



**Andy Beshear**  
Governor

**KENTUCKY DEPARTMENT OF TOURISM  
TOURISM, ARTS AND HERITAGE CABINET**

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**Lindy Casebier**  
Secretary

**Mike Mangeot**  
Commissioner

## MEMORANDUM

To: KT DFA Board Members  
From: Commissioner Mike Mangeot *mam*  
Date: June 24, 2024  
Subject: Special Called KT DFA Board Meeting

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The Kentucky Tourism Development Finance Authority's next board meeting is scheduled for June 26, 2024 at 1:30 PM Eastern through both in person attendance and video conference. This is a special called board meeting.

The primary location for the meeting where all members can be seen and heard and the public may attend in accordance with KRS 61.826 and 61.840 will be in Cabinet conference room 539 CW at the Tourism, Arts and Heritage Cabinet, 500 Mero Street, 5<sup>th</sup> Floor in Frankfort. While participants, media and members of the public may attend the board meeting in person at the primary location, attendees are also encouraged to join the meeting virtually and can access the video teleconference at the following link:

<https://us06web.zoom.us/j/85798231721?pwd=nG7bcjHqIdOykoGf56HjtknZQwVloa.1>  
Passcode: 052 547

If you have any question, please feel free to contact our office at any time.

# Special Called Meeting of the Kentucky Tourism Development Finance Authority



## Agenda

June 26, 2024  
1:30 PM Eastern

### Primary Location

*Where all members can be seen and heard and the public  
may attend in accordance with KRS 61.826 and 61.840*

500 Mero Street, 5<sup>th</sup> Floor  
Frankfort, Kentucky

Also available via Zoom

## Welcome

## Call to Order

## Roll Call

## Approval of Minutes

### Request for Transfer of Incentives

- Musselman Hotels, LLC (Campbell County)

### Request for Preliminary Approval

- 401 High Street LLC (Fayette County)

### Request for Cost Certification

- 900 Baxter LLC (Jefferson County)

## Upcoming Site Visit

## Adjourn

Media and members of the public can join  
the meeting virtually via Zoom:

<https://us06web.zoom.us/j/85798231721?pwd=nG7bcjHqIdOykoGf56HjtknZQwVloa.1>

Passcode: 052 547

To join the meeting by phone, dial  
(888) 822 7517; conference code 609 603.

The KTDFFA may move into closed session per KRS 61.810(1)(g) for the purpose of discussions between a public agency and a representative of a business entity and discussions concerning a specific proposal, if open discussions would jeopardize the siting, retention, expansion, or upgrading of the business. Following a closed session, the Authority will return to open session where action may be taken.

**Request for Transfer of Incentives  
Musselman Hotels, LLC**

Date June 26, 2024  
Location Newport (Campbell County)

**Project Description**

Musselman Hotels, LLC received final approval from the Authority in April 2014 for the construction of the Aloft Newport on the Levee, a full-service lodging facility. The project was constructed and is currently receiving incentives.

The property will be sold to Rolling Hills Newport II, LLC and the original applicant is requesting a transfer of the remaining incentives to the new owners.

**Approval of Transfer**

By approving this transfer, the KTDFA would enable staff to prepare and issue an amended Tourism Development Agreement for the new owners, Rolling Hills Newport II, LLC.

## **Request for Preliminary Approval 401 W High Street LLC**

Date June 26, 2024  
Location Lexington (Fayette County)

### **Project Description**

The Applicant is proposing a full renovation of the Hyatt Regency Lexington. The property is connected to the Center Bank Center and is applying as integral part of a major convention facility.

The total estimated project cost is \$66 million. The maximum potential sales tax rebate, up to 25 percent of project costs, is estimated at \$16.5 million.

Development is slated to begin in September 2024 and target completion is March 2027.

### **Type of Tourism Development Project**

This project applied as a full-service lodging facility integral to a major convention center.

The Applicant indicated that the project will meet the following criteria:

- Total eligible costs shall exceed \$6 million.
- In any year, including the first year of operation, the tourism development project shall be open to the public at least 100 days.
- In any year including the first year of operation, the lodging facility shall attract at least 25 percent of its visitors from among persons who are not residents of the Commonwealth.

### **Preliminary Approval**

By granting preliminary approval, the KT DFA would enable staff to engage the consultant to develop a proposal to estimate the net positive fiscal impact to the Commonwealth and the expected amount of incremental state revenues generated by the tourism development project. The consultant will work with staff as well as the Office of the State Budget Director and the Finance and Administration Cabinet to set the methodology and assumptions to be used in the report.

**Request for Cost Certification  
900 Baxter LLC**

Date June 26, 2024  
Location Louisville (Jefferson County)

**Project Description**

900 Baxter LLC received final approval from the Authority in May 2021 for the construction of a 65 room, full-service boutique hotel in three historic buildings. The project includes a chef-driven restaurant, bakery café, corner bar and outdoor courtyard with a swimming pool.

The Myriad Hotel opened for business in the fall of 2023 and is requesting the certification of its capital costs to construct, equip and install the tourism development project. They submitted nearly \$16.8 million in costs. After review and consultation with the applicant, \$14.8 million are considered approved.

The Office of the State Budget Director and the Finance and Administration Cabinet determined, based on the consultant report, that the total incentives to the project should not exceed \$2,896,000 over the ten year term of the agreement. Therefore, the maximum amount of approved costs to be certified is \$11,584,000.

The completion date is December 31, 2023.

**Approval of Cost Certification**

By approving the costs and completion data, the KT DFA would enable staff to inform the Department of Revenue that this project is approved to receive incentives of \$2,896,000 over the ten year term of its agreement beginning January 1, 2024.