

ORDINANCE NO. 113, SERIES 2026

AN ORDINANCE (A) AMENDING THE LOUISVILLE ARENA ZONE TO REMOVE THE NEW DEVELOPMENT AREA, (B) ESTABLISHING A NEW DEVELOPMENT AREA PURSUANT TO PROVISIONS OF KRS 65.490-65.499 TO BE KNOWN AS THE BASEBALL NEW DEVELOPMENT AREA, APPROVING ENTERING INTO TWO GRANT CONTRACTS, AUTHORIZING THE PAYMENT OF THE "RELEASED AMOUNT" PURSUANT TO THE TERMS AND CONDITIONS OF THE GRANT CONTRACTS, 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 (AS AMENDED).

SPONSORED BY: COUNCIL MEMBER HERNDON

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the "Council") enacted Ordinance No. 226, Series 2006 ("2006 Ordinance") establishing a development area (the "Development Area") pursuant to KRS 65.490 through KRS 65.499 (the "Act") and referred to as the "Louisville Arena Zone" in order to provide tax increment financing for the Louisville Arena Project;

WHEREAS, the 2006 Ordinance was amended by Ordinance No. 179, Series, 2007, Ordinance No. 75, Series 2008 and Ordinance No. 179, Series 2013 (collectively, the "Louisville Arena Zone Ordinance");

WHEREAS, the Louisville Arena Authority, Inc. ("LAA") and the Commonwealth of Kentucky (the "Commonwealth") entered into a Grant Contract with an effective date of December 17, 2006, as amended by an Amended and Restated Grant Contract with an effective date of February 1, 2007, a Second Amended and Restated Grant Contract with an effective date of November 16, 2007, a Third Amended and Restated Grant Contract with an effective date of June 26, 2008, a Fourth Amended and Restated Grant Contract

with an effective date of September 15, 2011, a Fifth Amended and Restated Grant Contract with an effective date as of January 15, 2014 and a Sixth Amended and Restated Grant Contract with an effective date as of November 9, 2017 (as amended, the "Grant Contract"), providing for, among other things, the payment of tax increments generated by the Louisville Arena Zone from the Commonwealth to the LAA;

WHEREAS, the Kentucky General Assembly recently amended the Act to allow the Louisville Arena Zone to be amended to carve out a new development area, and to create a new development area, pursuant to KRS 65.490 through KRS 65.499;

WHEREAS, MGI Louisville, LLC, a Texas limited liability company, its affiliates and assigns (collectively, the "Developer") plans to undertake a major project at 503 Franklin Street (Parcel ID No. 18D-0001-0000), Unaddressed E. Witherspoon Street (Parcel ID No. 18D-0025-0000), 501-504 Franklin Street (Parcel ID No. 18E-0022-0000), Unaddressed Franklin Street (Parcel ID No. 18E-0064-0000), Unaddressed Jackson Street (Parcel ID No. 18E-0063-0000), 501 E. Main Street (Parcel ID No. 18E-0051-0000), 304 Jackson Street (Parcel ID No. 18E-0053-0000), 302 Jackson Street (Parcel ID No. 18E-0055-0000), 100 N. Hancock Street (Parcel ID No. 18E-0050-0000), 300 Jackson Street (Parcel ID No. 18E-0054-0000), Unaddressed Franklin Street (Parcel ID No. 18E-0020-0000) and Unaddressed ~~Franklin~~Jackson Street (Parcel ID No. 18E-0016-0000) in the City of Louisville, Kentucky, a map and the legal description of which are attached as Exhibit A and hereby incorporated by reference (collectively, the "Baseball New Development Area"), which is currently located within the Louisville Arena Zone and is currently a parking lot next to Slugger Field;

WHEREAS, the major project proposed by the Developer in the Baseball New Development Area includes (i) between 225 and 300 multi-family dwelling units; (ii) a parking structure to support the residential units, containing approximately 89 parking spaces; (iii) a hotel containing between 134 and 180 rooms; (iv) between 38,800 and 50,000 square feet of office space; (v) between 18,000 and 22,000 square feet of retail space; (vi) a garage to be owned and operated by PARC containing no fewer than 575 parking spaces; and (vii) other public infrastructure improvements (collectively, the “Project”), and is anticipated to involve new capital investment up to \$275 million when fully developed;

WHEREAS, the Baseball New Development Area qualifies as a new development area under the Act;

WHEREAS, ten percent (10%) of the incremental revenues from the Baseball New Development Area would go to the LAA, which would increase the benefit to the Louisville Arena Zone;

WHEREAS, the Louisville Metro Development Authority, Inc. (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;

WHEREAS, the provisions of the Act authorize a pilot program whereby anticipated or realized increases in tax revenues (“increments”) resulting from the increase in property values and employment within a development area and meeting certain other requirements are utilized for revitalization projects within the area as a result of grants issued by the Commonwealth derived from such increments;

WHEREAS, the Legislative Council of the Louisville/Jefferson County Metro Government (the “Council”) finds that the Project to be undertaken in the Baseball New Development Area by the Developer will further the public purposes identified in the Act by increasing the value of property located in the Baseball New Development Area, increasing employment within the Baseball New Development Area, Louisville and the region and increasing the tax base of Louisville;

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; and

WHEREAS, Louisville Metro has determined that based on the benefits to be derived from the 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 a Grant Contract in order to pay to the Authority (and, in turn, the Developer), the Released Amount (as hereinafter defined) for use solely for purposes of the Project, and further agrees to enter into a Grant Contract with the LAA in order to pay to the LAA the LAA Released Amount (as herein after defined).

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

SECTION I: The Louisville Arena Zone is hereby amended to remove the Baseball New Development Area, as contemplated and empowered by the Act;

SECTION II: The Baseball New Development Area is hereby established as a new development area, as contemplated and empowered by the Act.

SECTION III: Unless the context otherwise requires, terms used in this Ordinance shall have the same meanings as in Louisville Arena Zone Ordinance

SECTION IV: That the Council finds as follows:

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

B. The Baseball New Development Area is located within 10 miles of the central business district of Louisville Metro and shall be within one (1) mile of one (1) or more economic development assets having employers, with at least one thousand (1,000) employees, who will leverage and promote investment in the zone required by the Act.

C. The Baseball New Development Area has adequate roads, sewers, water, rail service and an interstate highway exchange directly available.

D. At least fifty percent (50%) of the Baseball New Development Area is composed of land that is a brownfield site or other land compatible for industrial or commercial uses to permit and facilitate redevelopment and reuse of land in the Baseball New Development Area compatible with adjacent economic development assets.

E. The Development Area will not reasonably be redeveloped without public assistance, including incentives as provided by the Act. The high cost of site redevelopment expenses needed for the Project makes public incentives critical to the financing of the Project.

F. The pledge and use of a portion of Louisville Metro's incremental revenues, as defined in the Act, derived from the Baseball New Development Area to provide redevelopment assistance to the Project and to the Louisville Arena Zone, and

the Baseball New Development Area will increase capital investment in Louisville Metro, and therefore constitutes a public purpose.

SECTION V: That the Authority is hereby designated as an “agency” for purposes of KRS 65.490 through KRS 65.499 for tax increment financing and public project development within the Baseball New Development Area;

SECTION VI: the Mayor is authorized to negotiate and enter into a grant contract with the Authority for the release to the Authority (and, in turn, the Developer) of a portion of the new occupational license taxes on wages expected to be derived by Louisville Metro from the Project to be constructed in the Baseball New Development Area, up to a cap of \$30 million (“Released Amount”);

SECTION VII: That the Mayor is authorized to negotiate and enter into a grant contract with the LAA for the release to the LAA of a portion of the new occupational license taxes on wages expected to be derived by Louisville Metro from the Project to be constructed in the Baseball New Development Area (“LAA Released Amount”);

SECTION VIII: That the Office of Management and Budget (“OMB”) is designated as the department in Louisville Metro to oversee the payment of the Released Amount and the LAA Released Amount and to review all documentation concerning the Project, its progress, costs and development. OMB shall annually submit to the Council a report concerning the Baseball New Development Area (“Report”). The Developer shall provide to OMB, on a timely basis, all information required by OMB to prepare the Report. The Report shall include but not be limited to:

A. An accounting of all payments made to the Authority pursuant to the Grant Contract;

B. An accounting of all payments made to the LAA pursuant to the LAA Grant Contract;

C. An analysis and review of development activity within the Baseball New Development Area; and

D. The progress made toward meeting the stated goals of the Baseball New Development Area.

SECTION IX: That the Council authorizes Louisville Metro to pay annually to the Authority, the Released Amount which shall be calculated as provided in the Grant Contract, not to exceed a sum equal to 80% of the Louisville Metro occupational license tax increment (as the term increment is defined in the Act) subject to the following condition: in no event shall the total of the Released Amount paid to the Authority over the term of the Grant Contract exceed \$30 million;

SECTION X: That the Council authorizes Louisville Metro to pay annually to LAA, the LAA Released Amount, which shall be provided as calculated in the LAA Grant Contract, not to exceed a sum equal to 10% of the Louisville Metro occupational license tax increment (as the term increment is defined in the Act);

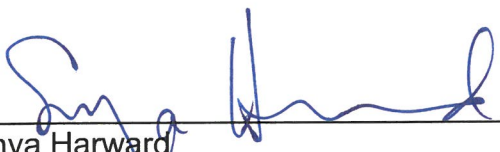
SECTION XI: That the Mayor and other appropriate Louisville Metro officials, and each of them, for and on behalf of Louisville Metro, are hereby authorized, empowered and directed to do and perform any and all things necessary to effect the execution of the Grant Contract and the LAA Grant Contract, the performance of all obligations of Louisville Metro under and pursuant to the Grant Contract, the LAA Grant Contract and related documents, and the performance of all other actions of whatever nature necessary to effect and carry out the authority conferred by this Ordinance, the Grant Contract and

the LAA Grant Contract. The Mayor and other appropriate Louisville Metro officials, and each of them, are hereby further authorized, empowered and directed for and on behalf of Louisville Metro to execute all papers, letter, documents, undertakings, certificates, assignments, forms, instruments and closing papers that may be required for the carrying out and effectuation of the authority conferred by and for the purposes of this Ordinance, the Grant Contract, and the LAA Grant Contract, or to evidence said authority and purposes, and to exercise and otherwise take all action necessary to the full realization of the rights and purposes of Louisville Metro under the Grant Contract, the LAA Grant Contract and related documents and to perform all of the obligations of Louisville Metro under the Grant Contract, the LAA Grant Contract and related documents.

It is a condition precedent to the effectiveness of this Ordinance that the amendment of the Louisville Arena Zone to remove the Baseball New Development Area is approved by the Kentucky Economic Development Finance Authority, the LAA, and the insurer of any bonds issued for the benefit of the LAA.

SECTION XII: The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

SECTION XIII: This Ordinance shall take effect upon its passage and approval or otherwise becoming law and the satisfaction of the conditions precedent set forth in Section XI hereof.



Sonya Harward
Metro Council Clerk

Brent Ackerson
President of the Council



Craig Greenberg
Mayor

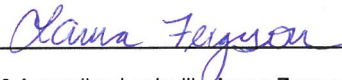
07-01-2026

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O'Connell
Jefferson County Attorney



BY: 

O-180-26 Amending Louisville Arena Zone and Establishing Baseball New Development Area (as amended) 6-108-26 (If)

EXHIBIT A

MAP OF BASEBALL NEW DEVELOPMENT AREA

LEGAL DESCRIPTION

Tract 1: 503 Franklin Street (Parcel ID 18D-0001-0000)

Beginning at the Northeast corner of Franklin and Jackson Streets; running thence Eastwardly along the North side of Franklin Street, 180 feet to the Southwest corner of the lot conveyed to John C. Morehead, by Deed dated April 23, 1953, of record in Deed Book 3007, Page 564, in the Office of the Clerk of Jefferson County, Kentucky, and extending back Northwardly of the same width to the South line of Water Street, or the South line of the Louisville and Nashville Railroad Company, if the South line of the Louisville and Nashville Railroad Company is South of the South line of Water Street, the Easterly line being coincident with the Westerly line of the lot conveyed to Morehead as aforesaid, and measuring 180 feet, more or less, the West line being coincident with the East line of Jackson Street.

Also included is the adjoining portions of Franklin and Jackson Streets closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 2: Unaddressed E. Witherspoon Street (Parcel ID 18D-0025-0000)

Being Lot 1, containing 12,448.2 square feet, as shown on a Plat attached to a Deed dated September 16, 1998, of record in Deed Book 7107, Page 737, and re-recorded in Deed Book 7132, Page 824, both in the Office aforesaid.

Also included is the adjoining portion of Franklin Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 3: 501-504 Franklin Street (Parcel ID 18E-0022-0000)

Beginning at a point on the South side of Franklin Street, 210 feet East of Jackson Street; thence Eastwardly with the South line of Franklin Street, 110 feet and extending back Southwardly of that width throughout, between lines parallel with Jackson Street, 232 feet.

Also included is the adjoining portion of Franklin Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

EXCLUDING THEREFROM so much as was conveyed to Commonwealth of Kentucky for the use and benefit of the Department of Highways, by Deed dated November 13, 1963, of record in Deed Book 3891, Page 75, in the Office of the Clerk of Jefferson County, Kentucky.

Tract 4: Unaddressed Franklin Street (Parcel ID 18E-0064-0000)

Beginning on the South side of Franklin Street, 105 feet East of Jackson Street; running thence Eastwardly along the South side of Franklin Street, 105 feet and extending back

Southwardly of the same width, between lines parallel with Jackson Street, 150 feet to an alley.

Also included is the 12 foot alley closed in Action No. 312231, Jefferson Circuit Court on January 14, 1949.

Also included is the adjoining portion of Franklin Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 5: Unaddressed Jackson Street (ID 18E-0063-0000)

Beginning at a point 60 feet, more or less, North of Washington Street, as measured on a line parallel with Jackson Street and 105 feet East of Jackson Street, as measured on a line parallel with Washington Street; said point also being in the Northern line of the lot conveyed by Louisville Gas Company to J.C. Davis, Trustee, by Deed dated July 20, 1901, and recorded in Deed Book 558, Page 152, in the Office of the Clerk of Jefferson County, Kentucky; thence Eastwardly with the Northern line of said Lot, 105 feet and extending back Northwardly of that width, between lines parallel with Jackson Street, 90 feet, more or less, to an alley.

Also included is the 12 foot alley closed in Action No. 312231, Jefferson Circuit Court on January 14, 1949.

Tract 6: 501 E. Main Street (ID 18E-0051-0000)

Beginning at the intersection of the East line of Jackson Street with the North line of Washington Street; thence with the North line of Washington Street, South 82 degrees 10 minutes 30 seconds East 383.17 feet to the intersection of same with the West right-of-way line of Interstate 65 (Commonwealth of Kentucky); thence with same North 7 degrees 55 minutes 50 seconds East 85 feet; thence North 82 degrees 10 minutes 30 seconds West 63.23 feet; thence South 7 degrees 53 minutes 41 seconds West 5.0 feet; thence North 82 degrees 10 minutes 30 seconds West 110 feet; thence South 7 degrees 53 minutes 41 seconds West 20 feet; thence North 82 degrees 10 minutes 30 seconds West to a point in the above mentioned East line of Jackson Street; thence with said line of Jackson Street, South 7 degrees 53 minutes 41 seconds West 60 feet to the point of beginning, Washington Street subsequently closed and North half (30 feet wide) added.

Also included is the adjoining portion of Jackson Street closed June 17, 2025 pursuant to Ordinance No. 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 7: 304 Jackson Street (Parcel ID 18E-053-0000)

Beginning at the Southeasterly corner of Jackson and Washington Streets; thence with the South line of Washington Street, South 82 degrees 10 minutes 30 seconds East 383.13 feet to the West line of Tract 87-C conveyed to Commonwealth of Kentucky, by Deed of record in Deed Book 3819, Page 66, in the Office of the Clerk of Jefferson County, Kentucky; thence with the West line of same, South 7 degrees 55 minutes 50 seconds

West 24 feet to a point which is 180 feet North of the North line of Main Street; thence North 82 degrees 09 minutes 43 seconds West and parallel with Main Street 383.11 feet to the East line of Jackson Street; thence with the East line of same, North 7 degrees 53 minutes 41 seconds East 23.91 feet to the beginning.

Also included is the adjoining portion of Jackson Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 8: 302 Jackson Street (Parcel ID 18E-0055-0000)

Beginning at a point in the East line of Jackson Street, said point being 180.00 feet North of the North line of Main Street; thence with a line parallel to Main Street, South 82 degrees 09 minutes 43 seconds East 383.11 feet to the West line of I-65; thence with said West line, South 7 degrees 55 minutes 50 seconds West 9.75 feet to a point in the North line of property conveyed to Louisville Scrap Material Co., Inc., of record in Deed Book 4891, Page 587, in the Office of the Clerk of Jefferson County, Kentucky; thence with said North line, North 82 degrees 07 minutes 41 seconds West 383.11 feet to the East line of Jackson Street; thence with said East line, North 7 degrees 53 minutes 41 seconds East 9.52 feet to the point of beginning.

Also included is the adjoining portion of Jackson Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 9: 100 N. Hancock Street (Parcel ID 18E-0050-0000)

Being Tract 1, as shown on the plat approved by the Louisville and Jefferson County Planning Commission, attached to and made a part of Deed dated July 29, 1983, of record in Deed Book 5366, Page 167, in the Office of the Clerk of Jefferson County, Kentucky.

Tract 10: 300 Jackson Street (Parcel ID 18E-0054-0000)

Beginning at a point marked by an iron pin in the Northerly line of Main Street (90 feet wide) at its intersection with the Easterly line of Jackson Street (60 feet wide); thence along the Easterly line of Jackson Street, N 7 degrees 53 minutes 41 seconds East 170.48 feet to a stake; thence leaving said Easterly line of Jackson Street South 82 degrees 07 minutes 41 seconds East 94.50 feet to a stake; thence South 7 degrees 53 minutes 41 seconds West 170.42 feet to an iron pin in the Northerly line of Main Street; thence along the Northerly line of Main Street, North 82 degrees 09 minutes 43 seconds West, 94.50 feet to the point of beginning, and being Tract No. 2 as shown on the minor subdivision plat, approved by the Louisville and Jefferson County Planning Commission, attached to and made a part of the Quitclaim Deed dated July 29, 1983 and recorded in Deed Book 5366, Page 167, in the Office of the Clerk of Jefferson County, Kentucky.

Also included is the adjoining portion of Jackson Street closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 11: Unaddressed Franklin Street (Parcel ID 18E-0020-0000)

Beginning at the Southeast corner of Franklin and Jackson Streets; running thence Eastwardly along the South side of Franklin Street, 105 feet, and extending back southwardly of the same width; the West line binding on the East line of Jackson Street, 150 feet to an alley.

Also included with said parcel is the 12 foot alley closed in Action No. 312231, Jefferson Circuit Court on January 14, 1949.

Also included is the adjoining portions of Franklin and Jackson Streets closed June 17, 2025 pursuant to Ordinance 73, Series 2025, of record in Deed Book 13101, Page 846, in the Office aforesaid.

Tract 12: Unaddressed Jackson Street (Parcel ID 18E-0016-0000)

Beginning on the East side of Jackson Street, 60 feet, more or less, North of Washington Street, said point begin also the Northwest corner of a lot conveyed by the Louisville Gas Company to J.C. Davie, Trustee, by Deed dated July 20 1901, and recorded in Deed Book 558, Page 152, in the Office of the Clerk of Jefferson County, Kentucky; thence Eastwardly with the Northerly line of said lot 105 feet; thence Northwardly, in a line parallel with Jackson Street, 90 feet, more or less, to the beginning.

Also included is the 12 foot alley closed in Action No. 312231, Jefferson Circuit Court on January 14, 1949.