



Slow and steady

Oldham Reserve considered a long-term project for La Grange

Attracting business is slow but will pay off in the long run, experts say

**By Helen E. McKinney
Contributing Writer**

LA GRANGE, Ky. (August 2009) – Even though it may be 17 to 20 years before the Oldham Reserve Business Campus is completed in La Grange, the development has the potential to grow the county’s economy in a very positive way, officials say. Many residents and county officials believe it is a step in the right direction for Oldham County.

“We know the development will be simple and special and offer Oldham County residents a special place to live, work and play,” said Deana Epperly Karem, executive director of the Oldham County Chamber of Commerce and Interim Director of the Oldham County Economic Development Authority (OCEDA).

Economic impact

- It is estimated that when fully developed, Oldham Reserve will generate \$5.3 million in additional sales on local economy.
- It is expected to generate 800 spin-off jobs for each 2,000 created on the campus.
- In regard to a new tax base, Oldham Reserve will generate \$8.3 million annually in additional property tax.
- In 2008, Oldham Reserve generated \$126,000 in property tax on the 67 acres occupied by The Rawlings Group, as compared to \$8,300 on 1,000 acres in 2005 when the property was acquired.
- If an occupational tax were levied in the future to reduce the burden on residential property tax, Oldham Reserve would contribute approximately \$4.7 million annually.



**Paul
Coomers**

Plans have been in the works for quite some time for this 1,000 acre mixed-use office, commercial and residential campus which was originally labeled Eden Park. In 2005, OCEDA purchased the property from Badgett Properties LLC of Madisonville, Ky., for nearly \$10 million.

“Oldham Reserve is a long-term project,” said Karem. “It will be a 20-year investment of time, energy and money before it is successful.”

She said it is anticipated that the complex would include a variety of housing that would attract residents seeking a local, unique and quality lifestyle. A mix of residential acreage would include high-end to medium priced homes. The mixed-use campus would also include shopping, entertainment, possible medical offices, a school and much more, said Karem.

“Plans for Oldham Reserve focus on attracting a knowledge-based economy,” Karem said. She believes the campus is appealing to regional headquarters, financial service industries and similar high-end work styles, which equates to “new buildings and new business opportunities for all of Oldham County. Any new commercial development helps to grow the Oldham County economy.”

“Oldham Reserve offers tremendous opportunity to create additional tax revenues,” said Don Basham, Board Chair for Oldham-La Grange Development Authority (OLDA). OLDA is an industrial development authority created in 2005 by Oldham Fiscal Court and the La Grange City Council for the purpose of owning and developing the 1,000 acre Oldham Reserve.

Basham said “Oldham Reserve will contribute greatly to diversifying the Oldham County tax base.” Currently, 88 percent of the total property tax assessment is residential compared to 65 percent statewide, and that percentage continues to rise. As a rule, “more property tax revenues are generated from office and retail activities than from residential. It is anticipated that Oldham Reserve will generate approximately 11,000 high wage jobs.”

The Rawlings Group was the anchor tenant for Oldham Reserve. “The Rawlings Group set the bar for the type of business we would like to see move in,” Karem said. Since May, OCEDA has received several serious inquires about the campus. Basham said that approximately 70 percent of Oldham County residents work outside of the county, with 58 percent in Jefferson County.

“Oldham Reserve will offer those same residents an alternative to work in Oldham County, thereby reducing their commuting time and expense each day.” The campus will offer alternatives to those who are not Oldham County residents. It may also shorten their commute time, reduce commuting costs and offer the chance to become residents.

OCEDA commissioned an economic impact study of the campus that was conducted by Dr. Paul Coomes, Ph.D. in April 2008. Coomes is a professor of economics and National City Research Fellow at the University of Louisville College of Business and Public Administration. After studying the data and considering available opportunities, Coomes said he “felt that this site has a high long-range potential for hosting some high end suburban-exurban office activity.”

Coomes said Oldham County is the best fit among suburban counties for an office campus-type development due to three aspects: the very high educational levels of residents; the long commutes to Jefferson County many professionals have to make; and the ambience of the county and preferences of residents for tasteful development.

“Patience is the key,” said Coomes. “The challenge is that the Louisville market is not growing that fast, and La Grange is a long ways out from even Jefferson County suburban office developments that are not yet fully developed. Certain types of office operations can locate away from large city downtowns and be closer to where their employees choose to live.”

Karem pointed out that it is extremely important for the city and Fiscal Court to lend their support to this campus project. “Both Fiscal Court and the La Grange City Council have been very enthusiastic about this development. I think the leadership of the county knows this is important and they are committed to assuring its success.”

Community support is also invaluable to this project. “It’s most important that the community continue to provide the resources in which to grow the infrastructure necessary to recruit these businesses,” she said. “The development of sewage capacity, technology and roads will be critical to its success.”

• *For more information, contact the Oldham County Chamber of Commerce at (502) 222-1635 or visit: www.OldhamCountyChamber.com or www.ocado.com.*

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