

Regular Meeting of the Kentucky Tourism Development Finance Authority



Agenda

December 18, 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, 5th Floor
Frankfort, Kentucky

Also available via Zoom

Welcome

Call to Order

Roll Call

Approval of Minutes

Request for Preliminary Approval

- Legacy Spirits of Kentucky, LLC (Madison County)

Request for Final Approval

- Dossey Vineyards, LLC (Warren County)

Other Business

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 KT DFA 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 Preliminary Approval Legacy Spirits of Kentucky, LLC

Date December 18, 2024
Location Richmond (Madison County)

Project Description

Legacy Spirits of Kentucky, LLC is proposing to develop a bourbon destination in Madison County with a distillery, farm-to-table restaurant, bar, and a visitor's rickhouse.

The total estimated project cost is \$23.7 million. The maximum potential sales tax rebate, up to 25 percent of project costs, is estimated at \$5.9 million.

Development is slated to begin in Spring of 2025 and target completion is Fall 2027.

Upon completion, the venue anticipates hiring 34 full-time employees within two years of completion and up to 45 full-time employees when fully operational.

Type of Tourism Development Project

This project applied as a tourism attraction, specifically as an entertainment facility.

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

- Total eligible costs shall exceed \$1 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 following the third year of operation, the tourism attraction project 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 KTDFEA 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 Final Approval Dossey Vineyards, LLC

Date December 18, 2024
Location Bowling Green (Warren County)

Project Description

The Applicant, dba Purple Toad Winery, is proposing a two story, 10,000 square foot building with a tasting room, party rooms, and retail space. The building will be used for weddings and significant events. The project also includes an outdoor pavilion for hosting live music events.

The total estimated project cost is \$4,490,000. The maximum potential sales tax rebate, up to 25 percent of project costs, is estimated at \$1,122,500.

The project is expected to open in September 2025. Upon completion, the venue anticipates hiring 4 full-time and 14 part-time employees when fully operational.

The project received preliminary approval at the September 16, 2024 KT DFA meeting.

Type of Tourism Development Project

This project applied as a tourism attraction, specifically as an entertainment facility.

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

- Total eligible costs for the tourism attraction shall exceed \$1 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 following the third year of operation, the project shall attract at least 25 percent of its visitors from among persons who are not residents of the Commonwealth.

Consultant Report

The project was reviewed by an independent consultant and determined to have a net positive fiscal impact on the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with a Certification of Net Positive Economic Impact to the Commonwealth. The total incentives to the project granted over the ten year duration of the agreement shall not exceed \$TBD.

Final Approval

By granting final approval, KT DFA will enter into a Tourism Development Agreement with Dossey Vineyards, LLC which will include, but not be limited to, the terms of the agreement, the estimated project costs, maximum amount of recovery, the date by which the project will be substantially completed and the duration of the agreement.