



Lexington-Fayette Urban County Government

200 E. Main St
Lexington, KY 40507

Legislation Text

File #: 1104-23, Version: 1

A Resolution authorizing and directing the Mayor, on behalf of the Urban County Government, to execute an Economic Incentive Agreement with LSC Stadium Co., LLC, related to the construction of a stadium for professional soccer, to provide a 1% Occupational License Fee refund for certain employee withholdings for up to 10 years, support for the future issuance of an Industrial Revenue Bond which shall not exceed \$50 million or 15 years in length, and the reimbursement of up to \$1,000,000 of public infrastructure costs in the form of a forgivable loan, and further authorizing the Mayor to execute any additional necessary documents related to the Loan Agreement. [Mayor's Office, Atkins]

Authorization to execute an Economic Incentive Agreement with LSC Stadium Company, LLC to provide the following incentives: 1) a 1% payroll tax refund for a period of ten (10) years; 2) a commitment to the future issuance of an Industrial Revenue Bond ("IRB") Incentive, subject to the Company obtaining PILOT Agreements with other relevant taxing districts in Fayette County. The Bond(s) shall not exceed fifteen (15) years in duration and a total amount of \$50 million; and 3) a Public Infrastructure Forgivable Loan Incentive in the amount of \$1,000,000 for the development and construction of a professional soccer stadium with a minimum of 5,250 seats, a related training facility, and the creation and retention of between 50 and 150 new full-time or full-time equivalent jobs that must be retained for at least ten (10) years. The Economic Development Investment Board reviewed the requests for IRB and Public Infrastructure Forgivable Loan Incentive for this project, and have recommended Council approval of both incentives. As part of the approval process the Council will waive the requirement in the Ordinance related to the public infrastructure funds that the funding be provided in the form of an interest free loan. Budget Amendment in process. (L1104-23) (Atkins)

Budgetary Implications [select]: Yes

Advance Document Review:

Law: { Select Yes, Completed by [Dave Barberie, 10/20/2023]}

Risk Management: {Select Yes/No, Completed by [Official, Date]}

Fully Budgeted [select]: Budget Amendment in process

Account Number: 1144-133004-0001-78103

This Fiscal Year Impact: \$1,000,000.00

Annual Impact: \$

Project:

Activity:

Budget Reference:

Current Balance: Budget Amendment in process

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

Section 1 - That the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is authorized and directed to execute the Economic Incentive Agreement, which is attached hereto and incorporated herein by reference, with LSC Stadium Company, LLC, related to the construction of a stadium for professional soccer, to provide a 1% Occupational License Fee refund for certain employee withholdings for up to 10 years, support for the future issuance of an Industrial Revenue Bond which shall not exceed \$50 million or 15 years in length, and the reimbursement of up to \$1,000,000 of public infrastructure costs in the form of a forgivable loan.

Section 2 - That the Mayor, on behalf of the Lexington-Fayette Urban County Government, be and hereby is further authorized and directed to execute any necessary documents related to the loan agreement.

Section 3 - That to the extent required and necessary, the provisions of the Lexington Public Infrastructure Program Ordinance (Ordinance No. 141-2022) that contradict this resolution be and hereby are suspended.

Section 4 - That an amount, not to exceed the sum of \$1,000,000, be and hereby is approved for payment to LSC Stadium Company, LLC, from account #1144-133004-78103, pursuant to the terms of the agreement and any necessary loan documents .

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

PASSED URBAN COUNTY COUNCIL:

MAYOR

ATTEST:

CLERK OF URBAN COUNTY COUNCIL

1104-23:DJB:X:\CASES\MOED\23-LE0001\LEG\00799245.DOCX