

General Government Committee

September 11, 2012

Summary & Motions

CM Ed Lane chaired the meeting and called it to order at 11:00 am. All Committee members were present. CM Stinnett and CM Lawless attended as non-voting members.

Approval of Summary

A motion was made by CM Myers to approve the August 21, 2012 meeting summary. Seconded by CM Beard. Motion passed without dissent.

VM Gorton asked about the Chair's request to limit individual Councilmember questions to three minutes each. In response, CM Lane stated that it was just a request due to the rather long agenda.

Update on Lease Agreements

Commissioner Sally Hamilton stated that she wanted to give the Committee an update on lease negotiations with both the Metro Employees Credit Union and the Ann Tower Gallery. She stated that they had proposed a five year sliding scale rent for the Credit Union where in the 1st year the Credit Union would pay approximately 50% of the fair market value rent (FMV) for the space and operating costs; in the 2nd year FMV rent would increase to approximately 68%; in the 3rd year 79%; in the 4th year 89%; and in the 5th year 100%.

Piper Graham of the Metro Employees Credit Union spoke about the services the Credit Union provides and said that any rent charge for space would compromise their ability to serve the employees.

CM Stinnett asked if the Administration was prepared to recommend a course of action. In response, Commissioner Hamilton stated that she would like Council to approve the five year sliding scale rent for the Metro Employees Credit Union but at this time the presentation was to provide the status of the negotiations and receive input from the Council, not to seek Council authorization.

Commissioner Hamilton spoke about the Ann Tower Gallery lease. She stated that this was a unique partnership. She said that the Gallery was not able, at this time, to substantially increase rent payments. Hamilton stated that presently, the Ann Tower Gallery pays rent of \$4,686.45 and the fair market space rent and operating costs are \$26,232 annually. In response to a question, Commissioner Hamilton stated that the memorandum of understanding (MOU)

agreement with the Commonwealth of Kentucky expires in November 2012 regarding housing an art related gallery in the location.

Commissioner Hamilton stated that the Ann Tower Gallery had offered to increase rent payments by approximately \$2,000 annually.

CM Myers asked if the Administration had considered developing an RFP for potential use of the space. He asked if the Administration was seeking guidance, direction or action from the Council. In response Commissioner Hamilton stated that she was seeking input from the Council at this point and was not prepared to make a recommendation for Council consideration. CM Myers stated that the Administration should develop an RFP for interested parties to submit proposals for that space.

CM Stinnett asked for a comprehensive list of who utilizes LFUCG space; whether it's a public entity, a private not for profit, or quasi public entity; their current lease agreement and amount charged.

CM Martin stated that the arts were very important, but the leases were an important accounting and management tool. He stated that the Council could determine whether or not to subsidize rent if they thought it served a public purpose.

CM Kay agreed with CM Martin and said he thought that the leases established at FMV rent were critical.

CM Myers stated that business fairness was an issue. He stated that it was unfair for one business to be subsidized by LFUCG while competing with other for-profits.

VM Gorton asked if Commissioner Hamilton was recommending an option. In response Commissioner Hamilton stated that the purpose of the meeting was to update the Council and receive input from the Council.

Update on Website Linking Policy

Scott Shapiro provided the update. He stated that the purpose of the policy is to ensure that the website link provides citizens with access to information and resources from organizations that provide supplemental services to the LFUCG. He stated that links would be limited to organizations that have service agreements with LFUCG.

Mr. Shapiro stated that LFUCG would not create hyperlinks from lexingtonky.gov to the sites of any external entity except non-political, non-profit organizations that have service agreements with LFUCG; local, state and federal governmental organizations that provide public services to the citizens of Lexington; public educational institutions; and for-profit organizations that have a service agreement who provides a link to the service.

CM Lawless stated that there should be balance in the policy. She also asked for a clear definition of what constitutes an educational institution.

Keith Horn stated that it is the position of the Law Department that LFUCG should not link with any other web sites for several reasons including 1st Amendment issues.

CM Kay stated that the external link disclaimer should be sufficient to protect LFUCG.

CM Stinnett stated that he was concerned that neighborhood associations would be precluded from linking to LFUCG.

VM Gorton stated that sponsors and neighborhood associations could still be acknowledged but she was in favor of limiting links.

Mr. Horn stated that he and Mr. Shapiro will take the input received and redraft the policy.

CM Myers stated that the Park's web page includes links with for-private sponsors as well as neighborhood and civic groups. He stated that he hoped the Administration would reconsider this restrictive policy.

CM Crosbie stated she had no problems with linking with partners particularly when we solicit their support and their involvement improves the quality of life.

CM Martin stated that he hoped the policy would be rewritten allowing neighborhood associations. He stated that simple ground rules should be established. He asked Mr. Shapiro if he had reviewed policies from other local governments and asked for examples of those policies.

CM Blues stated that this issue should remain the Committee.

CM McChord stated that he was in favor of linking with community partners, including civic groups, neighborhood associations and for-profit sponsors.

VM Gorton asked that since this was a CAO policy has the CAO been involved and if he in support of the policies?

CM Lane requested that Mr. Shapiro and Mr. Horn return with an update in October.

Review of 3.101 of the Council Rules

Glenda George made this presentation. She stated that this effort started several years ago when Council wanted to streamline its work product and wanted to provide the Mayor with certain powers without first obtaining approval from the Council. She stated that these include closing statements for deed and easement acquisitions, executing and submitting grant

applications and acceptance of donations not requiring a budget amendment. She said that the actions will be included in the Mayor's report for Council information.

CM Lane stated that while he was in favor of streamlining the docket, he felt that a consent agenda listing proposed administrative actions would be appropriate as this would allow Council to ask questions and review the actions of the Administration prior to a contract or agreement being executed on behalf of the LFUCG by the Mayor.

CM Stinnett asked why Council would want to give its powers away and that this action may limit transparency of the Government.

VM Gorton spoke in favor of the consent agenda approach. She also questioned language in the draft resolution and stated that phrases such as "... unnecessarily" and "resulting in unnecessary... action which clogs the docket" should be removed.

CM Kay stated that the Council should consider a consent agenda. He stated that it doesn't limit the powers of the Council but rather streamlines its processes.

CM Martin stated that he agreed with CM Kay that this would focus the Council on important legislative duties.

VM Gorton stated that she could support the action regarding closing statements for easement acquisitions.

CM Myers stated that he was in favor of a consent agenda or calendar.

Ms. George will return with a revised resolution for Council consideration.

Review of Ordinance 4-75 Meet and Confer

Due to time constraints, this item was deferred until the October meeting.

Public Comment

Foster Ockerman spoke representing the Lexington History Museum. He stated that the museum would like to be considered if there is an opportunity to relocate into the art gallery space. He stated that the History Museum was willing to pay market rent for the space.

Items in Committee

CM Kay asked for an update on the Parks Master Plan item. Committee Hamilton stated that she make that presentation.

CM Kay made a motion to consolidate the CAO # 3 into the fleet right sizing item. Seconded by VM Gorton. Motion passed without dissent.

CM Lane made a motion to remove the "Fee, Tax Delinquent Contractors" item. Seconded by CM Beard. Motion passed without dissent.

CM Myers stated that he was still waiting for a response from the Attorney General regarding the "Relationship with the BGADD" item.

There being no further business, the meeting was adjourned at 12:55 pm.

PAS 9.13.12