

PROJECT DATA

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

Project Name Lower Town Artist Relocation Program Location Paducah, KY
 Owner City of Paducah, Kentucky
 Project Use(s) Recruit Artists to revitalize a dilapidated neighborhood; Increase economic development & tourism
 Project Size 25 square blocks; +/- 62 Acres Total Development Cost \$15,000,000
 Annual Operating Budget (if appropriate) \$125,000
 Date Initiated November 1, 2000 Percent Completed by December 1, 2002 33%
 Project Completion Date (if appropriate) undetermined
 Attach, if you wish, a list of relevant project dates

Application submitted by:
 Name Tom Barnett / Mark Barone Title Planning Director / Artist Relocation Program Coordinator
 Organization City of Paducah, Kentucky
 Address 300 South 5th Street City/State/Zip Paducah, KY 42003
 Telephone (270) 444-8690 Fax (270) 444-8689 (270) 444-9191
 E-mail mbarone@ci.paducah.ky.us; tbarnett@ci.paducah.ky.us Weekend Contact Number (for notification): (270) 519-8407

Key Participants (Attach an additional sheet if needed)	Organization	Key Participant	Telephone/e-mail
	City of Paducah		(270) 444-8690 / mbarone@ci.paducah.ky.us
	Paducah Urban Renewal Board		(270) 444-8690 / tbarnett@ci.paducah.ky.us
	HARC Board / Mike McDowell		(270) 441-7752 / mmcdowell@akconstruction.com
	Paducah Planning Department		(270) 444-8690 / tbarnett@ci.paducah.ky.us
	Professional Consultant	N/A	
	Community Group	Paducah Bank & Trust	(270) 575-5700 / wally@paducahbank.com
	Other	N/A	

Please indicate how you learned of the *Rudy Bruner Award for Urban Excellence*. (Check all that apply).
 Direct Mailing Magazine Advertisement Previous RBA entrant
 Professional Organization Newsletter Previous Selection Committee member
 Magazine Calendar Bruner/Loeb Forum Other (please specify)
Emily H. Axlerod

The undersigned grants the Bruner Foundation permission to use, reproduce, or make available for reproduction or use by others, and to post on the Bruner Foundation web sites, the materials submitted. The applicant warrants that the applicant has full power and authority to submit the application and all attached materials and to grant these rights and permissions.
 Signature _____

2005
RUDY BRUNER AWARD
ABSTRACT



ABSTRACT

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

Project Name Paducah Artist Relocation Program

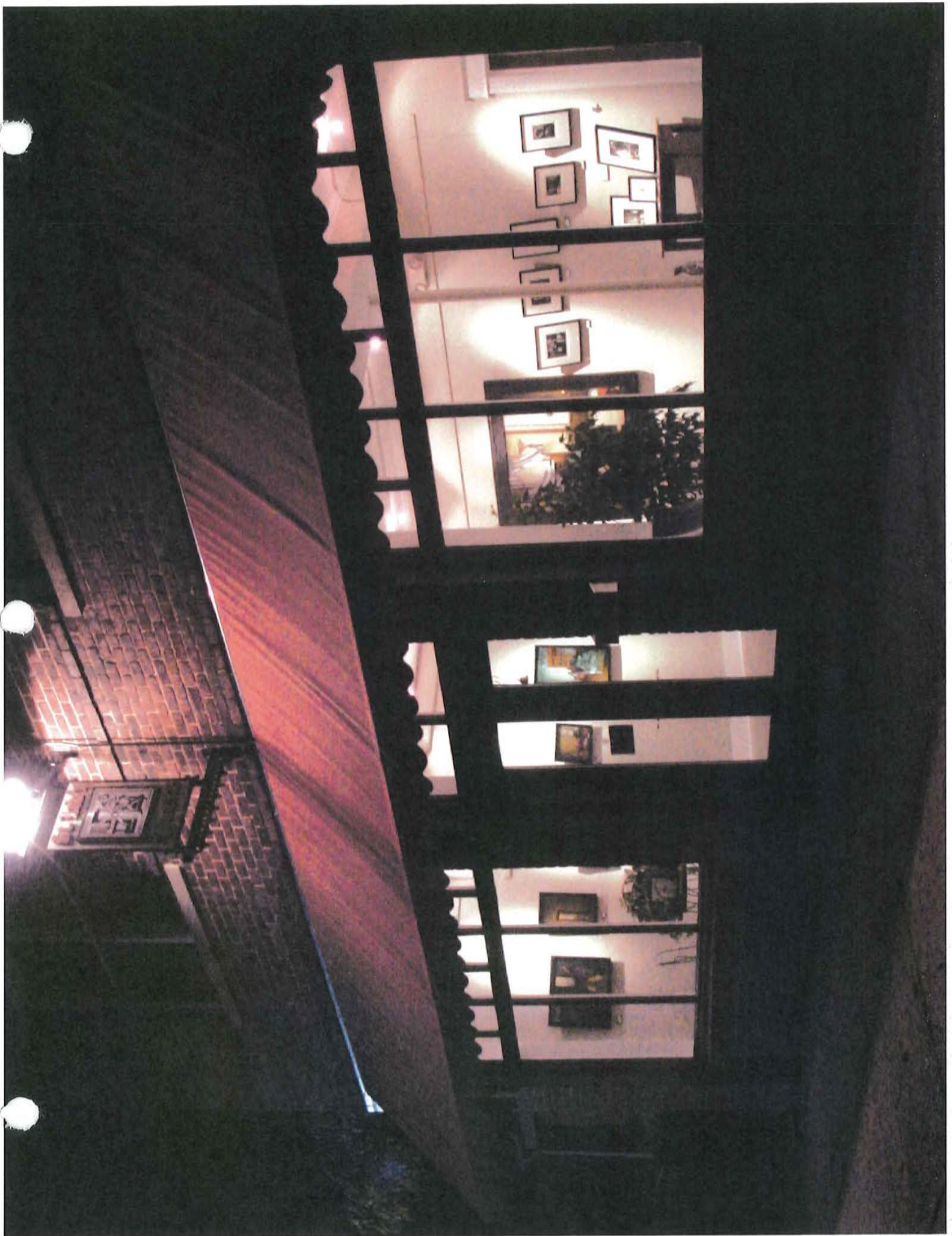
Address 300 South 5th Street City/State/ZIP Paducah, KY 42003

1. Give a brief overview of the project, including major project goals.

Based on goals set by the City Commission to encourage vital neighborhoods, the Planning Department undertook the creation of a neighborhood plan for the revitalization of its oldest historic neighborhood, Lower Town. Lower Town, annexed in 1836, is adjacent to the historic Downtown area. Time and neglect had taken its toll on Lower Town and the neighborhood had become a blighted area. A neighborhood analysis done in the late 1950's stated that Lower Town was "dilapidated"; it had little or no attention since that time. The featured tool of the plan was the Artist Relocation Program whose main objective was to attract working artists from around the country to relocate to Paducah. These artists were small business entrepreneurs who provided new vision, new solutions to old problems, and an economic investment in the neighborhood. The goal of the plan was to increase home ownership, increase property values, appropriately rehab the significant structures, reduce crime, eliminate blight, reduce traffic, and to economically revitalize the neighborhood with an influx of new retail and service business. After an extensive planning process based on extensive neighborhood participation, the City Commission adopted the plan on February 19, 2002; at this time every component of the plan has been implemented with great success and positive reaction from the greater Paducah community. This success has added new and increased tax revenues back to all the taxing entities, created a more diversified economy, added an ever growing new tourism base, increased the cultural enrichment of Paducah, and increased our intellectual and entrepreneurial capital for generations to come.

2. Why does the project merit the *Rudy Bruner Award for Urban Excellence*? (You may wish to consider such factors as: effect on the urban environment; innovative or unique approaches to any aspect of project development; new and creative approaches to urban issues; design quality.)

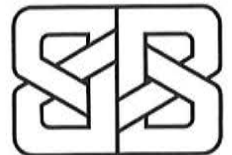
The project merits serious consideration based on the overwhelming success, based on its replicability, and most importantly based on its innovation which centers on the two main partners: the City of Paducah who adopted and runs the program and Paducah Bank who finances nearly 100% of the project. There was an unprecedented willingness on the part of Paducah Bank to abandon the normally constrictive methods of project financing. They relaxed underwriting, made 100% fixed rate long term loans at 200 to 400 plus % of appraised value. The City created a program and funded it with general fund monies whose first goal was to advertise for, and recruit artists on a national basis as an economic development tool. Now, the program has exceeded everyone's expectation as a revitalization tool, creating new infill opportunities that resound appropriately with the Smart Growth movement, but even more importantly has opened up another world of new opportunities and beneficial secondary effects. The Artist Relocation Program is helping to combat urban sprawl by illustrating the concepts of New Urbanism and Neo-Traditional Neighborhoods and communities. It was the community's ideas generated through the public input process that laid the foundation for the goals, objectives, elements, and recommendations of the neighborhood plan. Attitudes of the existing residents have changed, structures have been renovated, infill construction has occurred, and the Program has been successful in recruiting over 50 new artists/residents/ businesses to Lower Town with approximately \$14 million in private investments and only \$ 2,000,000 of City General Fund monies spent. The program has been featured in seven regional and eleven national television or paper publications, has had over 45,000 hits on www.paducaharts.com we've mailed out over 2000 packets to artists in 50 states and six other countries. The program received recognition by winning the 2002 KY Governor's Government Award in the Arts, the 2002 KY Chapter of the American Planning Association (KAPA) Special Merit Award for Outstanding Planning, the 2004 American Planning Association (APA) Outstanding Planning Award for a Special Community Initiative, the 2004 National Recreation & Parks Association Dorothy Mullins Art & Humanities Award, among several others.



2005

**RUDY BRUNER AWARD
PROJECT DESCRIPTION**

RUDY
BRUNER
AWARD



FOR URBAN
EXCELLENCE

PROJECT DESCRIPTION

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

1. How has the project impacted the local community?

The program was originated and grounded in the community's responses and ideas generated through a continuing public input process that laid the foundation for the goals, objectives, elements, and recommendations of the neighborhood plan. The plan was formulated as a comprehensive approach to revitalization of this historic neighborhood. Components of the plan include an evaluation of existing conditions, an evaluation of existing city policies affecting those conditions, and conclusions with recommendations for implementing better strategies to accomplish these goals. Research and subsequent recommendations were given on the topic of land use, transportation, public transit, lighting, crime, housing stock, building code enforcement, rental rates, infrastructure improvements, and education. Every component of the plan has been successfully implemented to date. Implementation of the plan includes the installation of 144 historic street lights; increased police patrols; aggressive code enforcement; new traffic signage; and the main goal of revitalization through the Artist Relocation Program. 'Using' or letting artists/bohemians revitalize a neighborhood is nothing new, however, in our program city government and a private bank take on that challenge and create a program that advertises nationally for artists to relocate, purchases properties at market rate and sells it at a discount, offers the artists ownership, provides marketing, provides excellent financing options, and undertakes the rehab of the existing public infrastructure. This kind of plan provides a sense of security, a sense of ownership, and a sense of value to those willing to undertake such a move. The project has impacted the community by reclaiming its oldest historic neighborhood. It has created a sense of local pride and the feel that things are improving in downtown. It has added additional tax base, created many new construction jobs, brought in new residents who are now contributing in many ways. The artists sit on boards, they volunteer, they help with local schools who have suffered arts education cuts. The growing impact of the growing influx of new human capital is having a revitalizing effect on the entire community. Its future impact will be enormous.

2. Describe the underlying values of the project. What, if any, significant trade-offs were required to implement the project?

The underlying values of this project is based on the significance of pride in one's sense of place. Had the City continued to allow once valued neighborhoods to decline, it would itself suffer that decline. Nothing is more important than healthy neighborhoods. The broken window theory applies not only to buildings, but to neighborhoods and to communities. Older, inner city, dilapidated neighborhoods plague cities around the world. Paducah wanted a solution that would start with renewing the Lower Town area and which then could be fine-tuned and targeted to other areas of the city. Community participation, input, and ownership were considered the only viable option for any chance of success. We asked the neighborhood residents to 'kick the tires, take a 'test drive', 'pick the colors and the options' and ultimately 'drive it home'. The kind of support we enjoyed as a result of following this process made it a simple choice for policy makers to support. This concept plays into the plan and program's transferability as well. Due to the plan's success, property values continue to rise and the neighborhood's image is changing (both internal and external). It is becoming safer as tourists are now walking and driving through a neighborhood that a few short years ago, locals would have warned them to stay away from and deemed the neighborhood as being 'dangerous'. As we pass our benchmarks for success and the neighborhood is considered stabilized and self-sufficient, we plan to 'reprogram' and move to other parts of the city. It is our intent to continue to foster revitalization and grow the city's population by redevelopment instead of sprawl, while preserving our cultural and historical heritage. Comprehensiveness, inclusivity, adherence to previous plans, and a dedicated effort to address both immediate and long-range issues are what drove this plan through completion from the outset. There were no significant trade-offs required to implement the plan. It required attention, dedication, continuing support, stout hearts turned to the naysayers, some monetary support, and faith. These are required for any project worth doing.

PROJECT DESCRIPTION (CONT'D)

3. Describe the key elements of the development process, including community participation where appropriate.

The process started by developing an inventory of all 333 structures in the historic neighborhood. The inventory provided a solid understanding of the area to be revitalized by analyzing the existing housing stock, existing and past land uses, and identifying historically significant structures. The next step in the planning process started with a series of meetings between the City and the Lower Town Neighborhood Association, neighborhood residents, and interested parties. There were four initial public meetings where planning staff and residents participated in the process of ranking the importance of the positive and negative aspects of their community and ended with a list of those items which would make their neighborhood a better place to live and work. Paducah made a special effort to include low-to-moderate-income persons in the planning process. Planning staff went door to door handing out notices and offering help through housing programs. The goal of the plan was revitalization, not gentrification. Simultaneously with the planning process, national advertising was implemented for the Artist Relocation Program. These ads invite artists to come to Paducah to discover the community. Once here, the artists are informed about the program incentives, talk with Paducah Bank about financials, and then leave being able to make an informed decision on whether they would like to become a part of Paducah's new arts community.

4. Describe the financing of the project. Please include all funding sources and square foot costs where applicable.

Financing of the program comes from the City of Paducah general fund; specific individual project financing has been done almost entirely by Paducah Bank. There are no state or federal grants involved. To date, there has been approximately \$2,250,000 in city monies spent with a private investment return from the artists of over 14 million dollars since August 2000. \$1,750,000 of city money has been spent on staffing, national marketing/advertising, professional fees, artist incentives, and buying and stabilizing dilapidated properties, as well as infrastructure improvements in traffic signage, streets, curbs, and gutter replacements. The incentives that the city provides directly to each artist is up to \$2,500 to pay for professional fees. Some properties purchased by the city are also given or discounted to artists. Additionally, the city has spent approximately \$500,000 in sidewalk and other infrastructure improvements which helped match a \$650,000 Federal grant to complete the 140 light historical street lighting project. The city's private partner, Paducah Bank, provides the main financial incentive to the artists in order to make the program work. Paducah Bank offers the artists a loan package that includes up to 100% of the purchase and rehab/construction of the property and a loan to value ratio of over 400% as well as relaxed underwriting standards. This extraordinary risk taken by this local community bank is perhaps the most vital element of this program.

5. Is the project unique and/or does it address significant urban issues? Is the model adaptable to other urban settings?

Our project is unique to Paducah, though transferable to others. It addresses core issues for every city in this country by providing a road map to revitalization that could be copied either in detail or in its intent. It involves a comprehensive approach to every aspect of the neighborhood's physical environment, the bureaucracy of the local government, goals of private business, needs of the participant/catalysts, and the social characteristics of the target community. The key is to inventory the public perception of the community's strengths, needs, and desires and create a program tailor made to improve that sector of its economy or cultural identity based on public input. In Paducah, the investment ratio has been about 6:1 or a six-dollar return for every one-dollar spent. Paducah's Artist Relocation Program runs on an operating budget of about \$65,000 a year which includes a staff person heavily supported by other Planning department functions. The quality and strength of the partnership makes the program successful and easily implementable. The understanding that economic health is an underpinning to the program and all revitalization efforts made all partners: City of Paducah; Paducah Bank; Individual artists; concerned citizens; secure enough to invest their own dollars.

2005
RUDY BRUNER AWARD
PUBLIC AGENCY
PERSPECTIVE



PUBLIC AGENCY PERSPECTIVE

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

This sheet is to be filled out by staff representative(s) of public agency(ies) who were directly involved in the financing, design review, or public approvals that affected this project.

Name Burford Wilson Title Chairman
Organization Paduach Urban Renewal Board Telephone (270) 575-0723
Address 919 Bachman Street City/State/ZIP Paducah, KY 42003
Fax () E-mail

The undersigned grants the Bruner Foundation permission to use, reproduce, or make available for reproduction or use by others, for any purpose whatsoever, the materials submitted. The applicant warrants that the applicant has full power and authority to submit the application and all attached materials and to grant these rights and permissions.

Signature

Burford Wilson (Chairman)

1. What role did your agency play in the development of this project? Describe any requirements made of this project by your agency (e.g., zoning, public participation, public benefits, impact statements).

Urban Renewal is a five- member citizen board appointed by the Mayor. Many of us on the board have lived in Paducah all our lives and have seen first hand the deterioration of the Lower Town neighborhood. So the opportunity to have an impact, be part of the solution, and implement the powers of urban renewal for what they were intended appealed to the board a great deal. Specific powers and duties of the board include the ability to purchase, lease, or acquire any real or personal property by negotiation or eminent domain within the City of Paducah for the purposes of redevelopment. The Planning Department and Artist Relocation Program worked closely with our board when acquiring property. Urban Renewal had input on all properties that were acquired and sold. We required all artists to submit a proposal that spelled out the use of the property: i.e. owner-occupied, residential, retail, business use etc.; we required drawings with site plans, elevations, details etc.; we required an estimate of cost for these improvements to be made on the property by an architect, engineer, or licensed contractor; and we also required a timeline for completion of the improvements, including when rehab would start and the approximate time construction would finish.

2. How was this project intended to benefit your city? What trade-offs and compromises were required to implement the project? How did your agency participate in making them?

Our mission at Urban Renewal is to implement and carry out Community Development. Lower Town was a run down neighborhood in dire need of help. We felt the Artist Relocation Program was a progressive move towards trying to revitalize the Lower Town neighborhood and we were completely on board to help bring that neighborhood back to its original glory. We knew that recouping the money we had spent to purchase and stabilize properties was secondary. To date we have received approximately forty cents on the dollar for the investments that we have made. Our objective was to get financially qualified people who had the resources to rehab these large historical structures. Also, our emphasis was on home and business ownership. We were well aware that 70% of the structures in Lower Town were rental. We also recognized that this was also the source of many of the problems that Lower Town was suffering from.

PUBLIC AGENCY PERSPECTIVE (CONT'D)

3. Describe the Project's impact on your community. Please be as specific as possible.

To date we have had over 50 artists that have either rehabbed an existing structure or built a new structure. These artists have not only had a significant role in revitalizing this once run-down historical neighborhood but they have brought culture and tourism to our community. Last year tourism had an increase of \$10 million most of which is directly attributed to the Artist Relocation Program. The Artist Relocation has also had a significant impact on the men and women who work in the trades. There has been over \$14 million infused in this area which means a substantial financial impact for architects, contractors, electricians, plumbers, brick-layers, landscapers ect.

4. Did this project result in new models of public/private partnerships? Are there aspects of this project that would be instructive to agencies like yours in other cities?

The way that this citizen board (Urban Renewal) worked with city government and private business was extraordinary. The common goal of revitalizing a down and out neighborhood in our city that was once a thriving neighborhood was the thread that bound these three entities. For the last 60 years there have been a lot of ideas and smart people who have tried to turn Lower Town around. All of the attempts previous to the Artist Relocation Program failed. It was the common unselfish goal of resurrecting Lower Town that the City of Paducah, Urban Renewal, and Paducah Bank had that made it successful.

5. What do you consider to be the most and least successful aspects of this project?

I can't really think of any negatives to the program. We saved historical structures that were being razed by neglect thus increasing the cities tax base. We put a lot of people to work as a result of all the construction. Increased tourism helped to support hotels, restaurants, and shops. Increased cultural aspects of the city. Helped low to moderate-income families either renovate the structure they were living in or built them a new structure.

2005
RUDY BRUNER AWARD
ARCHITECT
OR DESIGNER
PERSPECTIVE



ARCHITECT OR DESIGNER PERSPECTIVE

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

This sheet is to be filled out by a design professional who worked as a consultant on the project, providing design, planning, or other services. Copies may be given to other design professionals if desired.

Name Mike McDowell Title Chairman
Organization Historic & Architectural Review Commission Telephone (270) 441-7752
Address 5117 Charter Oak Drive City/State/ZIP Paducah, KY 42001
Fax (270) 441-7754 E-mail mmcdowell@akconstruction.com

The undersigned grants the Bruner Foundation permission to use, reproduce, or make available for reproduction or use by others, for any purpose whatsoever, the materials submitted. The applicant warrants that the applicant has full power and authority to submit the application and all attached materials and to grant these rights and permissions.

Signature 

1. Describe the design concept of this project, including urban design considerations, choice of materials, scale, etc.

The design concept of the overall project, which encompasses an entire neighborhood, is pretty much self mandated. By this I mean that what is trying to be accomplished is to maintain what is all ready in place. The Historic Architectural Review Commission, which reviews and regulates designs for new and renovated construction in this area, takes into consideration the use of materials in order to maintain consistency of period construction. Scale of each new in-fill structure is reviewed to assure that existing streetscapes remain harmonious.

2. Describe the most important social and programmatic functions of the design.

The most important social and programmatic function of each design is to maintain the existing architectural integrity of the entire neighborhood in style, form and function.

ARCHITECT OR DESIGNER PERSPECTIVE (CONT'D)

3. Describe the major challenges of designing this project and any design trade-offs or compromises required to complete the project.

The major challenges of this project come when authentic restorations are attempted. Cost always being a factor in any project, it becomes a major factor in a restoration project. One is always searching for a particular craft or craftsman to reproduce or restore missing or deteriorated materials. In the end there are inevitable compromises made with the use of new materials solely due to feasibility.

4. Describe the way in which the project relates to its urban context.

It is the goal of HARC, through the adaptive reuse and redevelopment of this neighborhood, to maintain and preserve its historical and architectural integrity and character.

5. Describe the strengths and weaknesses of the project's design and architecture.

While attempting to maintain an existing historic period neighborhood, which does have an abundance of structures reflecting many varied styles and forms, we must not disregard the wishes and rights of owners that reside there. There are several existing structures that can be categorized as "non conforming". In other words, do not fit the mold. That have been constructed in later years but by all rights were never intended to reflect any other period than the one in which they were built. We may now regulate what form new in-fill construction can take but in no way do we want to try and duplicate the past to the extent that a futile attempt is made to make the new appear old. By use of materials and forms, we can encourage new development to be respectful of its surroundings and neighbors.

2005
RUDY BRUNER AWARD
DEVELOPER
PERSPECTIVE



DEVELOPER PERSPECTIVE

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

This sheet is to be filled out by the person who took primary responsibility for project financing or is a representative of the group which did.

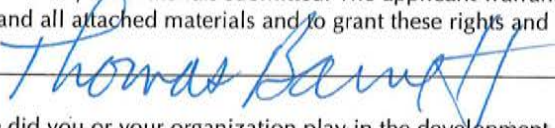
Name Thomas Barnett Title Director of Planning

Organization City of Paducah Telephone (270) 444-8690

Address 300 South 5th Street City/State/ZIP Paducah, KY 42003

Fax (270) 444-8689 E-mail tbarnett@ci.paducah.ky.us

The undersigned grants the Bruner Foundation permission to use, reproduce, or make available for reproduction or use by others, for any purpose whatsoever, the materials submitted. The applicant warrants that the applicant has full power and authority to submit the application and all attached materials and to grant these rights and permissions.

Signature 

1. What role did you or your organization play in the development of this project? Describe the scope of involvement.

The Planning Department took on the role as developer for the implementation of the Neighborhood plan and the Artist Relocation Program. With our budget approved by the City Commission and providing staff support to the Urban Renewal & Community Development Agency (URCDA), we were able to function as the frontline developer. We purchased properties from the private sector attempting to acquire significant properties and those most in need of rehab. We usually paid market or above for these properties. We created a proposal process whereby the properties were offered to the public for redevelopment. The proposal requires a description of use; a picture/plan of redevelopment and changes; a third party professional estimate of cost, evidence of financial ability matching the cost estimate, & a firm construction timeline. We advertise and post the properties as being available for redevelopment and we work with any interested party. We also showed prospective artists around, showed the properties, worked directly with Paducah bank and provided legal work to do title exams, sell, transfer and mortgage the properties. We also oversaw plat work, subdivision of property, surveys, adherence to the Historical & Architectural Review Commission (HARC) guidelines as well as provided staff support to URCDA and HARC and the Planning Commission all of which have been involved in this project.

2. What trade-offs or compromises were required during the development of the project?

A good working definition of local government is decision making on how to spend scarce resources. In Paducah KY, we have \$250,000,000 worth of problems and we have a \$25,000,000 yearly budget. Therefore any time a government chooses one project over another there are trade-offs. For example we desperately need to plan and implement a physical improvement project for our Ohio Riverfront, yet we have to wait until there is funding in place. Making those choices as to which project gets done today and which languishes or waits depends on its proponents and its priority, or, in short, the political process in action. The project itself was done in a very effective way.

3. How was the project financed? What, if any, innovative means of financing were used?

The project was financed almost entirely through general fund monies and private investment through private loans via Paducah bank. We were innovative in the sense that we had a small pool of washed clean administrative fee funds from other grants projects that we were able to leverage into this project. Additionally, based on extremely good relations with our local public transit system, we were able to leverage &1,250,000. in federal transportation funds into the neighborhood in the form of a neighborhood lighting project and a park & ride project. The true innovation came in our local lenders willingness to relax about underwriting standards and abandon conventional loan to value ratio requirements. Paducah Bank also financed 100% of the construction of three storefront shell buildings through its foundation. These were sold to artists who completed the interiors as work live space.

DEVELOPER PERSPECTIVE (CONT'D)

4. How did the economic impacts of this project on the community compare with or differ from other projects you have been involved in?

Never before has a neighborhood improvement project had some a complete and total restorative effect on a neighborhood. All too often projects are planned and implementation is begun with the results ranging from mediocre to underwhelming. This project has been an amazing success with waves of secondary good effects. Those effects are still building. This may very well be the pinnacle project of my career. I'm not given to hyperbole and usually are all to bluntly honest about the things that went wrong. While there were problems with this project as with any project; we were always able to work through them and find some way around every obstacle. So, while this could still take a turn, so far it has been amazing from so many positive aspects.

5. What about this project would be instructive to other developers?

I believe the instructive aspects relate to the unprecedented financing package put together by our Local Paducah Bank. All too often banks will tell you why they can't do a project like this. Here is a live breathing project that has come up 'aces' based in large part on a high degree of risk taken by the Bank. Paducah Bank will tell you they would never have been comfortable in doing so with out the full continuing support of local government and the opportunity to get into it slowly. Our success created the comps and the goodwill needed to take on greater and greater risk. The state and national awards and recognition as well as the quality of the relocatees was also extremely. There is a case study waiting to be explored as to why so many people are willing to consider relocation to our community.

6. What do you consider to be the most and least successful aspects of this project?

The most successful aspect is the quality of the gathering community which brings with it amazing intellectual capital in the form of ideas, drive, determination, intellect, talent, and economic development possibilities for the future. The least successful aspect is that the project's overwhelming success makes it appear to the casual observer that it has been a simple task to achieve.

2005
RUDY BRUNER AWARD
COMMUNITY
REPRESENTATIVE
PERSPECTIVE



COMMUNITY REPRESENTATIVE PERSPECTIVE

Please answer questions in space provided. Applicants should feel free to use photocopies of the application forms if needed. If possible, answers to all questions should be typed or written directly on the forms. If the forms are not used and answers are typed on a separate page, each answer must be preceded by the question to which it responds, and the length of each answer should be limited to the area provided on the original form.

This sheet is to be filled out by someone who was involved, or represents an organization that was involved, in helping the project respond to neighborhood issues.

Name	Wally Bateman	Title	President
Organization	Paducah Bank & Trust	Telephone	(270) 575-5700
Address	555 Jefferson Street	City/State/ZIP	Paducah, KY 42001
Fax	(270) 575-5789	E-mail	wally@paducahbank.com

The undersigned grants the Bruner Foundation permission to use, reproduce, or make available for reproduction or use by others, for any purpose whatsoever, the materials submitted. The applicant warrants that the applicant has full power and authority to submit the application and all attached materials and to grant these rights and permissions.

Signature *Wally Bateman*

1. How did you, or the organization you represent, become involved in this project? What role did you play?

An analysis in the late 1950's stated that Paducah's Lower Town Historic District was dilapidated and has had little attention since. In August of 2000 the City of Paducah wanted to change that trend and came to us to be a partner in the Artist Relocation Program. They told us they were going to address this historic but blighted neighborhood in which Paducah Banks main office happens to be located. The City told us they would run the day-to-day operation and asked us to be the financial arm of the program. We agreed to be the Cities partner and set up a financial package so that artists could take these neglected structures and set up their studio, gallery, and living spaces. We offered relocating artists 100% financing so that whatever money they came to Paducah with, they could use that money to support themselves during construction and the first year of their gallery being open. Our objective is to give the artists the best possible chance to succeed.

2. From the community's point of view, what were the major issues concerning this project?

Because Paducah Bank is the only community owned bank in Paducah we rely heavily on the vitality of the community. Our view is that if the community is healthy then we are also. When the program started there was a great deal of investment risk for Paducah Bank. Lower Town was a blighted area, and the structures needed a great deal of rehab to get them into condition where they could open as studios and galleries. Because the rehab was so extensive the cost of rehabbing these structures was significant. The combination of blighted structures in a depressed neighborhood meant that we were making loans of 200% to 500% of appraised value. To add to that risk we were doing 100% of the financing. To date we have made over \$12 million in loans to relocating artists.

3. What trade-offs and compromises were required during the development of the project? How did your organization participate in making them?

We basically threw all standard-banking practices out the window (Loan to value ratio and debt to income ratio). We also assigned one of our top loan officers to the program. In the beginning of the program it wasn't taking up much of his time but at present time it is over half of his workload.

COMMUNITY REPRESENTATIVE PERSPECTIVE (CONT'D)

4. Has this project made the community a better place to live or work? If so, how?

The partnership between Paducah Bank and the City of Paducah has been a phenomenal success. This once dilapidated historical neighborhood is now a vibrant neighborhood with galleries, studios, coffee shops, and restaurants. Lower Town was a place in the past that people avoided and now it is a place they come to eat, shop, and view fine art.

5. Would you change anything about this project or the development process you went through?

No. In retrospect the process was very fluid which allowed us to act and react to situations that arose. The open communication and exchange of ideas between Paducah Bank and the City of Paducah was the key to keeping the program moving forward. The unselfishness of both of these entities, never asking what was in it for us was a key component to the success of this program.