



Greater Louisville Inc.
The Metro Chamber of Commerce

A PUBLIC/PRIVATE PARTNERSHIP FOR A GREATER LOUISVILLE



Business Incentives & Location Summary

Request for Local Support Letter

BASIC CORPORATE INFO:

Company: Churchill Downs Inc.

Web Site: <http://www.churchilldowns.com>

Category: Expansion

Contact: D. Brett Hale
Sr. Vice President, Corporate Affairs
600 North Hurstbourne Parkway
Louisville, KY 40223

Phone: 502-636-4400

Cell:

Email: brett.hale@kyderby.com

Media Contact: same as company contact

GLI Contact: Daryl Snyder, Vice President, Economic Development
O: 502-625-0206 C: 502-376-3853
dsnyder@greaterlouisville.com

BUSINESS / PROJECT DESCRIPTION:

From the CD Website:

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“CDI owes much to its horse racing heritage and is expanding on that tradition while evolving its business mix, management team and growth strategies to navigate any challenges we encounter. Our growth-through-diversification strategy allows us to push boundaries and increase profitability while still being true to our roots and what has made the Churchill Downs brand one of the best in the business.

Much has changed since that first Kentucky Derby Day in 1875, but one thing hasn't: our commitment to building a profitable, vibrant company that is valued by our customers, investors, employees and business and community partners for generations to come. After more than a century of growth and progress, the Churchill Downs Incorporated story continues.”

CD's diversification relies on increased use of technology & on-line gaming. CD currently has software and technology offices in Mountain View, California and Atlanta. They plan to consolidate a divisional office in one location, preferably in Louisville. KBI Tax Incentives will make or break this deal. Within the first two years of operation, CD plans a total investment of \$4,000,000 in office lease expenses and capital equipment. They plan to 50 jobs with a total payroll of \$6.24 million by 3Q2014.

KEDFA

Incentive Requested:	KBI
Preliminary Approval:	August 29, 2013
Final Approval:	August 2014
Activation:	December 2014
Local Participation:	1%
Total Incentives:	\$TBD

EMPLOYMENT INFO

Existing Workforce: 419

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New Job Creation: 50
Average F/T Salary: \$124,800
Total New Payroll: \$6,240,000

LOCATION INFO

Location: ShelbyHurst
Metro Council District: District #18 / Councilwoman Marilyn Parker
State Senator: District #36 / Senator Julie Denton
State Representative: District #32 / Representative Julie Adams

INVESTMENT INFO

Building Type & SF: Office 10,000 sf First Floor, 600 North Hurstbourne
New Construction: Building is new. This will be first occupant of the space.
Building Expense: \$2,250,000 lease expense
Equipment: \$1,750,000 in capital equipment

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LOCAL ANNUAL ECONOMIC IMPACT at ACTIVATION (year one):

	Jefferson County Direct Impact	Direct + Indirect + Induced Impact
Projected tax revenues	\$162,795	\$316,211
*1% KBI Contribution	\$62,400	\$62,400
Net benefit to Jefferson County (Local new taxes, less 1% KBI occupational tax contribution)	\$100,395	\$253,811

*State to Local Ratio is 75/25 – KY contributes 3%; Louisville contributes 1%.

STAFF COMMENTS:

This lead originated from McBrayer, McGinnis, Leslie & Kirkland Manager Partner, Jim Frazier (in Lexington). GLI was brought in to work through the KBI incentives and to help determine priority of the tax revenue, given that the location is in a to-be-approved TIF at ShelbyHurst. David Morris, Daryl Snyder worked through the TIF question with KY Cabinet for Economic Development General Counsel, Caroline Baesler and Incentives Director Katie Smith. They have cleared the way for us to send a support letter from Mayor Fischer.

ANNOUNCEMENT PLANS:

TBD

