



**TO: MAYOR LINDA GORTON
URBAN COUNTY COUNCIL**

**FROM: KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER**

DATE: OCTOBER 17, 2023

SUBJECT: ECONOMIC INCENTIVE AGREEMENT WITH KEENELAND ASSOCIATION, INC.

REQUEST:

Authorization to execute an Economic Incentive Agreement with KEENELAND ASSOCIATION, INC (“Keeneland”) to provide Public Infrastructure funds in the amount of \$1,000,000 for the development of the Keeneland Paddock Chalet Building, the relocation of back-of-house operations, grandstand upgrades, and the development of a visitor’s center.

The total investment on the project site is estimated to cost approximately \$92.6 million.

REASON FOR REQUEST:

KEENELAND ASSOCIATION, INC.’s facility, located at 4201 Versailles Road, is undergoing significant reinvestment through facility improvements to ensure the long-term viability of the venue. Lexington-Fayette Urban County Government (“LFUCG”) incentives will be utilized to reimburse infrastructure requirements related to the construction of this project.

The Economic Development Investment Board reviewed the request for allocation of a Public Infrastructure Incentive for this project, and has recommended Council approval. As part of the approval process the Council will waive the requirement in the ordinance related to these public infrastructure funds that the funding be provided in the form of an interest free loan.

The Company is in the process of seeking state sales tax incentives under the Kentucky Tourism Development Incentive Program as a designated Kentucky Tourism Development Act Project, and the Kentucky Enterprise Initiative Act as a qualifying economic development project with the support of LFUCG.

WHAT IS THE COST IN THIS BUDGET YEAR AND FUTURE BUDGET YEARS?

The cost for this FY is: \$1,000,000
The cost for future FY is: N/A



ARE THE FUNDS BUDGETED?

The funds are budgeted

Account Number:

1144-133004-0001-78103

DIRECTOR/COMMISSIONER:

Kevin Atkins

