

Regular Meeting of the Kentucky Tourism Development Finance Authority



Agenda

June 18, 2025
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 to Amend Tourism Development Agreement

- Rabbit Hole Spirits, LLC (Jefferson County)

Request for Cost Certification

- Rabbit Hole Spirits, LLC (Jefferson County)

Request for Final Approval

- Kentucky Kingdom Theme Park, LLC (Jefferson County)

Request for Cost Certification

- 614 Madison YMCA LLC (Kenton County)

Other Business

Adjourn

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

<https://us02web.zoom.us/j/82732441839?pwd=qFS6TVApfOiwTn82Cnnnl5ll5G5O3H.1>

Passcode: 617 255

To join the meeting by phone, dial
(888) 475 4499

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 to Amend Tourism Development Agreement
and Request for Cost Certification
Rabbit Hole Distillery, LLC
Louisville (Jefferson County)
June 18, 2025**



Project Description

Rabbit Hole Distillery, LLC received final approval from the Authority on March 4, 2016 for the construction of tourism components at a distillery including tasting rooms, bar, meeting space and gift shop. The Rabbit Hole Distillery opened for business in May 2018.

Rabbit Hole Distillery, LLC is requesting that the Authority

1. Amend the Tourism Development Agreement and
2. Certify its costs and completion date.

Approval to Amend the Tourism Development Agreement

Rabbit Hole Distillery, LLC is requesting that the completion date in the Tourism Development Agreement be changed. The completion date is the date by which construction should be completed. The applicant requests that the completion date be changed to March 4, 2019, three years from the date of final approval. By amending the Tourism Development Agreement and changing the completion date the applicant will be able to recover the costs to construct, equip and install the project incurred through March 4, 2019.

Approval of Cost Certification

Rabbit Hole Distillery, LLC is also requesting that the Authority certify its capital costs to construct, equip and install the tourism development project.

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 \$2,200,000 over the ten year term of the agreement.

Rabbit Hole Distillery, LLC submitted costs which included the production components of the distillery. After review and consultation with the applicant, \$7,721,924 are considered eligible for the tourism development project.

We are requesting that the Authority approve costs in the amount of \$7,721,924 with a completion date of December 31, 2018.

By approving the costs and completion date, the KTDFFA would enable staff to inform the Department of Revenue that this project is approved to receive incentives of \$1,930,481 over the ten year term of its agreement beginning January 1, 2019.

Request for Final Approval
Kentucky Kingdom Theme Park, LLC
Louisville (Jefferson County)
June 18, 2025



Project Description

Kentucky Kingdom is expanding. This project will add new attractions, update theming and show production and refurbish several existing rides and buildings.

The total estimated project cost is \$27.5 million. The maximum potential sales tax rebate, up to 25 percent of project costs, is estimated at \$6,875,000. Upon completion, the venue anticipates hiring 5 full-time and 100 part-time employees when fully operational.

The project received preliminary approval at the March 2025 KTDFFA meeting.

Type of Tourism Development Project

This project applied as a tourism attraction, specifically as a recreational 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.
- The project shall have a significant and positive economic impact on the Commonwealth considering, among other factors, the extent to which the tourism attraction project will compete directly with existing tourism development projects in the Commonwealth and the amount by which tax revenues from the project will exceed the credit given to the approved company; and
- The project shall not adversely affect existing employment in 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 \$6,875,000.

Final Approval

By granting final approval, KTDFFA will enter into a tourism development agreement with Kentucky Kingdom Theme Park, 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.

Request for Cost Certification
614 Madison YMCA, LLC
Covington (Kenton County)
June 18, 2025



Project Description

614 Madison YMCA, LLC (dba North by Hotel Covington) received final approval from the Authority in December 2019 for the redevelopment of two buildings into an upscale extended stay, boutique lodging facility. North by Hotel Covington opened for business in April 2023 and is requesting the certification of its capital costs to acquire, construct, equip and install the tourism development project.

The applicant submitted \$33,275,077 in total costs. After review and consultation with the applicant, \$27,596,443 are considered eligible. However, at the time of final approval, 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 \$4,110,000 over the ten year term of the agreement. Therefore, the maximum amount of approved costs to be certified is \$16,440,000.

The completion date is December 18, 2022.

Approval of Cost Certification

By approving the costs and completion date, the KT DFA would enable staff to inform the Department of Revenue that this project is approved to receive incentives of \$4,110,000 over the ten year term of its agreement beginning January 1, 2023.