

Yes: 11 - Arthur, McCraney, Chambers Armstrong, Hollander, Kramer, Fowler, Winkler, Piagentini, George, Engel, and Ackerson

2. [O-450-21](#)

**AN ORDINANCE CONCERNING THE LEVY OF TAXES WITHIN THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND THE LOUISVILLE URBAN SERVICES DISTRICT FOR FISCAL YEAR ENDING JUNE 30, 2022.**

**Sponsors:** Primary Bill Hollander (D-9)

**Attachments:** [O-450-21 V.1 090921 Levy of Taxes for FY Ending June 30, 2022.pdf](#)  
[ORD 140 2021.pdf](#)

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

The following spoke to this item:

- Chair Hollander
- Aaron Jackson, Office of Management and Budget
- Committee Member Piagentini
- Vice Chair Kramer

The following was discussed:

- This is an annual setting of the real and personal property tax rate
- Continuation of the budget document approved in June 2021 that proposed a tax rate that would generate the revenue called for
- This rate cannot be set until all property items are given to the Metro Council in late August 2022
- All other tax rates included in the document remains the same
- The proposed property tax rates are for both Louisville/Jefferson County Metro Government and Urban Services Districts -- real property tax rates show a decrease from last year while the rates for personal property remain the same
- The Louisville Metro area real property tax rate is proposed to be 12.89 cents per \$100 of assessed value, which is greater than the newly defined compensated rate of 12.04 cents and a decrease from last year's adopted rate of 13.00 cents per \$100 of assessed value
- Urban Services District's real property tax rate is proposed to be 35.46 cents per \$100 of assessed value which is greater than the newly defined compensated rate of 34.10 cents and a decrease from last years adopted rate of 36.71 cents per \$100 of assessed value
- A notice of Public Hearing was published in the Courier Journal on Friday September 10, 2021 and again Wednesday September 15, 2021 in accordance with KRS 132.027 -- The notice announced a public hearing of proposed property tax rates on Thursday September 23, 2021, to be held in room 106 at Metro Hall
- This is a opportunity for citizens to comment on the proposed rates
- Compared to FY96-- the county rate was at 14.2 cents per \$100 of assessed value compared to FY22 proposed to be 12.89 cents per \$100 of assessed value
- The Urban Services Districts rate for FY96 was 41.06 cents per \$100 of assessed value compared to FY22 proposed to be 35.46 cents per \$100 of

**assessed value**

- The overall real property evaluation for Louisville Metro was \$72.6B, an increase of \$4.3B or 6.4 percent from the prior year
- Property additions for Louisville Metro totaled \$674.1M
- The FY22 Budget that Metro Council approved planned for a combined total of \$163,350,000 in real and personal property taxes
- The amount of final assessments after appeals, along with the actual payment rate will determine collections
- Discrepancy noticed by the Office of Management and Budget ("OMB") on the Department of Local Governments state certification letter received mid-August -- the letter included an incorrect rate for FY20, referencing 12.58 cents instead of the adopted rate of 13.00 cents which mis-calculated the compensation and 4 percent maximum allowable rates
- OMB compiled their own analysis of the rates in preparation of the recommendation of the Metro Council and will be contacting the State to request a revised certification letter using the correct FY20 rate
- Outside of Urban Services District the rate of decrease is approximately 10 percent
- If inside of the Urban Services District the rate of decrease is approximately 15 percent
- Vice Chair Kramer asked to be a co-sponsor

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

**Yes:** 11 - Arthur, McCraney, Chambers Armstrong, Hollander, Kramer, Fowler, Winkler, Piagentini, George, Engel, and Ackerson

## **Adjournment**

**Without objection, Chair Hollander adjourned the meeting at 5:21 p.m.**

Note: Items sent to the Consent Calendar or Old Business will be heard before the full Council at the Metro Council meeting on September 23, 2021.