EXECUTIVE SUMMARY

Downtown Lexington is thriving on a knowledge economy supported by three area universities; a culture rich in local food, bourbon, horse racing, and the arts; and over $1 billion in construction investment. As a growing mid-sized city, Lexington offers a high quality of life at a low cost of living.

Founded in 1775, Lexington was named “Athens of the West” in 1820 as it boasted a population rich in culture. Lexington’s population of 310,000 makes it the second-largest city in the state, with a walkable downtown, craft bourbon distilleries, beautiful horse farms, great restaurants and upscale shopping.

Economic vitality coming out of the recession outperformed the nation

“The 4 year GDP growth as of 2013 was 18.6% compared to 16.29% national average

#16 Best Places for Business and Careers

“Household incomes are expected to grow 5th fastest in the US in Lexington over the next three years.”
- Forbes 2015

192,393 households in the metropolitan service area

Lexington’s cost of living is 7.8% lower than the national average and average household salaries adjusted for cost of living above the national average.
- Bureau of Economic Analysis (2013)

American Institute for Economic Research ranks Lexington as one of the TOP 20 SMALL CITIES FOR AMERICAN COLLEGE STUDENTS for 2016

38,171 students in talent pool

2,861,620 Overnight visitors

SPLIT BETWEEN

Business 737,902

AND

Leisure 2,123,718

Ideally located within 600 miles of 50% of the US Population

Home of the 2015 Breeders Cup

Licensed bourbon distillers within a 45 minute drive of Downtown

187 Restaurants & bars in and around the Central Business District

600 miles
Town Branch Commons will be an innovative linear park following the historic path of the Town Branch Creek and modern-day Vine Street. Incorporating underutilized right-of-way, surface parking lots, water infrastructure, and parks, it will connect a county-wide trail system, clean and manage storm water, and transform downtown Lexington with a continuous bicycle and pedestrian path.

**FACTS**

**LOCATION:** Linear park connecting Cox Street to Midland Avenue via Vine Street

**ARCHITECT/DESIGNER:** SCAPE/Landscape Architecture PLLC

**SCOPE:** 1.8 miles consisting of five distinct zones

**PROJECT COST:** $55+ million

**COMPLETION:** Design - Sept. 2019, Construction - Aug. 2021

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Town Branch Commons will be a ribbon of Bluegrass running through our downtown. It will bring new opportunities for economic development, healthy exercise and transportation alternatives including Lextran, bike and pedestrian improvements.”

— JIM GRAY, MAYOR

_Lane Report, Nov 18, 2015 “Lex receives $2.7 M for Town Branch Commons”_
EUCLID AVENUE AND SOUTH LIMESTONE COMMERCIAL CORRIDORS

The Euclid and South Limestone corridors provide critical links between the University of Kentucky, downtown Lexington, the Chevy Chase shopping district, and surrounding urban neighborhoods. This project hopes to target the right sites for development to enhance the area’s marketability and functionality as a residential and retail location and leverage existing investment from the University and commercial enterprises. Specific residential and retail markets have been analyzed and strategies for the corridors were developed for implementation.

http://lexingtondda.com/resourcesdata/data-maps/

KEY PARTNERS

University of Kentucky
Lexington-Fayette Urban County Government
Lexington Downtown Development Authority

OLD COURTHOUSE

FACTS

LOCATION: 215 W. Main Street
ARCHITECT/DESIGNER: K. Norman Berry Associates Architects
PROJECT COST: $38.3 million
COMPLETION: Late 2017

The Historic Fayette County Courthouse LLC is now positioned to commence an adaptive reuse project to repurpose the building for new and enhanced uses. Restoration of the 115-year old Historic Fayette County Courthouse will preserve a rare example of Richardsonian Romanesque architecture, while restoring a vital piece of Lexington's history.

GIGABIT CITY

The Gigabit City initiative will enhance Lexington’s current connectivity with a high speed fiber optic network that will drastically enhance the quality of service for residential and commercial consumers. Recently measured network speeds of 16.2 Mbps are less than half of the national average speed. To address the issue, Lexington is assessing the infrastructure and build-out possibilities and will follow that with an RFP to construct the network in 2016.

We already know that Lexington is an attractive city in which to build a fiber-optic network. Our population is relatively dense and geographically contained. But more than that, Lexington is a University City, with a highly educated workforce that can leverage greater bandwidth speeds to create new technologies, new ideas and new markets."

— JIM GRAY, MAYOR

Lane Report

MARKET INVENTORY REPORT 2016 // CATALYTIC PROJECTS
Lexington’s robust economic growth is fostering development and investment from both individual and institutional investors. This is reflected both in its recognition as one of the top cities in the country for commercial development and in the active projects currently underway.
Total recently completed, under construction, and pre-development (PROJECTS OVER $500,000)

$1,489,925,976

**RECENTLY COMPLETED**
- **DISTILLERY DISTRICT**
  - Pepper Distillery Campus
- **CHEVY CHASE**
  - Kroger Redevelopment
- **NATIONAL AVE. DISTRICT**
  - National Provisions Market
- **JEFFERSON STREET DISTRICT**
  - The Breadbox
- **RED MILE**
  - Red Mile Renovation
- **SHORT STREET DISTRICT**
  - The Square
- **SOUTH BROADWAY**
  - Lucky's Market
- **UK CAMPUS**
  - The 90
  - UK Housing: Woodland Glen 3, 4, 5
  - UK School of Art and Visual Studies
  - Alumni Drive Realignment and Arboretum Flood Mitigation Project
- **CIVIC CENTER DISTRICT**
  - Alltech Brewing & Distillery
- **OLD VINE DISTRICT**
  - Main + Vine
- **NATIONAL AVE. DISTRICT**
  - The Midlands
- **NORTH LIMESTONE DISTRICT**
  - LuigART Maker Space
  - Lexington Transit Authority
  - Living Arts and Science Center
  - 21C
- **TRANSYLVANIA**
  - Transy Academic Bldg
  - BCTC
  - BCTC Phase 2a
- **UK CAMPUS**
  - UK Housing: Limestone Park 1, 2
  - UK Housing: University Flats
  - UK Student Center
  - UK Gatton College of Business
  - Nutter Training Center
  - UK Academic Science Building
  - UK Multidisciplinary Research Building
  - UK Medical Center
  - UK Healthcare Expansion

**UNDER CONSTRUCTION**
- **CIVIC CENTER DISTRICT**
  - Hilton Renovation
- **NATIONAL AVENUE DISTRICT**
  - Community Ventures Midland Project
  - J.M. Smuckers Expansion
- **SHORT STREET DISTRICT**
  - Thistle Station
- **NORTH LIMESTONE DISTRICT**
  - Old Fayette Courthouse
- **UK CAMPUS**
  - UK Multidisciplinary Research Building
  - UK College of Law

$957,853,586

**PRE-DEVELOPMENT**
- **CIVIC CENTER DISTRICT**
- **NATIONAL AVENUE DISTRICT**
- **SHORT STREET DISTRICT**
- **NORTH LIMESTONE DISTRICT**

$193,800,000

This is not a complete list, but a representative inventory of projects approximately valued over $500,000 within and near the CBD. Some values are self-reported from project managers.
In 2015, Lexington ranked 8th among mid-sized cities for economic development projects by Site Selection Magazine. Strengths, such as our highly educated workforce, low cost of doing business and quality of life, will continue to give us an advantage when promoting our region to prospective companies and will help our existing industries grow in 2016.”

— BOB QUICK, PRESIDENT & CEO, COMMERCE LEXINGTON
**KNOWLEDGE ECONOMY**

Anchored by the Commonwealth's flagship University, Lexington's job market is stable and growing in the fields of healthcare, education, tourism, and technology and supported by an educated and skilled workforce.

Lexington has a diversified economy around a major research university in its urban core and college students make up at least 10% of the population.

**UK ENROLLMENT GROWING**

The University of Kentucky has increased enrollment in recent years by accepting more out-of-state students.

Lexington is ranked as one of the most educated populations in North America with 35.1% of the population holding a bachelors degree compared to the national average of 29.1%.

Lexington has a highly regarded public school system with a city rating of 7 out of 10.

**Best Places for Recent Grads to Find Jobs**

- Lexington has a highly regarded public school system with a city rating of 7 out of 10.

- Lexington is ranked as one of the most educated populations in North America with 35.1% of the population holding a bachelors degree compared to the national average of 29.1%.
Lowest startup costs, based on utility costs, office space, filing fees, legal and accounting costs, and typical first year payroll.

- Smart Assets, 2015

EARLY STAGE AND START-UP COMPANIES 2015

952 Employees

Over $50 Million in Funding

Over $170 million in Revenues

Average Salary of $76,929

- Lexington Venture Club Annual Survey

COMMERCIAL VACANCY RATE CENTRAL BUSINESS DISTRICT

Class A 13.94%

183,372sf

Class B 12.99%

218,917sf

Total Vacancy down 8.27% in the past year

- NAI Isaac

Best City for Business Costs

$ – 2014 KPMG Competitive Alternatives

Median Earnings for Full Time Workers

$42,565 – 2014 ACS 5yr
TOTAL PUBLIC AND PRIVATE SECTOR JOBS IN FAYETTE CO.

Employment in Fayette County has bounced back following the recession with growth of nearly 18,000 jobs since the low point in 2009.

CIVILIAN LABOR FORCE
Fayette County: 168,557 people

CIVILIAN LABOR FORCE
Labor Market Area: 433,013 people

Average Commute Time to Work in Fayette County
-US Census, Census Explorer, ACS 2013

Total Public and Private Sector Employment for Fayette Co.

184,246 JOBS (2013)

Average Commute Time to Work in Fayette County

1% Bicycled
1.7% Took Public Transportation
3.7% Worked at Home
3.7% Walked
9.7% Carpoole
79.7% Drove Alone

LEXINGTON DOWNTOWN DEVELOPMENT AUTHORITY

MARKET INVENTORY REPORT 2016 // WORK
Momentum is building within the core Central Business District and its surrounding neighborhoods with a variety of new restaurants and locally owned shops. When it comes to distinct places to shop and dine, visitors and residents have an abundance of choices within walking distance of downtown attractions.
additional restaurants, bars, and retail stores opened in 2015 in and around the Central Business District compared to 2014.
I think North Limestone is a great place to open a business, because the foot traffic is here, all these neighborhoods can support it, and then each one just adds to the previous one. There is this existing neighborhood, and it keeps on getting better.”

— GRiffin VANmETER, NORTH LIMESTONE RESIDENT AND LANDLORD

Business Lexington, Sept 2015, pg 12

Pedestrian movement in downtown Lexington matches levels in much larger cities at certain times of day

- Lexington SHORT STREET 424 Avg Peds/h
- San Jose EAST SAN FERNANDO 332 Avg Peds/h
- Philadelphia MARKET STREET 668 Avg Peds/h
- Seattle 3RD AVE 949 Avg Peds/h

105,533 people

Population within 3 miles of Downtown
Keeneland generates **$123 million** annually in direct spending through its two race meets.

Keeneland visitors spend approximately **$4.2 million** in Lexington stores during their visit.

**$354 MILLION** Economic impact in Fayette County from Keeneland September Yearling Sale and November Breeding Stock sale.

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Horse Sales

**Fasig Tipton Gross receipts for 2015** (KY sales only) approximately **$112,000,000**

Keeneland 2015 sales **$535,761,000**

**COMBINED GROSS** **$647,761,000**

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Lexington Center

335 Events 607 Shows and Performances

**1,215,015 Total Attendees**

- **857,196** Rupp Arena
- **274,873** Lexington Convention Center
- **82,946** Opera House
LEXINGTON IS HOME TO MANY NATIONALLY RECOGNIZED SPORTING EVENTS

• A Midsummer Night’s Run 5K

• Bluegrass State Games
  Largest participation of any amateur sporting event in the state, more than 16,000 annual participants and continues to be one of the longest running events of its kind in the United States

• Bourbon Chase
  200-mile running relay along the Kentucky Bourbon Trail

• CP National Horse Show
  A 5-day hunter/jumper event voted Horse Show of the Year for the fifth year in a row by The National Show Hunter Hall of Fame

• Keeneland Horseracing Spring and Fall Meet

• Kentucky Bank Tennis Championships

• KHSAA Sweet Sixteen Basketball Tournament

• Lexington Legends Baseball

• 2016-2018 NCAA Women’s Basketball Championship Regional Host

• Rolex Kentucky Three Day Equestrian Event

• Lexington Junior League Charity Horse Show
  The world’s largest outdoor American Saddlebred show and the first leg of the Saddlebred “Triple Crown”
Over the next ten to twenty years, the demographics of America are going to change—as are people’s preferences about where they want to live and what kinds of housing they want. These trends will shape Lexington in numerous ways, including increased demand for in-town and downtown living.”

– Euclid Avenue & South Limestone Street Commercial Corridor Study (Jan. 19, 2015)
But what you may not know about Lexington, which placed 66 on this year’s list of the Top 100 Best Places to Live, is its affordability, vibrant cultural scene, highly educated population, and welcoming vibe that delights both visitors and residents.

MEDIAN HOME PRICE AND DRIVE TIME

The affordability and convenience of Lexington’s stable housing market allows for short commutes for employees resulting in a higher quality of life.

- Fayette County Property Valuation Administrator

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Average price per square foot

- Trulia

$166,000

Average home sales price

$96

Average price per square foot

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136,989 Existing Housing Units County-wide

15 minute drive time

- Fayette County Property Valuation Administrator

1,000 houses

68,100 (54.87%) Owner Occupied

56,001 (45.13%) Renter Occupied

2.1% Homeowner Vacancy

5.6% Rental Vacancy – in 2014

124,101 Occupied Housing Units

1,342 New Housing Units Permitted in 2015

- Census Bureau

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LEXINGTON DOWNTOWN DEVELOPMENT AUTHORITY

MARKET INVENTORY REPORT 2016 // LIVE
COMMUNITY PROFILE: ARTS & CULTURE

Lexington is home to over 1,000 wide ranging art and cultural events that feature everything from arts and music festivals to the premier national high school debate competition.

SOME OF LEXINGTON’S ARTS AND CULTURE EVENTS

- Fest of Ales
- Festival of the Bluegrass
- Kentucky Cork and Tap
- Kentucky Women Writers Conference
- Lexington Pride Festival
- Many Cultures... One City
- Mayfest Arts Fair
- UK Opera Theatre
- Picnic with the Pops
- Roots & Heritage Festival
- The Lexington Philharmonic Orchestra
- The North Limestone (NoLi) Night Market
- Tournament of Champions National High School Debate Competition
- Woodland Arts Fair
- Central Bank Thursday Night Live
- Lexington Children’s Theatre

Lexington ranked 6th behind only Boston, San Francisco, New York City, Washington DC, and Los Angeles as one of the most inspiring cities for young artists.

- World Wide Learn 2015

The city’s heritage of bourbon and Bluegrass Country horses draws many visitors to Kentucky’s second-largest city (behind Louisville), but residents aren’t content to live on tourist-drawing traditions alone. Street art, food culture and a craft beer scene have exploded here, and while you can still honor the historic highlights, innovation seems to be the modern-day focus.”

— JILL ROBINSON

“In Kentucky’s Bluegrass Country, bold new flavors are taking root”

San Francisco Chronicle, 12/30/15

YEARNLY ATTENDANCE NUMBERS

- Convention Center: 274,873
- Opera House: 82,946
- Lexington Children’s Theatre: 67,000
- Central Bank Thursday Night Live: 67,000
- Lexington Philharmonic Performances: 15,000+
- Visual Art Venues: 34
- Theaters and Music Venues: 24
LEXINGTON IS CENTRALLY LOCATED FOR TRAVEL TO MANY AMERICAN CITIES FOR WORK OR PLEASURE

Lexington is strategically located at the intersection of interstates 64 and 75 in Fayette County, Kentucky within a day’s drive of two-thirds of the population of the United States.
WHAT WE DO
The Lexington Downtown Development Authority (LDDA) promotes the physical and economic development that strengthens and maintains downtown Lexington as the cultural and economic heart of Central Kentucky.

Strategic Priorities:
• Tackle the toughest development challenges directly.
• Drive investment into the neighborhoods and Central Business District by providing actionable urban design and real estate analysis for the public and private sectors.
• Set the agenda for future development through community outreach, education, and public involvement.
This market analysis relied on data assembled by the LDDA, which included a walking survey, e-mail surveys, and gathering information from realtors and property managers. Other government agencies and private and secondary sources also contributed to this report.

The LDDA cannot be held responsible for the accuracy of this data or for decisions made resulting from the use of the data in this report.