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COMMONWEALTH OF KENTUCKY  
BARREN CIRCUIT COURT  
DIVISION I  
CASE NO. \_\_\_\_\_

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KENTUCKY INDUSTRIAL ALLIANCE, LLC

PLAINTIFF

v.

CITY OF CAVE CITY, KENTUCKY

Serve: Dwayne Hatcher, Mayor  
103 Duke Street  
Cave City, KY 42127

and

JOINT CITY-COUNTY PLANNING COMMISSION

Serve: Tommy Gumm  
Joint City-County Planning Commission  
200 S Green Street, Suite 201  
Glasgow, KY 42141

and

CITY COUNCIL OF CAVE CITY

Serve: Bobby Richardson, City Attorney  
City Council of Cave City  
103 Duke Street  
Cave City, KY 42127

DEFENDANTS

**VERIFIED COMPLAINT AND PETITION FOR DECLARATORY JUDGMENT**

Plaintiff, Kentucky Industrial Alliance, LLC, by and through counsel, hereby states as follows for its Verified Complaint and Petition for Declaratory Judgment as follows:

**INTRODUCTION**

This a matter involving the recent passage of a moratorium prohibiting the development of data centers within Cave City, Kentucky, by the City Council of Cave City which was in direct

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violation of KRS 100 and has interfered with the vested rights of the plaintiff to have its previously filed development plan for a data center heard by the Joint Commission City-County Planning Commission.

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**PARTIES, VENUE, AND JURISDICTION**

1. Plaintiff, Kentucky Industrial Alliance, LLC, (“KIA”) is a Kentucky limited liability with a principal office located at P.O. Box 2277, Glasgow, KY 42142.

2. The City of Cave City, Kentucky (the “City”) is a city of Kentucky in Barren County and it may be served with process through its mayor, Dwayne Hatcher.

3. City Council of Cave City (the “City Council”) is a body politic and political subdivision of the Commonwealth of Kentucky, and it may be served with process through the City Attorney, Bobby Richardson. Its authority is derived through from KRS 83A.

4. Joint City-County Planning Commission (“Joint Commission”) is a political subdivision of the Commonwealth of Kentucky and it may be served with process through its chairman, Tommy Gumm. Its authority is derived from KRS 100.

5. Jurisdiction and venue are proper in Barren County Circuit Court pursuant to KRS 23A.010, 418.040, 418.045, and 452.400.

**Zoning Regulations and Amendments**

6. The City does not have its own independent planning to commission to regulate land use within its legal boundaries.

7. Barren County, Kentucky, and its included cities formed the Joint Commission to regulate land use throughout the area of each of the cities.

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8. Historically, Cave City has not had any type of regulation regarding the use of data centers, despite the other two cities of Glasgow and Park City, having their own regulations in place.

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9. In recent months, the Joint Commission, took up a text amendment for Cave City ordinances regarding a restriction on data centers by requiring they constitute and comply with conditional use procedures (hereinafter the “First Text Amendment”). See Summary of Changes for Text Amendment attached as **Exhibit A**.

10. The First Text Amendment was approved and sent to the City Council for approval.

11. At the March 12<sup>th</sup>, 2026, special meeting of the City Council, the First Text Amendment was approved 6-0 at first meeting. See City Council Meeting Minutes, March 12, 2026, attached as **Exhibit B**.

12. At this meeting, the minutes do not reflect any discussion or questions regarding the amendment. City Council member Leticia Cline (“Cline”), made the motion for approval.

13. At the April 13, 2026 meeting of the City Council, the First Text Amendment was never presented for a second reading as it was tabled at the request of the Kevin Myatt with the Joint Commission. See City Council Meeting Minutes, April 13, 2026, attached as **Exhibit C**.

14. On April 30, 2026, the Joint Commission, held a special meeting, (See Joint Commission Meeting Minutes, April 30, 2026 attached as **Exhibit D**) where they passed a proposed Text amendment (the “ Second Text Amendment”) attached as **Exhibit E**) regarding regulation of “Data Processing Centers” within Cave City which made Data Centers a permitted use within I-2 zones and gave the following restrictions:

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a. The development is capable of producing at least fifty (50%) percent of the electricity required to adequately sustain operation for the site in which the data center is located.

b. Data centers shall utilize self-contained cooling systems that do not rely on, withdraw from, or discharge to the municipal public water supply system without coordination with the local water utility provider pertaining to the capacity required to continue adequate service to the existing network.

c. Any activity under jurisdiction of the Kentucky State Board on Electric Generation and Transmission Siting must submit a decommissioning plan with the development plans pursuant to KRS 278.704.

d. Any building housing a data center be located no closer than one thousand (1,000') feet from any adjacent residential zoned district.

e. Any building housing data center be located no closer than two hundred (200') feet from any property line.

15. Following this meeting of the Joint-Commission, the second amendment was sent on to the City Council for review and adoption, with the first reading scheduled for May 11, 2026.

16. On May 11, 2026, the Plaintiff submitted a development plan to the Joint Commission regarding the property located at 2001 Doyle Avenue, Cave City, Kentucky. See Development Plan application attached as **Exhibit F**.

17. Receipt and acceptance of such application was solidified by letter from Kevin Myatt, Planning Director, by letter dated May 13, 2026. The Myatt letter is attached as **Exhibit G**.

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18. That same evening, still on May 11, 2026, the City Council held its monthly meeting. There was considerable turnout from the public as it appeared to be standing room only in the meeting room.

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19. During this meeting, the City Council had its first reading of the Second Text Amendment. The motion to approve the Second Text Amendment failed 4-1.

20. During that same meeting, City Council member Cline, proposed a moratorium prohibiting data center development in the City (the “Moratorium”). The motion to approve the Moratorium passed 4-1.

21. The first official reading of the Moratorium was conducted on May 18, 2026 during a special called meeting of the City Council. The motion to approve the Moratorium was approved 4-1.

22. A special called meeting was held on May 20, 2026, where the Moratorium was passed 4-1. The text of the passed Moratorium is attached as **Exhibit H**.<sup>1</sup>

23. The proposed Moratorium and its text were never published as required by Kentucky statute prior to its adoption.

***KIA Ownership and Development of Cave City Real Estate***

24. As mentioned above, Plaintiff owns property located at 2001 Doyle Avenue, Cave City, Kentucky.

25. Plaintiff purchased a piece of this property (hereinafter the “Branstetter property”) on December 20, 2024.

26. The Branstetter property is now annexed into the City of Cave City, Kentucky.

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<sup>1</sup> None of the minutes from the May meetings are attached, as the timeline was so short, they have not been officially approved.

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27. In the course of development and evaluation of the acquired property, Plaintiff entered into an agreement for option of sale of this land for construction of a data center.

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28. As a necessity of such agreement's option finalization, Plaintiff acquired additional 75.8 acres adjoining the Brandstetter Farm but outside of the city limits of Cave City costing two million dollars (\$2,000,000.00).

29. As there was no text regarding data storage or service centers, it was permissible for such facilities to be developed without restriction.

30. Plaintiff relied on the current zoning ordinances when entering into this agreements and purchases.

**COUNT I:  
City Council did not Comply with Provisions of KRS 100.**

31. The City Council failed to follow the statutory requirements of notice prior to the adoption of a moratorium.

32. KRS 100 has outlined requirements for both the creation of zoning regulations and amendments to zoning text that is already in place. Regardless of which classification you follow for the Moratorium, appropriate notice and hearing are required, but neither notice or hearing were granted.

33. KRS 100.207 requires that the planning commission prepare the text and map of all zoning regulations and shall hold at least one (1) public hearing. Notice of the public hearing must be given in accordance with provisions of KRS Ch. 424.

34. According to KRS 100.207, the planning commission shall submit a recommendation and a copy of the approved zoning regulation text to the appropriate legislative body for adoption.

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35. There has been no public hearing or recommendation by the Joint Commission.

36. The Moratorium constitutes a "text amendment" to the zoning regulations under KRS chapter 100 and therefore must comply with the notice and hearing requirements of KRS 100.211 before adoption.

37. KRS 100.211 provides that if a legislative body which is a member of the planning commission unit adopts a text amendment, the proposed amendment shall be referred to the planning commission before adoption. The planning commission shall hold at least one public hearing after notice as required by KRS Chapter 424 and shall make a recommendation as to the text of the amendment and whether the amendment shall be approved or disapproved and state the reasons for its recommendations. Planning commission is to make its recommendation within 60 days of its receipt of the proposed amendment from the legislative body.

38. The City Council failed to refer the moratorium/proposed amendment to the planning commission for consideration. As result, the planning commission has not held the one public hearing as required by statute.

39. Further, public notice as required by KRS chapter 424 has not been given.

40. Because of the failure to follow statutory procedure, the Planning Commission has been unable to make its recommendation as to the text of the amendment and whether the amendment/moratorium should be approved or disapproved.

41. Failure to comply with the statutory notice provisions of KRS 100.211 is fatal to the adoption of the Moratorium; therefore the Moratorium is invalid and void ab initio.

42. This Court should therefore enter an order enjoining the City Commission and the planning commission from giving any legal effect to the Moratorium.

**COUNT II:  
The Moratorium is invalid on its face.**

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43. Plaintiff incorporates by reference the preceding paragraphs as if fully set forth herein.

44. The Moratorium violates the principles of due process and should be held as invalid as being arbitrary and bad faith.

45. The duration of the Moratorium is unreasonable as the City Council failed to make adequate findings of continuing necessity or tie the duration to active progress toward new regulations.

46. The City Council had the opportunity to impose reasonable regulations on the development of data centers when presented with the Second Text Amendment which the City Council declined to adopt choosing rather to impose a full moratorium.

47. The ordinance adopting the Moratorium fails to make clear legislative findings supported by record establishing why the Moratorium is needed; what planning problems exist; what studies or ordinance revisions are underway; why existing regulations or the existing proposed text amendments were inadequate and why immediate action is necessary.

48. The ordinance adopting the Moratorium is arbitrary as the City Council failed to comply with the state zoning enabling statutes; the public notice requirements and ordinance adoption procedures.

49. The ordinance adopting the Moratorium is also arbitrary as the Moratorium is not tied to any comprehensive plan updates or official planning processes is therefore disconnected from any actual planning activity.

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**COUNT III:  
The Moratorium violates the Plaintiff's Due Process Rights.**

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50. Plaintiff incorporates by reference the preceding paragraphs as if fully set forth herein.

51. The Moratorium has violated Plaintiff's due process rights.

52. As mentioned above, the adoption process violated statute and deprived Plaintiff of its right to a fair hearing.

53. There has been no public hearing before the Joint Commission as required nor was there appropriate notice for any such hearing.

54. This Moratorium was presented on May 11, 2026 without any notice to the public with what can only be assumed as the intent to circumvent the opportunity for any opposition.

55. Further demonstrating the desire to eliminate the possibility of opposition, the members of the City Council took a premature vote on the matter and then presented it as if the first reading had been conducted and approved.

56. In an additional play to rush through the process, the City Council then called for a special meeting to follow three days later on Thursday, May 14<sup>th</sup>, 2026, which ended up getting pushed to May 18<sup>th</sup>, 2026, apparently due to scheduling issues of one of the necessary parties.

57. The first official reading was conducted on May 18<sup>th</sup>, 2026, which approved the Moratorium 4-1.

58. Forty-eight hours later, the City Council again via special called meeting, had the second reading of the Moratorium, where it passed 4-1.

59. From start to finish, the City Council managed to rush a significantly impactful piece of zoning legislation in nine days.

60. City Council violated Plaintiff's substantive due process.

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61. Plaintiff has vested rights in the development plan it has submitted to the Joint-Commission.

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62. Plaintiff owns 603.9 acres, 381 acres which are the subject of a pending development plan which was submitted to the Joint-Commission prior to any public mention of a Moratorium.. Based upon the zoning ordinances that were in place during the months leading up to application submission, Plaintiff worked diligently to ensure this property was properly vetted and appropriately inspected to be available for development opportunities. This included extensive coordination and consultation on the part of the Plaintiff's owners and agents to properly create and maintain the necessary character of the property.

63. Most impactful, the Plaintiff purchased additional acreage to solidify the option agreement with a developer, for purchase of the property for development of a data center.

64. As stated above, the additional purchased property was a \$2,000,000.00 (two-million)purchase.

65. Additionally, \$2,655.00 was spent on filing fees for the development plan to the Joint-Commission.

66. The Moratorium enacted by the City Council will cause the Plaintiff to suffer immediate and irreparable injury as it will suffer loss and will continue to suffer loss pending the resolution of this Moratorium.

**COUNT IV**  
**Injunctive Relief is Necessary. (CR 65)**

67. Plaintiff incorporates by reference the preceding paragraphs as if fully set forth herein.

68. KIA has a vested interest as it has incurred substantial liability. See generally Perkins v. Joint City-County Planning Commission, 480 S.W.2d 166 (Ky. 1972).

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69. At all times throughout the purchase and plans for development, the City ordinances did not have any restrictions on data centers or their development.

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70. The Moratorium disrupts the status quo and eliminates the permissive nature of the ordinances as related to data centers.

71. The Plaintiff will suffer immediate and irreparable harm as a consequence of the Moratorium taking effect and remaining in effect as the Joint-Commission has indicated it will not consider the development plan which was submitted prior to the Moratorium passage if the Moratorium remains in place.

**COUNT IV  
Declaratory Judgment (CR 57)**

72. Plaintiff incorporates by reference the preceding paragraphs as if fully set herein.

73. An actual controversy exists between the parties regarding the effectiveness of the Moratorium as it pertains to the Plaintiff's filed and pending development plan.

74. The controversy includes whether the Joint Commission will hear and decide on the passage of the pending development plan and if heard, if the Moratorium or the previous ordinances, will govern its analysis and decision.

75. Plaintiff has vested rights in its ability to develop property pursuant to its timely filed development plan.

76. Plaintiff relied on the zoning ordinances in place at the time of commencement of planning which permitted data centers.

77. Plaintiff took substantial steps to complete the application and adequately prepare for the beginning of development, pending approval.

78. Plaintiff filed its development plan prior to the City Council meeting on May 11, 2026.

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79. Plaintiff will suffer immediate and irreparable injury pending a final judgment in the action.

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80. Plaintiff is entitled to a declaration that the Plaintiff's pending development plan should be heard under the zoning ordinances which precede the Moratorium.

81. Plaintiff requests all further relief to which it may be entitled.

WHEREFORE, the Plaintiff prays this Court as follows:

1. That the Court set a speedy hearing pursuant to KRS 418.050 and CR 57.  
2. That the Court issue an injunction involving the enactment of the Moratorium pursuant to CR 65.

3. That the Court thereafter enter a judgment pursuant to KRS 418.040 and/or 418.045 declaring the Moratorium unlawful, and therefore, invalid.

4. That in the event the Court does not enter a judgment declaring the Moratorium unlawful, the Court enter a judgment requiring the Joint-Commission to hear the Plaintiff's development plan, and apply the ordinances in place prior to the Moratorium.

5. That the Court grant the Plaintiff any and all other legal and equitable relief to which they are entitled.

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VERIFICATION

The undersigned, as a member of the Plaintiff, Kentucky Industrial Development Authority, LLC, hereby verifies that the above factual statements are true and accurate to the undersigned's best and belief the knowledge.

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Joseph R. Crist, Member of Kentucky Industrial Development Authority, LLC

Submitted for filing this day, June 8, 2026.

/s/Scott A. Bachert  
SCOTT A. BACHERT  
HOPE HICKEY  
CATHERINE S. CLEMONS  
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