Beard, Chair
Stinnett, Vice Chair
Gorton
Ellinger
Kay
Ford
Akers
Lawless
Farmer
Scutchfield
Myers
Mossotti
Clarke
Henson
Lane

A G E N D A

COMMITTEE OF THE WHOLE QUARTERLY ECONOMIC DEVELOPMENT COMMITTEE

August 19, 2014
1:00 P.M.

"Economic Development Committee, to which shall be referred matters relating to the Office of Economic Development and related partner agencies."
-Council Rules & Procedures, Section 2.102(1)

2014 Committee Meeting Schedule
February 4, 2014
February 18, 2014
March 6, 2014
May 13, 2014
August 19, 2014
November 11, 2014

ECONOMIC DEVELOPMENT
COMMITTEE OF THE WHOLE

May 13, 2014
Meeting Summary

Chair Beard called the meeting to order at 1:04 PM. All members were present except Lawless, Mossotti and Myers.

1. March 6, 2014 Committee Summary

On a motion by Ellinger second Myers the summary of the 3.6.14 Special Economic Development Committee of the Whole meeting was approved unanimously.

2. Economic Development Partner Agencies: Visit Lex

James Browder described Visit Lex (Formerly Lexington Convention & Visitors Bureau).

He stated that tourism is a major employer and economic driver. Tourism accounts for $ 12.5 billion in direct and indirect expenditures in the Commonwealth. It also accounted for 175,000 jobs statewide. In the Bluegrass Region tourism accounts for $ 2.8 billion in direct and indirect expenditures. In Fayette County tourism accounts for $ 1.8 million in direct and indirect expenditures. In Fayette County 15,000 are employed in the tourism field.

Browder discussed five (5) components of the Visit Lex operations including: Destination Marketing; Visitor Services; Destination Sales; Destination Services; and Integrated Marketing.

Browder stated that during this past year Lexington hotels/motels had an occupancy rate of 62% which was higher than normal. He also discussed the Visor Center, the Bluegrass brewery trail; and the Beyond Grits restaurant week.

Browder discussed future initiatives including a mobile visitor presence at Keeneland and the Kentucky Horse Park; a garden & architectural tour; the Destination Institute a local training program; an economic calculator for conventions; the development of a tourism mobile app; the Horse Country farm tours that received assistance from the Disney Corporation; and further utilization of Big Lex as a marketing tool.

Clarke discussed plans to collaborate with the University of Kentucky including the development of a visitor center on Coldstream along I-75.

In response to a question from Kay, Browder provided more detailed information

On the Horse Country tours.

In response to a question from Gorton, Browder stated that the national hotel occupancy rate was 58%. He would forward information about occupancy rates in Louisville and Cincinnati.

Lane asked about the impact of Rupp Arena/Convention Center renovation would have on convention business. In response Browder stated that only about 1/3 of the convention groups utilize the Convention Center. Others use the Horse Park, hotel meeting space or other venues.

In response to a question from Lane, Browder discussed the process of competing for the World Equestrian Games and the Breeders Cup.

2. Economic Development Partner Agencies: LexArts

Jim Clarke discussed the importance that the arts contribute to economic development. Clarke discussed fiscal impact of the arts, the arts impact on quality of life and the connection between the arts and the creative class.

He stated that a 2012 study found that the arts had direct and indirect expenditures of $ 18 million annually in Fayette County.

Clarke discussed how the arts impact quality of life and the recruitment of the creative class.

Gorton thanked Clarke for his service. In response to a question from Gorton, Clarke and Broward discussed the collaboration between arts/cultural and tourism.

Clarke thanked Clark for his service. He discussed the arts impact on the gown-town relationships in Lexington as well as the impact arts have on public school education.

Both Lane and Beard thanked Clarke and stated that the arts have advanced in Lexington under his leadership.

3. Partner Agency Quarterly Reports

Kevin Atkins discussed the quarterly reports. In response to a question from Scutchfield Atkins discussed potential changes to the reports to more accurately reflect the partners' contribution to economic development activities.

In response to a question from Lane, Atkins briefly commented on the economic health of Lexington. In addition he discussed the status of the 21c Hotel project.

4. Items Referred to Committee

A motion by Jenson, second Scutchfield to remove the insurance tax to support an Affordable Housing Trust Fund from the Committee referral list was approved unanimously.

A motion by Henson, second Ellinger to remove the food truck review from the Committee referral list was approved unanimously.

The meeting adjourned at 2:25 PM.

PAS 06.03.2014

Ashton Potter Wright

Local Food Coordinator

Economic Development

Committee of the Whole

August 19, 2014

BACKGROUND

- Doctor of Public Health, University of Kentucky
- Local & national public health experience
  - Tweens Nutrition and Fitness Coalition
  - Farm to School
  - Lexington-Fayette County Health Department
  - Centers for Disease Control and Prevention

MY FIRST TWO MONTHS

- Laying a foundation
  - Advisory Committee
  - Branding → social media, web presence
- Relationship building & listening
- Taking stock of opportunities & challenges

MAKING CONNECTIONS

- LFUCG
- University of Kentucky College of Agriculture, Food, and Environment
- Cooperative Extension
  - Fayette
  - Madison
  - Bourbon
- Lexington Fayette County Health Dept.
- Growers/producers
  - Fayette
  - Bourbon
  - Madison
  - Scott
  - Mercer
  - Lincoln
  - Jefferson
- Wholesalers
  - Marksbury Farm Market
  - Papania's
  - Piazza Produce
  - Creation Gardens
- KY Proud—Dept. of Ag.
- Restaurateurs
- Seed Capital
- Community Ventures Corporation
- Bluegrass Community Foundation
- Tweens Nutrition & Fitness Coalition
- Louisville Farm to Table
- Eastern KY Farm to Table
- Farm Bureau
- Farmers Markets
  - Lexington
  - Bluegrass
- Good Foods Co-Op
- Local Food Association
- Schools
  - FCPS
  - Sayre
  - The Lexington School
- Kroger

ADVISORY COMMITTEE

- Full group—June, July
- Working groups—August
  - Infrastructure & Capacity Building
  - Consumer Outreach & Education

OVERARCHING GOALS

- *Increase coordination and collaboration*
- *Develop a strategic plan for food-related economic and agricultural development and improvement of nutritional health in the region*

Goals—Infrastructure/Capacity

- *Support development of regional infrastructure*
- *Market new opportunities for adding to farm income*
- *Facilitate grower meetings*
- *Support food and farm related entrepreneurs*
- *Develop a road map for marketing and coordinating farmers markets in region*
- *Coordinate with KY Proud/local restaurateurs*

Goals—Consumer Outreach/Education

- *Market benefits of locally grown/raised food*
- *Support delivery systems and related consumer education*
  - → *Emphasis on underserved populations*

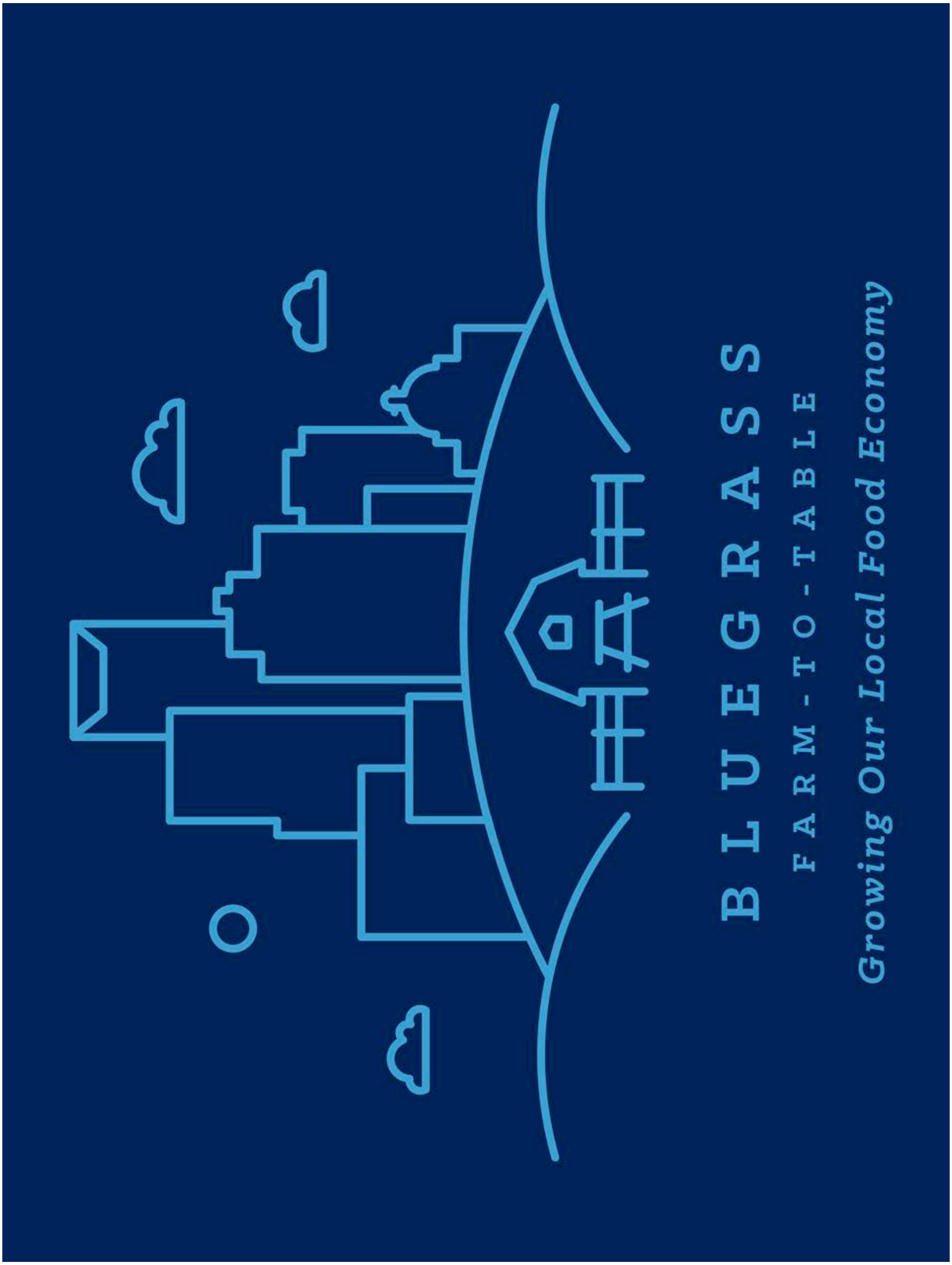
NEXT STEPS

- Advisory Committee
  - Operationalize goals
  - Prioritize activities and “big ideas”
- Reach out to other surrounding counties
- Launch social media & website

BLUEGRASS

FARM-TO-TABLE

Growing Our Local Food Economy


BLUEGRASS
FARM-TO-TABLE
Growing Our Local Food Economy

THANK YOU!

OTHER PROJECTS

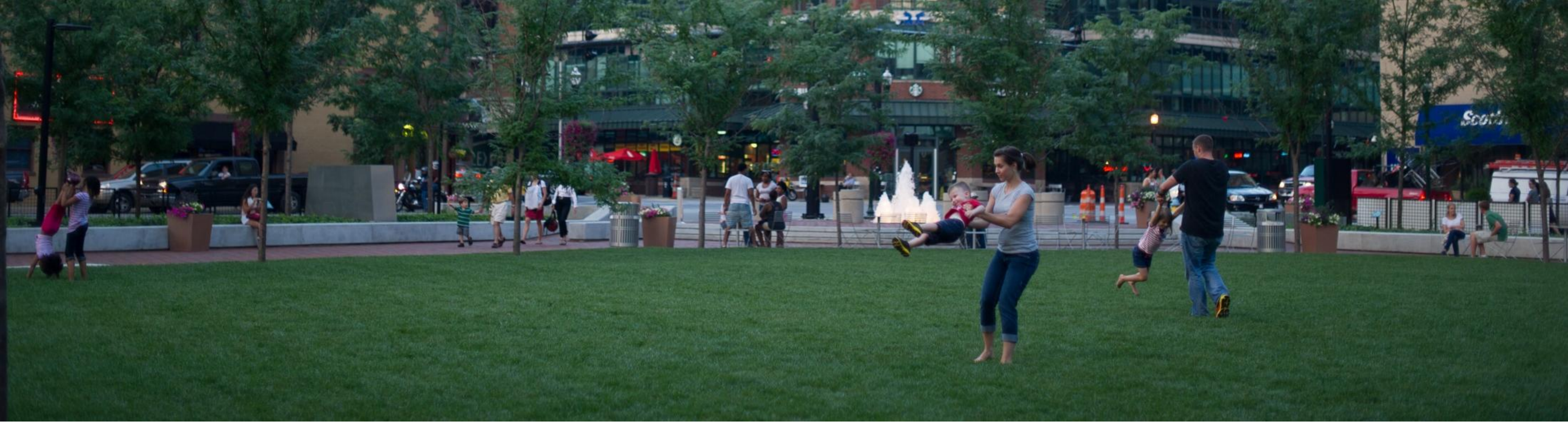
- Map of Lexington restaurants who source local food
- UK/Aramark—local food procurement
- Winterizing 5/3 Pavilion
- American Farmland Trust Conference
- Kroger—increasing local procurement
- Explore options for strategic planning consultation

LEXINGTON
DOWNTOWN
DEVELOPMENT
AUTHORITY

LFUCG UPDATE
AUGUST 2014

MISSION

The Lexington Downtown Development Authority (LDDA) promotes physical and economic development that strengthens and maintains downtown Lexington as the cultural and economic heart of the Central Kentucky.



WHAT WE DO

+ Tackle the toughest development challenges directly.
+ Drive investment into the neighborhoods and Central Business District by providing actionable urban design and real estate analysis for the public and private sector.
+ Sets the agenda for future development through community outreach, education, and public involvement.

WHY

+ To build a great city for Lexington's residents, neighbors, and visitors, ensuring that we continue to grow our regional, national, and global relevance in the new century through retention of workforce, jobs, and investment.

FY2015 PRIORITY PROJECTS

Tackle the toughest challenges directly:

- Old Courthouse Redevelopment Plan
- Trails, parks, streetscape, parking, and back-of-house infrastructure

Drive investment:

- Update Downtown Master Plan
- Support implementation of Affordable Housing program
- Support leasing and development efforts in downtown & neighborhoods
- Commercial corridor study with UK

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
Bluegrass Area Development District

____
Date

Outcome Evaluation

Using the Addendum "A" to the Bluegrass Area Development District's Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

State Funds Describe any State Funding BGADD has assisted on/worked with LFUCG in applying for/obtaining during the quarter. How does this effort compare to FY13 & FY14 at this same point in the fiscal year?

Federal Funds Describe any Federal Funding BGADD has assisted on/worked with LFUCG in applying for/obtaining during the quarter. How does this effort compare to FY13 & FY14 at this same point in the fiscal year?

Regional Significance

Describe regional issues BGADD has assisted on/worked and their relevance to LFUCG

Senior Services

Please provide details on the 1) Number of Fayette County residents served under the HOMECARE program during the quarter 2) The type of services provided to the residents 3) What is the percentage of people you are serving who are able to keep living at home 4) How does the Fayette County percentage compare to the percentage in Bluegrass ADD region? ***PEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Kentucky State Auditor Report

Please provide a ***specific*** update for the recent quarter of efforts to address and correct the issues addressed in the 2014 special audit by the Kentucky State Auditor of Public Accounts. Please also indicate if any new issues have arisen as part of the efforts to address the points in the Auditor's report.

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Signature

____
Title

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
Commerce Lexington

____
Date

Outcome Evaluation

Using the Addendum "A" to the Commerce Lexington's Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

Business Recruitment Efforts
Please provide the number of companies that you met with during the recent quarter that are looking at Lexington as a possible location. 1) What is the overall employment and possible investment of the companies (as a total)? 2) Do the companies fall within your key/strategic targets? 3) What is the status of the selection process? 4) Based on these efforts please describe benefits of companies that are outside the strategic targets? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPEARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Announcements
Please provide a list of the Lexington based economic development announcements in the most recent quarter. What is the projected employment and investment of the companies? What is the amount of incentives LFUCG will put into the projects? How do these Lexington based announcements compare to FY13 & FY14 at this some point in the fiscal year?

Retention & Expansion Efforts

Please provide the number of current Lexington companies that you have met/worked with during the previous quarter. Have the meetings provided information on possible expansion in Lexington or efforts to retain jobs in Lexington?

Minority & Women Business Owners/Managers

Please provide an update on the activities to work with minority and women business owners during the recent quarter. What were the outcomes of the meetings (new employees, additional clients, connecting them to public and private business opportunities, etc.)

Encourage Entrepreneurial Activity

Please provide an update on activities undertaken by your agency to encourage entrepreneurial activity in Lexington? What type s of programs were offered? What was the estimated attendance of those events? What have been the follow-up/outcomes with those who attended?

Student Population
Describe efforts during the quarter to connect the student population with the business community. What have been the successes of those efforts? What obstacles have you encountered in this effort?

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Signature

____
Title

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
Downtown Lexington Corporation

____
Date

Outcome Evaluation

Using the Addendum "A" to the Downtown Lexington Corporation's Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

Quality of Life Experience
1) Describe events/activities in the past quarter that have helped promote the quality of life for people living or visiting the downtown. 2) How many and what type of events has DLC hosted to bring people into downtown? 3) Estimated attendance of those events? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Promote Downtown as a Unique and Vibrant Place
1) Describe the efforts of DLC during the quarter to promote downtown Lexington as a unique and vibrant place for business, residential life and entertainment. 2) What efforts have been undertaken during this time period where DLC acted as a promotional outlet for downtown retailers and restaurants? 3) Are any of these promotional efforts new or considered pilot efforts for the agency to promote downtown? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Act as a Conduit for Information Sharing

What activities/events has DLC hosted in the past quarter to provide downtown businesses and residents with information about events and opportunities?

Economic Development

Please list the efforts by DLC to promote and assist with economic development activities in the downtown business core during the last quarter.

Challenges

Describe additional challenges your agency has worked to solve this quarter. What was the success of those efforts?

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Signature

____
Title

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
Lyric Theatre & Cultural Arts Center

____
Date

Outcome Evaluation

Using the Addendum "A" to the Lyric Theatre & Cultural Arts Center's Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

Entertaining, Educational, Community & Arts Programs 1) Describe the community events held/hosted by the Lyric in the previous quarter and their impact on the community. 2) How many of those events were free to the public and how many were paid ticket events? 3) What was the attendance for the events? 4) What was the revenue (both gross and net) generated from the events? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Celebration of Diverse Cultures Describe the events held//hosted by the Lyric in the previous quarter that were to preserve, promote, present and celebrate diverse cultures with special emphasis on African-American cultural heritage.

Serving the Broader Community

What activities/events were held that served the broader community of entertainers, educators, civic leaders and citizens of the community?

Gallery & Museum

Please list the exhibits or events that were held during the previous quarter. Where possible please estimate the overall attendance at the events.

Programming

Have there been any first time performances or events during the previous quarter? What was the success of the programs? What barriers or challenges were identified with the effort?

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Signature

____
Title

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE
ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
Service Corps of Retired Executives (SCORE)

____
Date

Outcome Evaluation

Using the Addendum "A" to the Service Corps of Retired Executives (SCORE) Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

Counseling & Mentoring Small Business Owners and Prospective Small Business Owners 1) Provide number of small businesses owners worked with and example of assistance offered. 2) Also provide the number of prospective small business owners worked with and the current status of their effort to open a business (if business is open the number of employees they currently have to your knowledge). 3) How do the numbers for assistance compare with FY13 & FY14 at this same point in the fiscal year? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Workshops and Seminars for Entrepreneurs, Existing Small Businesses, and People Considering Starting a Small Business Please provide detail on how many sessions for each were offered as well as attendance and topics discussed at the workshop/seminars. What was the follow-up with/from the participants following the sessions? How do the number of sessions and attendance compare with FY13 & FY14 at this same point in the fiscal year?

Advertising and Other Promotional Costs To Increase Public Awareness of SCORE and the Services Offered

Describe the advertising and promotions you have done during the quarter and determination if public awareness has been enhanced by the effort regarding the services you offer. Compare this information to FY13 & FY14 efforts at this same point in the fiscal year.

Staffing the Office & Recruiting/Training of Additional Volunteers

Please provide the current staffing levels and number of volunteers involved during the most recent quarter. Is that an increase or decrease from the most recent completed quarter? How do staffing and volunteer levels compare to the same period in FY13 & FY14.

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Title

____
Signature

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

Lexington-Fayette Urban County Government
Economic Development Partner Agency Quarterly Report
Fiscal Year 2015

Economic Development Partner Agency:
World Trade Center Kentucky

____
Date

Outcome Evaluation

Using the Addendum "A" to the World Trade Center Kentucky Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives.

NOTE: If there have been changes to your LFUCG funded program(s) necessitating amendment of your approved outcomes, please contract Kevin Atkins, Chief Development Officer, 859-258-3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.

Provide Regular Trade Programming to all Businesses Served by LFUCG 1) Describe the type of programs provided to businesses served by LFUCG as well as the number of individuals who participated and examples of the types of businesses they represented. 2) Did these programs lead to any new export opportunities for businesses/new companies to the export market? 3) How do the participation and export numbers for this fiscal year compare with FY13 & FY14 as this same point in the fiscal year? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Trade Missions 1) Describe the trade missions the staff participated in along with the types of businesses worked with on the visit. 2) How many businesses from Lexington participated in trade missions during the quarter? 3) How do the participation numbers for this fiscal year compare with FY13 & FY14 at this same point in the fiscal year? ***PLEASE ANSWER EACH QUESTION ABOVE AS A SEPARATE BULLET POINT NOTED BY THE NUMBER INDICATED ABOVE***

Bluegrass Economic Advancement Movement (BEAM)

Describe efforts during the quarter to assist with BEAM especially highlighting the effort to increase the number of exports and the economic impact of those efforts for Lexington.

Business Services

Please provide the number of Lexington companies that benefited from WTC-KY services during the quarter and the type of services (trade research, counseling services, etc.) that were provided. Did these services increase exports for Lexington businesses?

Partnership Organizations

Describe the host trade education programs and trade missions (including number of companies served) and regional groups that have partnered with WTC-KY on these programs.

Certification

As the Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from LFUCG will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum.

____
Printed Name

____
Signature

____
Title

____
Date

THIS REPORT AND REQUIRED ATTACHMENT(S) ARE DUE BY:

1ST QUARTER:
OCTOBER 14, 2014

2ND QUARTER:
JANUARY 14, 2015

3RD QUARTER:
APRIL 14, 2015

4TH QUARTER:
JULY 14, 2015

THIS REPORT SHOULD BE COMPLETED AND SUBMITTED ALONG WITH QUARTERLY FUNDING REQUEST INVOICE ELECTRONICALLY TO:

KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER
KATKINS@LEXINGTONKY.GOV

DATE: August 13, 2014

TO: Council Members

FROM: Kevin Atkins
Mayor's Office

SUBJECT: Jobs Fund Implementation Update

Following the approval of the Policies and Guidelines on 3/20/14 (Ordinance 31-2014) and the budget amendment to place funds in the Jobs Fund (Ordinance 51-2014), the Economic Development team has focused on:

Administrative Activities:
Drafting Agreements, Creating a "business one-stop" and Marketing Program, & Jobs Fund Applicants

Board Activities:
Drafting Agreements & Revising Industrial Revenue Bond Guidelines

Administrative activities: Dave Barberie, Wes Holbrook and I drafted an incentive agreement template in conjunction with the Economic Development Investment Board. This document is based on the incentive agreements provided by the Kentucky Cabinet for Economic Development. It can be easily modified when incentives will be awarded, but contains the necessary legal protections for the government and the taxpayers. **A copy of the template is included.**

Additionally, an effort is under way to consolidate and reorganize information vital to establishing, expanding, or relocating a business in Lexington. This effort is focused on creating a "business one-stop" where companies can find information about business licenses, building permits, zoning issues, and economic incentives. The one-stop will be web-based and can be a platform to include other important information related to economic development and business services. It will take some time for the pieces to fall into place and divisions to develop the ability to conduct transactions online. Reorganizing and streamlining information is the first step.

Coordinating with Commerce Lexington, marketing efforts for the Jobs Fund have been planned and implemented. A one-page description summarizes the highlights of the program was developed for interested companies and distributed at meetings. **A copy is included.** Gina Greathouse, Kimberly Rossetti, and other chamber staff have distributed the one-pager to site consultants for companies that are relocating. Hannah Huggins and chamber staff have also discussed the program during existing business visits with companies that are already located in Lexington, but may be interested in expanding. Mayor Gray and Commerce Lexington are co-hosting two receptions in early September for local businesses as an opportunity to learn more about the program. We are also communicating with community partners that intersect certain economic sectors. One example is reaching out to the University of Kentucky to create awareness among research based companies.

After meetings with companies located within Lexington, **four (4)** companies have requested applications. Of those companies, **one (1)** has submitted an application electronically. Review of that application will begin once the application fee is received.

Board activities: Over the course of **two (2)** board meetings, the Economic Development Investment Board provided input into the content of the agreement template that will be utilized in all incentive agreements. These sessions allowed input from practitioners in the banking, legal, and venture capital sectors to provide input on the agreement. These sessions also included Councilmember Chuck Ellinger and Councilmember Julian Beard. The Board voted to approve this template for use with incentives.

The Economic Development Investment Board was derived from the Industrial Revenue Bond Review Committee. The board still provides this function for the city, in addition to their responsibilities with the Jobs Fund. The practice of approving Industrial Revenue Bonds had changed significantly since the last Guidelines update. The document was updated to match the state statutes and the purpose of Industrial Revenue Bonds.

Councilmembers are welcome and encouraged to attend Board meetings and informational sessions to discuss the value of this job creation tool for the business community.

Lexington Jobs Fund Overview

The Lexington Jobs Fund was created to promote high quality job creation in Lexington, Kentucky. Funding decisions are based on job creation, additional payroll, and wages.

ELIGIBLE BUSINESSES

- Located in or planning to move to Fayette County
- Creating new jobs over a fixed time period
- Producing a tradable good or providing a tradable service (whether pre- or post-commercialization)
- Average wages for new jobs of $36,250
- Priority is given to businesses with competitive federal incentives, state incentives, and private financing

TARGET SECTORS

- Advanced manufacturing
- Technology
- Shared service operations
- Healthcare
- Relocation of primary base of operations to Lexington
- Retail businesses and restaurants are excluded

FUND PROGRAMS

- Closing funding and gap funding
- Targeted grant and loan incentive offerings that focus on high priority industries to create high wage jobs
- Loans up to $250,000 that can be used for capital expenditures
  - Allowable expenditures include equipment purchase, building improvements, and site development
- Grants up to $100,000 for worker training and other operating expenses

APPLICATION AND APPROVAL

- Application includes financial documentation
- Process includes review by the Chief Development Officer and Economic Development Investment Board
- Final approval by the Urban County Council
- Applications go to the Chief Development Officer and staff for review and make funding recommendations
  - Application fee of $250

CONTACT

- For more information, contact:

Kevin Atkins
Chief Development Officer
Lexington Fayette Urban County Government
katkins@lexingtonky.gov
859-258-3100

LOAN AGREEMENT

THIS LOAN AGREEMENT ("Loan Agreement"), dated as of _________, is made by and between:

Lexington-Fayette Urban County Government,
an urban county government pursuant to KRS Chapter 67A
200 East Main Street
Lexington, Kentucky 40507 ("LFUCG")

and

[COMPANY]
Address ("Borrower")

Recital

This Loan Agreement provides for a loan in the amount of ____________ from LFUCG to the Borrower pursuant to Ordinance No. ____-2013 and its Jobs Fund Program. In order to induce LFUCG to enter into this Loan Agreement and to make the loan, the Borrower is willing and desires to make the warranties, covenants, and agreements contained and set forth herein.

SECTION 1
Definitions

As used in this Agreement:

"Accountant" shall mean the certified public accountant or firm of certified public accountants acting as the Borrower's accountant.

An "Affiliate" of, or a Person "Affiliated" with, a specified Person, is a Person that, directly or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with the Person specified.

"Event of Default" shall mean the happening of any one or more of the events which constitute an event of default under Section 6 of this Loan Agreement.

"Full Time Job" shall mean a job held by a person employed for a minimum of thirty-five (35) hours per week and subject to the Kentucky Individual Income Tax imposed by KRS 141.020.

"Loan" shall mean the loan in the principal amount of ______________ from LFUCG to the Borrower provided in Section 2 of this Loan Agreement, as evidenced by the Note attached as Exhibit B to this Agreement.

"Loan Documents" shall mean this Loan Agreement, the Note, the Security, and all other instruments or agreements related thereto.

"Note" shall mean the promissory note attached as Exhibit B to this Agreement, and shall include any renewal, replacement, extension, or novation thereof.

"Person" shall mean any person, firm, trust, corporation, partnership, limited liability company, business organization, or other entity.

"Project" shall mean the acquisition, financing, or facility in Fayette County, Kentucky.

"Project Site" shall mean the facility located at ___________, Lexington, Kentucky together with all improvements and fixtures attached thereto.

"Security" shall mean letters of credit issued by a financial institution or other satisfactory type(s) of security which are in a form acceptable to LFUCG, issued for the benefit of LFUCG. The type and amount of security shall be specified in the Loan Agreement.

SECTION 2
The Loan

LFUCG agrees to grant the Borrower the Loan in accordance with the terms and conditions of the Loan Documents, as follows:

2.1 Amount. The principal amount of the Loan shall be ______________, as evidenced by the Note attached hereto and made a part hereof as Exhibit B.

2.2 Interest. Interest shall accrue at the annual rate of **the Wall Street Journal published rate for 10 year US Treasury** on the principal amount of the Loan from the time of disbursement of the Loan proceeds under this Loan Agreement until the Loan has been fully repaid. The rate shall be fixed for the duration of the loan. Should an Event of Default occur under the terms of this Agreement, the interest rate may be increased to the Prime Rate plus three percentage points (3.00%) at the sole discretion of LFUCG or the highest percentage that is legally chargeable thereon, whichever is less.

2.3 Installments of Principal and Interest. The Loan and accrued interest thereon shall be repaid in ________ (__) consecutive monthly payments in the amount of ________________ in respect of principal, plus any accrued and unpaid interest (if applicable) then owing, beginning on ________, 2014, and continuing on said day monthly thereafter until ____________, 201__, at which time any remaining outstanding principal balance, together with all accrued but unpaid interest, shall be immediately due and payable in full.

2.4 Prepayment. The Borrower shall have the right at any time without penalty to prepay the Note in whole or in part. Prepayments shall be applied first to accrued but unpaid interest, and then to installments of principal of the Loan in reverse order of their maturity. Prepayments shall not relieve the Borrower from the duty to make consecutive payments in the amount provided above, but shall operate to discharge the Borrower's obligation at an earlier date.

2.5 Late Charges. If the Borrower fails to pay any installment of principal or interest required under the Note within fifteen (15) days after the date such payment first becomes due, the Borrower shall pay to LFUCG a late charge equal to five percent (5%) of such payment.

2.6 Disbursement. The proceeds of the Loan shall be disbursed as further provided in the Loan Agreement.

SECTION 3
Security

The Note and the Loan evidenced thereby are and shall be secured by and entitled to the benefits of the Security, attached hereto and made a part hereof as Exhibit A and incorporated herein by reference, which shall be delivered simultaneously with the execution of this Loan Agreement.

SECTION 4
General Covenants

The Borrower agrees that, until the principal of and all interest on the Note shall have been paid in full, it shall perform, observe, and comply with each of the following:

4.1 Mergers, Sales, Transfers, Redemptions, and Other Dispositions of Assets, or Dissolution. The Borrower shall not, without the prior written consent of LFUCG (which consent shall not be unreasonably withheld):

(a) Liquidate or dissolve or take any action with a view toward liquidation or dissolution;

(b) Substantially cease its business operations at the Project Site; or

(c) Enter into any agreement for the assumption of the Loan by any other Person.

(d) Undertake a change in majority ownership, management, or control.

4.2 Financial Statements and Business Records. The Borrower shall keep true and complete financial records prepared with generally accepted accounting principles consistently applied, and keep business records in accordance with good business practices in the industry. Upon LFUCG's request or the request of its Economic Development Investment Board at reasonable times and places, the Borrower shall make its business records available to LFUCG for inspection on a confidential basis. During the term of the Loan, the Borrower shall furnish to LFUCG annual financial reports prepared by the Accountant in a form satisfactory to LFUCG. With the annual report, the Borrower shall include a cover letter stating its average annual employment at the Project Site. Insofar as is possible under applicable laws, the financial reports and annual report ("Information") shall be deemed confidential business information and shall be treated by LFUCG as exempt from inspection under the Kentucky Open Records Act as records confidentially disclosed to it under KRS 61.878.

4.3 Designation of Agent. The Borrower shall at all times have a properly designated agent to accept service of process who is a resident of or has offices in the Commonwealth of Kentucky. The Borrower shall notify LFUCG of the name and address of such agent and of any change in the name or address of such agent.

4.4 Taxes and Other Obligations. The Borrower shall pay, before any of them becomes in arrears, all taxes, assessments, governmental charges, levies, and any other claims (for example, for labor, materials, or supplies) which, if unpaid, might become a lien or charge upon the Project Site or any other of the Borrower's property, unless the Borrower is contesting the same in good faith and has posted a bond protecting the same in such form and amount and with such parties as may be approved by LFUCG.

4.5 Use of Loan Proceeds. The proceeds of the Loan shall be used exclusively for the purposes described in the Borrower's application to LFUCG and its Economic Development Board as approved by LFUCG in the same or a modified form, the terms of which are incorporated herein by reference.

4.6 Properties and Insurance. The Borrower shall maintain its real property, buildings, and other fixed assets located at the Project Site in good condition, subject only to normal wear and tear, and make all necessary and proper repairs, renewals, and replacements, and shall comply with all material provisions of leases and other material agreements in order to prevent loss or forfeiture. All real property, personal property, or collateral located at the Project Site is and will remain insured against loss during the life of the Loan. The Borrower shall provide LFUCG with a copy of the current insurance policy for the building and other fixed assets simultaneously with the execution of this Loan Agreement. Failure to maintain insurance coverage as set forth herein shall constitute an Event of Default as set forth in Section 6 hereof.

4.7 Entity Existence. The Borrower shall preserve its entity existence as {form of business} and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse effect on its ability to meet its obligations hereunder.

4.8 Compliance with Law. The Borrower shall comply in all material respects with all valid and applicable statutes, rules, and regulations of the United States of America, of the States thereof and their counties, municipalities, and other subdivisions, and of any other jurisdiction applicable to it, and the provisions of licenses issued to it, except where non-compliance (a) would not have a material adverse effect on the Borrower's ability to meet its obligations hereunder, or (b) shall be currently contested in good faith by appropriate proceedings, timely instituted, which shall operate to stay any order with respect to noncompliance.

4.9 Employment. The Borrower agrees to create at least _________ (_____) new Full Time Jobs at the Project Site no later than __________, 201__, and to maintain said level of employment through ________, 20__ ("Jobs Requirement"). Failure to create and maintain said Full Time Jobs as herein provided shall constitute an Event of Default as set forth in this Agreement and may result, in LFUCG's sole discretion, in the interest rate of the Note increasing to the Prime Rate plus three percentage points (3.00%) or the highest percentage legally chargeable thereon, whichever is less, or may impose upon the Borrower the duty to pay the sum of ____________ to LFUCG for each new Full Time Job not so created or maintained for each year that the employment requirement is not met, or (if less) the amount of outstanding principal, said sum to be applied against outstanding principal. If at any time after the three (3) year period referenced herein has elapsed, it is determined by the LFUCG that the employment conditions contained herein have not been met, then at that time, LFUCG may assess the Borrower the funds due it per the foregoing formula or increase the interest rate as set forth above, at LFUCG's sole discretion. The Borrower hereby agrees to provide, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), any additional employment information to LFUCG which LFUCG reasonably deems necessary to determine the Borrower's compliance with the Jobs Requirement.

4.10 Wage Requirement. The Borrower acknowledges and agrees that the newly created Full Time Jobs must pay annual average wages of at least ____________, exclusive of benefits or other forms of compensation, including, but not limited to, bonuses and commissions (referred to as the "Wage Requirement"). As evidence of compliance with Sections 4.9 and 4.10 herein, the Borrower agrees to provide, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), an employee roster as of ________, 20___, which shall include the wages for each individual employee who holds a new Full Time Job at the Project Site.

Failure to maintain the Wage Requirement will result in a repayment by the Borrower to LFUCG of a proportionate amount of the Loan as follows:

$$\frac{\$[\text{Wage req.}] \text{ minus Actual Annual Avg Wage}}{\$[\text{Wage Req.}]} \times \$[\text{Amt of Grant}]$$

In no event shall the Borrower's repayment to LFUCG, including amounts of the Loan repaid under Section 2.3 and both payments made by the Borrower as a result of its failure to meet the Jobs Requirement and payments made by the Borrower as a result of its failure to meet the Wage Requirement, exceed the total amount of any outstanding Loan funds received by the Borrower from LFUCG hereunder, and not to exceed ____________________.

In the event the jobs created and maintained by the Borrower at the Project Site fail to satisfy the Jobs Requirement and/or the Wage Requirement as specified above, the applicable repayment shall be calculated by LFUCG in accordance with this Section 4.10, to be paid by the Borrower to LFUCG and shall be due and payable thirty (30) days after receipt of notice from LFUCG of the amount due based upon the LFUCG's calculation.

SECTION 5
Representations and Warranties

The Borrower hereby represents and warrants to LFUCG as follows (which warranties and representations shall be deemed to survive the execution of this Loan Agreement):

5.1 Existence. The Borrower is a duly organized and validly existing {type of business entity} under the laws of the State of ________________, qualified to do business in Kentucky and in all other states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse affect on Borrower's ability to meet its obligations hereunder. The Borrower shall preserve its entity existence as a limited liability partnership and shall be and remain qualified to do business in Kentucky and in all states in which it is required to be so qualified or in which the failure to be so qualified would have a material adverse affect on its ability to meet its obligations hereunder.

5.2 Right to Act. The Borrower has the legal power, capacity, and right to execute and deliver all of the Loan Documents to which it is a party, and to observe and perform all of the provisions of the Loan Documents to which it is a party. Neither the Borrower's execution or delivery of the Loan Documents, nor the performance or observance by the Borrower of the provisions of the Loan Documents violates or shall violate any existing provisions in the Borrower's Partnership Agreement, or any law applicable to it or otherwise constitute a default or a violation under, or result in the imposition of any lien under, or conflict with, or result in any breach of any of the provisions of, any existing contract or other obligation binding upon it or its property, with or without the passage of time or the giving of notice or both. The officer executing and delivering the Loan Documents to which Borrower is a party on behalf of the Borrower has been duly authorized to do so, and the Loan Documents to which it is a party referred to herein are legal, valid, and binding obligations of the Borrower enforceable in accordance with their respective terms, except to the extent enforceability thereof may be limited under applicable bankruptcy, moratorium, insolvency, or similar laws or by equitable principles.

5.3 Litigation and Taxes. No litigation or proceeding involving the Borrower is pending or overtly threatened in writing in any court or administrative agency, which would be reasonably likely to have a material adverse impact on the Borrower's financial condition or otherwise impair its ability to honor the commitments made herein (in each case after giving effect to applicable insurance coverage). The Borrower is not in default in the payment of any tax, nor is any assessment threatened in respect thereof (other than the assessment of ad valorem property taxes not yet due and payable), and has timely filed all federal, state, and local tax returns and has paid all taxes required to be paid therewith, except for matters being contested in good faith by appropriate proceedings, timely instituted.

5.4 Financial Statements. The Borrower's financial statements, heretofore furnished to LFUCG and/or its Economic Development Board, are true and complete in all material respects, have been prepared on the modified cash basis of accounting, omit no material contingent liabilities of any kind that are not disclosed or otherwise reflected therein, and fairly present its financial condition as of their dates and the results of the Borrower's operations for the respective fiscal period then ending. Since the date of their preparation, there has been no material adverse change in the Borrower's financial condition, properties, or businesses.

5.5 Default. No Event of Default exists under this Loan Agreement, nor shall any such default begin to exist immediately after the execution and delivery hereof.

SECTION 6
Events of Default

Each of the following shall constitute an Event of Default under this Loan Agreement:

6.1 Payments. The failure of the Borrower to make payments of principal or interest under the Note or this Loan Agreement when same shall be due and payable and the continuation of such failure for fifteen (15) days after such payment first becomes due.

6.2 Covenants and Agreement. If the Borrower violates, fails, or omits to perform or observe any non-monetary covenant, agreement, condition, or other provision contained or referred to in, or any non-monetary default occurs under, the Loan Documents to which it is a party, and such failure or omission shall not have been fully corrected within thirty (30) days (or such shorter grace period as may be provided in the particular instrument for the particular default) after LFUCG has given written notice thereof to the Borrower. Notice is considered given upon receipt.

6.3 Accuracy of Statements. If any representation, warranty, or other statement of fact contained herein, or in any of the other Loan Documents to which Borrower is a party or in any writing, certificate, report, or statement at any time furnished to LFUCG pursuant to or in connection with this Loan Agreement, or otherwise, shall be materially false or misleading in any respect or shall omit a material fact, whether or not made with knowledge of same.

6.4 Adverse Financial Change. If there should be any material adverse change in the financial condition of the Borrower, as determined in LFUCG's reasonable discretion, from its financial condition as shown on any financial statement supplied to LFUCG as referred to in Sections 4.2 or 5.4 of this Loan Agreement, and such adverse change is not fully corrected to LFUCG's satisfaction within thirty (30) days after written notice with respect thereto is provided to the Borrower from LFUCG.

6.5 Dissolution or Termination of Existence. If the Borrower or any person, firm, or corporation controlling the Borrower takes any action that is intended to result in the Borrower's termination, dissolution, or liquidation.

6.6 Solvency.

(a) If the Borrower shall (i) be adjudicated bankrupt, (ii) admit in writing its inability to pay its debts generally as they become due, (iii) make a general assignment for the benefit of creditors, or (iv) file a petition, or admit (by answer, default or otherwise) the material allegations of any petition filed against it, in bankruptcy under the federal bankruptcy laws (as in effect on the date this Loan Agreement, or as they may be amended from time to time), or under any other law for the relief of debtors, or for the discharge, arrangement or compromise of their debts.

(b) If a petition shall have been filed against the Borrower in proceedings under the federal bankruptcy laws (in effect on the day of this Loan Agreement, or as they may be amended from time to time) or under any other laws for the relief of debtors, or for the discharge, arrangement, or compromise of their debts, or any order shall be entered by any court of competent jurisdiction appointing a receiver, trustee, or liquidator of all or any material part of the Borrower's assets, and such petition or order is not dismissed or stayed within thirty (30) consecutive days after entry thereof.

6.7 Termination of Security. If, for any reason (other than LFUCG's affirmative election to release or terminate the Security) there is a termination of the Security or notice of non-extension, and the Borrower fails to cause an acceptable replacement type of Security satisfactory to LFUCG or its Economic Development Board, to be delivered to LFUCG at least thirty (30) days before the Security expires or terminates.

6.8 Other Defaults. If any event would give another Person or entity the right to accelerate payments of material indebtedness for borrowed money or to proceed against the Project Site.

6.9 Loan Documents. For any reason, any of the Loan Documents to which Borrower is a party shall cease to be in full force and effect, or shall be declared null and void, or shall be contested by the Borrower as to the validity or enforceability thereof.

SECTION 7
Remedies Upon Default

Notwithstanding any contrary provisions or inference herein or elsewhere:

7.1 Acceleration; Increase in Interest Rate. If any Event of Default shall occur under this Agreement, LFUCG shall have the right, in its sole discretion, to declare the entire unpaid principal balance of, and all accrued and unpaid interest on, the Loan to be immediately due and payable, and/or to increase the interest rate of the Note to the Prime Rate plus three percentage points (3.00%) or the highest percentage that is legally chargeable on the outstanding balance thereof, whichever is less.

7.2 Exercise of Remedies. The rights and remedies of LFUCG under the Loan Documents shall be deemed to be cumulative and shall be in addition to all those rights and remedies afforded to LFUCG at law or in equity. Any exercise of any rights or remedies shall not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy.

SECTION 8
Conditions Precedent

LFUCG's obligation to make the Loan shall be conditioned upon the fulfillment of the following conditions prior to the making of such Loan:

8.1 Representations, Warranties, and Covenants. Each and every representation, warranty, and covenant made by or on behalf of the Borrower in its application to LFUCG or relating to any of the Loan Documents to which it is a party or instruments or transactions contemplated thereby shall be true, complete, and correct on and as of the date the Loan is made and shall be so evidenced by a certificate executed by the Borrower's duly authorized officer, to be dated and delivered to LFUCG as of the closing date of this Loan.

8.2 No Defaults. There shall exist no Event of Default and no event which, with the giving of any notice or the passage of any period of time, constitutes an Event of Default.

8.3 Compliance. The Borrower shall have observed or complied with all provisions of this Loan Agreement.

8.4 Counsel Opinion. The Borrower shall have delivered to LFUCG an opinion of the Borrower's counsel in form and substance satisfactory to LFUCG and its counsel with respect to such matters as LFUCG may reasonably require which shall be executed and attached hereto as Exhibit C.

8.5 Insurance Policy. The Borrower shall have submitted to LFUCG a copy of an applicable certificate, in customary form, with respect to the current insurance coverage on the Project Site.

8.6 Employment Waiver and Authorization. The Borrower hereby authorizes LFUCG to request that the Office of Employment and Training within the Department for Workforce Investment ("OET") furnish to LFUCG, on a confidential basis (except as to information disclosed on the public website of LFUCG as to all projects approved by LFUCG), all information in the possession of OET concerning the number of people employed by the Borrower at the Project Site, and the number of hours worked by those employees. This authorization shall terminate upon the earlier of satisfactory completion of the Jobs Requirement or upon termination of this Loan Agreement. The Borrower hereby releases OET from any and all responsibility for disclosing to LFUCG the information requested in connection with this Loan Agreement.

SECTION 9
Interpretation

9.1 No Waivers; Multiple Exercise of Rights. No course of dealing in respect of, nor any omission or delay in the exercise of, any right, power, remedy, or privilege by LFUCG shall operate as a waiver thereof, nor shall any right, power, remedy, or privilege of LFUCG be exclusive of any other right, power, remedy, or privilege referred to herein or in any related document now or hereafter available at law, in equity, in bankruptcy, by statute, or otherwise. Each such right, power, remedy, or privilege may be exercised by LFUCG, and as often and in such order as LFUCG may deem expedient.

9.2 Time of the Essence. Time shall be of the essence in the performance of all the Borrower's obligations under the Loan Documents and the other instruments related hereto.

9.3 Binding Effect. The provisions of this Loan Agreement shall bind and benefit the Borrower and LFUCG and their respective successors and assigns, including each subsequent holder, if any, of the Note; provided, however, that this paragraph shall not be construed to permit the assignment by the Borrower of its rights and obligations under this Loan Agreement without LFUCG's prior written consent.

9.4 Headings. The headings used in this Loan Agreement are for convenience of reference only, and shall not be considered in the interpretation or construction of this Loan Agreement.

9.5 Governing Law. The Loan Documents and the respective rights and obligations of the parties hereto shall be construed in accordance with and governed by the laws of the Commonwealth of Kentucky.

9.6 Jurisdiction and Venue. The parties hereto agree that any suit, action, or proceeding with respect to this Loan Agreement may only be brought in or entered by, as the case may be, (a) the courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky, or (b) the United States District Court for the Eastern District of Kentucky, Lexington Division, and the parties hereby submit to the jurisdiction of such courts for the purpose of any such suit, action, proceeding, or judgment and waive any other preferential jurisdiction by reason of domicile The parties hereby irrevocably waive any objection that they may now or hereafter have to the laying of venue of any suit, action, or proceeding arising out of or related to this Loan Agreement and the Loan Documents to which Borrower is a party brought in the Courts of the Commonwealth of Kentucky situated in Lexington, Fayette County, Kentucky, or the United States District Court for the Eastern District of Kentucky, Lexington Division, and also hereby irrevocably waive any claim that any such suit, action, or proceeding brought in any one of the above-described courts has been brought in an inconvenient forum.

9.7 Complete Agreement. This Loan Agreement and the other instruments referred to herein contain the entire agreement of the parties pertaining to its subject matter and supersede all prior written and oral agreements pertaining hereto.

9.8 Assignments or Modifications. The Borrower may not assign its rights under this Loan Agreement to any other party without the prior written consent of the LFUCG, which consent shall not be unreasonably withheld or delayed. This Loan Agreement may be modified only in a writing executed by LFUCG and the Borrower.

9.9 Severability. If any part, term, or provision of this Loan Agreement is held by any court to be unenforceable or prohibited by any law applicable to this Loan Agreement, the rights and obligations of the parties shall be construed and enforced with that part, term, or provision limited so as to make it enforceable to the greatest extent allowed by law, or, if it is totally unenforceable, as if this Loan Agreement did not contain that particular part, term, or provision.

SECTION 10
Notices

Any notice required or permitted to be given under this Loan Agreement shall be in writing and shall be deemed sufficiently given for all purposes if sent by registered mail, postage pre-paid and return receipt requested, or by electronic mail, in each case addressed to the intended recipient (a) as follows:

If to LFUCG:

Chief Development Officer
Lexington-Fayette Urban County Government
200 East Main Street
Lexington, KY 40507
ATTN: Kevin Atkins

If to the Borrower:

[Company]
Address

or (b) such other address which any party hereto may specify by written notice to the other party in accordance with the terms of this Section 10, including electronic mail addresses as designated from time to time. Any registered mail notice shall be deemed effective as of three (3) business days after the mailing date of said notice.

SECTION 11
Survival of Covenants, Agreements, Warranties, and Representations

All covenants, agreements, warranties, and representations made by the Borrower herein shall survive the making of the Loan and the execution and delivery of the Loan Documents.

SECTION 12
Fees and Expenses; Costs of Enforcement

If any Event of Default shall occur under the Loan Documents, the Borrower shall pay to LFUCG, to the extent allowable by applicable law, such amounts as shall be sufficient to reimburse LFUCG fully for all of its costs and expenses incurred in enforcing its rights and remedies under the Loan Documents, including without limitation LFUCG's reasonable legal fees and court costs. Such amounts shall be deemed evidenced by the Note and secured by all the Loan Documents.

SECTION 13
Miscellaneous Provisions

13.1 Term of Loan Agreement. The term of this Loan Agreement shall commence as of the date hereof, and continue until the first date on which the Loan and all accrued but unpaid interest thereon shall have been paid in full and the Borrower shall have paid or performed all its other obligations hereunder. Promptly after the payment in full of the Loan and all accrued interest thereon, LFUCG shall return to the Borrower (or the issuer of any Security) the necessary documents or authority to cancel or terminate the Security.

13.2 Further Assurances. The Borrower shall sign such other documents or instruments as LFUCG may request from time to time to more fully create, perfect, continue, maintain, or terminate the rights and any applicable security interests intended to be granted or created pursuant to the Loan Documents.

13.3 Incorporation by Reference. All exhibits, schedules, annexes, or other attachments to this Loan Agreement are incorporated into this Loan Agreement as if set out in full in the first place that reference is made thereto.

13.4 Multiple Counterparts. This Loan Agreement may be signed by each party upon a separate copy, and in such case one counterpart of this Loan Agreement shall consist of a sufficient number of such copies to reflect the signature of each party.

13.5 Waivers by the Borrower. The Borrower hereby waives, to the extent permitted by applicable law, (a) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, and notices of dishonor in connection with the Note; and, (b) any requirement of diligence or promptness on the part of LFUCG in enforcement of its rights under the provisions of the Loan Documents.

13.6 No Individual Liability. The Borrower shall have any personal liability for the Borrower's obligations to LFUCG under this Loan Agreement or the Note, and LFUCG shall look only to the assets of the Borrower and the Security for the payment of such obligations.

IN WITNESS WHEREOF, the Lexington-Fayette Urban County Government and the Borrower have executed this Loan Agreement as of the day, month and year first above written.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: ____________________________

Printed Name: Jim Gray

Title: Mayor

BORROWER:

[Company]

By: ____________________________

Printed Name: ___________________

Title: ___________________________

Committee Referrals

Economic Development Committee of the Whole

Item	CM Referred	Date Referred
Quarterly Development Report	Stinnett	2-28-11
Agricultural Impact Committee	Gorton	4-9-13
Collaboration Strategy Among Economic Development Agencies	General Services Links	6-17-13
Economic Development Agencies Reporting System	General Services Links	6-17-13
Local Government Economic Development Incentive Programs	Myers	12-5-13
Jobs Program Review	Mossotti	1-14-14
Local Food Coordinator	Gorton	7-9-14
DDA 10-Year Development Plan	General Services Links	7-10-14

PAS 07.19.2014