Application Instructions for the Kentucky Tourism Development Act Incentive Program



July 2025

This document provides instructions for those interested in applying for incentives under the Kentucky Tourism Development Act (KTDA) for the development, expansion or renovation of tourism projects in the Commonwealth. This incentive provides applicants the opportunity to recover up to 25 percent of approved costs over a 10 year term through the recovery of incremental sales tax generated by the project. The recovery increases to up to 50 percent of development costs over a 20 year term for certain types of projects.*

Prior to completing this application, please review the applicable Kentucky Revised Statutes (KRS) 148.850 to 148.860 at:

(https://apps.legislature.kv.gov/law/statutes/chapter.aspx?id=37710).

The completed application and required attachments need to be submitted electronically to:

Kimberly Gester, Director of Tourism Development Kentucky Department of Tourism 500 Mero Street, Fifth Floor Frankfort, KY 40601

Telephone: (502) 892 3198 Email: kimberly.gester@ky.gov A Microsoft Word version of this application can be requested from Kimberly Gester

Required Attachments

The following items must be included for the application to be considered complete.

- ☐ The Tourism, Arts and Heritage Cabinet Economic Incentive Disclosure Statement (attached) ☐ Business Plan
 - **Business history**

 - Marketing plan
- □ Business Financial Information
 - For existing businesses, audited financial statements or tax returns for past three years
 - Interim financial statement within 90 days
 - Projections for new project. Include quarterly income statement, balance sheet and cash flow for three years, plus assumption/notes. For an existing tourism development project planning an expansion or renovation, provide projections with and without the proposed expansion or renovation.

^{*} Projects that may be eligible recover up to 50 percent of eligible costs over 20 years include lodging facilities built on state or federal recreational property, Kentucky Horse Park property or Kentucky State Fair Board property; tourism attraction projects located in an enhanced incentive county with a population of 20,000 or less; and lodging facilities that meet the criteria described in KRS 148.851(15)(b) and KRS 148.853(2)(e).

- A detailed explanation on the economic impact of the project, which includes how the tourism development project:
 - Shall have costs in excess of that required by statute;
 - Shall be open to the public for the minimum number of days per year as required by statute;
 - Shall attract the required share of visitors from among persons who are not residents of the Commonwealth;
 - Shall not adversely affect existing employment in the Commonwealth or be in direct competition with an existing tourism development project; and,
 - Shall produce tax revenues exceeding the requested sales tax refund amount.
- ☐ Ownership and Key Management Information
 - Resumes of owners identified in Question 13 and other key management
 - Authorization to investigate credit
 - Certificate of Existence or Certificate of Good Standing from Kentucky Secretary of State
 - For companies incorporated in another state, a Certificate of Existence or Certificate of Good Standing from that state
- □ Applicant shall submit a separate version of the application and required attachments with information considered proprietary or confidential redacted. If the application is requested through an Open Records Request, this version may be used based on determinations found in KRS 61.870 through 61.884.

The Kentucky Tourism Development Finance Authority (KTDFA) has the authority per <u>KRS</u> <u>148.850</u> to impose and collect fees it deems necessary for the preparation and administration of agreements and documents necessary or incidental to any project. The following non-refundable fees will be incurred as a result of participating in the KTDA process:

- Application Fee The KTDFA requires a \$1,000 application fee payable upon execution of the Memorandum of Agreement after receiving preliminary approval by the KTDFA.
- Consultant Fee After receiving preliminary approval by the KTDFA, KRS 148.855 requires that the Tourism, Arts and Heritage Cabinet engage an independent, third party consultant to review the application and related information and prepare a written report that determines if the proposed project meets the requirements outlined in KRS to qualify for incentives.
- Administrative Fee The KTDFA requires an administrative fee equal to one-tenth of one percent (0.1%) of the maximum incentive amount authorized in the Tourism Development Agreement. This fee is payable upon execution of the Tourism Development Agreement after receiving final approval by the KTDFA. If the approved costs, as finally determined, are adjusted upward, the administrative fee will increase accordingly.
- Attorney Fees Legal fees associated with any expenses incurred by the KTDFA's counsel for the project are payable by the approved company upon execution of the Tourism Development Agreement.

Application for Kentucky Tourism Development Act Incentive Program



July 2025

Date of Application / Revision	(if any) Project Na	ame
Contact Person		
contact reison		
Name	Telephone	Email
, , , , , , ,	east one of the following 18.853: on center project, tion attraction project,	ment Act (KTDA) funds must meet the g tourism development projects as
as a new stand-alone projectAny tourism development p	ct. Project shall not be eligi ensive, or deemed to ha alth.	development shall in all cases be treated ible for incentives if it includes material ave a negative impact on the tourism
Tourism Development Pro Indicate type(s) of tourism development ☐ Tourism attraction project (oject Type elopment project being	g submitted.
☐ A cultural or historic site ☐ A recreational facility (K ☐ An entertainment facility ☐ An area of natural phen ☐ A Kentucky crafts and p	e; (<u>RS 148.851(18)</u>); y; omenon or scenic beau	• •
☐ Lodging facility that meets of ☐ Is located on recreation federal government;	_	iteria (<u>KRS 148.851(15)(a)</u>): eased by the Commonwealth or the

	Involves the restoration or rehabilitation of a structure that:
	Is listed individually on the National Register of Historic Places; or Is leasted in a National Register Historic Places; or
	Is located in a National Register Historic District; and is partified by the Kentucky Haritage Council as contributing to the historic
	is certified by the Kentucky Heritage Council as contributing to the historic
	significance of the district, and the rehabilitation or restoration of the structure has
	been approved in advance by the Kentucky Heritage Council;
_	Note: Please include the letter from the Kentucky Heritage Council with application.
Ш	Is an integral part of a major convention or sports facility;
	Indicate name and address of convention or sports facility below:
	In located.
	Is located: Within a 50-mile radius of a property listed on the National Register of Historic
	Within a 50 fille radias of a property listed on the National Register of Historie
	Places with a current function of recreation and culture; and In any of the 100 least-populated counties in the Commonwealth, in terms of
	in any of the 100 least populated countries in the commonwealth, in terms of
	population density, according to the most recent census; Indicate name and address of property on the National Register below:
	Thursdate fiame and address of property of the National Register below.
_	
Ш	Is located on property:
	 Owned by the Commonwealth, or leased by the Commonwealth from the federal
	government;
	 Acquired for use in the state park system; and
	 Operated by the Kentucky Department of Parks or the Kentucky Horse Park
_	Commission;
	 Owned or leased by the federal government and under the control of the
	Department of the Interior or
	 Owned by the Commonwealth and in the custody of the State Fair Board;
	1 , , , , , , , , , , , , , , , , , , ,
	theme restaurant destination attraction project and the full-service lodging facility
	represents less than 50 percent of the total eligible costs; or
	Has not less than 500 guest rooms; or
	Meets the criteria of KRS 148.851(15)(b):
	■ Is located
	 In any of the 100 least-populated counties in the Commonwealth, in terms of
	population density, according to the most recent decennial census;
	• In a county the boundaries of which:
	Include, in part, the boundaries of a designated national forest; or
	 Are adjacent to or include a portion of parallel reservoirs of water
	surrounding a national recreation area;
	 Within an enhanced incentive county and will create at least 50 new full-time
	jobs within that county; and
	 Within one-half mile of a state resort park.
	 Has a capital investment of at least \$100 million; and
	Contains accommodations for:
	 A minimum of 100 guest rooms, cabins or rental units;
	Relaxation, including a spa;
	 More than one on-site dining facility; and

	 More than one meeting or event space. 									
	☐ Entertainment destination center (see <u>KRS 148.853(2)(b)</u>)									
	☐ Theme restaurant destination attraction (see <u>KRS 148.853(2)(c)</u>)									
2.	 Project Description Please provide a detailed description of the project (box can be expanded if needed): 									
	Project Address									
	Chusek	C:t-	Carrata	7:						
	Street	City	County	Zip						
	Is the project located in a state tax inc ☐ Yes ☐ No	crement finance (TI	F) district? Check a	ddress <u>here</u> .						
	Is the project a new operation? ☐ Yes Answer Question 3 and	skip Question 4								
	Is the project an expansion, renovatio ☐ Yes Skip Question 3 and an		f an existing facility	?						
	Does the project involve the relocation ☐ Yes ☐ No	of an existing facili	ity?							
	If yes, please explain:									
	Will the tourism development project t □ Every day □ Se	oe open asonally	□ Scheduled	d events only						
	If open seasonally or for scheduled events only, how many days a year will the project be open to the public?									
3.	New Project Information Complete this section if the project con	nstitutes a <u>new</u> proj	ect or location. Ski	p Question 4.						
	Project site (acres)	Total size	of facilities (sf)							

	If you own the site indicate: Date of purchase Purchase price \$
	Is there a mortgage? ☐ Yes ☐ No
	If yes, who holds the mortgage and what is the current balance? Mortgage holder Balance \$
	If you lease the site, indicate owner of the property: Owner of property Address
	Lease terms: List terms, monthly rent and length of lease.
	Is there an option or contract to purchase the property? ☐ Yes → ☐ Option ☐ Contract ☐ No
4.	Expansion/Renovation/Rehabilitation of Existing Project Information Complete this section only if the applicant is <u>expanding</u> , <u>renovating or rehabilitating</u> an existing Kentucky facility. New projects should answer Question 3.
	Did the original project receive Tourism Development Act incentives? \Box Yes \Box No
	If yes, indicate when the project received final approval from the KTDFA:
	Present acreage (acres) Present square footage
	Increased new acreage Increased square footage
	If you own the site indicate: Date of purchase Purchase price \$
	Is there a mortgage? □ Yes □ No
	If yes, who holds the mortgage and what is the current balance? Mortgage holder Balance \$
	If you lease the site, indicate owner of the property: Owner of property Address
	Lease terms: List terms, monthly rent and length of lease.

	Lease terms after ex	rpansion/renovation:						
	Is there an option or ☐ Yes → ☐ Opt ☐ No	contract to purchase the property?						
5.	Project Financial Information Please provide estimated project costs below for the acquisition, construction, equipping, and installation of the proposed tourism development project. Only those costs associated with tourism components of a project should be included. Enter the total estimated tourism project cost below. For projects with multiple stand-alone components such as a hotel, amphitheater, restaurant, gift shop, etc., include the cost of each in an attachment using the format below. Please do not alter the categories below without consulting staff. Total Estimated Tourism Project Cost							
		Land or lease						
		Building (new construction/ additions)						
		,						
		Improvements (existing buildings)						
		Equipment						
		Exhibits						
		Building fixtures						
		Architectural and engineering						
		Public infrastructure						
		Other (please identify)						
		Total project costs						
		KTDA sales tax refund requested*						
		nnot exceed 25 percent of total proje p to 50 percent of eligible costs over						

eligible to recover up to 50 percent of eligible costs over 20 years such as lodging facilities built on state or federal recreational property, Kentucky Horse Park property or Kentucky State Fair Board property; tourism attraction projects located in an enhanced incentive county with a population of 20,000 or less; and lodging facilities that meet the criteria described in KRS 148.851(15)(b).

For Entertainment Destination Centers, there is the additional stipulation that the tax refund cannot exceed total approved public infrastructure costs. Include documentation on how the project conforms to KRS 148.853(2)(b) and provide a detailed explanation of public infrastructure costs identified in Question 5.

Proposed Tourism Project Financing

	-	•		_	
	Source:				
	Bank loan				
	Bond issue				
	Other (list be	elow):			
	Equity				
	Total sourc	es of funds			
For this tourism developm such as state tax increments state historic rehabilitation Yes No	<u>nt finance</u> (TII				
If yes, please indicate proneeded):	gram, agency	and amount	requested (box	can be exp	oanded if
Has applicant previously p programs? □ Yes □ No	articipated in	the KTDA pro	gram or other	Kentucky ir	ncentive
If yes, please indicate proneeded):	gram, agency	, amount and	approximate o	late (box ca	ın be expanded i
Construction Construction timeline Project start date		Anticipated	project comple	etion date	

6.

List contractor, if known			
Contractor			
Mailing Address			
Street or P.O. Box	City	State	Zip
Contact Person			
Name	Email	Telephone	

7. Employment Projections

Please provide estimated employment associated with the tourism components of the proposed project.

	Full Time	Part Time	Full Time Equivalent* of Part Time	Total Full Time and Full Time Equivalent*
Current jobs at project location				
New jobs to be created two years after project completion				
Total jobs				

^{*} Full time equivalent = 1,750 hours worked per year

8. Attendance Projections

For <u>expansion or renovation</u> projects, provide attendance for the past five years by category.

	Year	Kentucky Visitors	Out of State Visitors	Total Visitors	Percent Out of State
1					
2					
3					
4					
5					

For <u>all</u> projects, provide projected attendance figures for the first five years by category upon completion of project.

		Kentucky	Out of State	Total	Percent
	Year	Visitors	Visitors	Visitors	Out of State
1					
2					
3					
4					

	5								
	What method	did y	ou use to ar	rive at	t these proje	ections?			
9.	Marketing Do you have a ☐ Yes	a marl □ No		,					
	If yes prepar	ed by	:						
	Does your ma ☐ Yes	ırketin □ No		de adv	vertising?				
	If your plan d	oes no	ot currently	includ	e advertisin	g, what f	uture ¡	olans do you	have to advertise?
	Do you have a ☐ Yes	an adv □ No		ency?					
	If yes, provid	de nar	ne and addı	ress:					
	What is the p	oropos	sed advertis	ing bu	dget for firs	t five yea	ars?	\$	
	What percent Yea		e in-state a % In St		of-state ad % Out of	_	?		
	1		70 111 00		70 040 01				
	Please identify average expe		types of me	dia yo	u plan to us	e and the	eir perd	centages as b	ased on an annual
	Television		%	Mag	azine			9/	Ó
	Radio		%	Oth	er (list)				
	Newspaper		%					9/	0
	Facebook		%					9/	0
	Instagram		%					9/	Ó

	Please id	dentify th	e prima	ry geograp	hic ma	rkets from v	which y	our project	will draw custome	ers:
	What m	ethod did	you us	e to arrive	at the	se markets?				
										_
		t marketir				elations effo web page, e		other metho	ds of advertising,	such
	If yes, ic	dentify ac	lditional	methods:						
10.	A. Pleathe f	first ten y	e the fo ears of	project ope	eration		ject is	an expansio	d payroll estimate n or renovation, ir ation.	
		Yea	r	New Hir	es	Annual Pa	yroll			
	1 2									
	3									
	4									
	5 6									
	7									
	8 9									
	10									
	\//b a	t mathad	طنط برمر	co to ow	ivo at	thasa mraias	tions	!		
	VVIId	it metriou	ulu you	use to an	ive at	these projec	LUOIIS!			
					-	ct to Kentuck e Kentucky (•		e first ten years up	on
					ς ₂	les from				
		Year		es from ng Facility	Ex	pansion/ novation		from New Project	Total Sales	
	1									
	2									4

3			
4			
5			
6			
7			
8			
9			
10			

C. Estimated revenue from project subject to Kentucky sales tax by category for the first ten years upon completion of project:

	Year	Admissions	Food and Merchandise	Lodging	Other*	Total
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

^{*} Other purchases subject to Kentucky sales tax such as parking, equipment rentals, salon services, etc.

D. Estimated additional revenue your project will bring to other businesses in the community for the first ten years upon completion of project:

	Year	Revenue
1		
2 3 4 5 6 7		
3		
4		
5		
6		
7		
8		
9		
10		

What method did you use to arrive at the revenue projections in C, D and E?

	E. List any existing tourism attractions or lodging facilities in the Commonwealth similar to your proposed tourism development project:								
	Project Name and Location								
	1								
	2								
	3								
	J								
Com	npany In	formation							
			io uno odi o						
LI.	-	ny/Business Inf te Name/Business N)N					
	Corpora	te Name, Dasiness i	varric						
	Mailing I	Address							
	Street o	r P.O. Box		City		County	State	Zip	
				Kentucky Employer ID Number			- -		
	rederai	Employer ID Numb	<u>er</u>	Kentucky E	трюу	er 10 Number	NAICS Code		
	□ Yes	Does company (or parent company) have any other operations in Kentucky? ☐ Yes ☐ No ☐ yes, please list name and locations of other operations:							
L 2.	2. Taxpayer/Employer Organization □ Corporation □ Limited Liability Company □ Subchapter S □ Limited Liability Corporation □ Subchapter C □ Limited Liability Partnership □ Partnership □ Non-Profit Corporation □ Proprietorship □ Other								
	Date Bu	siness Established			Comp	any's Fiscal Year			
	State of	Corporation			-	Incorporated			
		ed Agent Name / A	ddress			,			
	Register	ou rigoric Harrie / F		L					

13.	Company Ownership Please identify the major owners of the company. Include all owners with interest in the company. For subsidiaries, identify owners of the parent company; for a public company, indicate publicly traded.								
	Name	Ad	dress	Phone Number	Social Security Number	Percent Ownership			
	Note: The KTDFA must be made aware of any changes in company ownership. Any incentives awarded shall not be transferable or assignable by the approved company without the written consent of the Authority and a passage of a resolution approving the proposed assignee of the incentives as an approved company. If any of the parties listed above have ever been convicted of any criminal offenses, been in receivership or adjudicated a bankruptcy, been denied a business related license or had it suspended or revoked by any administrative, governmental or regulatory agency, please list violation and explain:								
14.	Bank of Account								
	Bank of Account / Branch								
	Mailing Address								
			C:t- :		Chaha	7:			
	Street or P.O. Box		City		State	Zip			
	Account Officer								
	Name		Email		Telephone				
	Is bank of account also the lender for this project? ☐ Yes ☐ No								
	If no, please provide the f	ollowing:							
	Name of Project Lender	_							
	Mailing Address								

	Street or P.O. Box	City	State	Zip
	Account Officer			
	Name	Email	Telephone	
	Is the project lender also the interim \square Yes \square No	lender?		
	If no, please provide the following:			
	Name of Interim Lender / Branch			
	Mailing Address			
	Street or P.O. Box	City	State	Zip
	Account Officer			
	Name	Email	Telephone	
15.	Accountant			
	Accountant			
	Mailing Address			
	Street or P.O. Box	City	State	Zip
	Contact Person			
	Name	Email	Telephone	

Certification of Application for Kentucky Tourism Development Act Incentive Program



July 2025

I, the undersigned on behalf of the applicant, hereby represent and certify that the foregoing application information, including all attachments, to the best of my knowledge, is (a) true, complete and accurate with respect to the information concerning the proposed project for which financial incentives are being sought; and (b) does not contain any information for which an entity competing with the applicant may claim a proprietary interest. I represent and certify that the tourism development project as set forth in this application will not occur if not for the state sales tax refund incentive offered by the KTDFA to the approved company.

The applicant shall make the Authority aware if, subsequent to the filing of this application, including during the term of any agreement entered into between the applicant and the KTDFA, the applicant, or any owner or affiliate of the applicant, is convicted of any criminal offenses, is placed in receivership or adjudicates a bankruptcy, or is denied a business related license or has a business related license suspended or revoked by any administrative, governmental or regulatory agency.

The undersigned, on behalf of the applicant, acknowledges that information contained within the application and its attachments may be subject to public disclosure to the extent required by law pursuant to any request made under the Kentucky Open Records Act (KRS 61.870 through 61.884). Efforts will be made, in consultation with the applicant, to protect any confidential or proprietary information as defined in KRS 61.878 from disclosure.

The undersigned, on behalf of the applicant, acknowledges and grants permission to the Authority to share any and all information contained within the application and its attachments with appropriate state and federal agencies and contracted consultants to determine the feasibility and potential impacts associated with the project for which incentives are sought.

In addition, the undersigned, on behalf of the applicant, acknowledges that the applicant will be required to provide additional information during the term of the incentive agreement and agrees to provide this information as required and as requested. Failure to provide the information may result in suspension of incentives. The undersigned, on behalf of the applicant, acknowledges and grants permission to the Authority to share this information with the Kentucky Department of Revenue to assist in the determination of the annual incentive.

Signature	Date	
Print Name and Title		
Print Name and Title		

Tourism, Arts and Heritage Cabinet Economic Incentive Disclosure Statement

KENTUCKY,
TOURISM, ARTS AND
HERITAGE CABINET

July 2025

In accordance with the Executive Branch Code of Ethics, <u>Chapter 11A</u> of the Kentucky Revised Statutes (KRS), before any board or authority within or attached to the Tourism, Arts and Heritage Cabinet takes final action on any contract or agreement by which a bond, grant, lease, loan, assessment, incentive, inducement, or tax refund is awarded, the beneficiary of such contract or agreement must file with the approving board or authority a disclosure statement stating

- (i) the identity of the beneficiary of the economic incentive package;
- (ii) the identity of any person employed to act on behalf of the beneficiary with respect to the economic incentive package; and
- (iii) the details of any financial transaction (as defined in KRS 11A.201(6)(a)) between the beneficiary (or any other person listed as an employee or agent of the beneficiary) and any agent or public servant of the Tourism, Arts and Heritage Cabinet, any member of any board or authority within or attached to that Cabinet, or any other public servant involved in the negotiation of the economic incentive package.

NOTE: For purposes of KRS 11A.201(6)(a), "financial transaction" means a transaction or activity that is conducted or undertaken for profit and arises from the joint ownership, or the ownership, or part ownership in common, of any real or personal property or any commercial or business enterprise of whatever form or nature. Per KRS 11A.201(6)(b) "financial transaction" does not include any transaction or activity if it is available to the general public on the same terms.

NOTE: Final action on economic incentive packages will not be taken without receipt of this Economic Incentive Disclosure Statement. Upon final approval of the economic incentive package by the Kentucky Tourism Development Finance Authority, this Economic Incentive Disclosure Statement will be filed with the Executive Branch Ethics Commission. Beneficiaries of economic incentive packages are encouraged to consult with their legal counsel with respect to this Economic Incentive Disclosure Statement. The Beneficiary is the applicant.

Beneficiary's Legal Name						
Type(s) of Economic Incentive Package(s)	Tourism Development Act					
Please identify all employees or agents of the Beneficiary who have acted on behalf of the						

Please identify all employees or agents of the Beneficiary who have acted on behalf of the Beneficiary in its dealings with the Tourism, Arts and Heritage Cabinet or any Board or Authority within or attached to the Tourism, Arts and Heritage Cabinet in regard to the above incentive package.

Name	Title	Organization

Please attach separate sheet if a	additional room is n	eeded.				
Please detail any "financial trans other person listed as an employ servant of the Tourism, Arts and within or attached to that Cabin the economic incentive package	vee or agent of the I Heritage Cabinet, et, or (iii) any other	Beneficiary) (ii) any mem	and (i) any agent or public			
1. Name of Agent or Employe	e of Beneficiary:					
Name of Agent or Public Se	ervant of Cabinet:					
Description of Financial Tra	insaction:					
·						
2. Name of Agent or Employe	e of Beneficiary:					
Name of Agent or Public Se	ervant of Cabinet:					
Description of Financial Tra	insaction:					
3. Name of Agent or Employe	e of Beneficiary:					
Name of Agent or Public Se	ervant of Cabinet:					
Description of Financial Tra	insaction:					
Please attach separate sheet if a	additional room is n	eeded.				
The undersigned, a duly authorized representative of the Beneficiary listed above, hereby certifies that the information set forth in this Economic Incentive Disclosure Statement has been eviewed, and is true and correct to the best of the knowledge of the undersigned.						
	Signature:					
		Date	:			