



Louisville Metro Government

Action Summary - Final Labor and Economic Development Committee

Chair Keisha Dorsey (D-3)
Vice Chair Anthony Piagentini (R-19)
Committee Member Donna Purvis (D-5)
Committee Member Pat Mulvihill (D-10)
Committee Member Markus Winkler (D-17)
Committee Member Stuart Benson (R-20)
Committee Member Amy Holton Stewart (D-25)

Tuesday, November 16, 2021

3:00 PM

Council Chambers/Virtual

THIS MEETING IS BEING HELD VIA VIDEO TELECONFERENCE

Call to Order

Chair Dorsey called the meeting to order at 3:01 p.m.

Roll Call

Chair Dorsey 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 Purvis and Vice Chair Piagentini, who attended in Chambers.

- Present:** 6 - Chair Keisha Dorsey (D-3), Vice Chair Anthony Piagentini (R-19), Committee Member Donna L. Purvis (D-5), Committee Member Pat Mulvihill (D-10), Committee Member Markus Winkler (D-17), and Committee Member Amy Holton Stewart (D-25)
- Excused:** 1 - Committee Member Stuart Benson (R-20)

Non-Committee Member(s)

Council Member Jecorey Arthur (D-4)

Support Staff

Jason Fowler, Jefferson County Attorney's Office
Paul Rutherford, Jefferson County Attorney's Office

Clerk(s)

Olivia Bennett, Assistant Clerk
Sonya Harward, Clerk

Public Hearing

1. [ID 21-1549](#)

**PUBLIC HEARING PURSUANT TO KRS 65.7401 FOR THE SHELBY STREET
DEVELOPMENT AREA**

This public hearing was not held.

Pending Legislation

2. [R-138-21](#)

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

Sponsors: Primary Keisha Dorsey (D-3) and Primary Anthony Piagentini (R-19)

Attachments: [R-138-21 V.1 111121 Contract granting local incentives to Piston Automotive LLC.pdf](#)
[Piston Automotive - Jeffersontown KBI release 10-05-2020.pdf](#)
[Piston Automotive LLC - Local Letter.pdf](#)
[Piston Automotive LLC - Local Support ltrs - Prelim Approval.pdf](#)
[Piston Automotive, LLC - KBI Board Report 3-28-19.pdf](#)

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

The following spoke to this item:

- Alex Mercer, Louisville Forward
- Committee Member Purvis
- Vice Chair Piagentini,
- Chair Dorsey

The following was discussed:

- Piston Automotive, LLC ("Piston") is a Detroit, IL based tier 1 automotive supplier
- Piston opened in Louisville in 2011
- With the original expansion announcement in 2019, Piston intended to hire 50 full-time employees at an average hourly wage of \$22.06
- Invested approximately \$1.5M into their facility located in District 11 at 2621 Technology Drive
- Piston is relocating into a new and larger facility at 13150 Plantside Drive in District 20
- As of now Piston plans to hire an additional 117 full-time employees at an average hourly wage of \$22.06
- Piston plans to spend an additional \$21.317M on the new facility -- several cost examples given
- The State has increased the amount from \$700,000 to \$1.65M over a 10-year period

- Questions were asked regarding any future expansion plans -- the new property Piston is relocating to is a little over 300,000 square feet and Piston is currently only planning to use 180,000 square feet, however Piston is planning a future expansion to utilize more of the space
- Questions regarding whether the updated job projections and expenses can be provided -- Piston plans to go to the Kentucky Economic Development Finance Authority in January 2022 to officially amend the original and will provide the new documentation and receive final approval with the new expenses
- Questions regarding whether Metro Council would be approving the percentage or dollar change -- Louisville Metro is responsible for .05 percent out of the 2 percent the city and State agreed upon

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

3. [R-142-21](#)

A RESOLUTION PURSUANT TO THE CAPITAL AND OPERATING BUDGET ORDINANCES APPROVING THE APPROPRIATION TO FUND THE FOLLOWING NONCOMPETITELY NEGOTIATED AMENDMENT TO SOLE SOURCE CONTRACT FOR LOUISVILLE METRO PUBLIC HEALTH AND WELLNESS CONCERNING DATA ON RESPONSES TO COVID-19 INTERVENTIONS - (ZENCITY TECHNOLOGIES US, INC. - \$48,000.00 FOR A NEW NOT-TO-EXCEED AMOUNT OF \$78,000.00).

Sponsors: Primary David James (D-6)

Attachments: [R-142-21 V.1 111121 Contract for LMPHW concerning data on responses to COVID-19 Interventions.pdf](#)
[Zencity Technologies Inc. Amendment Documents.pdf](#)

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

Connie Mendel, Louisville Metro Public Health and Wellness ("LMPHW"), spoke to this item.

The following was discussed:

- Partnership continuation
- Zencity Technologies US INC. ("Zencity") works exclusively with state and local governments
- Helps LMPHW to better understand and engage with residents
- Zencity provides data collection, conducts surveys, and monitors web-based media
- The work between Zencity and LMPHW was originally more directed towards the COVID-19 vaccine administration

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

4. [R-144-21](#)

A RESOLUTION PURSUANT TO THE CAPITAL AND OPERATING BUDGET ORDINANCES APPROVING THE APPROPRIATION TO FUND THE FOLLOWING NONCOMPETITELY NEGOTIATED PROFESSIONAL SERVICE CONTRACT FOR METRO CORRECTIONS CONCERNING EMPLOYER BRANDING SERVICES - (INCIPIO WORKFORCE SOLUTIONS, LLC - \$100,800).

Sponsors: Primary David James (D-6)

Attachments: [R-144-21 V.1 111121 Contract for Metro Corrections concerning employer branding services.pdf](#)
[Incipio Workforce Solutions Contract Documents.pdf](#)

A motion was made by Vice Chair Piagentini, seconded by Committee Member Holton Stewart, that this Resolution be recommended for approval.

The following spoke to this item:

- Eric Troutman, Louisville Metro Corrections ("LMC")
- Committee Member Winkler
- Vice Chair Piagentini
- Committee Member Holton Stewart
- Chair Dorsey

The following was discussed:

- Incipio Workforce Solutions, LLC ("Incipio") is the marketing firm that was able to be used quickly to provide services to LMC such as recruitment efforts and re-branding of social media posts
- Questions were asked regarding why LMC did not go the route of the competitive bid process -- little to no availability for other marketing firms to work with LMC as well as others' lack of experience with public safety entities
- Incipio was able to start immediately and has experience working with military, public safety and government agencies
- Questions were asked regarding why LMC is implementing the request in the form of a sole source contract and not a procurement process -- the Office of Management and Budget ("OMB") suggested this was the route that LMC take
- Actions taken by LMC mirrors a procurement process
- Asked for confirmation from OMB in written form to be provided
- Incipio is based out of Louisville and Nashville, TN
- A general note to OMB was given regarding the attachment of supplemental documentation to the agenda, stating that various firms were reached out to and the names of the firms and the responses received

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

5. [O-536-21](#)

AN ORDINANCE ESTABLISHING A DEVELOPMENT AREA PURSUANT TO PROVISIONS OF KRS 65.7041- 65.7083 TO BE KNOWN AS THE SHELBY STREET DEVELOPMENT AREA, DESIGNATING THE METRO DEVELOPMENT AUTHORITY, INC. AS AN "AGENCY", ADOPTING A DEVELOPMENT PLAN, APPROVING ENTERING INTO A LOCAL PARTICIPATION AGREEMENT, AUTHORIZING THE PAYMENT OF THE "RELEASED AMOUNT" PURSUANT TO THE TERMS AND CONDITIONS OF THE LOCAL PARTICIPATION AGREEMENT, REQUIRING THE SUBMISSION OF REGULAR REPORTS TO LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS AND THE TAKING OF ANY OTHER ACTIONS NECESSARY TO ACCOMPLISH THE PURPOSES AUTHORIZED BY THIS ORDINANCE.

Sponsors: Primary Jecorey Arthur (D-4)

Attachments: [O-536-21 V.1 111121 Establishing a Development Area and TIF as the Shelby Street Development Area.pdf](#)
[O-536-21 ATTACH Exhibit A - Development Plan.pdf](#)
[O-536-21 ATTACH Exhibit B - Map of Development Area.pdf](#)
[O-536-21 ATTACH Exhibit C - Local Participation Agreement.pdf](#)
[O-536-21 ATTACH Exhibit D - Memorandum of Understanding.pdf](#)

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

The following spoke to this item:

- Rebecca Fleischaker, Louisville Forward
- Council Member Arthur
- Chair Dorsey
- Mariah Gratz, Weyland Ventures
- Denise Thomas, Family Scholar House
- Jaydee Graham, Family Scholar House
- Vice Chair Piagentini
- Committee Member Mulvihill
- Committee Member Holton Stewart

The following was discussed:

- Introduction of Jason Woodall with Louisville Forward and Economic Development
- Louisville Forward will be providing a fuller presentation regarding this Ordinance at the Committee of the Whole meeting on December 2, 2021
- The Kentucky Business Investment Tool is for job creation and wages
- The Tax Increment Financing ("TIF") definition was given
- Various TIF examples were given
- This TIF is a performance based investment tool -- rebate that comes back to the developer once the development is generating revenue
- Questions asked regarding TIF capacity -- Section II of this Ordinance does review the capacity

- This TIF cannot exceed 20 percent of all taxable value and Louisville Forward is currently at approximately 2 percent of taxable value county wide
- There is a local participation agreement with five groups of properties involved in the development plan
- The need to close Louisville's housing gap
- Asked for the questions that were provided to Louisville Forward prior to the meeting be addressed
- Questions asked regarding the tax increment in dollars -- \$7.7M of the \$115M project total over a 20-year span
- Questions asked regarding the tax increment in dollars going to the affordable housing component versus the amount going to the developer
- Five current TIFs in the NULU area -- TIF liability for these projects is \$17M over a 20-year span
- Questions asked regarding business opportunities in NULU
- Questions asked regarding why the TIF is being used for affordable housing versus other mechanisms for the Affordable Housing Trust Fund -- the Affordable Housing Trust Fund only funds a portion of what is needed for the affordable housing development
- This development will consist of:
 - 295 units of market rate housing
 - 60 units for Family Scholar House
 - 130 room hotel with roof-top bar
 - 70,000 square feet of commercial space, office, retail and restaurant
 - 280 car parking garage
- Review of community benefits provided
- 443 public housing units in NULU neighborhood
- Family Scholar House plans to service residents within the Phoenix Hill and Liberty Green neighborhoods
- Family Scholar House plans to give priority and housing applications to anyone currently or formerly living at the Clarksdale Public Housing Project
- Whether there is anyone else besides interns that would not have access to the living wage -- no one foreseen
- How many people from the neighborhood would be able to work on this development -- there is no targeted percentage
- Whether there is a price point for the planned family community programming -- Family Scholar House programming is completely free
- Family Scholar House programs gives families and youth the opportunity to be fully self sufficient and integrated back into the community and workforce
- Questions asked as to why residents should come back to live at the Family Scholar House -- Family Scholar House gives countless education opportunities and resources to be able to sustain independent living and thrive within the community
- Questions asked regarding the housing and hotel gap that puts Louisville at a disadvantage when competing with other cities regarding events -- this development will help to close the housing gap, and Louisville Forward would like to get with Louisville Tourism to get accurate data regarding the hotel gap
- Whether any additional or supplemental funds beyond the TIF amount would be sought to complete the affordable housing component -- the Family Scholar House is approximately a \$13M project, and soft money is usually provided, as well as other potential funding sources that will be exhausted to close the gap for the remaining funds needed
- \$11M worth of infrastructure investment for the cost of \$7.7M
- Concerns shared regarding other areas in Louisville that receive private

investments with zero incentives given

- When would the development start to take place -- end of the first quarter of 2022

- Whether the hotel has been identified -- working with First Hospitality

- How many Family Scholar House locations are in Louisville -- there are 5 locations in total

- Whether the new Family Scholar House will provide child care -- could not be answered at current time

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

Yes: 6 - Dorsey, Piagentini, Purvis, Mulvihill, Winkler, and Holton Stewart

Excused: 1 - Benson

Adjournment

Without objection, Chair Dorsey adjourned the meeting at 4:06 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 December 2, 2021.