



# Lexington-Fayette Urban County Government

200 E. Main St  
Lexington, KY 40507

## Legislation Text

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**File #:** 1537-15, **Version:** 1

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A Resolution requesting that the Ky. General Assembly adopt legislation allowing the Lexington-Fayette Urban County Government to increase the Transient Room Tax for Urban County Governments by an additional two percent (2%) for the purpose of funding convention centers.  
[Council Office, Maynard]

WHEREAS, Fayette County's Convention Center, Lexington Center, provides significant economic benefit to the Central Kentucky Region; and

WHEREAS, Central Kentucky's convention, hospitality and tourism industries rely on over \$42 million of economic activity generated from events occurring in Lexington Center facilities each year; and

WHEREAS, Lexington Center is losing past and potential client's because it is at a competitive disadvantage due to its size, age and relative lack of amenities; and

WHEREAS, three studies by industry experts over the last 30 years have recommended expanding the Center's exhibit, meeting, and banquet space to meet the markets competitive needs; and

WHEREAS, such improvements are forecasted to create more than \$15 million per year in additional economic benefit to the Central Kentucky Region; and

WHEREAS, with no investments to the Center experts predict a continued loss of business and the eventual decline in annual revenue of \$13 million (a net loss of \$28 million per year); and

WHEREAS, Commerce Lexington, VisitLex (formerly the Convention & Visitors Bureau), the Bluegrass Hospitality Association, and the Lexington Center Board of Directors, have unanimously endorsed a proposal to raise the existing transient room tax in order to fund improvements to Lexington Center; and

WHEREAS, even if the transient room tax in Lexington and Fayette County was raised by an additional two percent (2%) it would still be lower than the hotel tax rates in Louisville, Kentucky; Chattanooga, Knoxville,

Nashville and Memphis, Tennessee; Cincinnati and Columbus, Ohio; and Indianapolis, Indiana.

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

Section 1 - That the Preamble to this Resolution be and hereby is incorporated by reference as if fully set out herein.

Section 2 - 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 percent (2%) for the purpose of funding its Convention Center.

Section 3 - 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 4 - 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.

Section 5 - 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 6 - That this Resolution shall become effective on the date of its passage.

PASSED URBAN COUNTY COUNCIL:

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MAYOR

ATTEST:

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CLERK OF URBAN COUNTY COUNCIL