



Cabinet for Economic Development

APPLICATION FOR TAX INCREMENT FINANCING PROGRAMS

For Office Use Only

Project Number: _____

CED Contact: _____

Dec. 10, 2008

Date of Initial Application

Amendment

May 2013

Date

Project Name

Phoenix Park/Courthouse Project (Option 2)

- Mixed Use Redevelopment in a Blighted Urban Area
- Signature Project
- Real Property Ad Valorem Tax Revenues

1. Applicant Information (entity applying for TIF):

Local Agency Name Department of Finance & Administration of LFUCG				
Street or P. O. Box 200 E. Main, 3rd Flr.	City Lexington	County Fayette	State KY	Zip Code 40507
Contact Person Cynthia Schuster	Telephone 859-258-3304	Fax 859-258-3385	Title Admin. Officer Senior	
E Mail Address		Web Address		

Local agency is organized as (check one):

- An urban renewal and community development agency established under KRS Chapter 99
- A development authority established under KRS Chapter 99
- A nonprofit corporation
- A housing authority established under KRS Chapter 80
- An air board established under KRS 183.132 to 183.160
- A local industrial development authority established under KRS 154.50-301 to KRS 154.50-346
- A riverport authority established under KRS 65.510 to 65.650
- A designated department, division or office of a city or county

2. Date of Local Ordinance establishing TIF Development Area: December 4, 2008

3. Date of Local Participation or Local Development Agreement: December 1, 2008

4. Date of Interlocal Agreement (if required): N/A

5. Person to Review Legal Documents for Local Agency:

Janet Graham			
Street or P. O. Box 200 E. Main St., 11th Flr.	City Lexington	State KY	Zip Code 40507
Telephone 859-258-3500	Fax 859-258-3538	E Mail Address jgraham@lexingtonky.gov	

6. County Information:

County Name Fayette County		County Judge Executive Jon Larson		
Street or P. O. Box 215 West Short St., Suite 210	City Lexington	County Fayette	State KY	Zip Code 40507
Contact Person Jon Larson		Telephone 859-255-1001	Fax	Title Judge Exec.
E Mail Address jonlarsonlaw@gmail.com		Web Address		

7. City Information:

City Name Lexington-Fayette Urban County Government		Mayor Jim Gray		
Street or P. O. Box 200 E. Main St.	City Lexington	County Fayette	State KY	Zip Code 40507
Contact Person Kevin Atkins		Telephone 859-258-3100	Fax 859-258-3194	Title Chief Development Officer
E Mail Address katkins@lexingtonky.gov		Web Address		

8. Developer Information:

Developer's Name CentrePointe Parking Co., LLC				
Street or P. O. Box 3000 Lexington Financial Center, 250 W. Main St. ; Lexington ; Fayette	City	County	State KY	Zip Code 40507
Contact Person Woodford W. Webb		Telephone 859-253-0000	Fax 859-281-5687	Title President
E Mail Address wwebb@thewebbcompanies.com		Web Address		

Project Information

9. Describe the scope of the project including why this project cannot occur without the benefit of TIF:

See Application Addendum

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

See Application Addendum

11. Describe the business activity to occur at project site:

See Application Addendum

12. Describe the public infrastructure needed at the project site:

See Application Addendum

13. Provide the size of the proposed Development Area:

Acres: 14.25

Square Miles: 0.022

14. Provide geographic coordinates for the project's proposed footprint:

See Application Addendum

15. Provide a description of the project's proposed footprint, including current uses:

See Application Addendum

16. Identify conditions below that exist within the development area, and supply documentation supporting these findings (check all that apply):

- 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
- Inadequate public improvements or substantial deterioration in public infrastructure
- Any combination of factors that substantially impairs or arrests the growth and economic development of the city or county where the project is located; impedes the provision of 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

17. Provide the percentage of finished square footage that will be devoted to the support or development of assets that will be utilized for the retail sale of tangible personal property:

(a) Total Square Feet: 805,160

(b) Square Feet Used For Retail: 7,908

(c) Divide B by A (show as %): 0.98 %

18. Provide the amount of finished square footage in the proposed footprint of the project that will be dedicated for commercial office space:

Square Feet: 135,900

19. List any businesses included within the proposed development area 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

20. Is the proposed footprint of the proposed Project contained within another tax increment financing development area? Yes 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 in the development area:

21. Will the proposed project create any adverse impact on any existing Kentucky businesses? Yes No

Please explain your response:
See Application Addendum

22. Project Timeline (Please indicate if date is estimated):

Acquisition of All Property within Development Area	May 2008
Demolition of Existing Structures	August 2008
Construction Begins	01/01/2014 (estimated)
Construction Ends	01/01/2016 (estimated)
TIF Begins	09/23/2013
TIF Ends	09/23/2043

23. Project Financing

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.

See Application Addendum

24. Financing Proposal by Funding Source:

Equity or Cash	\$40,000,000	20.69	%
Proceeds from Debt Issuance			
Supported by State TIF Participation	\$27,471,556	14.21	%
Supported by Local TIF Participation	\$18,030,666	9.33	%
Supported by Private Sources	\$107,824,035	55.77	%
Total Estimated Sources of Funds	\$193,326,257	100	%

25. Estimated Capital Investment. Include only capital investment associated with the proposed project as defined in KRS 154.30-010.

A. Estimated labor costs \$ 63,801,985

Labor costs includes the obligations incurred for labor and to contractors, subcontractors, builders and materials in connection with the acquisition, construction, installation, equipping and rehabilitation of the project.

B. Estimated land acquisition costs \$ 16,000,000

Land acquisition includes the cost of acquiring land or rights in land within the development area on the footprint of the project, and any services incident thereto, including recording.

C. Estimated cost of contract bonds \$ 3,067,742

Contract bond costs include the cost of contract bonds and of insurance of all kinds that may be required or necessary during the course of acquisition, construction, installation, equipping and rehabilitation of the project which is not paid by the contractor or contractors or otherwise provided.

D. Estimated cost of architectural/engineering services \$ 8,865,673

Architectural/engineering services includes test borings, surveys, estimates, plans, specifications, preliminary investigations, supervision of construction, and the performance of all the duties required by or consequent upon the acquisition, construction, installation, equipping and rehabilitation of the project.

E. Estimated contractual costs \$ 93,309,720

Contractual costs includes all costs that are required to be paid under the terms of any contract(s) for the acquisition, construction, installation, equipping and rehabilitation of the project.

F. Other estimated costs \$ 8,281,137

Other estimated costs includes costs of a nature comparable to those described in A through E, above.

TOTAL ESTIMATED CAPITAL INVESTMENT COSTS \$ 193,326,257

Attach an itemization of the costs described in A through F, above. In particular, explain how the actual capital investments will be made within the proposed footprint and identify the percentage of capital investment that relates to the support and development of assets utilized for the retail sale of tangible personal property.

26. Estimated Project Costs. Include only costs associated with the proposed project.

Estimated Public Infrastructure Costs includes costs associated with the acquisition, installation, construction, or reconstruction of public works, public improvements and public buildings including planning and design costs associated with the development of such amenities, and include, but is not limited to:

Land Preparation	\$ _____
Land preparation costs includes costs attributable to preparing the public infrastructure portion of the footprint for development, and do not include land acquisition costs.	
Public Buildings/Structures	\$ 7,500,000 (1) _____
Sewers/Storm Drainage	\$ _____
Curbs, Sidewalks, Promenades and Pedways	\$ 600,000 _____
Roads	\$ 2,000,000 _____
Street Lighting	\$ 500,000 _____
Provision of Utilities	\$ _____
Environmental Remediation	\$ _____
Floodwalls and Floodgates	\$ _____
Public Spaces or Parks	\$ 3,000,000 _____
Parking	\$ 31,902,222 _____
Easements and Rights of Way	\$ _____
Transportation Facilities	\$ _____
Public Landings	\$ _____
Amenities, such as fountains, benches and sculptures	\$ _____
River Bank Modifications & Improvements	\$ _____
Other (List)	

_____	\$ _____
TOTAL ESTIMATED PUBLIC INFRASTRUCTURE COSTS	\$ 45,502,222 _____

(1) Represents public projects such as Old Courthouse renovation.

27. Totals (Please attach an itemized list)

Estimated Public Infrastructure Costs	\$ 45,502,222
Estimated Signature Costs	\$ 0
Estimated Other Capital Investment Costs	\$ 147,824,035
Estimated Financing Costs for Public Infrastructure	\$ 47,733,947
Estimated Financing Costs for Signature Costs	\$ 0
Estimated Financing Costs for Other Capital Investments	\$ 152,848,380
Total Estimated Uses of Funds	\$ 393,908,584

28. 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
Year - 1	8,277	18,131	4,748	284,700	95,487	411,343
Year - 2	8,075	17,689	4,632	277,753	93,571	401,720
Year - 3	7,878	17,257	4,519	270,976	91,288	391,918

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 Numbers for all taxes
- Business Address
- Contact Information including:
 - Name
 - Address
 - E-mail Address
 - Telephone Number
- Detailed Tax Information for three years prior to announcement of TIF Project
- Number of Employees
- Property Tax Parcel ID Number

29. 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	222,040	2,260,827	245,664	N/A	N/A	2,728,531
2	228,701	2,461,778	287,472	N/A	N/A	2,977,951
3	235,562	2,596,224	308,164	N/A	N/A	3,139,950
4	242,629	2,709,664	322,741	N/A	N/A	3,275,034
5	249,908	2,815,878	336,162	N/A	N/A	3,401,949
6	257,405	2,918,442	348,960	N/A	N/A	3,524,807
7	265,127	3,005,995	359,429	N/A	N/A	3,630,552
8	273,081	3,096,175	370,212	N/A	N/A	3,739,468
9	281,274	3,189,060	381,318	N/A	N/A	3,851,652
10	289,712	3,284,732	392,758	N/A	N/A	3,967,202
11	298,403	3,383,274	404,541	N/A	N/A	4,086,218
12	307,355	3,484,772	416,677	N/A	N/A	4,208,804
13	316,576	3,589,315	429,177	N/A	N/A	4,335,068
14	326,073	3,696,995	442,052	N/A	N/A	4,465,121
15	335,855	3,807,905	455,314	N/A	N/A	4,599,074
16	345,931	3,922,142	468,973	N/A	N/A	4,737,046
17	356,309	4,039,806	483,043	N/A	N/A	4,879,158
18	366,998	4,161,000	497,534	N/A	N/A	5,025,533
19	378,088	4,285,830	512,460	N/A	N/A	5,176,298
20	389,348	4,414,405	527,834	N/A	N/A	5,331,587
21	401,029	4,546,837	543,669	N/A	N/A	5,491,535
22	413,060	4,683,246	559,979	N/A	N/A	5,656,281
23	425,452	4,823,740	576,778	N/A	N/A	5,825,970
24	438,215	4,968,452	594,081	N/A	N/A	6,000,749
25	451,362	5,117,506	611,904	N/A	N/A	6,180,771
26	464,902	5,271,031	630,261	N/A	N/A	6,366,194
27	478,850	5,429,162	649,169	N/A	N/A	6,557,180
28	493,215	5,592,037	668,644	N/A	N/A	6,753,895
29	508,011	5,759,798	688,703	N/A	N/A	6,956,512
30	523,252	5,932,592	709,364	N/A	N/A	7,165,208
Total	10,563,645	119,248,618	14,223,036	N/A	N/A	144,035,299

Assumptions: Baseline has not been subtracted. 20% retained by State has not been subtracted.

30. Local Tax Increment Estimates

Year	Ad Valorem Real Estate Property Tax	Local Occupational Tax	TIF Local Occupational Fee	Total
1	380,380	89,823	0	470,203
2	391,791	118,976	0	510,767
3	403,545	129,032	0	532,577
4	415,651	134,152	0	549,804
5	428,121	139,053	0	567,174
6	440,965	143,861	0	584,825
7	454,194	148,176	0	602,370
8	467,819	152,622	0	620,441
9	481,854	157,200	0	639,054
10	496,610	161,916	0	658,226
11	511,199	166,774	0	677,973
12	526,535	171,777	0	698,312
13	542,331	176,930	0	719,261
14	558,601	182,238	0	740,839
15	575,359	187,706	0	763,064
16	592,620	193,337	0	785,956
17	610,398	199,137	0	809,535
18	628,710	205,111	0	833,821
19	647,571	211,264	0	858,836
20	666,999	217,602	0	884,601
21	687,009	224,130	0	911,139
22	707,619	230,854	0	938,473
23	728,847	237,780	0	966,627
24	750,713	244,913	0	995,626
25	773,234	252,261	0	1,025,495
26	796,431	259,828	0	1,056,260
27	820,324	267,623	0	1,087,947
28	844,934	275,652	0	1,120,586
29	870,282	283,921	0	1,154,203
30	896,390	292,439	0	1,188,829
Total	18,096,737	5,856,090	0	23,952,827

Assumptions including percentage of local TIF participation: Estimates have not subtracted baseline. Local participation of 80%, but 20% retained has not been subtracted.

Certification of Application

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).

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 and contract consultants to determine the feasibility and potential impacts associated with the project for which incentives are sought.

Local Agency's Authorized Signature

County Judge Executive's Signature

Print Name

Title

Mayor's Signature

Date

**ATTACHMENT A
CABINET FOR ECONOMIC DEVELOPMENT
ECONOMIC INCENTIVE DISCLOSURE STATEMENT**

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 Cabinet for Economic Development, 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:

Lexington-Fayette Urban County Government

Type(s) of Economic Incentive Package(s): Pledge of state revenues as a "Signature Project"
per KRS Chapter 154-30.

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 (please attach separate sheet if additional room is needed) in regard to the above incentive package:

Name & Title: _____ **Organization:** _____

Name & Title: _____ **Organization:** _____

Name & Title: _____ **Organization:** _____

Name & Title: _____ **Organization:** _____

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?

Y N

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 (please attach separate sheet if needed):

1. Name of Beneficiary (Agent or Employee): _____

Name of Cabinet (Agent, Employee or Board/Authority member): _____

Name of Other Public Servant: _____

Description of Financial Transaction: _____

2. Name of Beneficiary (Agent or Employee): _____

Name of Cabinet (Agent, Employee or Board/Authority member): _____

Name of Other Public Servant: _____

Description of Financial Transaction: _____

3. Name of Beneficiary (Agent or Employee): _____

Name of Cabinet (Agent, Employee or Board/Authority member): _____

Name of Other Public Servant: _____

Description of Financial Transaction: _____

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.

Signature: _____

Date: _____