



To:
Economic Development Department
444 S. 5th St., 600
Louisville, KY 40202

From:
601 East, LLC
815 W. Market Street Ste. 110
Louisville, KY 40202

Regarding: Louisville Chemical Building Development Area 2021 Annual Report.

Please find below information intended to comply with the reporting requirements described in Section 3.2 of the Local Participation Agreement dated 10 November 2017 between Louisville/Jefferson County Metro Government and the Metro Development Authority, Inc for the Louisville Chemical Building Project being develop by 601 East, LLC.

Section 3.2 a) - The Louisville Chemical Development Area TIF was activated for calendar year 2021. A request for disbursement of funds was submitted on 6/29/2022 containing the 2021 Property Tax bills and proof of payment for 601, 613 and 615 E. Jefferson St and the property at 600 E. Market St. We will comply with the Local Participation Agreement dated 10 November 2017, Section 3.2a in the 2022 Annual Report to be submitted on or before July 1, 2023.

Section 3.2 b) - The following development activities occurred in the Development Area in 2021:

- Completion of a 3,100 sq ft restaurant at 601 E. Hancock St which opened as the Seafood Lady Nulu on April 10, 2021.
- Completion of landlords work at 600 E. Market St for this approximately 22,000 sq ft facility.

Section 3.2 c) - The Hancock House micro-boutique hotel welcomed its first guest on 2/7/2020. This hotel has 16 furnished short-term rentals on the second and third floors of 601 East Jefferson St, the former Louisville Chemical Building. The COVID pandemic affected the Hancock House as it did all hotels, but the team worked to adjust and provide temporary housing for essential workers and other impacted by COVID-19.

The Hancock House houses the Seafood Lady Nulu on the first floor. Construction of this 3,100 sq ft started in March 2020. The Seafood Lady held its grand opening on April 10, 2021.

The Hancock House also includes an additional second retail space of approximately 1,500 sq ft on the first floor. It is still available for lease.



The former church at 600 East Market Street has been extensively rehabilitated and is waiting for a new tenant. This building is approximately 22,000 sq ft and was slated to operate as a restaurant and event space. The renovations included a new roof, restoration of the steeple, restoration of the stained-glass windows, installation of all new electric, plumbing, and HVAC, as well as modification to make the building code and ADA compliant. A temporary occupancy permit was issued in December 2021. Unfortunately, the planned tenant’s fundraising was adversely affected by COVID-19, and they were not able to secure funding for their fit-up. Efforts are underway to secure a new tenant for the building.

Improvements to the public infrastructure connecting the two buildings included new sidewalks, crosswalks, and lighting.

The table below summarizes the progress made on redeveloping the area known as the Louisville Chemical Building Project.

| | Local Participation Agreement Exhibit A | Realized through end 2021 |
|------------------------------|-----------------------------------------|---------------------------|
| New capital investment | ~\$7 million | \$11.2 million |
| Office Space | ~12,000 sq ft | -- |
| Retail Space | ~10,000 sq ft | 26,600 sq ft |
| Furnished Short Term Rentals | ~12 | 16 |

Section 3.2 d) - The Released Amount will be used to pay down the Metco loan. The Metco loan was made to offset the costs of environmental remediation.

Please let us know if there is any additional information that you require.

Sincerely,

Mariah Gratz,
Manager
601 East, LLC