



**Fayette Alliance**  
603 West Short Street  
Lexington, Kentucky 40508  
859.281.1202 Phone  
859.281.1292 Fax  
info@fayettealliance.com  
fayettealliance.com

Urban County Council  
LFUCG Government Center  
200 East Main Street  
Lexington, KY 40507

August 27<sup>th</sup>, 2015

Dear Vice Mayor Kay and Council members,

My name is Knox van Nagell, and I am writing this letter on behalf of Fayette Alliance.

Fayette Alliance believes that Lexington-Fayette County can become the model for sustainable growth, by connecting and balancing its vibrant city with its unique and productive Bluegrass farmland.

In furtherance of this mission, Fayette Alliance supports Tax Increment Financing for the Thistle Station development, located on a 3.9-acre parcel at 303-310, 322, and 330 Newtown Pike in Lexington, Kentucky.

The property is zoned Neighborhood-Business, and advances the Goals and Objectives of the 2013 Comprehensive Plan, and the policies of the 2006 Downtown Master Plan.

Extensive neighborhood meetings have been conducted to review and solicit feedback for Thistle Station, leading to the support of the Georgetown Area Neighborhood, Western Suburb Neighborhood, and Northside Neighborhood Associations.

Constituting a \$34 million dollar investment on a blighted and abandoned piece of industrial property, Thistle Station will significantly contribute to the revitalization of downtown's West-End.

The project encompasses a sixteen-story building that will house 202 apartments, with an average of 1,000 leasable square feet; a full service gym and swimming pool; high speed internet and fiber optic cable communication services; 10,700 square feet of street-level restaurant and retail space; and another 8,000 square foot restaurant and retail building, that will average 4,000 square feet per floor.

Apartment rental rates will be diverse, and are estimated to start at \$700/month, depending on amenities, size, and location of the units.

---

**Board Members**

Eunice A. Beatty, Phd  
James G. Bell  
Price Bell, Jr.  
Sandra Noble Canon  
Todd Clark  
Kip Cornett  
Susan Enlow  
Greg Goodman  
Gay Haggin VanMeter  
Dave Harper  
Stan Harvey  
Barry Holmes  
Patrick McGee  
Chauncey Morris  
John Phillips  
Tom Poskin  
Walt Robertson  
Don Robinson  
Jack van Nagell  
Griffin VanMeter  
Holly Wiedemann  
Anthony Wright

**Sustainers**

Josephine Abercrombie  
Helen Alexander  
Andover Management Group  
Ann Bakhaus  
Ian Banwell  
Antony & Angela Beck  
Gary Bisantz  
Alex Campbell  
Darley  
Fayette Co. Farm Bureau  
David & Philippa Fogg  
Greg Goodman  
Dave Harper  
John Hendrickson  
Sally Humphrey  
Keeneland Association  
KTA  
Murray & Teri Kessler  
Lane's End Farm  
Langley Properties Co.  
Lisa Lourie  
Deirdre Lyons  
Richard & Sue Ann Masson  
Joe & Jacqueline Murphy  
Don Robinson  
Bill Shively  
Tom VanMeter  
Derek Vaughan  
Fra Vaughan  
Brian & Lori Wood  
Misdee Wrigley Miller  
Chris & Josefina Young

**Executive Director**

Knox van Nagell, J.D.



Thistle Station is both timely and strategic, as it is located in close proximity to the Legacy Trail, mass transit routes, and to interstates 1-75 / I-64. Its accessibility will work with the ongoing expansion of KCTCS and Transylvania University to transform a historically neglected part of the city through mixed-use, multi-modal, and well-designed sustainable development.

Despite Thistle Station's potential, it cannot happen without a public-private partnership—specifically TIF financing. Given the age and dilapidated condition of infrastructure located on the property, \$2.7 million in improvements are needed to support the project. They are:

- Demolition, Site Clean-up: \$184,000
  - Environmental Remediation: \$140,000
  - Public Utilities Relocation: \$620,000
  - Utility and Right of Way Easements: \$42,000
  - Curbs and Sidewalks: \$115,000
  - Roads & Street Lighting: \$75,000
  - Parking: \$280,000
  - Transportation Facilities: \$28,000
  - Landscaping & Irrigation: \$220,000
  - Public Spaces & Parks: \$180,000
  - Security, Safety, Fencing, Site Lighting: \$380,000
  - Railroad Safety & Sound Mitigation: \$460,000
- TOTAL: \$2,724,000**

In a twenty-year period, Thistle Station is projected to generate approximately \$2.6 million in incremental state (\$970,485) and local property tax (\$1,625,122) revenues—which if approved, can finance the aforementioned infrastructure costs under the state TIF Ad Valorem Tax Program requirements.<sup>1</sup> These public dollars will be recoverable over a twenty-year period, beginning upon completion of the project.<sup>2</sup>

Once constructed, Thistle Station is also estimated to have an additional \$7 million in property tax and occupational license tax revenues, representing a significant economic benefit to the City of Lexington.<sup>3</sup>

With substantial private financial support in place, the proposed Thistle Station TIF District is a sound investment for Lexington. The public-private partnership between Thistle Station and our local, and state governments will produce a game-changing development in the heart of our city that will strengthen Lexington's ongoing renaissance.

---

<sup>1</sup> “Thistle Station Tax Increment Financing Impact Analysis”, Commonwealth Economics, May 2015, pg. 10.

<sup>2</sup> “Thistle Station Tax Increment Financing Impact Analysis”, Commonwealth Economics, May 2015, pg. 10.

<sup>3</sup> Id.

This is important, as a strong downtown improves our appeal to knowledge-based professionals that drive economic development; it promotes investment in dilapidated and underutilized urban properties needed to accommodate future growth; and it complements the quality of life activities of our signature agricultural industries and world-renowned Bluegrass brand. For these reasons, Fayette Alliance respectfully requests that you approve the proposed Thistle Station TIF proposal.

Thank you for your consideration, and leadership as we continue to sustainably grow our city and promote our farms in Lexington.

All my best,

A handwritten signature in black ink that reads "Knox van Nagell". The signature is written in a cursive, slightly slanted style.

Knox van Nagell, J.D.