

NOTICE OF APPROVAL OF THE ANNUAL BUDGET AND THE ECONOMIC IMPROVEMENT PLAN OF THE GREATER LOUISVILLE LODGING MANAGEMENT DISTRICT(GLLMD) DBA LOUISVILLE HOTEL PARTNERSHIP (LHP) AND LEVY OF AN ASSESSMENT ON CERTAIN LODGING PROPERTIES WITHIN THE GLLMD

NOTICE IS HEREBY GIVEN that at 6:00 PM on June 20, 2024 at the Louisville Metro Council Chambers, 601 W. Jefferson Street, 3rd Floor, Louisville, KY 40202 has adopted the annual budget and the economic improvement plan (Plan) for the GLLMD. A summary of the Plan is included herein as Exhibit A.

NOTICE IS HEREBY FURTHER GIVEN that the Plan contains the proposed economic improvements within the GLLMD pursuant to the provisions of KRS 91.750-.762. A description of the Plan is included herein as Exhibit A.

NOTICE IS HEREBY FURTHER GIVEN that to ensure a fair distribution of costs, the assessment of the GLLMD is based upon the benefits received method. The annual assessment rate is one and one-half percent (1.50%) of gross short-term room rental revenue on all lodging properties located within the boundaries of Jefferson County with fifty-one (51) rooms or more. The estimated cost to each assessed owner is 1.5% of their gross short-term room rental revenue. Pursuant to KRS 91A.390 (d), assessments shall not be levied upon the rental or lease of any room or set of rooms that is equipped with a kitchen, in an apartment building, and that is usually leased as a dwelling for a period of thirty (30) days or more by an individual or business that regularly holds itself out as exclusively providing apartments.

NOTICE IS HEREBY FURTHER GIVEN that the ratio that the cost to each assessed owner bears to the total cost of the economic improvements has been calculated to ensure that the burden is shared fairly among assessed owners within the GLLMD. The proposed budget for FY 07/1/24-6/30/25 is \$7,054,827 based on STR data and applying 1.5% to the annual revenue for Louisville, KY by utilizing the average occupancy, and ADR within the District to determine the projected revenue within the fiscal year.

Exhibit A

Plan Description

- Location:* The GLLMD shall include all lodging properties located within the boundaries of Jefferson County with fifty-one (51) rooms or more, as shown on the map in the Plan.
- Budget:* The legislative body of the Metro approves the annual budget and receives a copy of the annual economic improvement plan for the district; The proposed budget for FY 7/01/24 - 6/30/25 is \$7,054,827 based on STR data for Louisville, KY by utilizing the average occupancy, and ADR within the District to determine the projected revenue within the fiscal year.
- Services:* Pursuant to KRS 91.750 through 91.762, the GLLMD shall provide services for the purpose of providing and financing economic improvements that specially benefit assessed properties within the GLLMD. Services may include, but are not limited to sales and marketing and related administration.
- Cost:* The assessment is based upon the benefits received method and the annual assessment rate is one and one-half percent (1.50%) of gross short-term room rental revenue. Pursuant to KRS 91A.390 (d), assessments shall not be levied upon the rental or lease of any room or set of rooms that is equipped with a kitchen, in an apartment building, and that is usually leased as a dwelling for a period of thirty (30) days or more by an individual or business that regularly holds itself out as exclusively providing apartments.
- Collection:* GLLMD assessments shall be collected in accordance with one of the procedures dictated in KRS 91.758. If Louisville Metro Government is utilized in connection with KRS 91.758, Louisville Metro Government shall make regular remittances of the amounts collected to the Board.
- Duration:* The GLLMD was established on December 28, 2022 by Ordinance No. 324-22 and shall continue until June 30, 2030. On October 1, 2023, the GLLMD began operating on a fiscal year of July-June. The GLLMD may subsequently be renewed for an additional term by following the procedures for establishment as provided in KRS 91.750 through 91.762.
- Management:* Pursuant to KRS 91.758, upon the effective date of December 28, 2022 by Ordinance No. 324-22 established the GLLMD, a Board of Directors is appointed as the management entity, and shall continue to implement the GLLMD improvements. To serve as the Board of Directors, the GLLMD shall constitute a body corporate, with the power to sue and be sued and to contract and be contracted with. The affairs of the District shall be managed and controlled by a Board of Directors (Board). The number of

members of the Board, their terms, and qualifications, have been established by the Enabling Ordinance and outlined in the bylaws and the Plan.

Contest: Any affected property owners shall be afforded the right to contest the amount of assessment or the inclusion of their property. Such contest shall be filed with the written record shall be made of the proceedings on the Board of Directors decision pursuant to all applicable procedures outlined in KRS 91.758 (4) ©.

Information: Should you desire additional information about the GLLMD or assessment contact Eamon O'Brien, Chairman of the GLLMD Board care of:

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