

Beard, Chair

Gorton

Ellinger

Kay

Ford

Akers

Lawless

Farmer

Stinnett

Scutchfield

Myers

Mossotti

Clarke

Henson

Lane

A G E N D A

Committee of the Whole

Economic Development Committee

July 9, 2013
1:00 P.M.

1. Committee Summary 4.23.13 (1-2)
2. Itinerant Merchant Ordinance – Henson (3-9)
3. Commerce Lexington Quarterly Activity Report – Stinnett (10-23)
4. Proposed Commerce Lexington and other Economic Development Partners Expense & Performance Reporting – General Services/ Development & Planning Links (24-25)
5. Collaborative Economic Development Activities – General Services/Development & Planning Links
6. Items Referred (26)

"The economic development committee to which shall be referred matters relating to economic development and related partner agencies shall meet quarterly as the committee of the whole. The economic development committee shall be chaired by the vice-mayor or a designee." Council Rules & Procedures, Section 2.102 (1)

Future Committee Meetings

October 15, 2013

**SPECIAL ECONOMIC DEVELOPMENT
COMMITTEE OF THE WHOLE**

April 23, 2013
Meeting Summary

Chair Beard called the meeting to order at 2:07 PM.
All members present except Farmer & Lane.

1. Committee Summary March 7, 2013

On a motion by Ellinger, second Myers the summary of the March 7, 2013 meeting was approved.

2. Food Truck Update

Akers provided a brief summary of the Food Truck Work Group. She stated that she anticipated finishing the work in 2 more meetings.

Gorton stated that she wanted to hear from Planning regarding the proposed zoning ordinance text amendment.

3. Median Salary Discussion

Kay stated that the proposed language would provide greater detail on the range of salaries for companies seeking state and local financial support. He thanked Kevin Atkins & Gina Greathouse for their work on this project.

4. Commerce Lexington Quarterly Report

Greathouse provided the quarterly report from Commerce Lexington. She stated that Commerce Lexington is working with several potential clients and consultants regarding new start ups.

She reported on the status of the Bluegrass Industrial Park. She stated that there are only a few parcels left and they have started plans for alternative industrial sites.

Greathouse stated that due to the staff emphasis on marketing and new & expanding businesses, the existing business visits have slowed down but they should increase visits this spring & summer.

She discussed the economic development model produced by the University of Louisville. She stated that UL is in the process of updating the model.

Greathouse updated Council on new start up announcements.

Henson asked about the Toyota expansion announcement. In response Greathouse stated that this will have a positive impact on the local economy.

Beard asked about the Omaha trip. In response Greathouse stated that the trip has sold out, 185 seats have been sold for the trip and several people have made independent plans to join the group in Omaha.

Greathouse asked if any Councilmember's would be interested in participating in the next Economic Development 101 session. She will provide Council more information later this spring or summer.

The meeting adjourned at 2:35 PM.

Pas 4.25.13

ORDINANCE NO. ____-2013

AN ORDINANCE CREATING SECTIONS 15-12, 15-13, AND 15-14 OF THE CODE OF ORDINANCES, LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT PERTAINING TO THE REGULATION OF ITINERANT MERCHANTS, PEDDLERS, AND DOOR-TO-DOOR SALES AND PROVIDING FOR THE FOLLOWING: AN EXCEPTION FOR MOBILE FOOD UNIT VENDORS; ORDERLY CONDUCT; COMPLIANCE WITH LAWS AND REGULATIONS; NECESSARY LICENSURE; COMPLIANCE WITH KRS 365.650; NO CREATION OF TRAFFIC HAZARD AND SUFFICIENT PARKING; MAINTENANCE OF STRUCTURES OR VEHICLES; GARBAGE RECEPTACLES FOR CUSTOMERS; FIRE EXTINGUISHERS; NO NOISE VIOLATIONS; NO LIGHTING WHICH WOULD CAUSE PUBLIC SAFETY HAZARD; SIGN ORDINANCE COMPLIANCE; MERCHANDISE IN LAWFULLY PERMITTED AREA; GENERAL HOURS OF OPERATION FROM 7 A.M. TO 11 P.M.; ON; ALL EFFECTIVE THIRTY (30) DAYS FROM PASSAGE.

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

Section 1 - That Section 15-12 of the Code of Ordinances be and hereby is created and enacted to read as follows:

Sec. 15-12. *Requirements – peddlers and itinerant merchants.*

- (a) *General Requirements.* In addition to the licensing and other general requirements contained in this Code relating to peddlers and itinerant merchants, each such business shall also comply with the following requirements at all times while conducting business in Fayette County:
 - (1) Conduct himself or herself in an orderly and lawful fashion at all times while operating in Fayette County and comply with all applicable federal, state, or local laws or regulations pertaining to their operations.
 - (2) Possess the necessary permits, licenses, and/or authority to operate, and if he or she is a “transient” merchant, as defined in KRS 365.650, have filed a completed transient merchant application as required by KRS 365.665 with the division of revenue at least ten (10) days prior to conducting business.

- (3) Comply with all traffic laws or ordinances and operate in a manner which will not result in the creation of a traffic hazard, including ensuring that sufficient parking exists for its customers.
- (4) Ensure that any vehicle, other conveyance, structure, or stand used in the operation of the business is maintained and kept in good operating order.
- (5) Provide or make available garbage receptacle(s) sufficient for customer use. At the conclusion of business activities at a given location he or she shall clean all the property and public way surrounding the area of all debris, trash, garbage or litter generated by his or her activities.
- (6) Ensure that all vehicles, conveyances, structures or stands are equipped with at least one 2A-40 BC fire extinguisher if the operation of the business involves warming, heating, or cooking food, or otherwise involves heat or flame.
- (7) Ensure that its operations do not violate, or contribute to a violation of the noise ordinance (section 14-70 through 14-80 of the code, as may be amended).
- (8) Ensure that any and all lighting is located within the area lawfully permitted for conducting the business and that such lighting does not cause glare or a distraction which creates a public safety hazard or nuisance. No flashing or strobe lights shall be permitted.
- (9) Ensure that any and all signs are compliant with any ordinances or regulations pertaining to signage and located only within the area lawfully permitted for conducting the business.
- (10) Ensure that all merchandise, goods, wares or food are only displayed or offered for sale within the area lawfully permitted for conducting the business.

- (b) *Hours of operation.* No peddler or itinerant merchant shall engage or attempt to engage in business except during the hours of operation provided herein.
- (1) Unless otherwise authorized by the urban county government, the general lawful hours of operation shall be limited to the hours of 7:00 a.m. to 11 p.m. However, the hours of operation shall be allowed to continue after 11 p.m. if a permanent business also located on that parcel of property is open to the general public. In those instances, the peddler's or itinerant merchant's operation may lawfully continue to conduct business until the time at which such a permanent business is closed to the general public.
 - (2) Notwithstanding the above, the lawful hours of operation in the following areas of Fayette County shall be 7:00 a.m. to 4:00 a.m.:
 - (a) The area of downtown located within the following boundaries: West Vine Street and East Vine Street between Midland Avenue and Algonquin Street; Midland Avenue to East Main Street; East Main Street to Elm Tree Lane; Elm Tree Lane to Olde Hurst Place; Barr Street; Church Street to Saunier Street; Saunier Street to West Short Street; West Short Street to Algonquin Street. A map of this area, which shall also be known as the "Downtown Vending Area" is attached hereto and incorporated herein by reference and shall be made available for public review and inspection at the office of the council clerk.
 - (b) Any area designated for "Adaptive Reuse" through zoning if any permanent business located within that designated area is also open for business.
 - (3) Door-to-door sales are limited to the hours of 9 a.m. to 9 p.m. Door-to-door sales means going from dwelling unit to dwelling unit (i.e., house, apartment, condominium, etc.) or from business to business in Fayette County selling or taking orders for, or offering to sell or take orders for, goods, wares and merchandise for present or future delivery or for services to be performed immediately or in the future whether such person has, carries or exposes a sample of such goods, wares and merchandise or not

and whether he/she is collecting advance payments on such sales or not.

- (c) *Locations.* Unless otherwise permitted or authorized by the urban county government no peddler or itinerant merchant shall locate, conduct business, or solicit in the following manner or within the following specified areas or locations:
- (1) Within an urban county government park unless he or she also has the necessary permission of the urban county government pursuant to section 14-62 of the code of ordinances;
 - (2) In a location which causes a violation of section 17-5 of the Code (Congregating so as to obstruct sidewalk), or which causes people to congregate in any street, avenue, or alley which is open to vehicular traffic;
 - (3) In a location or manner that restricts pedestrian access to any other business or building;
 - (4) In or upon any public right-of-way or public property within one hundred (100) feet of the defined boundary for a Lexington-Fayette Urban County Government permitted special event, or any other event sponsored by the urban county government without the written permission of the event organizers or the department or division sponsoring said event or unless otherwise authorized by the urban county government.
- All distances shall be measured at the shortest distance between the nearest point of the vending operation's location to the closest property line or district.
- (5) Within any other area or location in which such activity is otherwise prohibited or restricted unless all necessary permission or approval is otherwise obtained, including but not limited to the "Lexington Center Area" (section 15-1.1 of the code).
- (d) *Additional location restrictions on itinerant merchants.* In addition to the restrictions listed in subsection 15-12(c), above, no itinerant merchant shall locate, conduct business, or solicit in the following manner, or within the following specified areas or locations:

- (1) Within a Residential Zone, or within a land use zone where the underlying business activity would otherwise be prohibited under the zoning ordinance.
- (2) Within one hundred (100) feet of the property line of a dwelling unit located in an area zoned as a Residential District under the Lexington-Fayette County Zoning Ordinance. This restriction shall not apply within the Downtown Vending Area or within an area designated as Adaptive Reuse through zoning.

All distances shall be measured at the shortest distance between the nearest point of the vending operation's location to the closest property line, district, or other merchant or vendor.

- (3) These restrictions shall not apply to locations owned or operated by religious, charitable, health, welfare, educational, political, or youth service organizations or neighborhood associations as long as the vending activities are expressly permitted in writing by the organization or association.
- (e) No itinerant merchant shall locate, conduct business, or solicit on public property unless the merchant has obtained any additional appropriate licensure and such property has been designated for such use by the urban county government through a resolution, ordinance, or the adoption of a pilot program, or the government has otherwise provided express permission for such conduct.

Section 2 - That Section 15-13 of the Code of Ordinances be and hereby is created and enacted to read as follows:

Sec. 15-13. *Exceptions.*

- (A) The provisions of section 15-12 of the code shall not apply to the following:
 - (1) Properly licensed Mobile Food Unit Vendors, as defined in section 15-11.1 of the code of ordinances.

- (2) The selling of personal property at wholesale to dealers in such articles; to newspaper carriers or newspaper vendors; to merchants or their employees in delivering goods in the regular course of business; or to vendors' products distributed or sold to regular customers on established routes.
 - (3) The selling or soliciting for the sale of goods or services at a properly licensed bazaar or sales exhibition, or on property owned or operated by the Commonwealth of Kentucky.
 - (4) The selling or offering for sale or distribution from interior private pedestrian circulation areas of shopping centers or malls of products to pedestrians which are traversing such areas or patrons of retail stores. Such merchants or vendors are required to obtain a temporary mall merchant license pursuant to chapter 13 of the code of ordinances unless otherwise exempt.
 - (5) Yard sales, garage sales, bake sales or other similar types of activities. These activities must be temporary in nature and must comply with all local ordinance and zoning ordinance provisions and must not be located on public property or public right-of-way unless expressly authorized by the urban county government.
- (B) The provisions of sections 15-12(b), (c), and (d) of the code shall not apply to vending activities by appropriately permitted merchants at a Lexington Fayette Urban County Government Special Event.
- (C) No license shall be required for any member or members of a religious, charitable, health, welfare, educational, political or youth service organization selling or offering to sell goods or services to raise funds for the work of such organization and for no other purpose.

Section 3 - That Section 15-14 of the Code of Ordinances be and hereby is created and enacted to read as follows:

Sec. 15-14. Penalty.

Any person convicted of violating any provision of section 15-12 shall be subject to a fine of not more than two hundred fifty dollars (\$250.00). Each day a violation occurs shall constitute a separate offense.

Section 4 - If any section, subsection, sentence, clause, phrase, or portion of this Ordinance is for any reason held invalid or unlawful by a court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions hereof.

Section 5 - That this Ordinance shall become effective thirty (30) days from passage.

PASSED URBAN COUNTY COUNCIL:

MAYOR

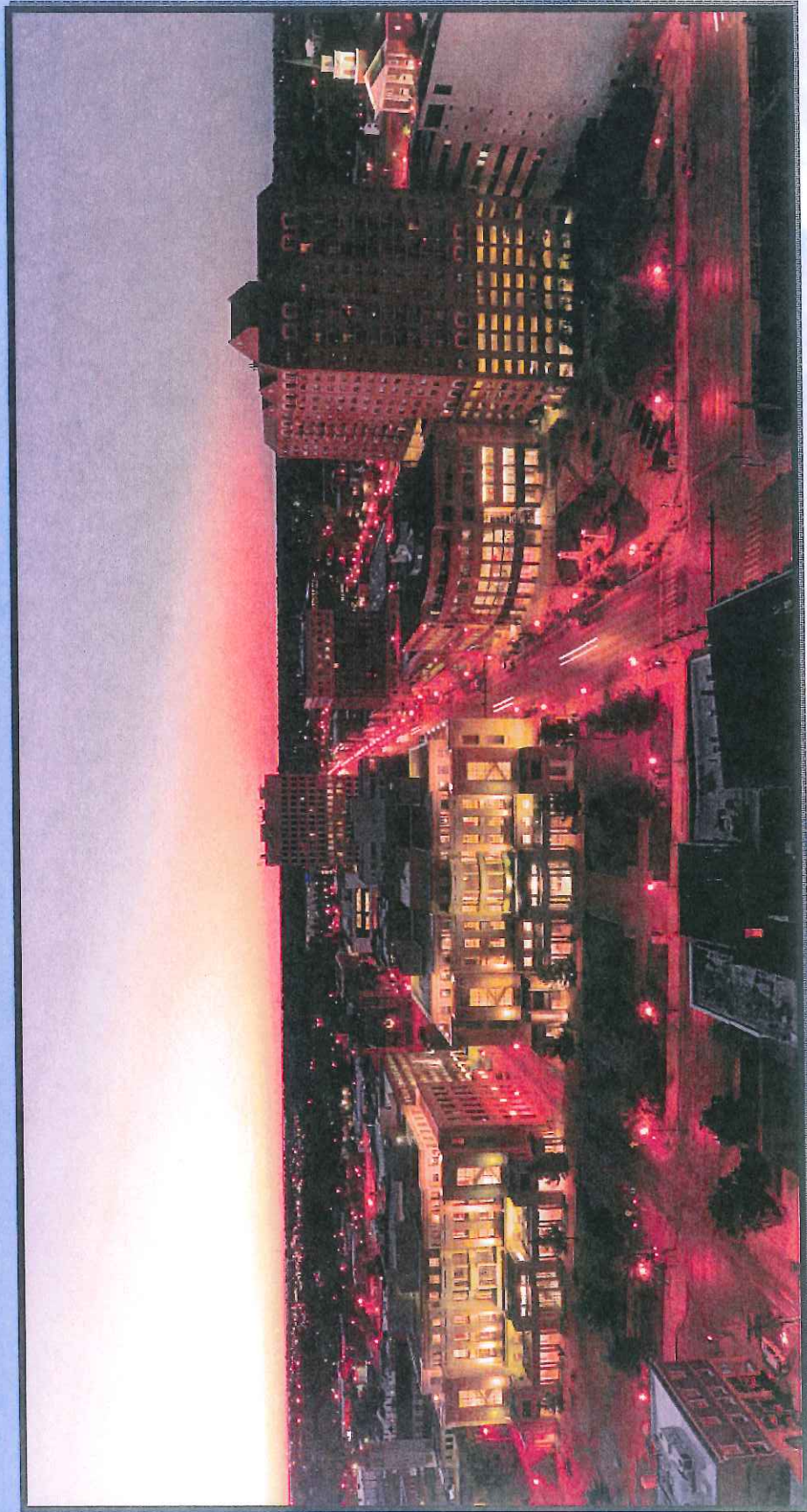
ATTEST:

CLERK OF URBAN COUNTY COUNCIL

PUBLISHED:

00384776

April 1 – June 30 Update to LFUCG Economic Development Committee



Where Have We Been This Year

IAMC – Industrial Asset
Management Council,
Charleston

PAX – Penny Arcade
Expo, **Boston**

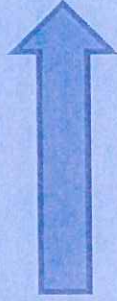
BIO – Biotech Conference,
Chicago

MDM – Medical Device
Manufacturing, **Anaheim**

Marketing Trips – **San Francisco & Dallas** *Kentucky Export Initiative*
Trade Mission, Canada

PAX – Penny Arcade Expo, Boston

During the IndieCade gaming festival in 2012, RunJumpDev was invited to participate in the Megabooth at PAX East.



In March 2013, three Lexington gaming companies and several independent game developers traveled to Boston to participate in the “Indie Booth.”

More than 80,000 people attended this conference on gaming development, which is a niche strategic target for Commerce Lexington.



The background of the slide is a photograph of a bright blue sky filled with soft, white cumulus clouds. In the upper left quadrant, there is a thin, white contrail or streak, possibly from an aircraft, extending diagonally across the sky.

RunJumpDev

PAX East Video

Marketing Trip to Dallas, TX

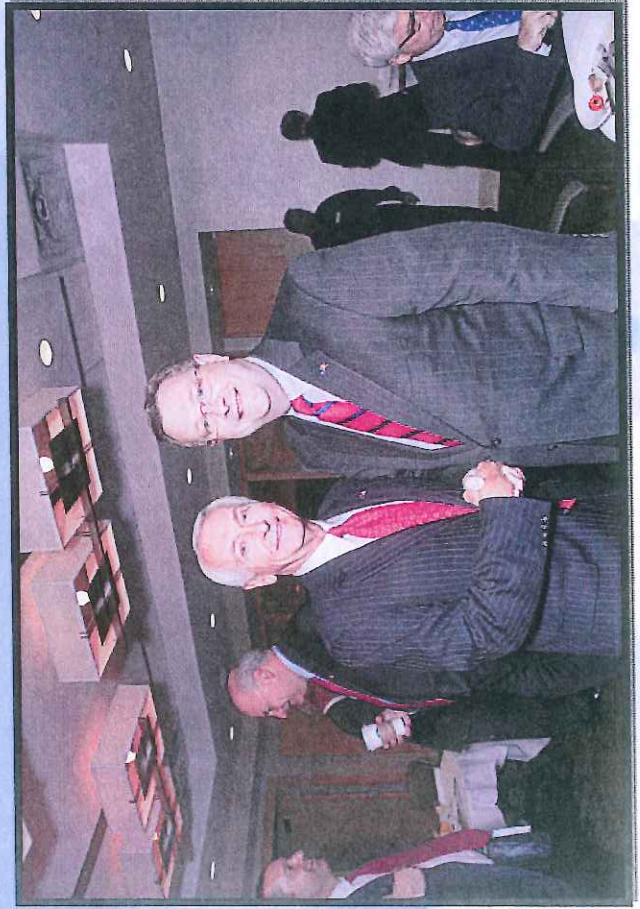


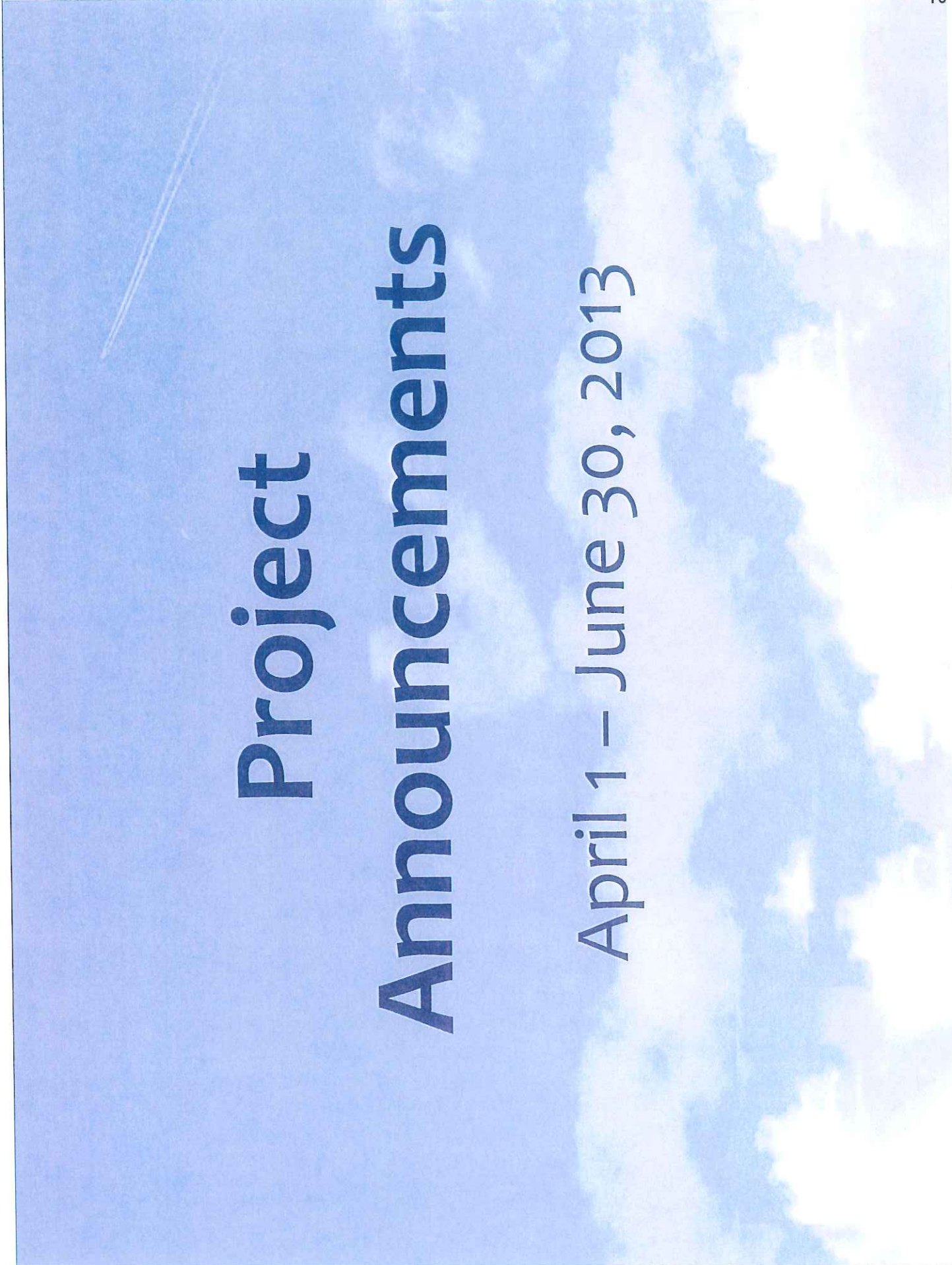
9 Consultant
Meetings

3 Company
Meetings

Kentucky Export Initiative Trade Mission to Canada

- Led by Governor Steve Beshear, Commerce Lexington Inc.'s President and CEO, Bob Quick, traveled to Canada for an international business trade mission
- With stops in Montreal and Toronto, this was the first trade mission between Kentucky and Canada, seeking to increase commerce between the two.
- Canada is Kentucky's number one trade destination, with \$7.3 billion in Kentucky products and services exported to Canada in 2012.





Project Announcements

April 1 – June 30, 2013

TIFFANY & CO.

75 New Jobs

\$2,000,000 Investment



TOYOTA



KENTUCKY

TOYOTA MOTOR MANUFACTURING, KENTUCKY, INC.

750 New Jobs

\$531,200,000 Investment



Commonwealth of Kentucky

Cabinet for Economic Development

Steve Beshear
Governor

Old Capital Annex
300 West Broadway
Frankfort, KY 40601

Larry Hayes
Secretary

April 19th 2013

For Immediate Release
Mandy Lambert
502-564-4886

Kerri Richardson
502-564-2611

Toyota to Build Lexus ES 350 in Kentucky

Georgetown plant to house first-ever production of Lexus in U.S., creating 750 jobs

GEORGETOWN, Ky. (April 19, 2013) – Proving once again that Kentucky is a powerhouse in the global auto industry, Gov. Steve Beshear today announced Toyota Motor Manufacturing Kentucky (TMMK) will be the first-ever U.S. production site for the Lexus ES 350 model, the top-selling Lexus sedan in the world.

Gov. Beshear made the historic announcement in Georgetown today along with local leaders and Toyota officials in both Georgetown and via satellite from New York.

TMMK will produce about 50,000 Lexus vehicles a year starting in 2015. The expansion for Lexus entails a \$380 million investment and will create 750 new jobs in the Commonwealth. Toyota will invest an additional \$171.2 million in other plant refurbishments. The investment is the second-largest ever made by Toyota in its Georgetown plant, and the largest since the \$600 million addition of Plant 2 in 1991, more than 20 years ago.

"Since its arrival here in 1988, the impact Toyota has had on Kentucky has been immeasurable, and the addition of Lexus production only adds to that enduring legacy," said Gov. Beshear. "The numbers that jump out right away include the 750 jobs and the more than \$530 million investment, but the establishment of production for the Lexus ES 350 will also afford Kentucky a tremendous opportunity to expand and strengthen its vast supplier base, creating even more growth potential in the future. Kentucky is proud of the confidence Toyota continues to demonstrate in our vibrant and skilled workforce as they prepare to make a vehicle model that, like them, has earned a reputation for high quality."

Kentucky's Innovative Incentives Invite Investment

Gov. Beshear's administration developed key legislation that allowed Toyota to evaluate the benefit of moving Lexus ES production to the Commonwealth.

The Kentucky Jobs Retention Act (KJRA) is an incentive program designed to spur job creation and significant investments in Kentucky's automotive and parts manufacturing facilities. The program originally was designed to encourage the recent investment and job growth by Ford in Louisville, but Gov. Beshear recognized its potential for other auto makers and large parts manufacturing facilities. He signed House Bill 400 (HB 400), sponsored by Rep. Larry Clark of Louisville, and passed in the 2012 special legislative session, which expanded the KJRA to make it accessible to companies like Toyota.

Recognizing the enormous prospect of such an investment, Gov. Beshear then met with top Toyota officials during an economic development visit to Japan in November, when he discussed expansion plans for Toyota in Kentucky, including a possible addition of Lexus production.

YS Precision Stamping



100 New Jobs

**\$9,950,000
Investment**

**Successful regional project that
located in Georgetown, KY.**

A photograph of a bright blue sky filled with soft, white cumulus clouds. In the upper left quadrant, there is a thin, white contrail from an airplane, angled diagonally across the sky. The overall scene is bright and airy, suggesting a clear, sunny day.

Grand Openings

April 1 – June 30, 2013

Bingham McCutchen & Transposagen Grand Opening



- In April, we celebrated the grand opening of Bingham McCutchen's Global Services Center at Coldstream Research Campus.
- This project created 250 new jobs
- The project represents a \$22.5 million capital investment
- Transposagen celebrated the opening of their new office on Jefferson Street.
- The office now encompasses 5,000 square feet.
- Transposagen employs 15 people.

Birtley & Fishback Management

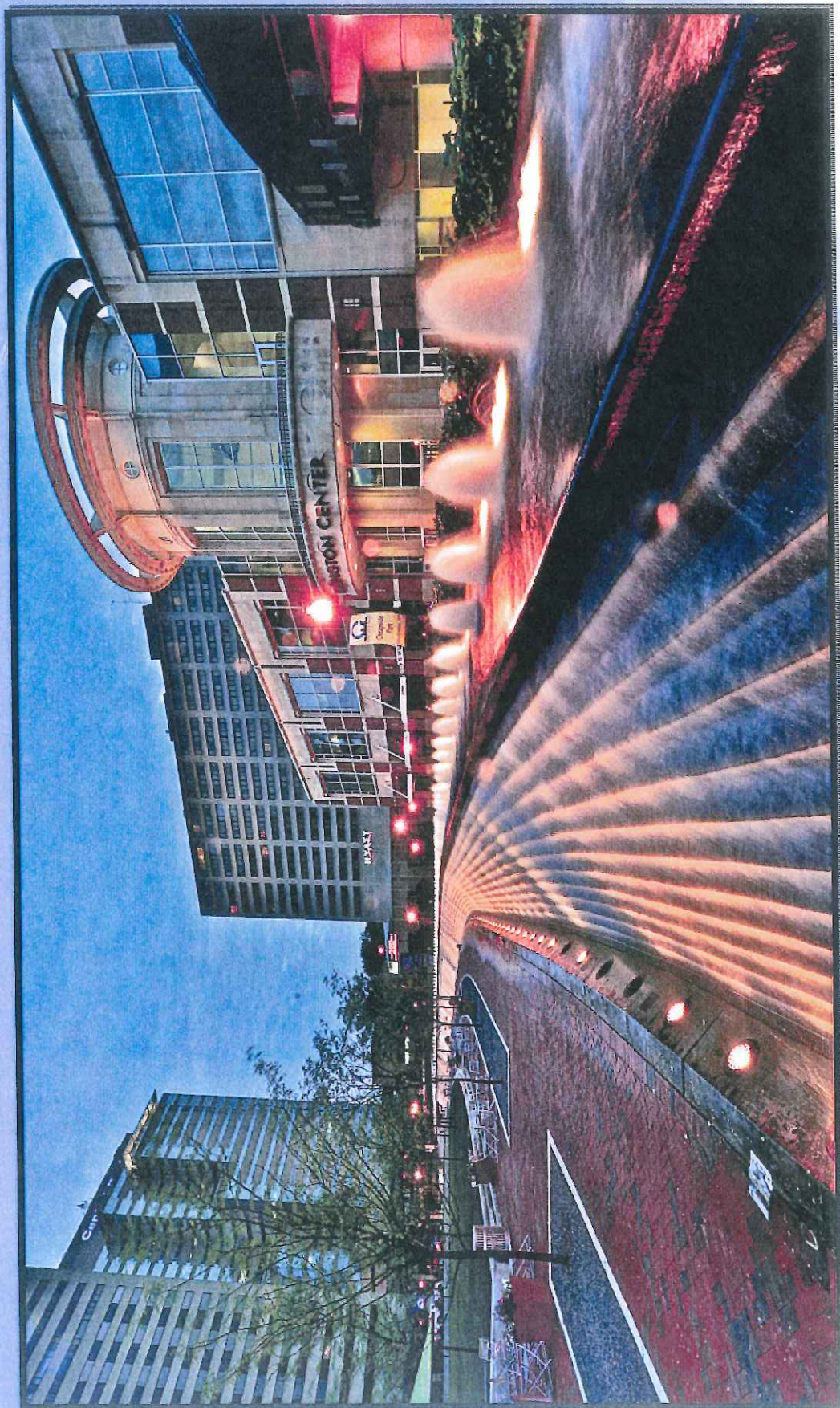
Grand Opening



- Birtley chose the Blue Grass Business Park as the location for their new building.
- First Chinese manufacturer to invest in the state of KY
- This project created 50 new jobs
- The project represents a \$10 million capital investment

QMS
we make options easy!

- Fishback Management chose to relocate their business to downtown Lexington!



Photographs from around Lexington were taken by Ken Silvestri.

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:

Fiscal Year:

Quarter:

Total Agency Budget (Current FY):

LFUCG Funding (Current FY):

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served					
Client Meetings					
Direct Jobs Created					
Businesses Started					
Indirect Jobs Created					
Induced Jobs Created					
Funding Received					
Capital Investment					
Workshops/Training					
Workshops/Training Attendance					

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs – Average Wage					
Direct Jobs – Median Wage					
LFUCG Payroll Revenue Generated					
FCPS Payroll Revenue Generated					

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives					
Jobs Created					
Total Projected New Revenue (Over 10 years)					
Maximum Value of Incentive (Over 10 years)					
Net Projected New Revenue (Over 10 Years)					

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries					
	Taxes and Benefits					
	Professional Services					
Operating	Advertising, Marketing & Promotion					
	Dues & Subscriptions					
	Travel & Entertainment					
	Rent – Office					
	Utilities					
	Telephone					
	Building Maintenance & Supplies					
	Rent – Equipment					
	Office Supplies, Equipment & Furnishings					
	Postage					
	Professional Development & Training					
	Taxes & Insurance					
	Interest & Fees					
	Miscellaneous					
Programs						
Capital	Land & Buildings					
	Vehicles & Equipment					
Total	Personnel					
	Operating					
	Programs					
	Capital					
	Total Quarterly Expenses					

Please provide a description below of any categories with large variances quarter-to-quarter and any categories with quarterly expenses greater than 5% of your annual LFUCG allocation for this fiscal year.

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Please attach any additional documents that support or expand upon the information reported above.

Committee Referrals

Economic Development Committee of the Whole

Item	CM	Referred	Date Referred
Quarterly Development Report	Stinnett		2-28-11
Insurance Tax to Support Affordable	Henson		3-17-12
Housing Trust Fund	Akers		2-12-13
Food Truck Work Group			

PAS 7.2.13