

**ORDINANCE NO. \_\_\_\_\_, SERIES 2026**

**AN ORDINANCE AMENDING ORDINANCE NO. 95, SERIES 2025 IN ORDER TO AMEND THE PROJECT, ADOPTING AN AMENDED AND RESTATED DEVELOPMENT PLAN, APPROVING ENTERING INTO AN AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT AND AUTHORIZING THE PAYMENT OF THE "RELEASED AMOUNT" PURSUANT TO THE TERMS AND CONDITIONS OF THE AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT, REQUIRING THE SUBMISSION OF REGULAR REPORTS TO LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AND AUTHORIZING THE EXECUTION AND DELIVERY OF ANY OTHER DOCUMENTS AND THE TAKING OF ANY OTHER ACTIONS NECESSARY TO ACCOMPLISH THE PURPOSES AUTHORIZED BY THIS ORDINANCE.**

**SPONSORED BY: COUNCIL MEMBER KEN HERNDON**

**WHEREAS**, the Kentucky General Assembly enacted KRS 65.7041-65.7083 and KRS 154.30-010-154-30.090 (the "Act") relating to tax increment financing and urban redevelopment, which Act establishes development areas to increase property values, increase employment opportunities, and increase economic activity;

**WHEREAS**, the Act also authorizes certain State Participation Programs to encourage private investment in the development of major projects that will have a significant impact in the Commonwealth;

**WHEREAS**, the Legislative Council of the Louisville/Jefferson County Metro Government (the "Council") in Ordinance No. 95, Series 2025 ("Enactment Ordinance"), established the 700 East Main Street Development Area ("Development Area") and authorized the release of certain incremental local tax revenues to benefit the project to be constructed within the Development Area pursuant to the terms of the Act and the Establishment Ordinance;

**WHEREAS**, NuLu Crossing, LLC, a Delaware limited liability company, or an affiliate of same (collectively, the “Developer”) seeks to amend the project originally approved for the Development Area as part of the Establishment Ordinance (the “Original Project”) to include the following: approximately 340 multi-family residential units, a hotel with approximately 214 rooms, approximately 35,715 square feet of retail space, a courtyard, and a parking garage with approximately 476 parking spaces (the “Amended Project”);

**WHEREAS**, the Amended Project has elements different from the Original Project and requires an amendment to the Establishment Ordinance, the Local Participation Agreement and the Development Plan, which were both exhibits to the Establishment Ordinance;

**WHEREAS**, the Amended Project, which qualifies as a development area under the Act, will involve new capital investment of approximately \$275 million when fully developed, of which approximately \$59.2 million is related to public infrastructure costs, including site and utility work, streetscape/sidewalks, and a parking garage, and for a pledge of state incremental revenues under one of the State Participation Programs as provided in the Act;

**WHEREAS**, the Project has a residential use that comprises at least fifty percent (50%) of the total finished square footage of the proposed Project;

**WHEREAS**, in accordance with the provisions of the Act, an Amended and Restated Development Plan for the Development Area has been prepared and a public hearing has been conducted to seek public comment on the Development Plan;

**WHEREAS**, the Council finds that the Amended Project to be undertaken in the Development Area by the Developer will further the public purposes identified in the Act by increasing the value of property located in the Development Area, increasing employment within the Development Area, Louisville and the region and increasing the tax base of Louisville;

**WHEREAS**, it is therefore in the interest of Louisville/Jefferson County Metro Government (“Louisville Metro”) and Metro Development Authority, Inc. (the “Authority”) that there be a plan for the optimal revitalization and development of the Development Area in a most efficient manner;

**WHEREAS**, the redevelopment of previously developed land, within the meaning of the Act and as presented by the Developer and the Authority, enables Louisville Metro and the Commonwealth to use tax increment financing to encourage major economic development projects and is a worthy public purpose;

**WHEREAS**, Louisville Metro is authorized under the Act to execute a local participation agreement with an agency in acknowledgement of benefits to be derived by Louisville Metro within a development area in order to promote the public purpose of Louisville Metro;

**WHEREAS**, the Authority is organized and incorporated as a nonprofit, nonstock corporation pursuant to KRS Chapters 58 and 273 to act as an “Agency” under the Act; and

**WHEREAS**, Louisville Metro has determined that based on the benefits to be derived from the Amended Project that it is in furtherance of its public purposes to assist Developer, through the Authority, with the costs of the Project and agrees

to enter into the Amended and Restated Local Participation Agreement in order to pay to the Authority the Released Amount (as hereinafter defined) for use solely for purposes of the Project.

**NOW, THEREFORE, BE IT ORDAINED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT AS FOLLOWS:**

**SECTION I:** All statements of fact set forth in the recitals to this Ordinance are found true and correct and incorporated herein by reference.

**SECTION II:** That the Establishment Ordinance is amended as follows:

- A. That Exhibit A is deleted and Exhibit A-1, which is the Amended and Restated Development Plan, is adopted.
- B. That Exhibit C is deleted, and the Mayor is authorized to negotiate and enter into the Amended and Restated Local Participation Agreement substantially in the form attached hereto as Exhibit C-1.
- C. All references in the Establishment Ordinance and this Ordinance to the Development Plan shall mean the Amended and Restated Development Plan, as adopted herein as Exhibit A-1.
- D. All references in the Establishment Ordinance and this Ordinance to the Local Participation Agreement shall mean the Amended and Restated Local Participation Agreement, in substantially the same form as in Exhibit C-1.
- E. Section II, Paragraph G of the Establishment Ordinance is deleted in its entirety and replaced with the following:

The public benefits of redeveloping the Development Area justify the public costs proposed. The investment in the Development Area will result in significant returns through increased property valuations for the surrounding area and facilitate secondary and tertiary re-development within the area. The Development Area has a 2024 taxable assessment of approximately \$7,525,000, which generates \$33,110 in ad valorem real property taxes to Louisville Metro. The Development Area also currently does not generate any occupational license fees to Louisville Metro. The Project will increase capital investment by approximately \$275 million, which will provide significant new taxes to Louisville Metro and the other taxing districts. While Louisville Metro will pledge 80% of the incremental increase of the (i) local ad valorem real property taxes from the Development Area, up to a cap of the product of \$33,302,249 multiplied by the “Project Completion Percentage” (as that term is defined in the Local Participation Agreement) and (ii) occupational withholding fees from the Development Area, up to a cap of the product of \$6,148,538, multiplied by the Project Completion Percentage, it will retain 20% of the new incremental increase of the local ad valorem real property taxes and occupational withholding fees from the Development Area. Therefore, even when considering the requested incentives for the Project from Louisville Metro, the Project will be financially beneficial to Louisville Metro. The Project will also serve as a catalyst for additional development in the area surrounding the Development Area. The Developer has also committed to a community benefits agreement, which

will be memorialized in a Memorandum of Understanding (“MOU”) substantially similar to the draft MOU attached as Exhibit D.

F. Section II, Paragraph H of the Establishment Ordinance is deleted in its entirety and replaced with the following:

While the area immediately surrounding the Development Area has been subject to growth and development through private investment, there are special circumstances within the Development Area that would prevent its development without public assistance; specifically, the high cost of public infrastructure improvements needed to redevelop the Development Area, which are expected to cost approximately \$59.2 million out of the total capital investment of approximately \$275 million, and include site and utility work, streetscape/sidewalks, and a parking garage.

**SECTION III:** This Ordinance shall take effect upon its passage and approval or otherwise becoming law.

\_\_\_\_\_  
Sonya Harward  
Metro Council Clerk

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Brent Ackerson  
President of the Council

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Craig Greenberg  
Mayor

\_\_\_\_\_  
Approval Date

**APPROVED AS TO FORM AND LEGALITY:**

Michael J. O’Connell  
Jefferson County Attorney

By: \_\_\_\_\_

## **Exhibits**

- A-1. Development Plan
- C-1. Map of Development Area

**EXHIBIT A-1**  
**AMENDED AND RESTATED DEVELOPMENT PLAN**

**EXHIBIT C-1**

**AMENDED AND RESTATED LOCAL PARTICIPATION AGREEMENT**