

APPLICATION FOR:

Kentucky Tax Increment Financing (TIF) Program



Rev 7/2018

INSTRUCTIONS

All applicants should familiarize themselves with the information regarding the incentive programs for which the application is being submitted as well as other applicable program statutory requirements. Fact sheets regarding the incentive programs are located at:

www.thinkkentucky.com/Locating_Expanding/kybizincc.aspx

Prior to completing this application, please review the TIF Fact Sheet and applicable Kentucky Revised Statutes (KRS chapters 65 and 154.30).

The application consists of the following worksheets:

- Project Info
- Development Area
- Tax History
- State Tax Increment Estimates
- Local Tax Increment Estimates
- Certification
- Disclosure

All worksheets need to be completed and submitted with original signatures to the following address:

Office of the Commissioner
Department for Financial Services
Old State Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601
(502) 564-7670

REQUIRED ATTACHMENTS

The following items must be submitted in addition to the completed application:

- 1) An application fee payable to the Kentucky Economic Development Finance Authority (KEDFA) equal to \$1,000.

The application fee may be paid via credit card or ACH at the following website:

www.thinkkentucky.com/epayments

Please note: Prior to final approval, applicant shall submit the TIF administrative fee equal to one-quarter of one percent (0.25%) of the final incentive amount authorized in the tax incentive agreement, up to a maximum of \$50,000.

Applicant is also responsible for additional fees for legal, consultant and administrative costs that will be incurred for TIF projects.

The administrative fee may be paid via ACH at the following website: www.thinkkentucky.com/epayments.

- 2) Letter including a brief history and description of the project.
- 3) An itemized list of anticipated capital investments (including specific estimated costs by each line item) to be made within the footprint of the development area.
- 4) A business plan for the development area or specific project therein, including identification of the management teams for the area and the project within the area.
- 5) Copy of the Local Ordinance establishing TIF Development Area.
- 6) Copy of the Local Participation or Local Development Agreement.
- 7) Copy of the Interlocal Agreement (if required).
- 8) A letter endorsing the project from the appropriate local elected official (e.g., Mayor, County Judge).
- 9) Two Maps - Existing Site vs. Future Project
 - i) Existing Site - a map with attached detail/listing of the geographic coordinates for the project's proposed footprint, including current uses.
 - ii) Future Project - a map with the development area and footprint divided into zones. Within each zone, please provide a description of the project as well as what is the public infrastructure investment by zone.
*** Please make sure the development area and footprint align with current property tax parcels. ***
- 10) A detailed listing of all taxpayers located within the TIF Development Area prior to the announcement of the project. See tab "Tax History" for more details.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
PROJECT INFORMATION**



Date:

Rev 7/2018

Is this an amendment to the initial application for incentives?

Project Name

Lexington Center Project

Type of TIF Program

Signature Project

APPLICANT INFORMATION (Entity applying for incentives)

Local Agency Name

Department of Finance of LFUCG

Street Address City County State Zip Code

200 E. Main St., 3rd Floor Lexington Fayette KY 40507

Mailing Address City State Zip Code

200 E. Main St., 3rd Floor Lexington KY 40507

Salutation Contact Person Title Telephone

Mr. Wes Holbrook Administrative Officer, Sr. 859-258-3300

Email Address Website

wholbrook@lexingtonky.gov www.LexingtonKY.gov

Local Agency is organized as (select one):

A designated department, division or office of a city or county

Is the applicant registered and in good standing with the Kentucky Secretary of State?

Has the applicant, or any owner or affiliate of the applicant, ever been convicted of any criminal offenses, been in receivership or adjudicated a bankruptcy, or been denied a business related license or had a business related license suspended or revoked by any administrative, governmental or regulatory agency?

If yes, please list the violation and explain. (attach additional explanation if needed):

COUNTY INFORMATION

County Name County Judge Executive

Fayette Tom Dupree Jr.

Street Address City County State Zip Code

215 W. Short St., Suite 210 Lexington Fayette KY 40507

Salutation Contact Person Title Telephone

Mr. Tom Dupree Judge Executive 859-351-2266

Email Address Website

CITY INFORMATION

City Name Mayor

Lexington-Fayette Urban County Government Jim Gray

Street Address City County State Zip Code

200 E. Main St. Lexington Fayette KY 40507

Salutation Contact Person Title Telephone

Mr. Kevin Atkins Chief Development Officer 859-258-3110

Email Address Website

katkins@lexingtonky.gov www.LexingtonKY.gov

DEVELOPER INFORMATION

Developer's Name

Lexington Center Corporation

Street Address City County State Zip Code

430 W. Vine St. Lexington Fayette KY 40507

Salutation Contact Person Title Telephone

Mr. Bill Owen President/CEO 859-233-4567

Email Address Website

bowen@rupparena.com www.lexingtoncenter.com

PROJECT INFORMATION

Does the project represent new economic activity in the Commonwealth? Yes

Will the amount of property within the TIF development area exceed 20% of the total assessed value of taxable real property within the jurisdiction(s)? No

Describe why this project cannot occur without the benefit of TIF:

The costs associated with this Project are largely public infrastructure, the cost of which is too high to be supported by the private sector, alone. Additionally the redevelopment of the convention center and the addition of Town Branch Park will consume existing parking, as will the development of the high street lot, all of which will need to be replaced and increased in order to support the expanded facilities and additional amenities that the Project will bring to the downtown core.

Explain how the proposed TIF will create a net new positive impact for Kentucky:

This Project will create a significant new draw to Kentucky by creating a first-class welcoming environment for convention business, entertainment/shows, and leisure travelers, all of which will bring significant new spending to the Commonwealth. Additionally, the Project will create a more exciting and vibrant downtown that will be attractive to the workforce as potential employers and employees consider where they wish to live, work, and play.

Describe the business activity to occur at project site:

The Project will include a completely redesigned and expanded convention facility and arena capable of hosting world-class conventions and entertainment acts. The project also includes additional hotel rooms, retail and restaurant options, and an entertainment complex that will include an upscale movie theatre, bowling alley, and sports bar. These businesses will create a huge draw to the downtown area for both residents and visitors, along with the Town Branch Park, which will bring a desired balance to a downtown that is drastically lacking green space.

Provide the size of the proposed Development Area:
 Acres:
 Square miles:

Provide the size of the proposed Footprint:
 Acres:
 Square miles:

List any businesses included within the proposed Footprint that currently receive incentives under any state or local incentive programs, including approved tourism attraction projects, as defined in KRS 148:851, economic development projects as defined in KRS 154.30-010(14), or other economic development incentives or financial assistance from the state, such as grants, loans or appropriations from the state. As part of your response, provide the name of the business, the location of the business within the proposed Footprint, the program in which the business is participating, and the terms of the economic incentives:

Name of Business	Address	Type of Incentive and Terms

Is the proposed Footprint contained within another Tax Increment Financing Development Area?	No
If yes, please provide details to which TIF Development Area this project is located, and what types of taxes, both local and state, are pledged:	
Will the proposed project create any adverse impact on any existing Kentucky business?	No
Please explain your response:	
This Project will create a draw to the Commonwealth that will support and grow existing businesses while encouraging and attracting new business.	
Provide the percentage of finished square footage in the proposed Footprint of the project that will be devoted to the support or development of assets that will be utilized for the retail sale of tangible personal property:	
Total Square Feet:	826,385
Square Feet Used for Retail:	40,000
Retail %:	5%
Amount of finished square footage in the proposed Footprint of the project that will be dedicated for commercial office space:	0
BLIGHTED AREA PROJECTS	
For Blighted Area projects, identify conditions below that exist within the development area and supply documentation supporting these findings (identify all that apply):	
Yes	Substantial loss of residential, commercial, or industrial activity or use
	Forty percent (40%) or more of the households are low-income households
	More than fifty percent (50%) of residential, commercial, or industrial structures are deteriorating or deteriorated
	Substantial abandonment of residential, commercial, or industrial structures
	Substantial presence of environmentally contaminated land
Yes	Inadequate public improvements or substantial deterioration in public infrastructure
Yes	Any combination of factors that substantially impairs or arrests the growth and adequate housing; impedes the development of commercial or industrial property; or adversely affects public health, safety, or general welfare due to the development area's present condition and use.
VACANT LAND PROJECTS	
For Vacant Land (non-blighted area) projects, identify the criteria below that exist within the development area (identify all that apply):	
	Development of previously undeveloped land including a 5,000 seat arena as part of the proposed development
	Project is a mixed-use development located in a university research park
	Mixed-use development located within three miles of a military base that houses, deploys, or employs any combination of at least 25,000 military personnel, their families, military retirees or civilian employees
	Mixed-use development which includes either or both significant public storm water and sanitary sewer facilities designed to comply with a community-wide court decree mandating corrective action by the local government or agency thereof
	Mixed-use development which includes a tract of previously undeveloped land, owned by a liberal arts educational institution within four years prior to April 10, 2017, and the undeveloped land is bound on one side by a four lane US Highway. No more than 50% of the previously undeveloped land shall be used for qualified mixed uses
Project does not meet the vacant land qualifications.	

MIXED-USE REDEVELOPMENT IN BLIGHTED URBAN AREA PROJECTS ONLY:

Will any retail establishment exceed 20,000 square feet of finished square footage?

Does the project include pedestrian amenities and public space?

Which of the following Qualified Uses comprise at least 20% of the total finished square footage of the proposed project or represent 20% of the total capital investment?

Retail Office Hospitality
 Residential Restaurant

If the previous question only has one Qualified Use with a "Yes" response, please answer the following:

Does the project include at least three of the Qualified Uses?

Does at least one of the Qualified Uses meet the 20% requirement?

When the other Qualified Uses are combined, will they jointly comprise of at least 20% of the total finished square footage of the proposed project or represent 20% of the total capital investment?

PROPOSED PROJECT TIMELINE

	Date	Estimated?
Acquisition of all property within the Development Area	Fall 2017	Yes
Demolition of existing structures	Winter 2018/19	Yes
Construction begins	Spring 2019	Yes
Construction ends	Fall 2022	Yes
TIF begins	1/1/2021	Yes
TIF ends	1/1/2051	Yes

PROPOSED FINANCING

Equity or Cash	\$126,135,903	18.6%
Proceeds from Debt Issuance:		
Supported by State TIF Participation	\$90,300,325	13.3%
Supported by Local TIF Participation	\$11,636,550	1.7%
Supported by Private Sources	\$451,211,043	66.4%
Total Estimated Sources of Funds	\$679,283,821	100.0%

Describe the financing method proposed to complete the TIF portion of the project (i.e., bond issue, bank financing, internal loan), the terms, and the estimated annual debt service.

The financing is expected to include a combination of debt and equity, and may include some portion of TIF revenue bonds in order to finance a portion of the public infrastructure expenditures. Financing costs have been roughly estimated based upon a blended interest rate of 6% on 25-year debt, although this may fluctuate given changing market conditions and final financing structure of the Project's various components.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
DEVELOPMENT AREA**

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TOTAL DEVELOPMENT AREA

Estimate capital investment for the Development Area in each zone. Include only capital investment associated with the proposed project as defined in KRS 154.30-010.

Zone	Public Infrastructure Costs	Other Capital Costs	Signature Costs	Financing Costs (excluding principal)	TOTAL
Zone 1	\$241,000,000	\$0	\$0	\$165,803,334	\$406,803,334
Zone 2	\$65,000,000	\$58,477,243	\$0	\$118,003,244	\$241,480,487
Zone 3	\$31,000,000	\$0	\$0	\$0	\$31,000,000
Zone 4					\$0
Zone 5					\$0
Zone 6					\$0
Zone 7					\$0
Zone 8					\$0
Zone 9					\$0
Zone 10					\$0
Zone 11					\$0
Zone 12					\$0
Zone 13					\$0
Zone 14					\$0
Zone 15					\$0
Zone 16					\$0
Zone 17					\$0
Zone 18					\$0
Zone 19					\$0
Zone 20					\$0
Zone 21					\$0
Zone 22					\$0
Zone 23					\$0
Zone 24					\$0
Zone 25					\$0
Total from any additional pages					\$0
TOTAL	\$337,000,000	\$58,477,243	\$0	\$283,806,578	\$679,283,821

Please attach more pages if additional space is needed.

Identify the zones from above that are included in the Footprint:

Zones 1,2, and 3

Total financing costs for the project are estimated to be:
 What portion of the estimated financing costs pertains to financing the public infrastructure?

Provide the percentage of total capital investment that will be devoted to the support or development of assets that will be utilized for the retail sale of tangible personal property:

Total capital investment	\$679,283,821
Capital investment used for retail	\$13,235,570
Retail %	2%

PUBLIC INFRASTRUCTURE COSTS

Please provide a breakdown of the estimated public infrastructure costs included above:

Land preparation costs attributable to preparing the public infrastructure portion of the Footprint for development and do not include land acquisition costs	\$1,000,000
Public buildings/structures	\$241,000,000
Sewers/storm drainage	\$5,000,000
Curbs, sidewalks, promenades and pedways	\$1,500,000
Roads	\$1,500,000
Street lighting	\$500,000
Provision of utilities	\$5,000,000
Environmental remediation	
Floodwalls and floodgates	
Public spaces or parks	\$31,000,000
Parking	\$50,000,000
Easements and rights of way	
Transportation facilities	
Public landings	
Amenities such as fountains, benches and sculptures	\$500,000
River bank modifications and improvements	
Other (provide listing)	
TOTAL	\$337,000,000

RECOVERY REQUEST

Amount of State TIF incentives requested

Recovery methods being requested (select all that apply):

<input type="checkbox"/>	Yes	Ad Valorem/Real Estate/Property Tax
<input type="checkbox"/>	Yes	Sales and Use Tax
<input type="checkbox"/>	Yes	Withholding Tax*
<input type="checkbox"/>	No	Corporation Income Tax*
<input type="checkbox"/>	No	Limited Liability Entity Tax*

* If these are included for a TIF project that includes office space, the applicant should consider the impact of pledging these taxes on the ability to attract/locate other economic development projects at a later date.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
TAX HISTORY**



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Tax History (Tax information for the three preceding tax years prior to announcement of the project):

Tax Year	Property Tax	Withholding Tax	Corporation Tax	Sales and Use Tax	Other	Total
2017	\$4,244	\$77,429	\$0	\$1,017,764		\$1,099,437
2016	\$4,244	\$100,503	\$0	\$1,136,125		\$1,240,872
2015	\$4,244	\$123,578	\$0	\$1,254,486		\$1,382,308
Total	\$12,732	\$301,510	\$0	\$3,408,375	\$0	\$3,722,617

Attachment:

Attach a detailed listing of all taxpayers located within the TIF Development Area prior to the announcement of the project. The following data fields should be used in providing this supplemental information:

- Business name including dba
- Tax Identification Number for all taxes
- Business address
- Contact information including:
 - Name
 - Address
 - E-mail address
 - Telephone number
- Detailed tax information (see above table) for three years prior to announcement of TIF project
- Number of employees in the Development Area
- Property tax parcel ID number(s)

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
STATE TAX INCREMENT ESTIMATES**



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State Tax Increment Estimates

Year	Ad Valorem Real Estate Property Tax	Sales and Use Tax	Withholding Tax	Corporation Income Tax	Limited Liability Entity Tax	Total
1	\$120,514	\$2,471,591	\$414,804			\$3,006,909
2	\$122,321	\$2,508,665	\$421,026			\$3,052,013
3	\$124,156	\$2,546,295	\$427,342			\$3,097,793
4	\$126,019	\$2,584,489	\$433,752			\$3,144,260
5	\$127,909	\$2,623,257	\$440,258			\$3,191,424
6	\$129,828	\$2,662,606	\$446,862			\$3,239,295
7	\$131,775	\$2,702,545	\$453,565			\$3,287,885
8	\$133,752	\$2,743,083	\$460,368			\$3,337,203
9	\$135,758	\$2,784,229	\$467,274			\$3,387,261
10	\$137,794	\$2,825,992	\$474,283			\$3,438,070
11	\$139,861	\$2,868,382	\$481,397			\$3,489,641
12	\$141,959	\$2,911,408	\$488,618			\$3,541,985
13	\$144,088	\$2,955,079	\$495,948			\$3,595,115
14	\$146,250	\$2,999,405	\$503,387			\$3,649,042
15	\$148,444	\$3,044,397	\$510,938			\$3,703,778
16	\$150,670	\$3,090,062	\$518,602			\$3,759,334
17	\$152,930	\$3,136,413	\$526,381			\$3,815,724
18	\$155,224	\$3,183,460	\$534,276			\$3,872,960
19	\$157,553	\$3,231,211	\$542,291			\$3,931,055
20	\$159,916	\$3,279,680	\$550,425			\$3,990,020
21	\$162,315	\$3,328,875	\$558,681			\$4,049,871
22	\$164,749	\$3,378,808	\$567,061			\$4,110,619
23	\$167,221	\$3,429,490	\$575,567			\$4,172,278
24	\$169,729	\$3,480,932	\$584,201			\$4,234,862
25	\$172,275	\$3,533,146	\$592,964			\$4,298,385
26	\$174,859	\$3,586,144	\$601,858			\$4,362,861
27	\$177,482	\$3,639,936	\$610,886			\$4,428,304
28	\$180,144	\$3,694,535	\$620,050			\$4,494,728
29	\$182,846	\$3,749,953	\$629,350			\$4,562,149
30	\$185,589	\$3,806,202	\$638,791			\$4,630,582
Total	\$4,523,929	\$92,780,271	\$15,571,206	\$0	\$0	\$112,875,406

Assumptions:

See Commonwealth Economics analysis.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
LOCAL TAX INCREMENT ESTIMATES**

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Local Tax Increment Estimates

Year	Ad Valorem Real Estate Property Tax	Sales and Use Tax	Withholding Tax	Corporation Income Tax	Limited Liability Entity Tax	Total
1	\$200,823		\$186,662			\$387,485
2	\$203,836		\$189,462			\$393,298
3	\$206,893		\$192,304			\$399,197
4	\$209,997		\$195,188			\$405,185
5	\$213,147		\$198,116			\$411,263
6	\$216,344		\$201,088			\$417,432
7	\$219,589		\$204,104			\$423,693
8	\$222,883		\$207,166			\$430,049
9	\$226,226		\$210,273			\$436,499
10	\$229,619		\$213,427			\$443,047
11	\$233,064		\$216,629			\$449,693
12	\$236,560		\$219,878			\$456,438
13	\$240,108		\$223,176			\$463,284
14	\$243,710		\$226,524			\$470,234
15	\$247,365		\$229,922			\$477,287
16	\$251,076		\$233,371			\$484,447
17	\$254,842		\$236,871			\$491,713
18	\$258,665		\$240,424			\$499,089
19	\$262,545		\$244,031			\$506,575
20	\$266,483		\$247,691			\$514,174
21	\$270,480		\$251,407			\$521,887
22	\$274,537		\$255,178			\$529,715
23	\$278,655		\$259,005			\$537,661
24	\$282,835		\$262,890			\$545,725
25	\$287,078		\$266,834			\$553,911
26	\$291,384		\$270,836			\$562,220
27	\$295,755		\$274,899			\$570,653
28	\$300,191		\$279,022			\$579,213
29	\$304,694		\$283,208			\$587,901
30	\$309,264		\$287,456			\$596,720
Total	\$7,538,645	\$0	\$7,007,043	\$0	\$0	\$14,545,688

Assumptions including percentage of local TIF participation:

See Commonwealth Economics analysis.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
CERTIFICATION OF APPLICATION**



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Project Name
Lexington Center Project

Location of Project (county name)
Fayette

CERTIFICATION


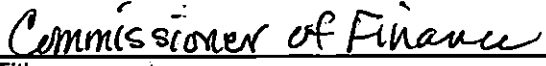
Eligibility for financial assistance is determined by the information presented in this application and in the required attachments.


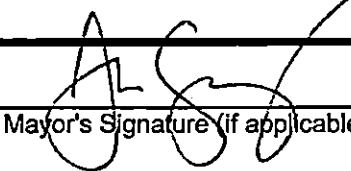
I, the undersigned on behalf of the applicant, hereby represent and certify that the foregoing application information, including all attachments, to the best of my knowledge, is (a) true, complete and accurate with respect to the information concerning the proposed project for which financial incentives are sought; and (b) does not contain any information for which any entity competing with the applicant may claim a proprietary interest. I represent and certify that the project as set forth in this application will not occur if not for the designation of the development area, the granting of incremental revenues by the taxing district or districts, other than the Commonwealth, and the granting of the state tax incremental revenues.

The undersigned, on behalf of the applicant, acknowledges that information contained within the application and its attachments may be subject to public disclosure to the extent required by law pursuant to any request made under the Kentucky Open Records Act contained in Chapter 61 of the Kentucky Revised Statutes. Notwithstanding the above, except as otherwise agreed to by the applicant in writing, no confidential or proprietary information shall be disclosed if properly excluded from disclosure under KRS 61.878 (as determined by the Authority, the Kentucky Attorney General or court of competent jurisdiction).

The undersigned, on behalf of the applicant, acknowledges that the applicant will be required to provide a number of reports during the term of the incentive agreement and agrees to provide this information as required and as requested. Failure to provide the information may result in suspension of incentives.

In addition, the undersigned on behalf of the applicant, acknowledges and grants permission to the Authority to share any and all information contained within the application and its attachments with appropriate state agencies, local authorities and contract consultants to determine the feasibility and potential impacts associated with the project for which incentives are sought.

	
Local Agency's Authorized Signature	Title
William O'Mara	11/15/2018
Print Name	Date

	
County Judge Executive's Signature (if applicable)	Mayor's Signature (if applicable)
Print Name	Print Name

For Electronic Signature: The person responsible for signing the document may type his/her name in the signature field, but the name must be preceded by a "/s" (e.g., /s Jim Smith). An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature.

**APPLICATION FOR TAX INCREMENT FINANCING (TIF) PROGRAM
ATTACHMENT A - INCENTIVE DISCLOSURE STATEMENT**



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Project Name Lexington Center Project
Location of Project (county name) Fayette

INSTRUCTIONS: In accordance with the Executive Branch Code of Ethics, Chapter 11A of the Kentucky Revised Statutes ("KRS"), before any board or authority within or attached to the Cabinet for Economic Development ("CED") takes final action on any contract or agreement by which a bond, grant, lease, loan, assessment, incentive, inducement, or tax credit is awarded (the "incentive package"), the beneficiary of the incentive package must file with the approving board or authority a disclosure statement stating: (i) the identity of the beneficiary of the incentive package, (ii) the identity of any person employed to act on behalf of the beneficiary with respect to the incentive package, (iii) the details of any financial transaction (as defined in KRS 11A.201(5)(a), see below) between the beneficiary (or any other person listed in (ii) above) and any agent or public servant of the CED, any member of any board or authority within or attached to that Cabinet, or any other public servant involved in the negotiation of the economic incentive package.

Your application or request will not be processed until this form is filed. CED will file copies of this form with the Executive Branch Ethics Commission pursuant to KRS 11A.233(2).

NOTE: For purposes of KRS 11A.201(5)(a), the definition of "financial transaction" is activity conducted or undertaken for profit, not available to the general public on the same terms, that arises from the joint ownership, the ownership, or part ownership in common, of any real or personal property or any commercial or business enterprise of whatever form between:

- 1) Beneficiary, agent or employee of the beneficiary; and
- 2) CED agent, employee, member of board or authority attached to CED, or other public servant involved in the negotiation of any incentive package.

Beneficiary's Legal Name	Beneficiary is the:	Applicant
Type(s) of Economic Incentive Package(s):	Tax Increment Financing (TIF)	

Please identify all employees or agents of the Beneficiary who have acted on behalf of the Beneficiary in its dealings with the CED or any board or authority within or attached to the CED in regard to the above incentive package:

Name	Title	Organization
Kevin Atkins	Chief Dev. Officer	LFUCG
Sally Hamilton	Chief Admin Officer	LFUCG
Janet Graham	Law Commissioner	LFUCG
David Barberie	Managing Attorney	LFUCG
Derek Paulson	Planning Commissioner	LFUCG
William O'Mara	Finance Commissioner	LFUCG

Please attach additional listing if more space is needed.

Have any of the employees or agents of the Beneficiary had any "financial transactions" (as defined above) with a CED agent, employee, or a board or agency attached to CED or any other public servant involved in the negotiation of any economic incentive package?

No

If yes, please detail any "financial transactions" (as defined above) between the Beneficiary (or any other person listed as an employee or agent of the Beneficiary) and (i) any agent or public servant of the CED, (ii) any member of any board or authority within or attached to that Cabinet, or (iii) any other public servant involved in the negotiation of the economic incentive package:

TRANSACTION 1

Name of Beneficiary (agent or employee)	Name of CED (agent, employee, or board/authority member)
Name of Other Public Servant	
Description of Financial Transaction	

TRANSACTION 2

Name of Beneficiary (agent or employee)	Name of CED (agent, employee, or board/authority member)
Name of Other Public Servant	
Description of Financial Transaction	

TRANSACTION 3

Name of Beneficiary (agent or employee)	Name of CED (agent, employee, or board/authority member)
Name of Other Public Servant	
Description of Financial Transaction	

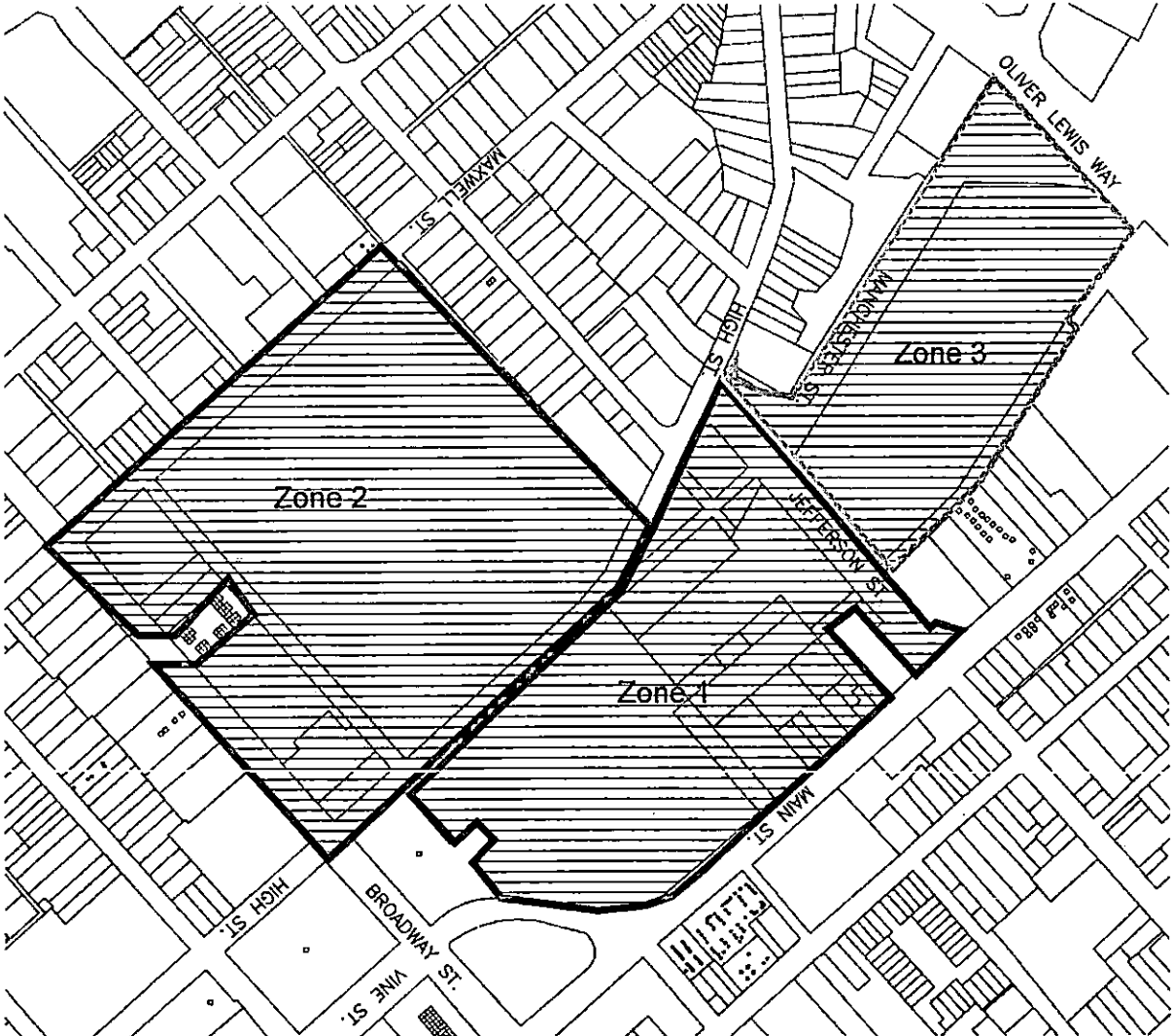
Please attach additional listing if more space is needed.

The undersigned, a duly authorized representative of the Beneficiary listed above, hereby certifies that the information set forth in this Economic Incentive Disclosure Statement has been reviewed, and is true and correct to the best of the knowledge of the undersigned.

Local Agency's Authorized Signature

Date

For Electronic Signature: The person responsible for signing the document may type his/her name in the signature field, but the name must be preceded by a "/s/" (e.g., /s Jim Smith). An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature.



Lexington Center Project

Brief History and Project Description

Background

Originally opened in 1976, the Lexington Convention Center (“Convention Center”) has hosted a wide variety of both local and non-local event activity, including conventions, corporate meetings, consumer shows, food and beverage functions, tradeshow, community, government, and other types of events.

However, the need to expand and update the Convention Center, as well as the adjacent lots surrounding the venue, have been in discussion for many years. The current Convention Center has served the City of Lexington well for the past 42 years, but the need for more exhibit, ballroom, and meeting event space has been in discussion since 1994 and recommended by 3 different studies dating back to 1986. This Project, when completed, will satisfy the prolonged need for space and elevate Lexington as a nationally recognized convention destination.

Description of the Lexington Center Project

The Lexington Center Corporation (“LCC”) will be working with various developers to complete the Project in Lexington through a mixture of public and private investment. The aim is to improve and expand the existing Convention Center, while also developing public infrastructure and supportive uses on a handful of adjacent lots. This will attract and support a greater level of density and vertical development around the new Convention Center which will spur additional event and businesses activity.

Planning is currently underway for the proposed development, which will have the following components:

- 152,530 Total Square Feet of Exhibit, Ballroom, and Meeting Room Event Space for the Convention Center upon completion of improvements
- 443,605 Total Square Feet of Support and Non-Convention Center Space (Rupp Arena, Hotel, Central Plant, BOH, Mechanical Mezzanine, Clubs, etc) upon completion of improvements
- 70,000 Square Feet of Space for Retail and Restaurants
- 160 Hotel Rooms

- 10 Screen Movie Theatre
- 16 Lane Bowling Alley
- Portion of Town Branch Commons Park and Structured Parking

Based on construction, site work, and miscellaneous costs, the total construction cost, public and private, is estimated to be approximately \$395.5 million. It is anticipated that \$337.0 million of the total cost may be considered as approved public infrastructure, including: the convention center expansion, a portion of town branch commons park, parking, and all site work and utility provisions.

The Project is expected to be completed within three years. TIF activation is expected to occur once the entire Project has been completed, so for the purposes of this study, each Project component will come on line at the same time. Below is a summary of the Convention Center upon completion of improvements, as well as new retail, restaurant, hotel, movie theatre, and bowling alley components to be built on adjacent lots.

Lexington Center Project Components		
	Unit Measure	
<u>Convention Center Space</u>		
Exhibit Hall	100,381	Sq Ft
Ballroom	25,393	Sq Ft
Meeting Rooms	26,756	Sq Ft
Sub-Total (Event Space)	152,530	Sq Ft
LCC	125,215	Sq Ft
BOH	145,218	Sq Ft
Central Plant	14,599	Sq Ft
Mechanical Mezzanine	7,264	Sq Ft
Sub-Total (Support Space)	292,296	Sq Ft
<u>Non-Convention Center Space</u>		
Rupp Arena	55,993	Sq Ft
Hotel Space	12,900	Sq Ft
Shell Space	16,243	Sq Ft
Club Space	66,173	Sq Ft
Sub-Total (Non-Convention)	151,309	Sq Ft
TOTAL	596,135	Sq Ft
<u>Adjacent Lots</u>		
Retail	40,000	Sq Ft
Restaurant	30,000	Sq Ft
Hotel Rooms	160	Rooms
Movie Theatre	10	Screens
Bowling Alley	16	Lanes

Lexington Center Project Capital Investment Summary	
Convention Center and Rupp Arena	\$241,000,000
Retail	\$6,767,800
Restaurant	\$7,933,800
Entertainment	\$20,000,000
Hotel	\$23,775,643
Town Branch Park	\$31,000,000
Parking	\$50,000,000
Other Public Infrastructure Improvements	\$15,000,000
Total	\$395,477,243

As shown in the Lexington Center Project TIF Application, the Convention Facilities and Rupp Arena will be located in Zone 1, the "adjacent lots" will be Zone 2, and Zone 3 will include the Town Branch Park.