



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Jim Gray
Mayor

MEMORANDUM

TO: Jim Gray, Mayor
Urban County Council

FROM: Kevin Atkins, Chief Development Officer *KRA*
Mayor's Office

DATE: November 1, 2013

SUBJECT: Amend Ordinance No. 266-2008 withdrawing the Lexington Distillery District
Incremental Tax Special Fund

This is a request to withdraw the Lexington Distillery District Incremental Tax Special Fund approved by Ordinance 266-2008. The development area would remain in place for a possible revised application in the future. Early plans for the District have not materialized due to several factors since its approval by the Kentucky Economic Development Finance Authority (KEDFA).

Lexington Distillery District Development Area received final approval under the Blighted Redevelopment TIF program (KRS 154.30.060) in October 2009 from KEDFA. Original activation date for the Distillery District TIF was to be within two years of October 29, 2009 but the project has not been activated as of this date.

In August 2011 KEDFA, at the request of Lexington-Fayette Urban County Government, granted a two year extension to the Activation Date.

In May 2013 we requested an additional two year extension of the Activation Date for the Distillery District Development Area (TIF Project) to extend to August 25, 2015. In June we received notification that the request to extend the activation had been denied by KEDFA. The notice stated that the "commonwealth may extend the two year period to establish the activation date to no more than four (4) years. Internal discussions have taken place between senior decision makers in our Cabinet regarding the matter and arrived at the decision that an extension of time to establish the activation date shall be no longer than four (4) years from the commencement date or in the case of the Distillery District, October 29, 2013."

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