

RESOLUTION NO. 71-2016

A RESOLUTION SUPERSEDING RESOLUTION NO. 784-2015, AND REQUESTING THAT THE KENTUCKY GENERAL ASSEMBLY INSTEAD ADOPT LEGISLATION ALLOWING THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT TO INCREASE THE TRANSIENT ROOM TAX FOR URBAN COUNTY GOVERNMENTS BY AN ADDITIONAL TWO AND ONE-HALF PERCENT (2.5%) FOR THE PURPOSE OF FUNDING CONVENTION CENTERS, AND EXPRESSING THE WILLINGNESS OF THE LEXINGTON-FAYETTE URBAN COUNTY COUNCIL TO PROVIDE \$10 MILLION IN MATCHING FUNDS TOWARD THE RENOVATION OR RECONSTRUCTION OF THE LEXINGTON CENTER.

WHEREAS, the Lexington-Fayette Urban County Council previously adopted Resolution No. 784-2015 related to a request that the Kentucky General Assembly authorize a two percent (2%) increase to the transient room tax for the purpose of funding improvements to the Lexington Center; and

WHEREAS, since the adoption of the above resolution the Governor has proposed providing up to \$60 million of economic investment funding from the Commonwealth of Kentucky for the renovation or reconstruction of the Lexington Center (the "Project"); and

WHEREAS, in order to obtain this funding from the Commonwealth there is an expectation that the Lexington-Fayette Urban County Government commit an amount of \$10 million towards the Project; and

WHEREAS, the Lexington Center Corporation is willing to reimburse the Commonwealth of Kentucky for the monies it previously provided towards the Rupp Arena Project on or before December 31, 2016; and

WHEREAS, the Lexington Center Corporation is now requesting that the transient room tax be raised by an additional one-half percent (0.5%) above the two percent request in Resolution No. 784-2015, which would be dedicated for payment to the Commonwealth of Kentucky until its \$60 million economic investment in the Project is recouped;

WHEREAS, the Urban County Council is in favor of requesting the additional increase to the transient room tax and to expressing its willingness to provide the funding match referenced above.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT:

Section 1 - That the Preamble to this Resolution and to Resolution No. 784-2015 be and hereby are incorporated by reference as if fully set out herein.

Section 2 - That to the extent of any conflict between this Resolution and Resolution No. 784-2015, this Resolution be and hereby supersedes Resolution No. 784-2015.

Section 3 - That the Council of the Lexington-Fayette Urban County Government hereby requests that during the term of the 2016 Regular Legislative Session the Kentucky General Assembly, through the adoption of appropriate legislation, enable or authorize the Lexington-Fayette Urban County Government to increase the existing transient room tax in Fayette County by an additional two and one-half percent (2.5%) for the purpose of funding its Convention Center.

Section 4 - That such legislative action will allow for a significant investment to Fayette County's convention facilities in order to stop future business losses and improve its competitive position to meet customer needs and attract new business.

Section 5 - That by enacting this Resolution the Council of the Lexington-Fayette Urban County Government hereby expresses its willingness to adopt appropriate local legislation to increase the transient room tax after being provided such authority by the State and to provide \$10 million in local matching funds toward the renovation or reconstruction of the Lexington Center.

Section 6 - That the Clerk of the Lexington-Fayette Urban County Council be and hereby is directed to send a copy of this Resolution to the following elected officials at their respective business addresses: the Governor of the Commonwealth of Kentucky, the Kentucky Senate President, the Kentucky House Speaker, and the Fayette County legislators.

Section 7 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL: February 18, 2016

/s/ Jim Gray
MAYOR

ATTEST:

/s/ Martha Allen
CLERK OF URBAN COUNTY COUNCIL