



OFFICE OF MANAGEMENT AND BUDGET
LOUISVILLE, KENTUCKY

GREG FISCHER
MAYOR

September 12, 2019

DANIEL FROCKT
CHIEF FINANCIAL OFFICER

Kelli Lawrence
AXIS Louisville
Cityscape Residential, LLC
8325 Keystone Crossing, Suite 220
Indianapolis, Ind. 46240

RE: 2018 Calendar Year Request for Released Amount

Dear Ms. Lawrence:

Pursuant to AXIS Louisville LLC (Cityscape Residential, LLC's) requesting the 2018 Calendar Year Released Amount of Tax Increment Financing ("TIF"), please let this letter serve as the documentation of AXIS Louisville (Cityscape Residential, LLC's) compliance with regards to Sections 3.4 and 3.5 of Louisville's Local Participation Agreement (LPA) entered into on December 18, 2015.

Specifically, with regards to fulfillment of AXIS Louisville (Cityscape Residential, LLC's) obligations under Sections 3.4 and 3.5 of the LPA along with the First Amendment to The Local Participation Agreement dated August 19, 2019 relating to the 2018 Calendar Year Released Amount of TIF:

3.4a. The Certificate of Use of Incremental Taxes received from AXIS Louisville (Cityscape residential LLC) dated February 11, 2019 adequately described the expenditure of the 2017 paid increment of \$27,835.54 in the preceding calendar year as reimbursement for the total project expenditures incurred by the Developer.

3.5a. The 2017 Released amount of \$27,835.54 paid to the Cityscape Residential LLC on September 20, 2018 constitutes the first payment made to AZIS Louisville (Cityscape Residential LLC) under the Local Participation Agreement. A request for the 2018 Released Amount of \$165,626.53 along with the previously paid 2017 Released Amount of \$27,835.54 would at this time make the aggregate total of the Released Amount paid to date of \$193,462.07.

3.5 b. An analysis and review of all development activities resulting from the Project within the Development Area as reported to Louisville through 2018 has been met as contained in Exhibit B: Certification of Use of Incremental Taxes and the supporting

letter detailing the amounts spent by quarter on the project totaling \$46,351,486 as of December 2017 (See attachment).

3.5 c. A progress report on the current status of achieving the stated goals of the Project and the Development Area has been met in as contained in the Exhibit B: Certification of Use of Incremental Taxes and the supporting letter detailing the amounts spent by quarter on the project totaling \$46,351,486 as of December 2017 (See attachment).

Therefore, pursuant to Section 4.4 of Louisville's Local Participation Agreement with AXIS Louisville (Cityscape Residential, LLC) the calculated Released Amount for 2018 is \$165,626.53.

Please let me know if you have any questions regarding this letter.

Sincerely,



Daniel Frockt
Chief Financial Officer

Encl.

CC: Mayor Greg Fischer
Council President David James
Council Clerk Stephen Ott
Ellen Hesen
Mary Ellen Wiederwohl
Jeff Mosley
Laura Ferguson

EXHIBIT B

CERTIFICATION OF USE OF INCREMENTAL TAXES

This Exhibit must be submitted annually by February 15 to certify the use of Incremental Taxes for the preceding calendar year. Failure to submit this annual exhibit by the date will result in delay by Louisville in the processing of outstanding Requests of Disbursements.

Year in Which Increment Received:	<u>2018</u>
Amount of Increment Received	\$ <u>4,867,144</u>
Amount of Increment Paid (Previous):	\$ <u>27,835.54</u>
Amount of Increment Requested (Current):	\$ <u>174,486.00</u>
Increment was spent for the following Project Costs (Attach Supporting Detail):	<u>46,351,486</u>
Amount of Increment Unspent:	\$ <u>4,666,822</u>

By signing the exhibit, I agree that I have proper authority to act on behalf of Cityscape Residential, LLC ("Developer") with regard to the Development and Disbursement agreement for the Axis on Lexington Tax Increment Financing Project and certify on behalf of the Developer that the amounts reported above have been expended in connection with or related to the Project.

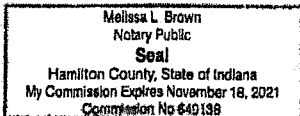
Axis Louisville, LLC c/o
CITYSCAPE RESIDENTIAL, LLC

By: [Signature]
Title: Asst
Date: 2/11/19

State of INDIANA)
County of MARION)

The forgoing Certification of Use of Incremental Taxes was subscribed, sworn to and acknowledged before me this 11th day of February 2019 by James Kelliher as AGENT Limited Liability Company.

My Commission Expires: 11.18.2021



Melissa L. Brown
Notary Public

Axis Louisville LLC
c/o Cityscape Residential, LLC
8335 Keystone Crossing, Suite 220
Indianapolis, IN 46240

September 14, 2018

Metro Development Authority, Inc.
c/o Economic Development Department
444 S. Fifth Street, Suite 600
Louisville, KY 40202
Attn: Laura Ferguson

Economic Development Department
444 S. Fifth Street, Suite 600
Louisville, KY 40202
Attn: Laura Ferguson

RE: Additional TIF reporting information/Supplements to first increment request and reporting

Dear Ms. Ferguson:

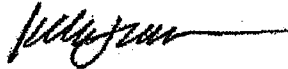
Pursuant to the terms of the TIF agreement and in follow up to our recent conversations, below is a summary of the completion of work in the Axis on Lexington Development Area. Work described in the Development Plan for the area is fully complete with the project receiving its final certificates of occupancy on 11/19/17. As of September 1, 2018, Axis on Lexington is nearly 90% occupied. Below is a quarterly summary of expenditures made in relation to Axis on Lexington from inception of the TIF through receipt of final certificate of occupancy. These expenditures align with those contemplated in the agreements for the TIF.

<u>Quarter ending</u>	<u>Dollars Spent</u>
December 2015	\$5,834,111
March 2016	\$7,726,850
June 2016	\$12,997,391
September 2016	\$19,194,501
December 2016	\$28,095,060
March 2017	\$35,818,066
June 2017	\$42,700,226
September 2017	\$44,604,060
December 2017	\$46,351,486

Axis Louisville LLC activated the TIF for the Development Area on September 14, 2017. The first request for reimbursement of increment in the amount of \$28,579 was submitted on January 8, 2018, receipt of which is pending. Upon receipt the first request, the balance of increment remaining will be \$4,838,565. Attached is a revised Exhibit B to clarify that none of the increment has been received to date. As all costs contemplated in the agreements and required by the Development Area have been incurred, receipt of future increment will be used as reimbursement for prior costs incurred.

We are excited about the completion of Axis on Lexington and bringing to fruition the improvements contemplated in the development plan. Please let us know if you need any additional information

Best regards,



Kelli Lawrence, Manager