

S O M E T H I N G D I F F E R E N T E V E R Y D A Y : D O W N T O W N !

The **Louisville** Downtown Development Corporation drives economic growth downtown for the benefit of the entire region, because the economic engine of any great city starts with downtown.

TABLE OF CONTENTS



Letter from the Chair and Director	3
Benchmarking	5
DDC 2010 Accomplishments.....	6
2011 Work Plan Summary	11
Board and Committee Involvement	12
2011 Operating Budget	13
Directors, Ex-Officio Members & Staff.....	14

LETTER FROM THE CHAIR AND DIRECTOR

2010 was full of changes. Louisville changed mayors - from Mayor Abramson to Mayor Fischer - the economy went from the Great Recession to a slow recovery and the new KFC Yum! Center opened downtown. The Downtown Development Corporation was in a "change mode" as well.

- We changed our name to the "Louisville" Downtown Development Corporation (LDDC) to make it clear we are proud of our city name.
- We adopted a new corporate logo.
- Executive Director, Alan DeLisle, and Deputy Director, Patti Clare, returned from an accident the year before.
- LDDC unveiled a new corporate web page: www.downtowndevelopmentcorporation.org geared more toward the needs of the private sector and began publishing newsletters again to better communicate its purpose and progress to its stakeholders.
- We raised the most money ever for operational support from the private sector to better leverage our public support.
- We streamlined our operations and budget, doing more with less.
- We began a benchmarking process to accurately and annually measure downtown's economic performance.

We also reached out to community stakeholders to better capture entrepreneurial growth in downtown and embrace new downtown opportunities.

- We began an Advisory Committee made up of young professionals to help us grow downtown with new cutting edge ideas.
- We expanded our Board to have a greater spectrum of perspective.

- We established a South Fourth Street retail group to explore how we increase our retail options downtown.
- We began meeting with the African American and Latino business leaders about how downtown can strengthen and expand commerce for all ethnic groups.
- We became active in the GLI branding initiative to promote a message for downtown.

We also changed downtown for the better with a lot of help from our partners, helping to create new investment and jobs for Louisvillians.



- We partnered with Louisville Metro to implement over \$6 million of new investments around the KFC YUM! Center to enhance private investment, job creation and visitor experience. We completed the Main Street streetscape project, new energy efficient lighting and 2nd Street bridge under pass (see page 12). We also assisted companies who invested over \$60 million, in the arena district.
- We assisted Whiskey Row with the financing of an \$18 million, mixed use, historic preservation project adjacent to the KFC YUM! Center.

continued on page 4

LETTER FROM THE CHAIR AND DIRECTOR (CONTINUED)



Nucleus Life Sciences Research Center

The project includes 35 apartments, 5 restaurants, special event space and office space.

- We assisted Nucleus in its coordination of the Life Sciences Research Center at the old Haymarket Site by coordinating stakeholders around the exciting development.
- We initiated a new Downtown Commercial Loan Fund to help spur smaller, in-fill redevelopment efforts in downtown through gap finances. The fund will be launched this spring.
- We continued to and support the Ohio River Bridges Project as an advocate for downtown.
- We started the process towards the 2012 Downtown Development Plan for downtown. LDDC is the lead for the Development Plan every 10 years.
- We facilitated Theatre Square Marketplace outdoor expansion.
- We managed the Louisville Slugger Field lease for Metro and staffed the Downtown Housing Assistance (DHA) Fund that has leveraged over \$170 million in market rate housing development to date.

- We organized downtown stakeholders to financially support free and frequent trolley service in downtown.
- We continue to monitor and assist with the Center City expansion project and Museum Plaza.
- We continued to support and work toward a financial plan for the Bourbon Experience.
- We continued to manage the Operations and Events teams.

Change is what we do. The Louisville Downtown Development Corporation (LDDC) drives economic growth downtown for the benefit of the entire region, because the economic engine of any great city starts with downtown. We enjoyed a year that found the LDDC fully staffed for the first time in almost three years. And we look forward to building on the momentum of 2010 partnering with the new Mayor, new Board, a new arena and a new refreshed spirit to facilitate public-private investment in downtown Louisville.



NULU

Jim Welch, Chairman

Alan DeLisle, Executive Director

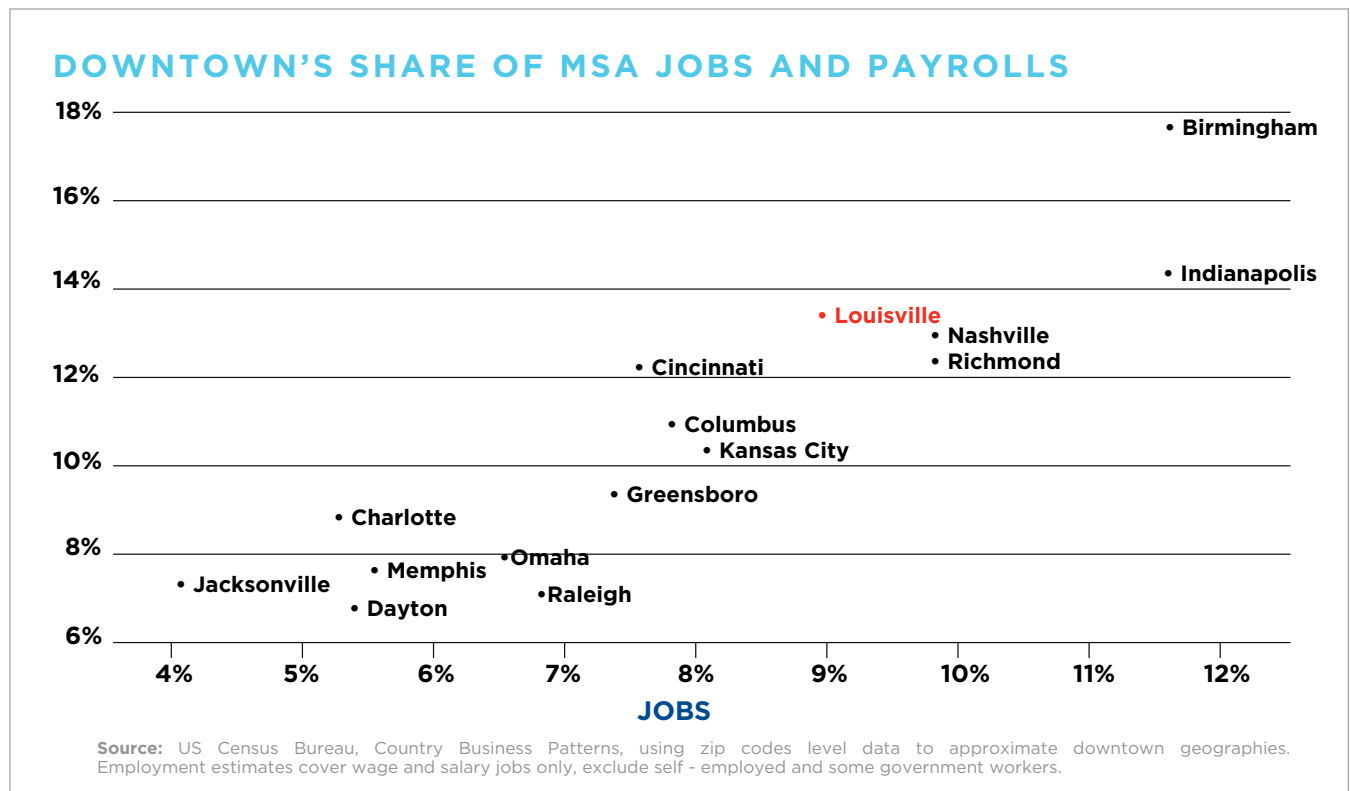
BENCHMARKING

LDDC has begun a benchmarking program to provide reliable metrics showing the state of downtown. These yearly measurements will allow LDDC and our stakeholders to set goals, track the progress towards our objectives and better understand where downtown’s economy stands in relation to prior years, and as compared to our competitor cities. It will also illustrate the impact of downtown on the local and regional economy.

Dr. Paul Coomes, and his associates at the University of Louisville, are researching yearly em-

ployment numbers, industry clusters, business data, payroll data, tax information and key trends in a variety of areas. Ultimately, a yearly State of downtown report –the first being issued this spring- will be published and clearly show downtown trends, and in what dimensions. Although the State of Downtown is benchmarking a full range of categories, the eight major indicators that will be tracked by the project are shown below:

- **Employment Downtown**
- **Residents Downtown**
- **Visitors Downtown**
- **Sales Tax Generation**
- **Metro Tax Revenue Generated**
- **Public Investment**
- **Private Investment**
- **Businesses Downtown**



This chart above represents an example of the type of benchmarking LDDC plans on showing. The above chart indicates that downtown

Louisville has a larger regional share of payroll and jobs than most comparable downtowns.

DDC 2010 ACCOMPLISHMENTS

ECONOMIC DEVELOPMENT

Work Plan Item: Arena District Development

Action: Assisted businesses in the area with development and expansion issues related to signage, public improvements, and Metro agency coordination.

Result: \$60 million in investment in the area and 300-350 permanent jobs added.



Whiskey Row

Work Plan Item: Whiskey Row Assistance

Action: Assisted Whiskey Row development with planning, permitting and construction coordination and financing (DHA loan). Worked with property owners to problem solve ADA issues, and lighting and design issues.

Result: \$18 million development moved forward and will result in 120 permanent jobs and 34 market rate apartments.

Work Plan Item: 4th St. Live Expansion

Action: Began discussion about financial plan for Bourbon Trail Experience; coordinated with the Cordish Company to develop a comprehensive understanding of the financial feasibility, post recession, for Center City/Fourth Street Live Expansion; and initiated conversation with the Louisville Convention and Visitors Bureau regarding the Bourbon Experience and the Urban Bourbon Trail.

Result: Advanced the progress of Center City as an avenue to develop additional retail, restaurant and cultural attractions and build on the success of 4th Street Live!. The expansion will attract more people downtown and create additional jobs in the hospitality industry.

Work Plan Item: Facilitate development on the 100 block of West Main Street

Action: Pursued development strategies for 100 Block of West Main Street with potential investors and proposed solutions to move the development forward.

Result: Multiple deals were proposed and new individuals brought to the table. While an agreement was not yet made, negotiations were advanced at the direction of LDDC.

Work Plan Item: Increase retail and activity on 4th Street south of 4th Street Live!.

Action: Began development of retail, infill strategy for South Fourth Street by organizing property owner meetings, interviewing consultants and working with current developers.

DDC 2010 ACCOMPLISHMENTS (CONTINUED)

Result: A retail strategy that will be integrated with the upcoming Downtown Development Plan was initiated and a market assessment commenced, utility issues allowing the Sapporo restaurant to finish construction were resolved and regular property owner meetings were established to create a retail vision for this area supported by research.



2ND STREET

On behalf of Louisville Metro, LDDC applied for and administered a \$3 million dollar Transportation Enhancement grant to improve 2nd Street adjacent to the arena. The space was transformed from a dark vehicular route into a welcoming east entrance to the arena. Like the arena the space is multipurpose, accommodating vehicular traffic while also acting as a public gathering and festival space. LDDC oversaw the design, done by Carman landscape architects, and construction, by MAC Construction.

Work Plan Item: Assist and coordinate with the University of Louisville Medical Center/Research Park development.

Action: Connectivity planning with the Nucleus project began with the goal to make it easier to attract companies to this area.

Result: The project area and scope of planning was established and MSI was contacted for a proposal for a “Connectivity Study” for this area

Work Plan Item: Expand relationships with the edge neighborhoods.

Action: Outreach to East Market/NULU was broadened, as well as participation with SOBRO and the Main Street Association, which encompasses edge neighborhoods on the east and west.

Result: Monthly meetings with the East Market Business Association are attended and the neighborhood is engaged through those meetings. Initial project planning for infrastructure improvements in NULU was done and a commitment to assisting the LEED neighborhood application was made. Presentations on LDDC related Main Street issues were given to the Main Street Association to better inform their members.

Work Plan Item: Existing Client Services

Action: Since tracking began in August, LDDC assisted on 37 stakeholder issues and attended 17 outreach meetings with 34 businesses or organizations.

Result: Addressed operational and development issues for businesses allowing them to better conduct business, improve their properties, expand and assisted organizations on their downtown improvement objectives.

DDC 2010 ACCOMPLISHMENTS (CONTINUED)



Businesses along Main Street

STRATEGIC PLANNING

Work Plan Item: Support Public Art Committee, Transition Issues

Action: Participated and engaged with the Committee on Public Art

Result: The Committee on Public Art successfully transitioned into an independent agency focusing on art in the public realm.

Work Plan Item: Ohio River Bridges Project Advocacy and Research

Action: Provided continued advocacy, technical support and assistance to the Bridges Coalition.

Result: The Bridges Project moved forward in developing financing and project plans.

Work Plan Item: Improve LDDC's web page.

Action: A web designer was selected, new web paged designed and content written to provide better information to business clients through the site.

Result: The web page was completed and launched first of the year 2011 to make it easier to invest downtown.

Work Plan Item: Monitor and advocate for the Two Way Street Study /Arena Traffic Plan Implementation

Action: Completed the Two Way Street Study with recommendations of what streets can be made two-way, prioritized those streets and held a public informational meeting displaying the recommendations and answering questions about the street changes.

Result: The two-way streets conversions are now at the implementation phase, and can be put into place as funding is available.

PROJECT MANAGEMENT

Work Plan Item: 2nd Street TE Grant

Action: Completed, on-time and under budget, the TE Grant Streetscape Improvements: Second Street Bridge, Second and Washington Streets with \$2.4 million in TE funds and \$600,000 in Metro matching funds.

Result: A redesigned streetscape and eastern entrance to the KFC YUM! Center was completed. The area is a multi-use area made to function during arena events and as a separate space as well. The area's use is more pedestrian friendly and adaptable to events in conjunction with or apart from the arena.

Work Plan Item: Oversee and manage the Downtown Housing Assistance fund.

Action: Developed DHA/DDC MOA for responsibilities, managed files for the loan program and organized loan committee.

DDC 2010 ACCOMPLISHMENTS (CONTINUED)

Result: Currently there are eleven active loans totaling over \$7.4 million dollars on projects adding over 400 residential units to downtown and leveraging \$170 million in private investment.

Work Plan Item: 3rd Street Sidewalk and Curb Reconfiguration

Action: New sidewalks, curbs and bumpout installed on southwest corner of 3rd and Main.

Result: Provided room for ADA access to new business in 300 building, activating the corner and improved pedestrian flow and walkability to accommodate arena crowds.



Main Street. Streetscape

Work Plan Item:

Main Street Streetscape Improvements

Action: Sidewalk and street lighting improvements were constructed on Main Street completing the streetscape between 9th Street and Slugger Field. Lights upgrades continued through West Main.

Result: Main Street, across the entire CBD, is complete. The area is walkable and better lit in a more energy efficient manner. This completed recommendations from the first Connectivity Study.

Work Plan Item: 500-600 Block of South 4th Street

Action: Executed Theater Square Marketplace outdoor space plans

Result: Unused area behind Theater Square Marketplace was improved and put to better use as dining area while providing affordable expansion to the restaurant.

Work Plan Item: Oversee Downtown Operations Team

Action: Met throughout the year to address downtown issues and better coordinate among agencies.

Result: Specific outcome tracking from the meetings began in June. In the 5 meetings between June and end of year, 31 action items and 34 informational/coordination items were addressed at the Operations Committee, and an additional 8 operational items addressed outside the meetings themselves.

Work Plan Item: Oversee Downtown Event Operations Team

Action: Organized event venues in the core of downtown to meet and address coordination issues relating to conflicting schedules and increased number of people downtown.

Result: Monthly meetings were held for venues to directly address issues with each other and with Metro agencies. A shared events calendar was produced and updated to better prepare for conflicts, and issues related to arena traffic were directly addressed with LMPD to reduce the temporary closure time of Main Street improve access to venues 6th Street and better prepare patrons for modifications to the traffic plan.

DDC 2010 ACCOMPLISHMENTS (CONTINUED)

ADMINISTRATION

Work Plan Item: Fundraising

Action: Initiated major fundraising effort with Board of Directors and stakeholders.

Result: Raised a record level of private operational funds better leveraging the public support.

Work Plan Item: Electronic Newsletter

Action: Two newsletters were distributed via email to downtown constituents.

Result: Communication about downtown initiatives and LDDC was improved.

Work Plan Item:

Establish Benchmarking Initiative

Action: A benchmarking scope was established, data was collected and Paul Coomes was contracted for a study of economic indicators downtown and in competitor cities.

Result: Facilitates more private investment and job growth. Strengths and weaknesses of downtown will be better understood.

For a full list of accomplishments visit www.downtowndevelopmentcorp.org

2011 WORK PLAN SUMMARY

LDDC's work plan is primarily divided into three core focus areas: Economic Development and Communications, Strategic Planning, and Project Management. These focus areas drive development downtown to enhance its quality of place, initiate investment and increase job growth. Please visit www.downtowndevelopmentcorp.org to view the full 2011 LDDC Work Plan.

Economic Development work items for 2011 will address key downtown districts; 4th Street, Medical District, the Arena District and Nulu as well as business development throughout the downtown area. Business development will emphasize key downtown clusters, outreach to new and existing clients, the facilitation of doing business downtown and advancing local market initiatives. LDDC will directly aid in the financing of development and job growth with the implementation of a commercial loan program as a form of gap financing. Additionally, 2011 LDDC will improve economic development initiatives through increased accountability, outreach and communication with stakeholders in the form of newsletters, brochures, an LDDC annual report, a State of Downtown presentation and publication and individual outreach meetings.

Strategic planning efforts in 2011 will focus primarily on the update of the Downtown Development Plan. The process for the Plan's ten year update is multifaceted, and will extend into 2012. 2011 work items will include fund raising for the plan, committee and leadership formation, consultant management, categorical analysis and the pre-publication process. Additional downtown strategic planning efforts include support of the Ohio River Bridges Project, the Connectivity II project around Nucleus and East Downtown and further edge neighborhood planning efforts.

2011 project management will include several infrastructure projects as well as the continuation of items LDDC manages on an annual basis. These include oversight of the Louisville Slugger Field Lease and its capital improvements. LDDC also administers the DHA Loan Fund and organizes the Downtown Operations Team and Event Coordination committee. LDDC will continue to prioritize and implement streetscape improvements throughout downtown.



2012 LOUISVILLE DOWNTOWN DEVELOPMENT PLAN

In 1991, the LDDC, in partnership with the Louisville Central Area and the City of Louisville, completed the Louisville Downtown Development Plan, the first comprehensive development plan and strategy for downtown Louisville since 1969. It was updated in 2002, and after fulfilling many of the outlined goals, LDDC is preparing the next ten year update. The 2012 plan will examine downtown's current physical environment and quality of place, outline a sustainability plan, analyze retail market, update the housing analysis and take a critical look at the regulatory environment. The Plan will help strategically position downtown Louisville for economic growth through the next decade.

LDDC BOARD AND COMMITTEE INVOLVEMENT

BRIDGES COALITION: Provide support and attendance at Bridges Coalition meetings to advance the Ohio River Bridges Project.

PARC BOARD: Oversees the Parking Authority of River City.

LDMD PARTICIPATION: Member of board of directors, Physical Improvement Committee and Marketing Committee to improve physical environment and promotion of downtown through the business improvement district.

BLOCKS IN BLOOM: Downtown beautification program that raises private dollars to add plantings downtown.

COMMUNITY OF TREES: Addresses trees in the public realm by searching for grants, recommending education programs, developing maintenance and regulatory ideas and collaborating State and Metro agencies as well as non-profits and private individuals to improve the urban tree canopy.

OPERATIONS COMMITTEE: Interagency meeting to address downtown operational issues and coordinate Metro agencies on issues affecting multiple groups.

EVENT OPERATIONS: Coordinates event venues in the core of downtown with each other and with Metro on operational issues affecting each other.

MULTI-HAZARDS COMMITTEE: Responsible for the multi-hazards plan for Jefferson County and review by response agencies of federally declared disasters.

MAIN STREET ASSOCIATION: Coalition of Main Street stakeholders that promote that area of downtown and maintain the “Main St. Program” designation through the state.

COMMUNITY BRANDING PROJECT: Member of committee that promotes a unified regional marketing message under GLI’s leadership.

EAST MARKET BUSINESS ASSOCIATION: Promotes business and development in the East Market/NULU area through events, marketing and beautification.

YOUNG PROFESSIONALS ADVISORY COMMITTEE: Hosted by LDDC, regular meetings about downtown issues and projects to receive input and feedback from the young professional marketplace.

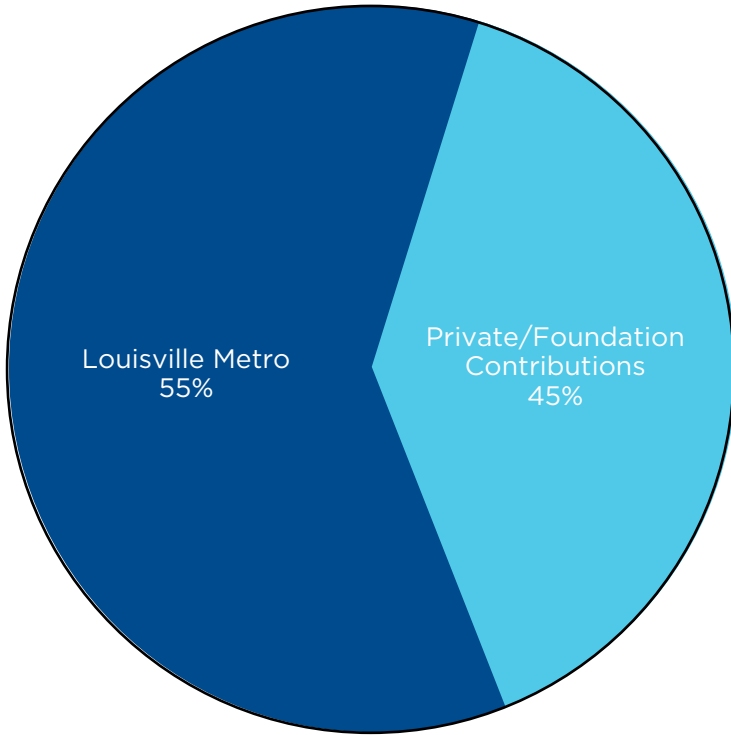


Build The Bridge Coalition



Streetscape Beautification

2011 OPERATING BUDGET

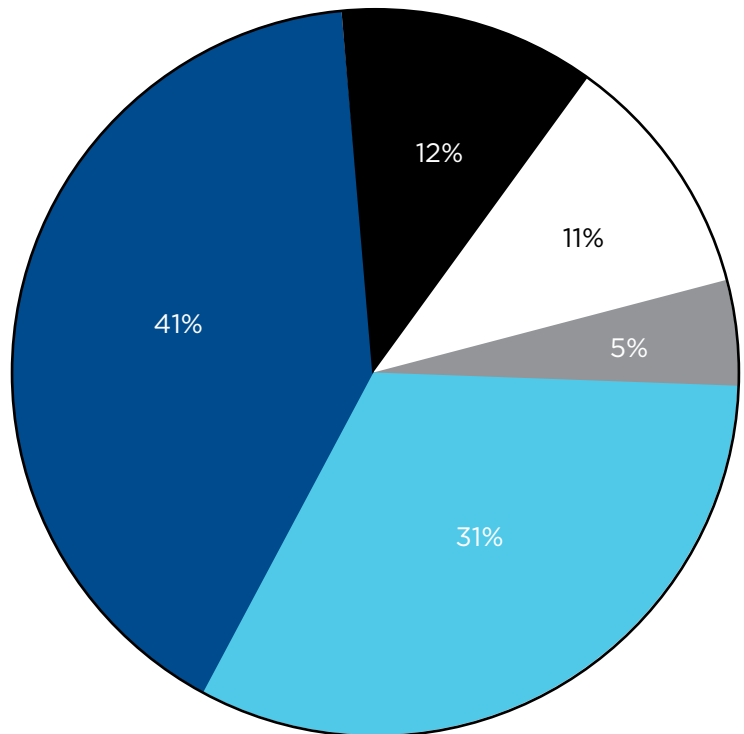


REVENUE
\$1.4 MILLION

*LDDC is currently raising up to \$10 million in private investment for a new Downtown Commercial Loan Fund. LDDC will invest \$500,000 into the Fund. The 2011 Budget does not yet reflect these funds. The Commercial Loan Fund is designed to spur economic development and job growth for Louisville residents.

- Administrative Costs
- City Reimbursement
- Downtown Development Plan Preparation
- Economic Development, Planning and Project Management Program Delivery
- Economic Development and Planning Research and Development

*LDDC reimburses the City \$73,000 for the Slugger Field Capital Improvement Fund and Legal and Administrative Services.



EXPENDITURES
\$1.4 MILLION

2010 LDDC BOARD OF DIRECTORS

James R. Allen, Co-Chair
Chairman & CEO
Hilliard Lyons

Jonathan S. Blue
Chair & Managing Director
Blue Equity, LLC

Todd L. Blue
President & CEO
Cobalt Ventures, LLC

Jonathan Blum
Sr. Vice President
Chief Public Affairs Officer
YUM! Brands, Inc.

Paul T. Costel
President
Chase

Russell F. Cox
Executive Vice President & COO
Norton Healthcare

Sandra Frazier
Partner
Tandem Public Relations

C. Edward Glasscock
Chairman Emeritus
Frost Brown Todd, LLC

Edward C. Halperin, M.D.
Dean, School of Medicine
University of Louisville

Margaret Handmaker
Retired

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Vice President for
University Advancement
University of Louisville

Stephen Klein
President
Kentucky Center for the
Performing Arts

Nana Lampton
Chair & CEO, American Life & Accident
Insurance Company of Kentucky

Jerrold Z. Miles
PNC Bank

Mary Moseley
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The Al J. Schneider Company

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Peritus Public Relations LLC

Anthony Newberry, Ph.D.
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Jefferson Community
& Technical College

Tom Noland
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Henry Potter
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Potter & Associates Architects, PLLC

Bill Samuels, Jr.
President & CEO
Maker's Mark Distillery, Inc.

Paul W. Thompson
Senior Vice President, Energy Services
LG & E - KU Energy

James S. Welch, Jr., Co-Chair
Vice Chairman
Brown-Forman Corporation

EX-OFFICIO MEMBERS

The Honorable Jerry E. Abramson
Mayor
Louisville Metro

Chris Cieminski
Chair
Louisville Downtown Management
District

David Karem
Executive Director
Waterfront Development Corporation

Ted Nicholson
General Manager
KFC YUM! Center

Joe Reagan
President & CEO
Greater Louisville, Inc.

David W. Tandy
Councilman
Louisville Metro Council

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Deputy Director

Ethan Howard
Metro Downtown Operations Coordinator

Laura Logsdon
Special Assistant for Projects

Rebecca Matheny
Downtown Project Coordinator

Gail Morris
Executive Coordinator



The **Louisville** Downtown Development Corporation drives economic growth downtown for the benefit of the entire region, because the economic engine of any great city starts with downtown.

SOMETHING DIFFERENT EVERYDAY: **DOWNTOWN!**

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