

LOCAL PARTICIPATION AGREEMENT

This **LOCAL PARTICIPATION AGREEMENT** ("Agreement"), effective as of the 27th day of June, 2013 by and between (i) **LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT**, a Kentucky consolidated local government ("Louisville") and (ii) the **METRO DEVELOPMENT AUTHORITY, INC.**, a Kentucky non-profit, non-stock corporation ("Authority").

RECITALS:

WHEREAS, Kentucky Kingdom, LLLP ("Kentucky Kingdom") is proposing to revitalize and reopen the closed Kentucky Kingdom Amusement Park, located on the grounds of the Kentucky Fair and Exposition Center, as an amusement park to be called Kentucky Kingdom ("Project");

WHEREAS, the Project will create approximately 60 full-time jobs and 800 part-time jobs, creating new employment opportunities for the citizens of Louisville and increasing the tax base of Louisville;

WHEREAS, Louisville in order to induce Kentucky Kingdom to undertake the Project, agrees to provide certain financial incentives to Kentucky Kingdom through the creation of a development area, pursuant to KRS 65.7041-65.7083 ("Act") and to release the incremental tax revenues generated by the Project in accordance with the terms and conditions of this Agreement;

WHEREAS, the Project shall represent new economic development in Louisville; and

WHEREAS, the use of tax increment financing to assist the development of the Project, within the meaning of the Act is a worthy public purpose; and

WHEREAS, Louisville is authorized under the Act to execute a local participation agreement with an agency in acknowledgement of benefits to be derived by Louisville within a development area in order to promote the public purposes of Louisville; and

WHEREAS, the Authority is organized and incorporated as a non-profit corporation pursuant to KRS Chapter 58 and qualifies to be an "Agency" pursuant to the Act; and

WHEREAS, pursuant to Louisville Ordinance No. 105, Series 2013, the Authority has been designated as the "agency," within the meaning of the Act for the purposes of receiving the Tax Increments generated by the Project; and

WHEREAS, Louisville desires to assist Kentucky Kingdom with the costs of the Project and agrees to enter into this Local Participation Agreement in order to release to the Authority a portion of the Increment (as hereinafter defined) for use solely for purposes of the Project.

NOW THEREFORE, Louisville and the Authority agree that in consideration of the premises and the additional consideration provided herein, the parties agree as follows:

Section 1. Definitions

In addition to the terms defined in the above recitals, the following additional terms used in this Agreement shall have the meanings assigned in this Section 1 unless the context clearly indicates that a contrary meaning is intended.

(a) **“Activation Date”** means the date established by notice from Kentucky Kingdom to the Authority which date shall be no earlier than the Commencement Date and no later than two years from the Commencement Date, unless an extension is granted by the Authority.

(b) **“Base Year”** means January 1 through December 31 of 2012.

(c) **“Calendar Year”** means January 1 through and including December 31.

(d) **“Commencement Date”** shall mean the date of this Agreement.

(e) **“Development Area”** shall mean the area in which the Project shall be undertaken, as illustrated on the map attached hereto as Exhibit A.

(f) **“Increment”** shall mean the amount calculated pursuant to Section 5.3 of this Agreement.

(g) **“Project”** means the project described in the Development Plan attached hereto as Exhibit B.

(h) **“Project Employees”** shall mean the persons employed by Kentucky Kingdom in the Development Area.

(i) **“Office of Management and Budget”** means the department of Louisville so named.

(j) **“New Occupational Tax Revenue”** means the amount of Occupational License Fees received by Louisville from, or attributable to, the Project in each year after the Activation Date during the term of this Agreement.

(k) **“Occupational License Fees”** means the occupational withholding taxes levied upon Project Employees by Louisville, pursuant to Louisville Metro Codified Ordinances Chapter 110.

(l) "Old Occupational Tax Revenue" means the amount of Occupational License Fees received by Louisville from, or attributable to, the Development Area in the Base Year.

(m) "Project Employees" means the persons employed by Kentucky Kingdom who work in the Development Area.

(n) "Released Amount" means the amount payable in each Calendar Year from Louisville to the Authority as calculated, pursuant to Section 5.4 of this Agreement

(o) "Termination Date" means the date upon which this Agreement expires, pursuant to Section 4.1 of this Agreement.

Section 2. Representations and Warranties

2.1 Representations and Warranties of The Authority. The Authority represents and warrants to Louisville as follows:

(a) Existence. The Authority is a duly organized and validly existing non-profit corporation created under the laws of the Commonwealth of Kentucky.

(b) Authority to Act. The Authority has the requisite power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Agreement, in accordance with its terms and conditions. The officers and officials executing and delivering this Agreement on behalf of the Authority have been or are otherwise duly authorized to enter into this Agreement on behalf of the Authority.

(c) Validity of Agreement; Compliance with Law. This Agreement is the legal, valid and binding obligation of the Authority enforceable in accordance with its terms and conditions. The execution and delivery of this Agreement, and the performance or observance by the Authority of the terms and conditions thereof, do not and will not materially violate any provisions of the Authority's Articles of Incorporation or any laws applicable to the Authority.

(d) Litigation. No litigation or proceeding involving the Authority is pending or, to the best of the knowledge of the Authority, is threatened in any court or administrative agency which, if determined adversely to the Authority, could have a materially adverse impact on the ability of the Authority to perform any of its obligations under this Agreement.

(e) Conflicting Transactions. The consummation of the transactions contemplated hereby and the performance of the obligations of the Authority under and by virtue of this Agreement shall not result in any material breach of, or constitute a default under, any contract, agreement, lease, indenture, bond, note, loan or credit agreement to which it is a party or by which it is bound.

2.2 Representations and Warranties of Louisville. Louisville represents and warrants to the Authority as follows:

(a) Authority to Act. Louisville has the requisite power, capacity and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby, and to observe and to perform this Agreement in accordance with its terms and conditions. Each of the officials executing and delivering this agreement on behalf of Louisville has been and is duly authorized to enter into this Agreement on behalf of Louisville.

(b) Validity of Agreement; Compliance with Law. This Agreement is the legal, valid and binding obligation of Louisville enforceable in accordance with its terms and conditions. The execution and delivery of this Agreement, and the performance or observance by Louisville of the terms and conditions thereof, do not and will not violate any provisions of any laws applicable to Louisville.

Section 3. Tax Withholding Numbers

3.1 Requirement. Louisville shall use reasonable efforts to require Kentucky Kingdom to separately identify the Project Employees and to establish a separate and distinct withholding account with the Louisville Revenue Commission for the Project Employees..

Section 4. Released Amount

4.1 Term. Louisville agrees to pay to the Authority, and the Authority does accept from Louisville, the Released Amount for each Calendar Year beginning in the year including the Activation Date, with payment to be made beginning in the Calendar year following the Activation Date, and for successive Calendar years continuing automatically thereafter until that date ten (10) years following the initial payment to the Authority.

4.2 Louisville Monitoring, Tracking and Reporting. The Office of Management and Budget shall annually submit to the Metro Council a report concerning the Project and the Development Area including but not limited to:

(a) An accounting of all payments made to the Authority and by the Authority pursuant to this Agreement in the prior fiscal year;

(b) An analysis and review of development activity resulting from the Project within the Development Area as reported to Louisville by Kentucky Kingdom;

(c) The compliance by Kentucky Kingdom with the terms of the Development Plan as reported to Louisville by Kentucky Kingdom; and

4.3 Time of Payment. By the later of (i) February, 1 of each Calendar Year beginning in the year after the year of the Activation Date or (ii) thirty (30) days after the submission by the Authority of a request for the Released Amount under this Agreement, which date shall be no

later than December 31 of such calendar year, Louisville agrees to pay to the Authority the Released Amount. No more than one request for the Released Amount may be submitted by the Authority in any one Louisville calendar year. Prior to payment of the Released Amount to the Authority, such funds shall be maintained in a "Special Fund", pursuant to the Act.

4.4 Use of Released Amount. Consistent with the Act, the Authority covenants and agrees that it will pay the Released Amount to Kentucky Kingdom to be used solely for the Project, pursuant to a written disbursement agreement entered into between the Authority and Kentucky Kingdom. The Authority shall provide to the Office of Management and Budget, no later than ninety (90) days after the end of each Calendar Year during the term of this Agreement, a certification as to the use of the Released Amount during the preceding year.

Section 5. Determination of the Released Amount.

5.1 Old Occupational Tax Revenue. The Office of Management and Budget shall determine the amount of "Old Occupational Tax Revenue" with reasonable accuracy, but may make such assumptions as may be required. Upon the determination of Old Occupational Tax Revenue, Louisville and the Authority shall stipulate the amount of Old Occupational Tax Revenue by written addendum to this Agreement. The amount of Old Occupational Tax Revenue so stipulated shall be valid throughout the term of this Agreement.

5.2 New Occupational Tax Revenue. The Office of Management and Budget shall calculate the amount of the "New Occupational Tax Revenue" each year after the Activation Date prior to the Time of Payment pursuant to Section 4.3 of this Agreement by calculating the total amount of Occupational license Fees received by Louisville attributable to the wages and salaries paid to the Project Employees. The current projected New Occupational Tax Revenues are set forth in Exhibit C, but are only projections and both parties acknowledge and understand these projections will change and will not be the actual New Occupational Tax Revenues.

5.3 Calculation of Increment. The Office of Management and Budget in each year following the Activation Date shall calculate the Increment prior to the Time of Payment pursuant to Section 4.3 of this Agreement. The Increment shall be the sum equal to New Occupational Tax Revenue calculated pursuant to Section 5.2 of this Agreement minus Old Occupational Tax Revenue calculated pursuant to Section 5.1 of this Agreement.

5.4 Calculation of Released Amount. The Office of Management and Budget in each year following the Activation Date prior to the Time of Payment pursuant to Section 4.3 of this Agreement, shall calculate the Released Amount, which shall be a sum equal to 100% of the Increment calculated pursuant to Section 5.3 of this Agreement.

Section 6. Pledge of Incremental Revenues Superior to Ordinances and Statues

As provided in the Act, any pledge of incremental tax revenues by the Authority and or Louisville in this Agreement shall be superior to any other pledge of revenues for any other purpose and shall, from the Activation Date to the Termination Date, supersede any statute or ordinance regarding the application or use of incremental tax revenues.

Section 7. Default.

7.1 Default by Authority. If the Authority materially breaches or defaults on its obligations under this Agreement or any of the documents incorporated herein or in the reasonable judgment of Louisville there has been a substantial decrease in the Authority's capacity to undertake the obligations required by this Agreement, Louisville may give written notice that remedial action must be taken within thirty (30) calendar days. The Authority shall correct such breach or default within thirty (30) days after the Authority's receipt of such written notice. If the default is not reasonably curable within thirty (30) days, then the Authority may continue to cure the default or breach so long as Louisville is reasonably satisfied that sufficient progress is being made toward a cure. If such corrective action is not taken, Louisville may terminate the Agreement by giving written notice to the Authority at least ten (10) days prior to the effective date of termination.

7.2 Default by Louisville. If Louisville materially breaches or defaults on its obligations under this Agreement or any of the documents incorporated herein, the Authority may give written notice to Louisville that remedial action must be taken within thirty (30) days after Louisville's receipt of such written notice. However, if the default is not reasonably curable within thirty (30) days, Louisville may continue to cure the default or breach so long as the Authority is satisfied that sufficient progress is being made toward a cure. If such action is not taken, the Authority shall be entitled to enforce the provisions of this Agreement.

7.3 Remedies; Exception.

In the event of any default or termination by either party, the non-defaulting party shall be relieved of any executoyr obligations hereunder.. Provided however, that, in the event the Authority, Kentucky Kingdom, Louisville or any other entity or body has issued bonds for the benefit of the Project which are secured by a pledge of the Released Amount and/or the Special Fund, Louisville shall not terminate the payment of the Released Amount for the period said bonds remain outstanding or the date of termination of this Agreement, whichever occurs first, and the Authority shall continue to comply with all applicable provisions of this Agreement necessary to make the bond payments with all applicable Released Amounts. Neither the Authority nor Louisville will terminate or otherwise negatively impact any such pledge, and both parties shall fully cooperate to use the Released Amount to service such bonds.

Section 8. Miscellaneous.

8.1 Notices. All notices or other communications hereunder from any party shall be sufficiently given, and shall be deemed given, when delivered or mailed by first class mail or overnight delivery to the other parties at their respective addresses as follows:

If to Louisville: Louisville/Jefferson County Metro Government
c/o Economic Growth and Innovation Department
444 S. 5th Street, Ste. 600
Louisville, KY 40202
Attn: Director

With a copy to: Chief Financial Officer
Office of Management and Budget
611 W. Jefferson
Louisville, KY 40202

If to The Authority: President
Metro Development Authority, Inc.
444 S. 5th Street, Ste. 600
Louisville, KY 40202

With a copy to: J. David Morris
Economic Growth & Innovation Department
444 S. 5th Street, Ste. 600
Louisville, KY 40202

Section 9. Miscellaneous Provisions.

9.1 Binding Effect. This Agreement shall be binding upon the parties hereto and upon their respective successors and assigns.

9.2 Severability. If any clause, provision, or section of this Agreement is ruled invalid or unenforceable by any court of competent jurisdiction, the invalidity or unenforceability of such clause, provision, or section shall not affect any of the remaining clauses, provisions, or sections hereof.

9.3 Governing Law. This Agreement shall be governed by and construed in accordance in the laws of the Commonwealth of Kentucky and enforceable in courts of competent jurisdiction.

9.4 Entire Agreement; Modifications. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter of this Agreement. This Agreement shall not be modified, amended, cancelled or terminated except by an agreement in writing signed by the parties hereto.

9.5 Counterparts. This Agreement may be executed in any number of counterparts by some or all of the parties hereto, each of which shall be an original and all of which shall together constitute one and the same instrument.

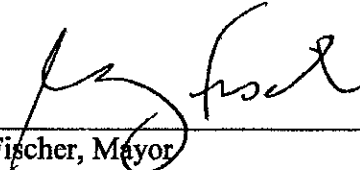
9.6 Further Assurances. Each of the parties hereto shall use reasonable efforts and cooperate fully with each other in order to promptly and fully carry out the terms and provisions of this Agreement. Each party hereto shall from time to time execute and deliver such other agreements, documents or instruments and take such other actions as may be reasonably necessary or desirable to effectuate the terms of this Agreement.

9.7 Mutual Termination. In addition to any other provisions relating to termination of this agreement contained herein, this agreement shall terminate upon the written agreement of all the parties hereto, except as otherwise provided in Subsection 7.3 of this Agreement.


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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their officers and officials thereunto duly authorized as of the date first written above.

**LOUISVILLE/JEFFERSON COUNTY METRO
GOVERNMENT**

By: 
Greg Fischer, Mayor

METRO DEVELOPMENT AUTHORITY, INC.

By: 
Ted Smith, President

Approved as to Form:

**MICHAEL J. O'CONNELL
JEFFERSON COUNTY ATTORNEY**

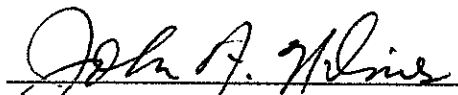
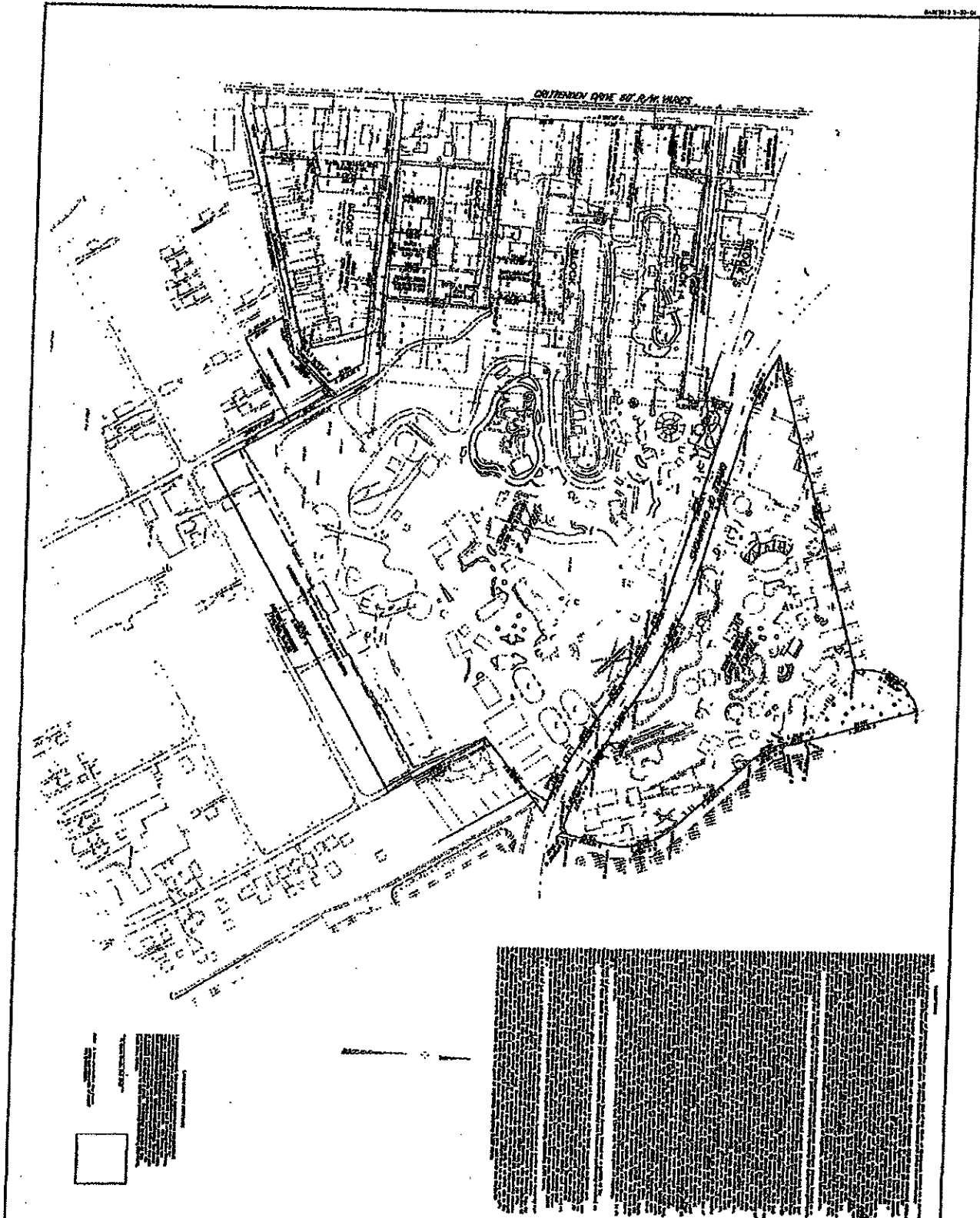
By: 
John A. Wilmes
Assistant Jefferson County Attorney
531 Court Place, Suite 900
Louisville, Kentucky 40202
(502) 574-3348
(502) 574-5573 (Fax)

EXHIBIT A
Development Area

[See Next Page]

EXHIBIT A



<p>SURVEY FOR KENTUCKY STATE FAIRGROUNDS</p> <p>KENTUCKY KINGDOM</p>	<p>HR ONE COMPANY <i>Many Solutions</i></p> <p>400 Brentwood Plaza, Suite 300 1000 Park Mall Drive Lexington, KY 40502 781-222-2222</p>	<p>DATE: _____</p> <p>SCALE: _____</p>	<p>NO.</p>	<p>DATE</p>	<p>REVISION</p>

TRACT 1

Being a tract of land lying east of Crittenden Drive and on the north side of the Circle of Champions, located on a portion of the Kentucky Fair and Expo Center in the central portion of Metro Louisville, Kentucky and being more particularly described as follows:

Beginning at an iron pin with identifier #2223 in the north line of the Circle of Champions 678.40 feet as measured along a line perpendicular to the east line of Crittenden Drive; thence leaving said north line North 74 degrees 20 minutes 07 seconds East 983.80 feet to an iron pin with identifier #2223; thence with a curve to the right having a radius of 169.57 feet, the chord of which measures North 32 degrees 01 minute 43 seconds East to an iron pin; thence South 15 degrees 58 minutes 37 seconds East 350.69 feet to a cross cut, North 81 degrees 57 minutes 15 seconds West 2.19 feet to a cross cut, South 14 degrees 40 minutes 52 seconds East 62.82 feet to a nail, and South 81 degrees 04 minutes 50 seconds West 8.68 feet to a nail; thence with a curve to the left having a radius of 127.57 feet, the chord of which measures South 28 degrees 48 minutes 50 seconds East 227.57 feet to an iron pin with identifier #2223; thence South 41 degrees 36 minutes 25 seconds East 307.78 feet to an iron pin with identifier #2223 and with a curve to the right having a radius of 225.12 feet, the chord of which measures South 14 degrees 41 minutes 01 second East 203.87 feet to an iron pin with identifier #2223; thence South 12 degrees 26 minutes 04 seconds West 131.01 feet to an iron pin with identifier #2223 and South 59 degrees 22 minutes 05 seconds West 27.32 feet to an iron pin with identifier #2223 in the north line of the Circle of Champions aforesaid; thence with said north line and with a curve to the right having a radius of 725.73 feet, the chord of which measures North 64 degrees 58 minutes 28 seconds West 205.19 feet to an iron pin with identifier #2223; thence continuing with said north line North 76 degrees 57 minutes 51 seconds West 75.46 feet to an iron pin with identifier #2223, South 33 degrees 05 minutes 27 seconds West 7.50 feet to an iron pin with identifier #2223, North 56 degrees 51 minutes 40 seconds West 166.58 feet to an iron pin with identifier #2223 and with a curve to the left having a radius of 1558.61 feet, the chord of which measures North 65 degrees 14 minutes 47 seconds West 451.29 feet to an iron pin with identifier #2223; thence continuing with said north line North 73 degrees 34 minutes 21 seconds West 437.01 feet to an iron pin with identifier #2223 and with a curve to the right having a radius of 901.49 feet, the chord of which measures North 66 degrees 02 minutes 33 seconds West 233.53 feet to the point of beginning, containing 13.556 acres.

TRACT 2

Being a tract of land lying on the east side of Crittenden Drive between Cheyenne Avenue and Huron Avenue, located on a portion of the Kentucky Fair and Expo Center in the central portion of Metro Louisville, Kentucky and being more particularly described as follows:

Beginning at an iron pin in the south line of Cheyenne Avenue, South 85 degrees 42 minutes 35 seconds East 145.05 feet as measured along said south line from its intersection with the east line of Crittenden Drive, said point also being at the intersection of said south line of with the east line of the tract conveyed to Nance Realty by deed of record in Deed Book 4296, Page 43 in the office of the Clerk of Jefferson County, Kentucky; thence with said south line South 85 degrees 42 minutes 35 seconds East

677.44 feet to an iron pin with identifier #2223 in same; thence leaving said south line North 05 degrees 28 minutes 02 seconds East 71.64 feet to an iron pin with identifier #2223, North 63 degrees 37 minutes 14 seconds West 4.19 feet to an iron pin with identifier #2223, and North 18 degrees 07 minutes 06 seconds East 78.32 feet to a drill hole in the south line of the Circle of Champions; thence with said south line South 72 degrees 50 minutes 56 seconds East 616.66 feet to an iron pin with identifier #2223, South 65 degrees 45 minutes 24 seconds East 118.79 feet to an iron pin with identifier #2223, South 61 degrees 25 minutes 47 seconds East 98.50 feet to an iron pin with identifier #2223, South 57 degrees 37 minutes 48 seconds East 191.52 feet to an iron pin with identifier #2223, South 55 degrees 47 minutes 51 seconds East 123.69 feet to an iron pin with identifier #2747 and with a curve to the left having a radius of 801.94 feet, the chord of which measures South 64 degrees 12 minutes 29 seconds East 203.77 feet to an iron pin with identifier #2747; thence leaving said north line South 51 degrees 09 minutes 46 seconds West 288.33 feet to a concrete monument, and South 29 degrees 49 minutes 17 seconds East 340.89 feet to an iron pin with identifier #2747; thence South 60 degrees 01 minute 13 seconds West 1135.39 feet to an iron pin with identifier #2747 at its intersection with the east line of Rice Avenue (now closed per Deed Book 7009, Page 542 in the office aforesaid); thence with said east line North 29 degrees 32 minutes 36 seconds West 266.68 feet to an iron pin with identifier #2747; thence leaving said east line South 60 degrees 01 minute 37 seconds West 289.82 feet to an iron pin with identifier #2747, North 29 degrees 58 minutes 23 seconds West 129.06 feet to an iron pin with identifier #2747 at its intersection with the south line of Sioux Avenue; thence with said south line North 76 degrees 19 minutes 21 seconds East 101.97 feet to an iron pin with identifier #2747, North 45 degrees 17 minutes 07 seconds East 147.80 feet to an iron pin with identifier #2747, and North 45 degrees 20 minutes 49 seconds East 51.84 feet to an iron pin with identifier #2747 at its intersection with the east line of Rice Avenue; thence with said east line North 29 degrees 32 minutes 36 seconds West 153.22 feet to an iron pin with identifier #2747 at its intersection with the north line of Huron Avenue; thence with said north line North 85 degrees 41 minutes 57 seconds West 229.50 feet to an iron pin with identifier #2223; thence leaving said north line and with the east line and same, if extended, of the tract conveyed to Dexter and Joanne Jones by deed of record in Deed Book 5315, Page 29 in the office aforesaid, North 04 degrees 15 minutes 44 seconds East 317.93 feet to an iron pin with identifier #2747 at its intersection with the north line of Dakota Street; thence with said north line North 85 degrees 43 minutes 00 seconds West 30.00 feet to an iron pin with identifier #2747 at its intersection with the east line of the tract conveyed to Mary Collins by deed of record in Deed Book 5487, Page 836 in the office aforesaid; thence with lines common to said Collins tract, North 04 degrees 17 minutes 00 seconds East 136.20 feet, South 84 degrees 45 minutes 03 seconds West 13.27 feet, North 85 degrees 43 minutes 00 seconds West 106.91 feet, and South 04 degrees 17 minutes 00 seconds West 134.00 feet to an iron pin with identifier #2747 at its intersection with the north line of Dakota Street aforesaid; thence with said north line North 85 degrees 42 minutes 32 seconds West 424.84 feet to an iron pin with identifier #2223 at its intersection with the east line of Crittenden Drive; thence with said east line North 1 degree 47 minutes 08 seconds East 222.33 feet to an iron pin with identifier #2747 at its intersection with the south line of the tract conveyed to Mark and Douglas Gillm, Trustees by deed of record in Deed Book 7788, Page 628 in the office aforesaid; thence with lines common to same, South 85 degrees 28 minutes 04 seconds East 278.35 feet, North 07 degrees 34 minutes 07 seconds East 177.05 feet, North 83 degrees 43 minutes 43 seconds West 170.51 feet, and North 86 degrees 03 minutes 39 seconds West 126.01 feet to

an iron pin with identifier #2747 at its intersection with the east line of Crittenden Drive aforesaid; thence with said east line North 1 degree 47 minutes 08 seconds East 107.38 feet to an iron pipe at its intersection with the south line of the Nance Realty tract aforesaid; thence with lines common to same, South 85 degrees 43 minutes 12 seconds East 145.54 feet to an iron pin with identifier #2223 and North 01 degree 31 minutes 44 seconds East 111.11 feet to the point of beginning, containing 42.509 acres.

TRACT 3

Being a tract of just east of Crittenden Drive between Sloux Avenue and Huron Avenue, located on a portion of the Kentucky Fair and Expo Center in the central portion of Metro Louisville, Kentucky and being more particularly described as follows:

Beginning at an iron pin with identifier #3061 at the intersection of the east line of the tract conveyed to Daniel and Heather Cook by deed of record in Deed Book 6051, Page 401 in the office of the Clerk of Jefferson County, Kentucky, with the south line of Huron Avenue; thence with said south line South 85 degrees 41 minutes 00 seconds East 554.53 feet to an iron pin with identifier #2747 at its intersection with the west line of Rice Avenue; thence with said west line South 29 degrees 31 minutes 39 seconds East 119.33 feet to an iron pin at its intersection with the north line of Sloux Avenue; thence with said north line South 45 degrees 16 minutes 53 seconds East 126.64 feet to a nail, North 78 degrees 55 minutes 47 seconds West 21.98 feet to a nail and South 76 degrees 19 minutes 32 seconds West 583.74 feet to a nail at its intersection with the east line of an alley; thence with said east line North 02 degrees 41 minutes 21 seconds East 151.05 feet to an iron pin with identifier #3061 at its intersection with the south line of the Cook tract aforesaid; thence with lines common to same North 76 degrees 28 minutes 47 seconds East 51.93 feet to an iron pin with identifier #3061 and North 02 degrees 37 minutes 24 seconds East 205.64 feet to the point of beginning, containing 3.701 acres.

TRACT 3

Being a tract of just east of Crittenden Drive on the north side of Huron Avenue, located on a portion of the Kentucky Fair and Expo Center in the central portion of Metro Louisville, Kentucky and being more particularly described as follows:

Beginning at an iron pin with identifier #2747 at the intersection of the east line of the tract conveyed to Newland, Inc., by deed of record in Deed Book 5669, Page 834 in the office of the Clerk of Jefferson County, Kentucky, with the north line of Huron Avenue; thence with said east line North 04 degrees 17 minutes 00 seconds East 125.00 feet to an iron pin with identifier #2747 at its intersection with the south line of an alley; thence with said south line South 85 degrees 43 minutes 00 seconds East 100.00 feet to an iron pin with identifier #2747 at its intersection with the west line of the tract conveyed to Richard Ciresi by deeds of record in Deed Book 5775, Page 913, and Deed Book 6059, Page 218, all of which are in the office aforesaid; thence with said west line South 04 degrees 17 minutes 00 seconds West 125.00 feet to an iron pin with identifier #2747 at its intersection with the north line of Huron Avenue aforesaid; thence with said north line North 85 degrees 43 minutes 00 seconds West 100.00 feet to the point of beginning, containing 0.287 acres.

EXHIBIT B
Development Plan

[See Next Page]

Exhibit B

KENTUCKY KINGDOM, LLLP DEVELOPMENT AREA DEVELOPMENT PLAN

History

The Kentucky Kingdom theme park is situated on 58 acres owned by the Kentucky State Fair Board ("KSFB") immediately east of the Kentucky Exposition Center ("KEC") and north of I-264 and Louisville International Airport. The site was first developed as an amusement park ("Park") in 1987 and was owned and operated by several operators until it was closed in 2009. The Park was expanded several times, with new rides and attractions added, most notably a water park. While the Park enjoyed significant success for many years, the last operator went into bankruptcy and closed the Park.

The closure of the Park has had an adverse impact upon Louisville. At its peak, the Park attracted over one million visitors a year, including a large percentage from out of town. The Park employed nearly one thousand part-time employees each year, primarily high school and college age youth. The closing also resulted in a loss of sales taxes, income taxes and occupational license fees paid to the Commonwealth and Louisville.

Proposed Project

Kentucky Kingdom, LLLP proposes to renovate and refurbish the Park as well as add new attractions. The Park will open to the public May 24, 2014 ("Project"). The members of the partnership are Edward J. Hart, Al J. Schneider Company, C. Edward Glasscock, and W. Bruce Lunsford.

Proposed Investment and Employment

The total capital cost for Kentucky Kingdom, LLLP to undertake the Project is estimated at \$43.5 million over the next three years. A copy of Kentucky Kingdom, LLLP's Sources & Uses is included as Attachment A. The Project will be financed with a capital contribution from Kentucky Kingdom, LLLP and a loan from a financial institution.

When the Park opens in 2014, Kentucky Kingdom, LLLP expects to employ 60 full-time employees and nearly 800 part-time employees, with a total payroll of over \$6 million a year. The Park will be open no less than 100 days and as many as 124 days each year and is expected to attract 800,000 visitors in its first year of operation. Attendance is projected to increase each year as more rides and attractions are added.

Proposed TIF District

In order to induce Kentucky Kingdom, LLLP to undertake the Project, Louisville proposes to designate the 58 acres of the Park together with an additional 20 acres that Kentucky Kingdom, LLLP has an option to lease for a total of 78 acres as a Development Area pursuant to KRS 65.7041-65.7083 ("Act"). This area will be known as the Kentucky Kingdom Development Area and is illustrated on the map included hereto as Attachment B ("Development Area"). The Development Area will be for the release of local taxes only and no state taxes will be released. Louisville proposes to release 100% of the occupational license

fees generated from the wages and salaries of employees hired to work in the Development Area for a period not to exceed ten (10) years.

The taxes released from the Development Area will be paid by Louisville to the Metro Development Authority, Inc. ("MDA") pursuant to a local participation agreement entered into between Louisville and MDA ("Agreement"). MDA will pay the amounts received from Louisville pursuant to the Agreement to Kentucky Kingdom, LLLP as an inducement for Kentucky Kingdom, LLLP to undertake the Project ("TIF Incentive"). The estimated amount of the TIF Incentive to be paid each year the Agreement is in effect is set forth in Attachment C, attached hereto.

Need for TIF Incentive

All of the initial capital costs of the Project will be borne by Kentucky Kingdom, LLLP through its own capital or debt. Those costs will be incurred to refurbish the existing facilities and construct new facilities. However, in accordance with the terms of the lease with the KSFB, all improvements remain the property of the KSFB. Because Kentucky Kingdom, LLLP will not own the facilities it is constructing and renovating, Kentucky Kingdom, LLLP would not be willing to make the initial investment without state and local incentives. Kentucky Kingdom, LLLP has received approval from the Kentucky Economic Development Finance Authority for sales tax rebates pursuant to the Kentucky Enterprise Initiative Act and approval from the Kentucky Tourism Development Finance Authority for tax incentives pursuant to the Kentucky Tourism Development Act.

Compliance with Act

The Act requires any development area established by a local government to comply with six criteria established by KRS 65.7049 as conditions precedent for the creation of development areas. The establishment of the Development Area meets the requirements of KRS 65.7049 as described below:

1. The Development Area is contiguous and, since its total area is 78 acres, it is less than three square miles;
2. The establishment of the Development Area will not cause the total assessed value of real property located in development areas in Louisville to exceed 20 % of total assessed value of real property in Louisville because the Development Area property is owned by KSFB and is therefore exempt from taxation and no real property taxes will be released;
3. The Development Areas possesses the following conditions as required by KRS 65.7049(3)(a):
 - (a) More than 50% of commercial structures in the Development Area are deteriorating rapidly.
 - Rides and attractions have not been properly cared for while the Park has been closed the past four years.
 - Proper winterization precautions were not followed when the Park was closed.
 - The pumps for the water attractions were not removed during the winter for inspection.
 - Many buildings have leaky roofs.
 - Rides need to be completely refurbished in order to ensure safety.
 - Vegetation has overtaken some of the attractions and walkways, making them unsafe.
 - At least 75% of current attractions are inoperable as of April, 2013.

(b) Substantial abandonment of commercial structures located in the Development Area has occurred.

- The facilities were abandoned without concern for future viability.
- Many items were placed in crates in order to be shipped to other parks operated by the previous owner.
- All rides and attractions were left in the operating state instead of being winterized.
- All buildings were abandoned and have significantly deteriorated over the last four years.
- All facilities were stripped of anything of value including roller coaster trains, lockers, inner tubes, parts for rides and attractions, etc.
- Restrooms were left with human waste and not winterized.
- All buildings require painting and carpentry work.

(c) The current conditions existing in the Development Area impair the growth and economic development of Louisville.

- Without a well-operated amusement and water park, the Park will continue to deteriorate.
 - The KEC will gain more events with a well-operated amusement and water park.
 - The reopened Park will bring increased revenue (through parking revenue, rent and sales) for the KEC and surrounding businesses.
 - The development of the Park will create jobs and encourage other businesses to expand and/or locate in the area. This includes hotels, restaurants, gift shops, gas stations and convenience stores.
 - Expected attendance of 800,000 in the first year, increasing each year, will increase the need for more support services and goods in the surrounding area.
4. The Development Area will not be developed without public assistance. As discussed above, Kentucky Kingdom, LLLP would not be willing to undertake the Project without state and local incentives.
 5. The public benefits of the Project exceed the public costs of the TIF incentives. As discussed above, the Development Area is currently abandoned, creates no tax revenues for Louisville and has no employment. After the Project is undertaken, almost 800 persons will be employed in the Development Area, with a yearly payroll of over \$6 million and more than 800,000 visitors will come to the Development Area, at least 25% of whom will be from other states. In addition, the Project will increase tax revenues to Louisville and increase tourism and convention business in Louisville.
 6. The area immediately surrounding the Development Area has not been subject to growth and development through investment by private enterprise. An adjacent hotel was demolished and nearby businesses, including restaurants and filling stations, have been hurt because of the loss of visitors to the Development Area after the amusement park closed.

Summary

The establishment of the Development Area is in compliance with the requirements of the Act. The Project induced by the establishment of the Development Area will revive a dormant and shuttered amusement park that is currently a blight on the KEC property and transform it into an active and

exciting recreational attraction that will create jobs, increase tourism to Louisville, and increase tax revenues for Louisville and the Commonwealth.

EXHIBIT C

Projected New Occupational Tax Revenues

[See Next Page]

**KENTUCKY KINGDOM: Estimated Payroll & TIF Incentive
2014 - 2023**

Year	Estimated Payroll	Estimated Occupational Taxes	Estimated TIF Incentive
2014	\$ 6,321,000	\$ 79,013	\$ 79,013
2015	\$ 6,940,000	\$ 86,750	\$ 86,750
2016	\$ 7,468,000	\$ 93,350	\$ 93,350
2017	\$ 7,617,360	\$ 95,217	\$ 95,217
2018	\$ 7,769,707	\$ 97,121	\$ 97,121
2019	\$ 7,925,101	\$ 99,064	\$ 99,064
2020	\$ 8,083,603	\$ 101,045	\$ 101,045
2021	\$ 8,245,275	\$ 103,066	\$ 103,066
2022	\$ 8,410,181	\$ 105,127	\$ 105,127
2023	\$ 8,578,385	\$ 107,230	\$ 107,230