FROM THE OFFICE OF
SENATOR RAND PAUL

1029 State Street
Bowling Green, KY
42101
(270) 782-8303
(270) 782-8315 (fax)

Date: February 19, 2013

To: U.S. Department of the Interior, Attn: Congressional Liaison

Fax Number: (202) 208-5533

From: Bonnie Honaker

Total Pages Faxed (including cover): 47

520085

MESSAGE:

Re: Harry Shapira c/o Heaven Hill Distilleries, Inc.

RECEIVED
2013 FEB 20 AM 11:15
OFFICE OF THE
EXECUTIVE SECRETARIAT

Confidentiality Notice: The information contained in this facsimile message and any accompanying documents constitutes confidential information. This information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified any copying, distribution or taking of any action in reliance on this information is strictly prohibited. If you have received this facsimile message in error, please immediately notify us by telephone at 270-782-8303.

RAND PAUL
KENTUCKY

United States Senate

WASHINGTON, DC 20510

February 19, 2013

U.S. Department Of The Interior
Congressional Liaison
Mail Stop 6242
1849 C Street, NW
Washington, D.C. 20240

Dear Congressional Liaison:

RE: Harry J. Shapira

c/o Heaven Hill Distilleries, Inc.

I am contacting you on behalf of the above referenced individual and company, who have contacted my office requesting assistance in obtaining the status on the approval of historic tax credits for the Evan Williams Experience, distillery and visitor center by Heaven Hill Distilleries, Inc. Please see attached Mr. Shapira's detailed request and correspondence.

Upon reviewing the enclosed, please send any information regarding the status or resolution of this matter to my State Office in Bowling Green, Kentucky at:

U.S. Senator Rand Paul

1029 State Street

Bowling Green, Kentucky 42101

If you have any questions or need additional information, please contact my Constituent Service Representative, Bonnie Honaker, at 270-782-8303. Thank you for your assistance.

Sincerely,

Rand Paul

Rand Paul, M.D.
United States Senator

PRIVACY ACT RELEASE FORM

U.S. SENATOR RAND PAUL - KENTUCKY

Date: January 22, 2013

SECTION I – PERSONAL INFORMATION

Full Name: Harry J. Shapira, Executive Vice President, Heaven Hill Distilleries, Inc.

Address: (b)(6) [redacted]
Louisville, Kentucky 40205

Telephone #: (502)348-3921

Birth Date: (b)(6) [redacted] Marital Status: (b)(6) [redacted]

Email Address: hshapira@heavenhill.com

Household Income: *(Needed only if applying for programs such as VA Pension, SSI, etc.)*

SECTION II – IDENTIFICATION NUMBERS

Social Security # (b)(6) [redacted]

VA Claim #: _____ *(Veterans Only)*

Medicare #: _____ *(Claim Number)*

CSA/CSF #: _____ *(OPM Only)*

Alien Red. #: _____ *(INS Only)*

OWCP #: _____ *(Federal Workers' Comp Only)*

SECTION III – INTERESTED PERSONS

Please provide the names of those individuals with whom we may discuss your case. This office can only discuss your case with the agency and yourself unless listed below *(ex: spouse, attorney, brother, sister, children, etc.)*:

Department of the Interior; U.S. National Park Service; Kentucky, State Historic Preservation Office

Is any other Member of Congress working on this matter? Y / N - Yes

SECTION IV – PLEASE PROVIDE AN EXPLANATION OF YOUR PROBLEM OR REQUEST, AS WELL AS WHAT YOU ARE CURRENTLY ASKING SENATOR PAUL TO AID YOU WITH.

I am reaching out to Senator Paul to formally request the Senator's assistance for Heaven Hill Distilleries, Inc., in connection with the company's restoration and rehabilitation of the building located at 528 West Main Street in Louisville, Kentucky, and Heaven Hill's request for approval of historic tax credits from the United States Department of the Interior, National Park Service (NPS Project Number 27,867).

Heaven Hill is currently in the process of building the Evan Williams Experience, a distillery and visitor center at 528 West Main in the Bourbon Row District of Louisville. As part of the development, Heaven Hill intends to restore its historic structure on Main Street and to obtain the tax credits available for the restoration of historic structures. The Kentucky State Historic Preservation Office (SHPO) has been very cooperative and supportive of the company's plans throughout the design process. The company has retained a contractor and the restoration work is underway. However, the SHPO has informed us that the reviewer at the US Dept. of the Interior now finds the planned bottle sculpture installed inside the building to be problematic, and has indicated that Heaven Hill's application may be rejected. We strongly disagree and believe that the project as a whole meets the applicable standards and should be approved for the full amount of the historic tax credits. The project enjoys overwhelming state and local support, including from the Landmarks Commission.

Most important, the Heaven Hill project is the cornerstone of the Bourbon Row initiative, which will transform Main Street in Louisville with the installation of several tourist-friendly distilleries. Heaven Hill's $10 million project will be the first on Bourbon Row, and will induce others to invest equally significant sums to restore historic structures and provide authentic and historic distilling experiences to visitors.

In accordance with the Privacy Act of 1974, I authorize Senator Rand Paul, and those acting on his behalf, to obtain information pertaining to this matter. I affirm that the above information is accurate.

Signature: _____

Date: 2/11/13

RETURN COMPLETED FORM TO:

U.S. SENATOR RAND PAUL
1029 STATE STREET
BOWLING GREEN, KY 42101
PHONE: 270-782-8303
FAX: 270-782-8315

HEAVEN HILL DISTILLERIES, INC.

Continuing the Tradition of Independence

CORPORATE OFFICE
PO BOX 729 • 1064 LORETTO ROAD • BARDSTOWN, KENTUCKY 40004
TEL (502) 348-3921 • FAX (502) 348-0162 • EMAIL hhd@heavenhill.com
www.heavenhill.com

February 6, 2013

Charles E. Fisher
#2255
Technical Preservation Services
Washington Office
National Park Service
1845 C Street NW
Washington, D.C. 20240

Re: NPS Project Number: 27,867
Historic Preservation Certification Application Part 2
Property: Heaven Hill Distilleries, Inc., 528 West Main Street, Louisville, KY 40202

Dear Mr. Fisher:

Thank you very much for your January 15, 2013 correspondence which we received on January 24, 2013. This letter of response will provide the additional information that you requested to complete your evaluation of our Historic Preservation Certification Application Part 2 for the above-referenced Project.

As stated in the letter from Jeff McKenzie to Jen Williamson dated November 29, 2012, a copy of which is attached, the proposed project will be a distillery and visitor center which will present the history of the manufacture of bourbon in Louisville, and will be located in the heart of the Bourbon Row District. The project will include a significant investment in promoting the history of the City, the bourbon industry, and the building, which has been used to warehouse bourbon and other products over the years. The City of Louisville and all of its applicable agencies have granted the appropriate approvals and have been enormously supportive of the project. We hope that this letter will provide the information necessary to support the approval of the project for historic tax credits.

Our specific responses below correspond to the structure of your January 15 correspondence.

"Information still needed:

"1. Exterior photograph/s of the rear wall for floors 3 through 5."

Supplemental photographs were submitted under cover of the attached letter from Jeff McKenzie and are attached to this letter for your convenience.

Since the owners of Heaven Hill Distilleries acquired this building in the early 1940s, these windows have leaked, causing significant damage to the wood frame structure of the rear wall, floors and roofs of this building. The windows have continued to deteriorate to the point that they are in danger of falling out and cannot be secured against break-ins. In order to stop the water damage and provide the level of security required for this building's new use, we recommend replacement of these windows as there was no other suitable option.

Because the rear wall of floors 3 through 5 is recessed approximately 120 feet from the alley and is blocked from view by adjacent buildings, its contribution to the historic integrity of this property is minimal and its restoration is seen as a relatively low priority in this restoration project. Exterior and interior photographs of these windows are appended showing their deteriorated condition.

New windows will be installed on the first and second floors matching the original form, configuration, muntin pattern and patterned glass of the original windows.

"2. Documentation on the condition of this rear wall and why it needs to be rebuilt."

Since its original construction in the early 1900s, the wood framing of this wall has been partially removed, replaced and repaired. Water infiltration has continued unabated throughout this period resulting in today's structurally inadequate weather barrier. All other exterior walls of this building are masonry bearing walls in sound condition. As part of this project, the masonry walls are being pointed as necessary to maintain their superior weather resistance.

This rear wall is the final component of the exterior envelope that must be improved to allow museum quality exhibits and bourbon industry artifacts to be displayed in an appropriate safe, secure and climate controlled environment. The design also provides the necessary access to the Building for the operation of the showcase micro-distillery. As shown by the attached plans, the reconstruction of this wall will be accomplished by employing methods and materials similar to those used in its original construction. All of the existing brick from this wall has been salvaged and will be used in the reconstruction of this wall. Any changes to these are

being made to improve the wall's energy efficiency and reduced maintenance cost. Please refer to the appended photographs of this wall for detailed visual evidence of its deterioration and justification for its reconstruction.

"3. Explanation as to why the historic second floor skylight is not proposed for preservation."

As noted above, this property has been owned by the Heaven Hill Distilleries family members since the early 1940s. This skylight had failed prior to acquisition and has been "roofed over" for the entire period of this ownership. As design work proceeded on the Evan Williams Bourbon Experience, and the programmed activities were mated to interior spaces, restoration of the skylight was eliminated from consideration. The area directly beneath the skylight is proposed to be used as theatrical stage sets which highlight two eras of Bourbon History critical to the understanding of Bourbon's rise to prominence in the distilled spirits industry. As museum quality theatrical stage sets, these areas required fully controllable lighting and acoustics systems which would have been very difficult, if not impossible, to achieve beneath a large skylight. In addition, restoration of the skylight would neither ensure the necessary level of security for the Building nor would it reduce the risk of water damage to the artifacts and displays.

No mention had previously been made of preserving this skylight until well after our meetings with the SHPO (Kentucky Heritage Council) had been conducted in July 2012 (minutes attached). Our formal application for Certification (Parts 1 and 2) was made in September 2012; the SHPO's comments/recommendations at that time made no mention of preserving the dilapidated skylight (Parts 1 and 2 attached with SHPO comments). Other applications that might have allowed the restoration of the skylight were examined but none was found to be tenable.

The skylight's location, size, poor physical condition and direct opposition to the purpose of the bourbon museum experience eliminated it from consideration for restoration. Please refer to the attached photographs of the skylight for pictorial documentation of the skylight's poor condition.

"Items of Concern based on information in your application:

"4. Change to the storefront."

Our initial Kentucky Building Code Compliance Review with Louisville officials resulted in the requirement for an additional exit door in the ground floor, Main Street façade. Prior to this new exit requirement, Heaven Hill Distilleries, Inc., had gone to great lengths and considerable expense to ensure that the Main Street façade retained all of its character defining features in their original condition. As recently as the fall of 2012,

Heaven Hill Distilleries, Inc., embarked on a complete restoration of the Main Street façade. This work included removing deteriorated elements (porcelain-glazed face brick, loose paint on window sashes, frames, stone sills, heads, jambs, trim and ornamental cast iron; broken counterweights and chains, glazing material, miscellaneous hardware, structural steel beams and lintels, and other miscellaneous items as were required for a complete restoration effort) and replacing them with same material. Porcelain-glazed bricks were remanufactured by Rookwood Pottery of Cincinnati to match the original bricks. Existing window sashes were stripped to bare wood and refinished, original glass was removed and reinstalled with new glazing material, Luxfer transom windows were removed, restored and reinstalled; all masonry was pointed.

Upon receiving your comments and learning that the NPS objected to the addition of the code required exit door to the Main Street façade, Heaven Hill and its design team rejoined the code officials on the necessity for this change. The result of this discussion was that the exit door will no longer be required. There will be no additional exit door installed on the Main Street façade and this elevation will remain as originally constructed by the 1903 documents. A plan showing this modification is attached.

"5. Impact of the Bottle Sculpture."

It is important to note that the project is the first element of the City's Bourbon Row District Project, which extends over several blocks on Main Street in downtown Louisville. This area includes a significant number of historic structures that are presently vacant or underused. The success of the Heaven Hill Project will significantly increase the chances that the Bourbon Row District structures are preserved and used, either as distilleries or as restaurants and other supportive businesses.

The Bottle Sculpture is a free-standing object, fully contained within the envelope of the historic property. It neither diminishes nor overpowers the historic significance of the building. In many ways, it supplements and strengthens the presence of this unique property as a vital component of the Bourbon Row composition. As shown on the attached rendering, the position, color and resulting impact of the Bottle Sculpture have been significantly modified to reduce any impact on the view of the façade. In addition, the Bottle Sculpture is critical to the Heaven Hill Project. The City will not allow the suggested alternative signage, such as a bottle or other marquee or blade sign extending out from the façade. The Bottle Sculpture has been enthusiastically approved by the City, the local Landmarks Commission, and the Metro Louisville Planning Commission.

"6. Impact of the window advertising."

The Bottle Sculpture is not a sign. It comprises a large cocktail glass element on the first floor, a three dimensional sculpture of the neck of the bottle on the second floor, and a two dimensional depiction of other portions of the bottle on the upper floors. As indicated on the enclosed drawing, the

two dimensional elements are not connected to the walls or windows. Simply put, the Bottle Sculpture is a free-standing, three-dimensional artwork that is separated from the Building. Most important, the Bottle Sculpture does not detract from the overall appearance of the restored Building, and is no more imposing than any other artwork, structure, or piece of furniture or equipment that may otherwise be visible through such large windows. The enclosed rendering indicates a realistic depiction of the front façade of the Building and the appearance of the Bottle Sculpture through the windows. As you can see, the muted effect of the Bottle Sculpture enhances the design of the Building, which by itself is unique to the 500 block of Main Street.

In addition, however, we believe the Bottle Sculpture will add a piece of iconic art to the City in compliance with, and in support of, the City's plan for the redevelopment of downtown Louisville. It is both necessary to, and appropriate for, the Project and for Louisville's Bourbon Row District. In addition, it is extremely integral to the visitor experience. As we have discussed, photographs of the Bottle Sculpture will be submitted with the Request for Certification of Completed Work.

"Issues that have been apparently resolved through working with the state office but not yet described in an amendment to your application:

"7. Treatment of various walls and ceilings so as to be consistent with the historic character of various spaces."

Please refer to the attached amendment for a description of these agreed upon treatments. All of the comments have been integrated into the Project's design.

"8. Treatment of the rear wall on the first and second floors to incorporate either the historic windows or new windows that match their appearance."

Please refer to the attached amendment for a description of the agreed upon treatment of the rear wall of the first and second stories. We certainly appreciate the cooperation of the Kentucky Heritage Council.

As you know, Heaven Hill takes very seriously the historic preservation of the Building, as evidenced by the family's purchase and preservation of the Building, and including such recent elements as the restoration of the white glazed brick façade.

The family appreciates your time and consideration of this matter, and hopes that the above information addresses each of your concerns. If it is at all helpful, we will gladly come to your office to present and discuss the Project designs, especially the accurate depiction of the view of the Bottle Sculpture. We would welcome the chance to confirm for you that we share your goal of properly restoring the Building to provide a beautiful home for our bourbon experience distillery and museum.

Thank you again for your consideration.

Very truly yours,

Harry J. Shapira

14378050_1.doc

BINGHAM GREENEBAUM DOLL LLP BGD

Jeffrey A. McKenzie
Partner
Direct (502) 587-3594 | Fax (502) 540-2250
E-mail jmckenzie@bgdlegal.com

November 29, 2012

Jen Williamson
Kentucky Heritage Council / State Historic Preservation Office
300 Washington Street
Frankfort, KY 40601

Scot Walters
Kentucky Heritage Council / State Historic Preservation Office
300 Washington Street
Frankfort, KY 40601

Re: Heaven Hill Distilleries, Inc.
Historic Preservation Certification Application

Dear Jen and Scot:

Thank you in advance for your time and assistance with our project. This letter is in response to Jen Williamson's comments, dated September 4, 2012, to the Historic Preservation Certification Application submitted by Heaven Hill Distilleries, Inc. ("Heaven Hill"), in conjunction with Heaven Hill's restoration and rehabilitation of the building located at 528 West Main Street, Louisville, Kentucky (the "Building"). This letter will also serve as a response to our conference call on October 24th, which also included Lee Bagley of Barnett Bagley Architects PSC.

Interior Exposed Brick

You advised that Heaven Hill should attempt to preserve, if possible, the interior architectural Building finishes, including the exposed brick. Smooth plaster walls will be preserved in the entrance lobby and second floor retail space. The compatible treatments will be to replaster or cover with gypsum wallboard. Heaven Hill will submit photographs showing the covered brick walls concurrently with our Request for Certification of Completed Work.

Rear Elevation and Façade

As you are aware, the design of the rear wall, and the historic and proposed manufacturing use of the Building, accommodated deliveries through that wall. In response to your comments, Heaven Hill has revised its proposed treatment of the rear façade to reflect a more authentic elevation on the second floor. Attached for your review are two (2) drawings reflecting the following: (i) the original design of the rear façade as detailed by D.X. Murphy & Bros. Architects circa 1903; and (ii) Heaven Hill's proposed reconstruction plan for the rear façade. We believe the attached proposal is the best compromise between aesthetic preservation and utility, particularly considering the first floor wall is circa 1950. In addition, as you can see from the attached photograph, the rear façade of the Building has limited public exposure due to its location in a 10' alley.

Interior Finishes

You advised that interior architectural finishes including first and second floor plaster, and tin ceiling in the entrance lobby and second floor retail space should be preserved. Upon inspection, Lee Bagley observed that no ceiling remains in the lobby, only bare floor joists, and the existing wall plaster was covered with a black mastic material. In order to achieve an appropriate architectural treatment, Heaven Hill will restore the walls by covering them in gypsum wall board, skim coated with plaster, or a similar smooth covering, as suggested by Mr. Walters. Photographs of the restoration will be submitted with the Request for Certification of Completed Work.

Bottle Sculpture

It is important to note that the Project is the first element of the City's Bourbon Row District Project, which extends over several blocks on Main Street in downtown Louisville. This area includes a significant number of historic structures that are presently vacant or underused. The success of the Heaven Hill Project will significantly increase the chances that the Bourbon Row District structures are preserved and used, either as distilleries or as restaurants and other supportive businesses.

In addition, the Bottle Sculpture is critical to the Heaven Hill Project. The City will not allow alternative signage, such as a bottle or other marquee sign extending out from the façade. The Bottle Sculpture has been enthusiastically approved by the City, the local Landmarks Commission, and the Metro Louisville Planning Commission. The Bottle Sculpture is not a sign. It includes a large glass on the first floor, a three dimensional sculpture of the neck of the bottle on the second floor, and a two dimensional depiction of other portions of the bottle on the upper floors. As indicated on the enclosed drawing, the two dimensional elements are not connected to the walls or windows. Simply put, the Bottle Sculpture is a free-standing, three dimensional artwork that is separated from the Building. Most important, the Bottle Sculpture does not detract from the overall appearance of the restored Building, and is no more imposing than any other artwork, structure, or piece of furniture or equipment that may otherwise be visible through such large windows. The enclosed rendering indicates a realistic depiction of the front façade of the Building and the appearance of the Bottle Sculpture through the windows.

In addition, however, we believe the Bottle Sculpture will add a piece of iconic art to the City, in compliance with the City's plan for the redevelopment of downtown Louisville. It is both necessary to, and appropriate for, the Project and for Louisville's Bourbon Row District. As we have discussed, photographs of the Bottle Sculpture will be submitted with the Request for Certification of Completed Work.

As you know, Heaven Hill takes very seriously the historic preservation of the Building, as evidenced by the family's purchase and preservation of the Building, and including such recent

elements as the restoration of the white glazed brick façade. We appreciate your time and consideration of this matter, and hope that the above addresses each of your concerns. If you have any further questions or need additional documentation, please feel free to contact me directly.

Very truly yours,

Jeffrey A. McKenzie

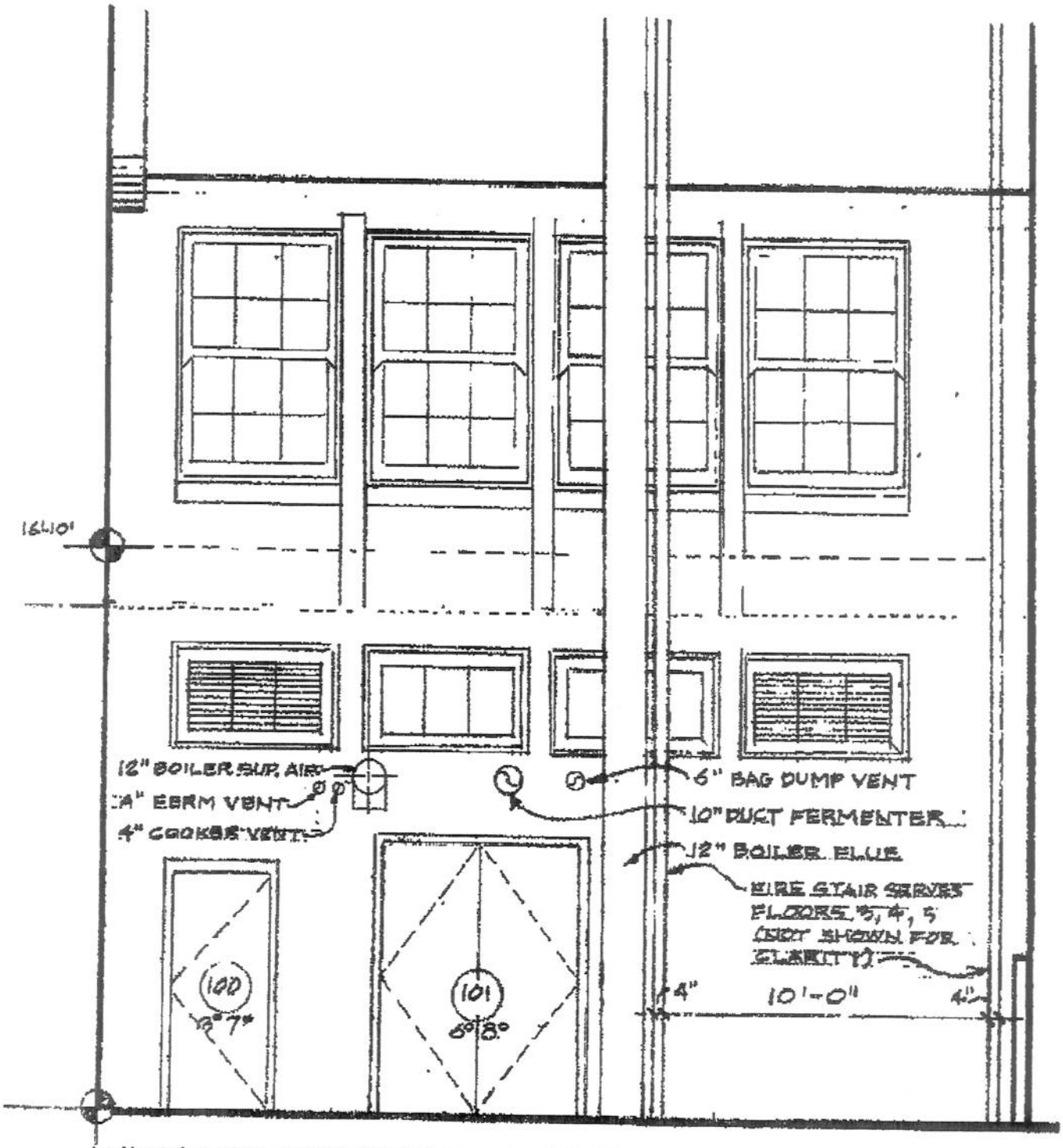
JAM/lgw

cc: Allan Latts
Harry Shapira
Lee Bagley

Enclosures

4933539 1.docx

PROPOSED REAR FACADE 528 W MAIN

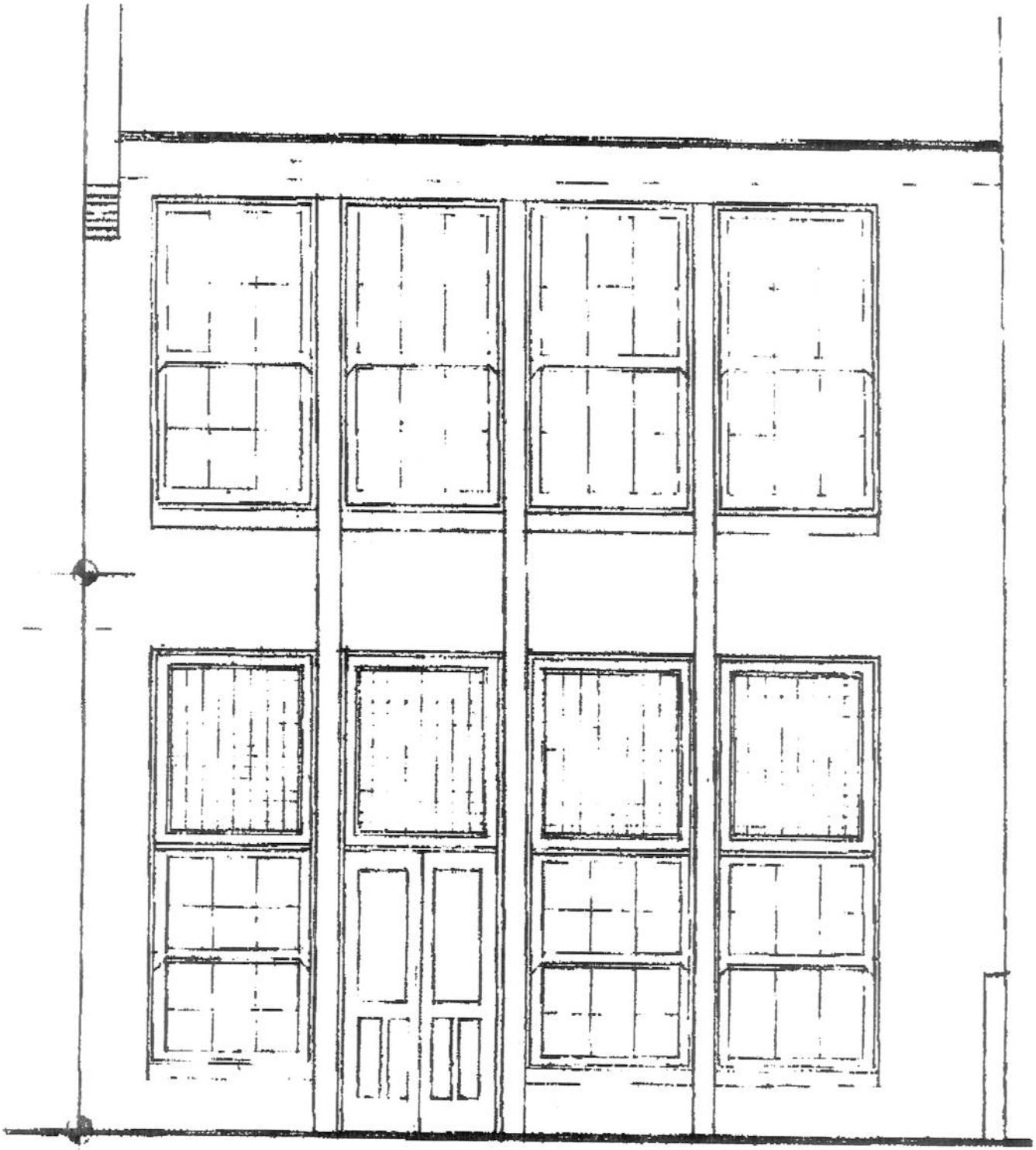


WINDOWS REDUCED IN HEIGHT

WINDOW SILLS REMAIN @ 2' AFF

WINDOW HEADS DROP 2'

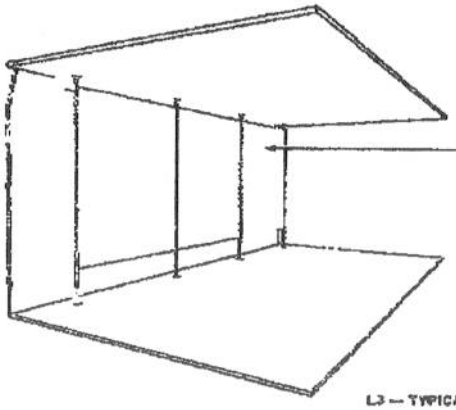
ORIGINAL REAR FACADE 528 W MAIN



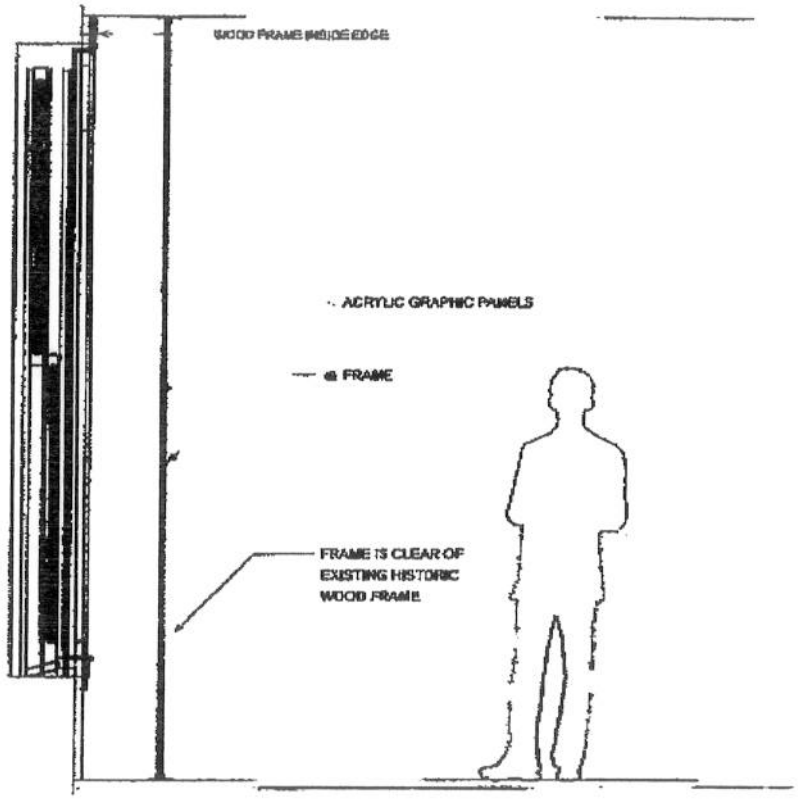
AS ORIGINALLY DESIGNED 1903

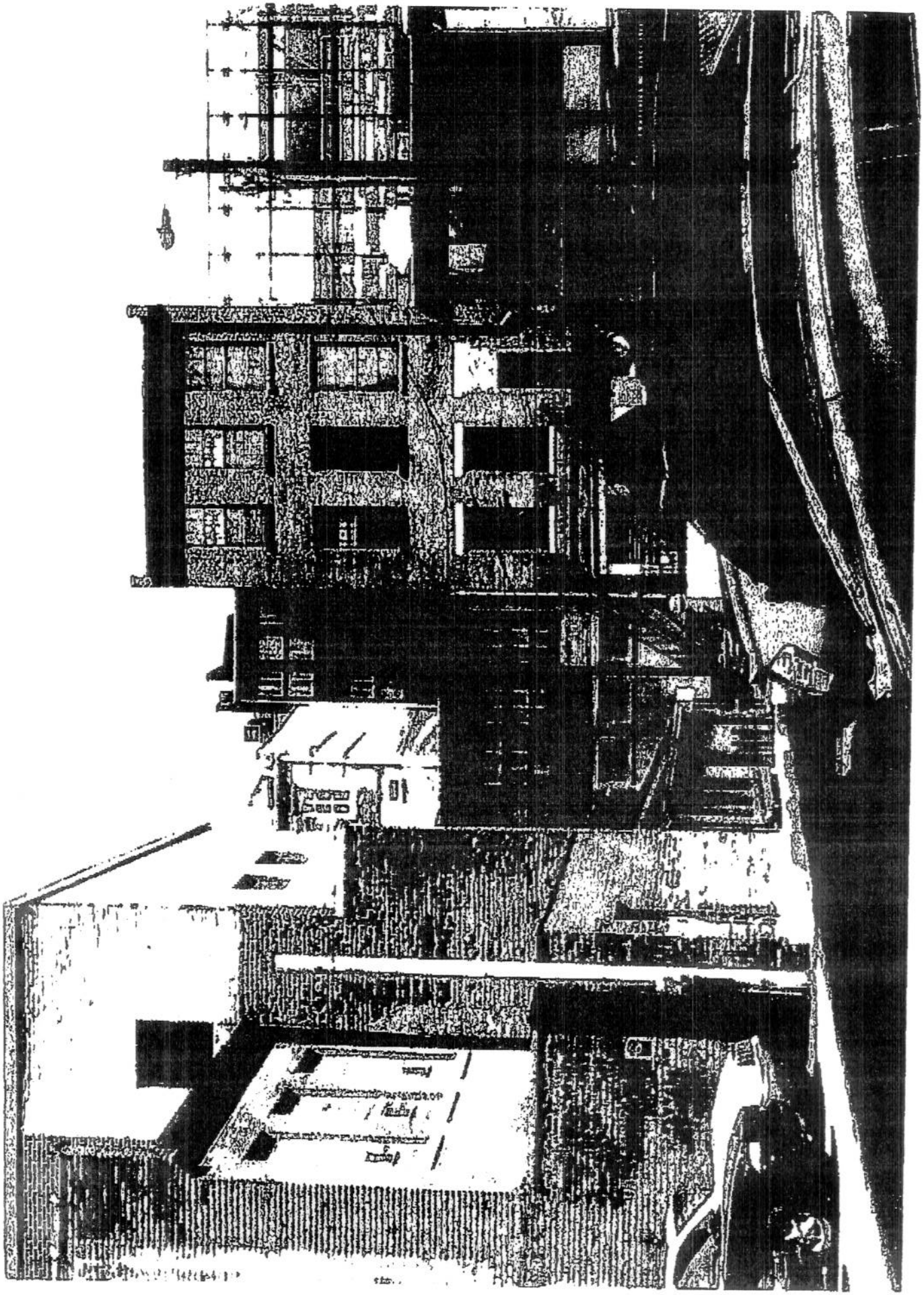
Free-Standing Display Framing

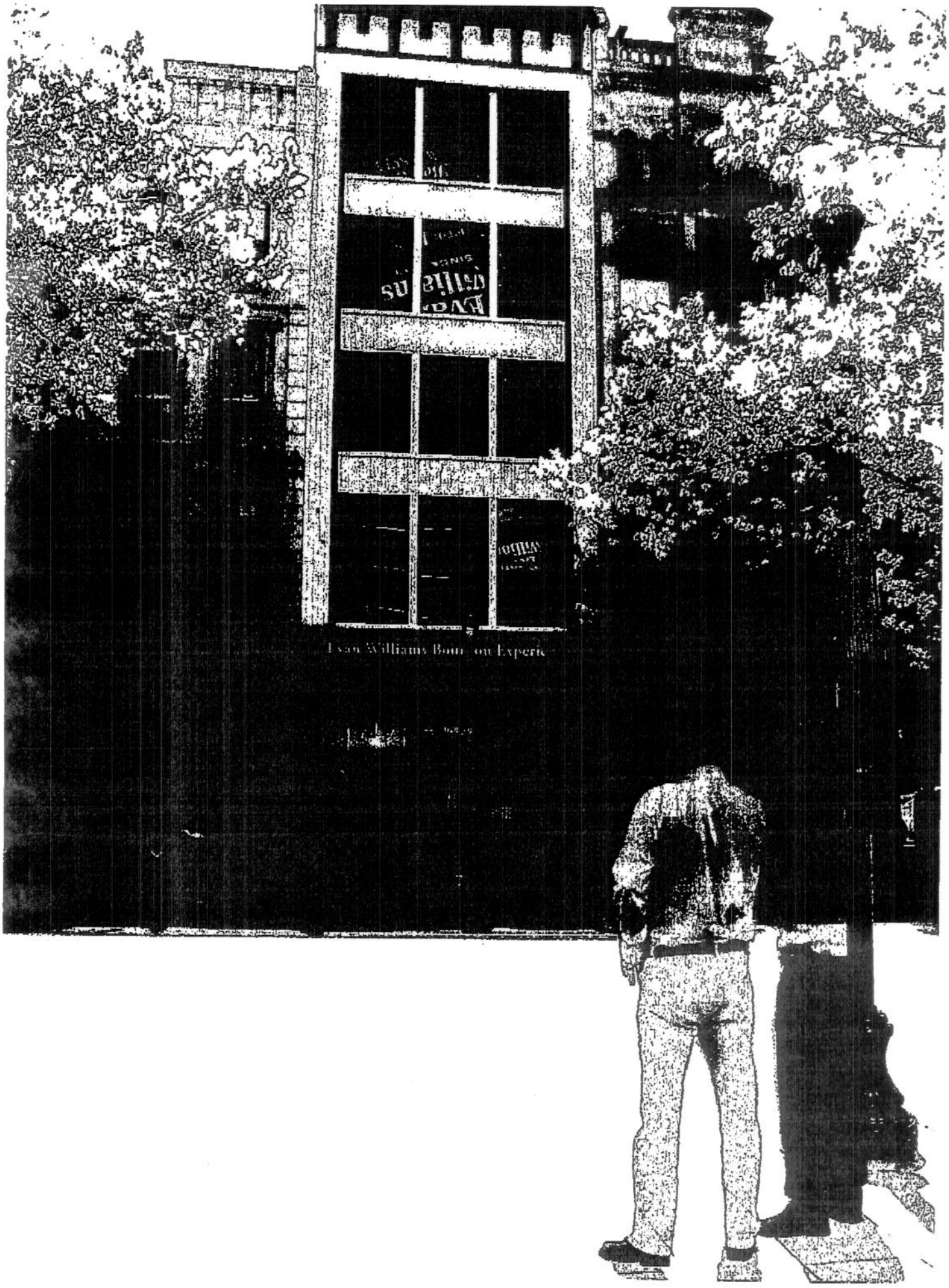
Channel hardware will run floor-to-ceiling to support six (6) acrylic panels, displaying the Evan Williams' bottle graphic. Required hardware includes floor mount, ceiling mount, vertical channel tubing to capture the acrylic panels, and horizontal support tubing for stability.



L3 — TYPICAL INTERIOR CONDITION






Dean Williams Boutique Experie

Heaven Hill Distilleries, Inc.
528 West Main Street Louisville KY

February 2013
NPS Project #27,867

Drawing and photographs - Amendment to Application

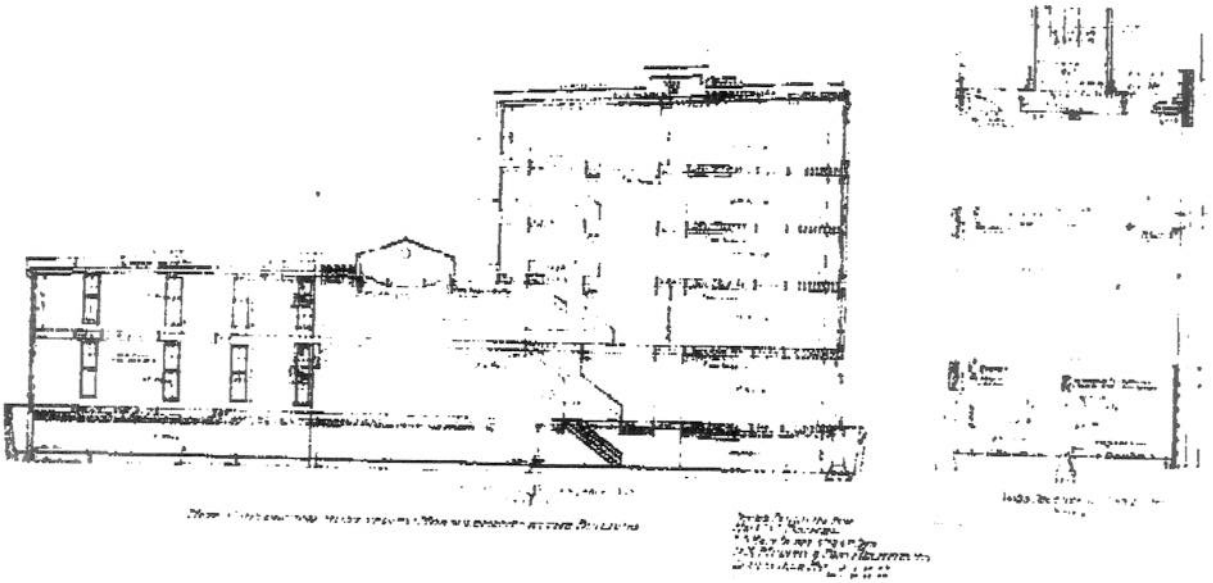


Photo #1
Original construction drawing
528 West Main Street
Longitudinal section facing west/ Cross section at skylight facing north

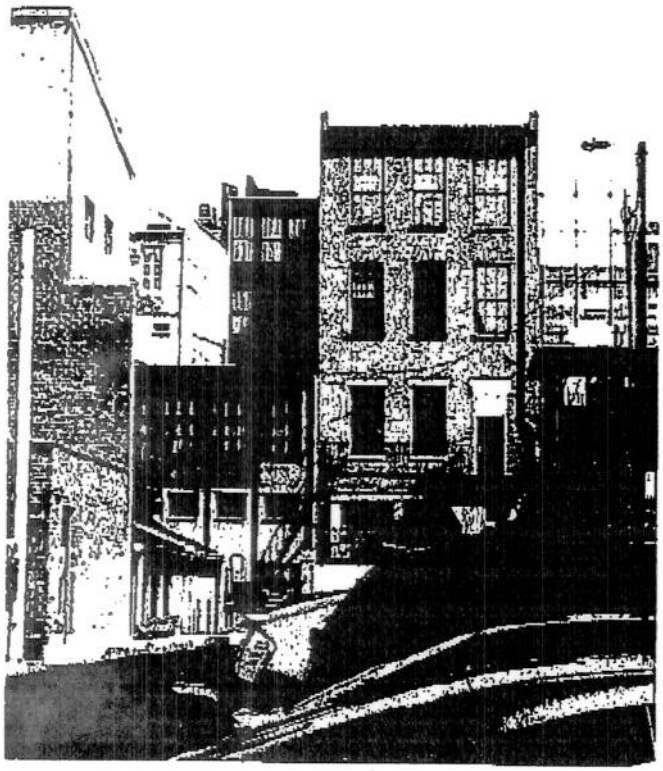


Photo #2
Existing rear façade 528 West Main (Black/ orange windows in center of photograph).
Looking north from rear parking lot toward alley behind buildings that front on West Main Street.

(Windows on Floors 1-2 are partially visible in foreground/ windows on Floors 4-5 are partially visible in background/ windows on Floor 3 and skylight are not visible.)

Photo #3
Existing rear façade 528 West Main Street
Looking northeast from alley behind buildings fronting on West Main Street.

(Door and windows on Floors 1-2 in center/ portions of windows on Floors 4-5 are visible in the background.)

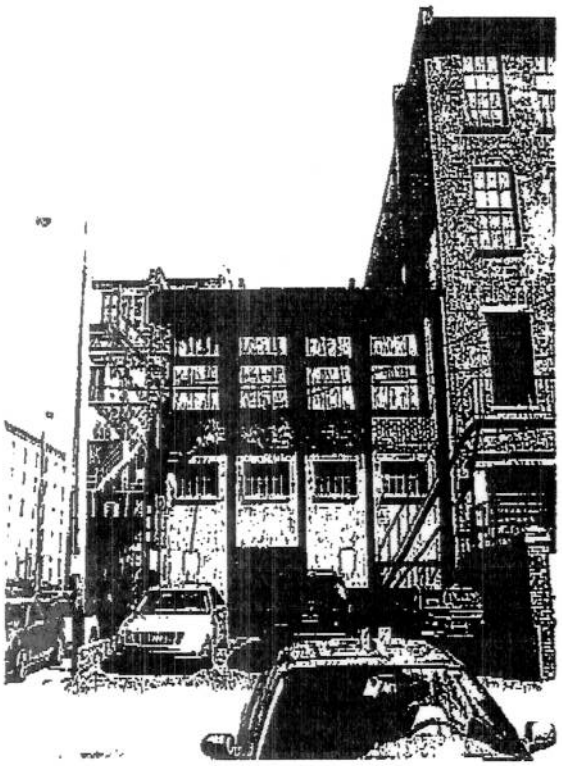


Photo #4
Existing rear façade, Floors 1-2
Looking north from alley behind buildings fronting on West Main Street.

(Windows rear façade Floors 3-5 are not visible from this position.)

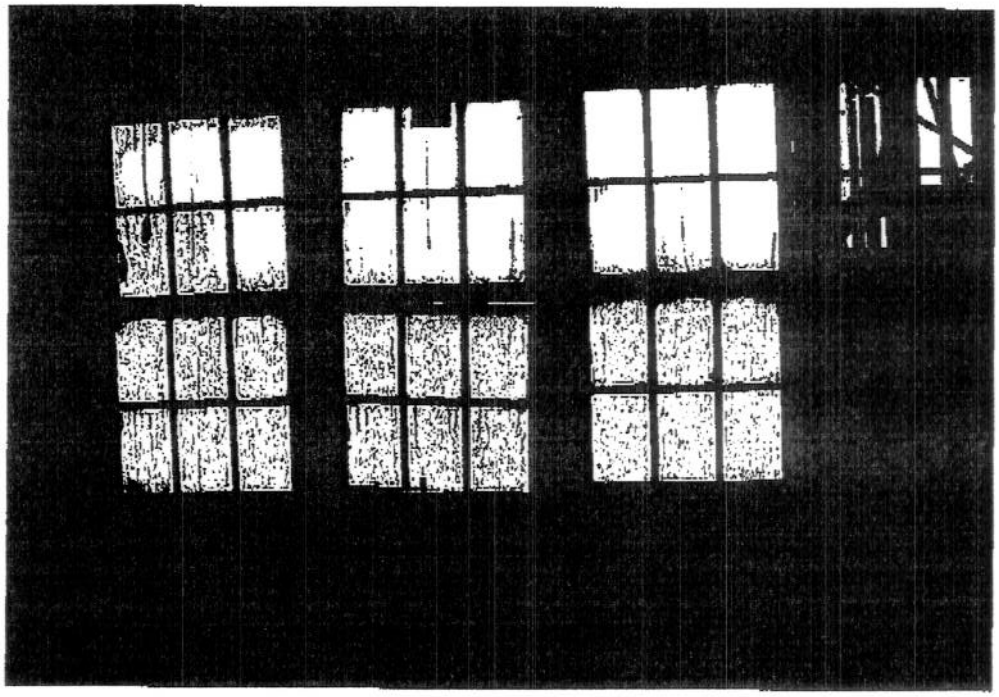


Photo #5
Interior view of existing windows on Floor 2 looking south.

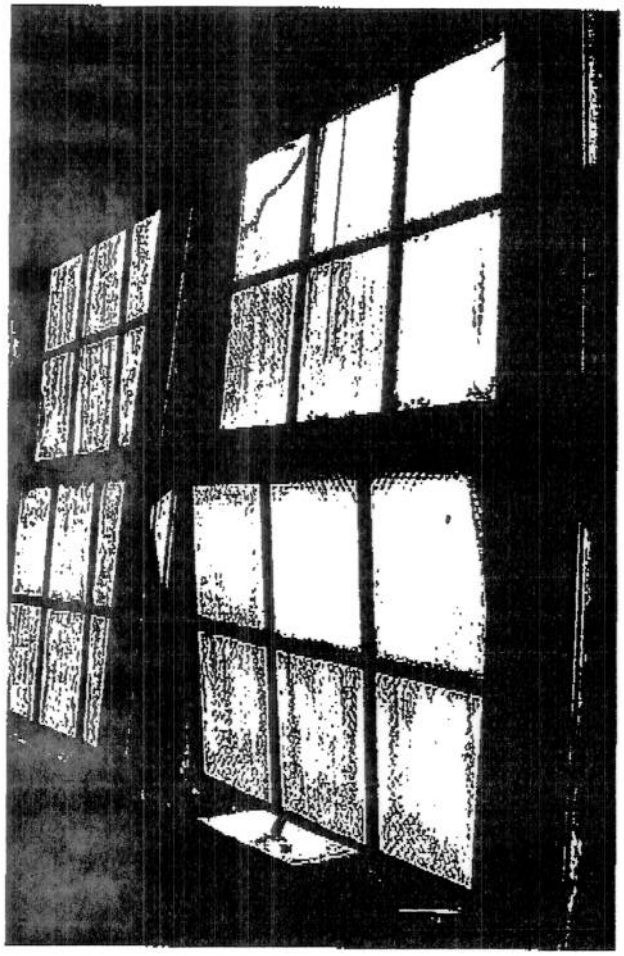
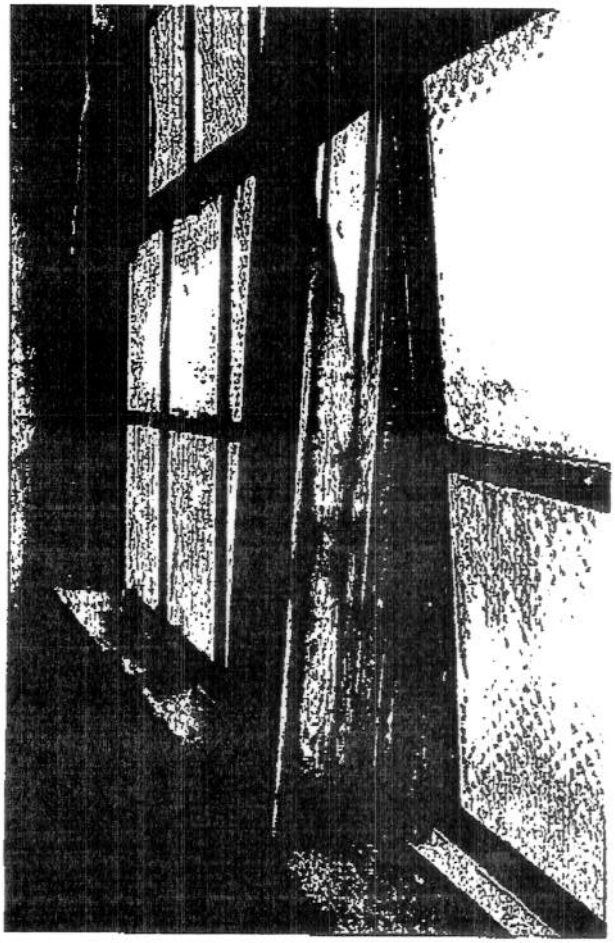


Photo #6
Interior view of existing windows on Floor 2.
View facing south/ southeast.



Photos # 7
Interior view of existing windows on Floor 2
View facing southeast.

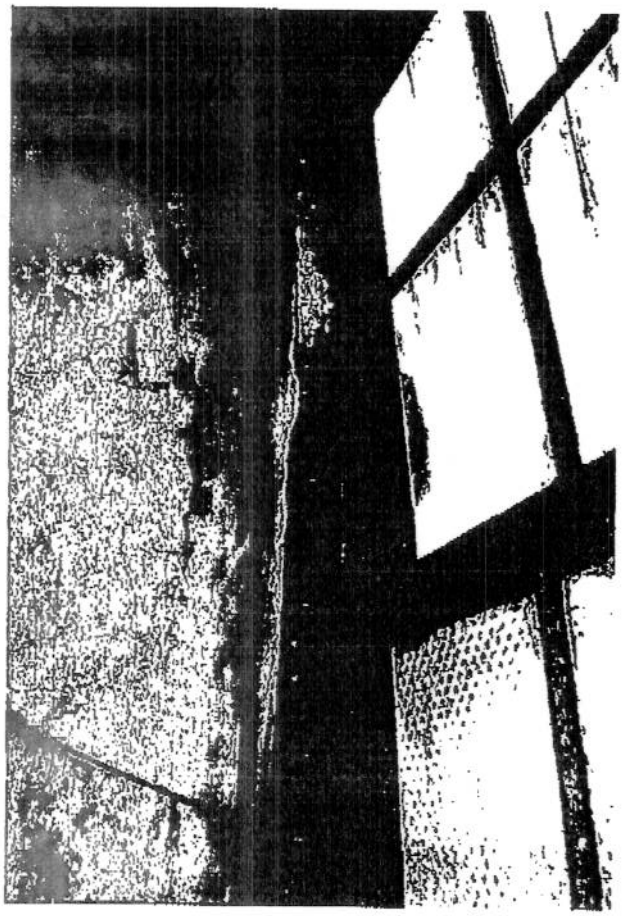


Photo #8
Interior view of existing window on Floor 2.
View facing southeast

(Note deteriorated plaster resulting from ongoing wind and water intrusion through existing windows).

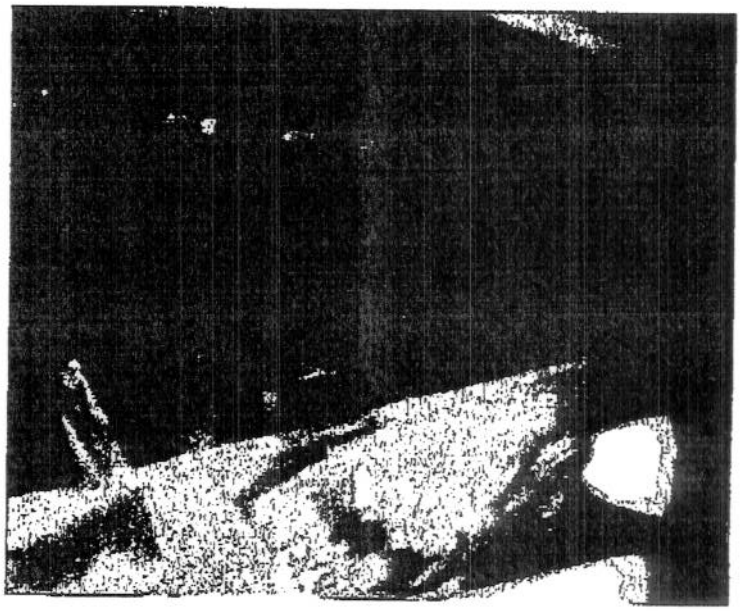


Photo #9
Interior view of rear [illegible] between Floor 3 ceiling rafters and Floor 4 [illegible].
Facing southeast

(Note evidence of water infiltration from existing windows above on Floor 4

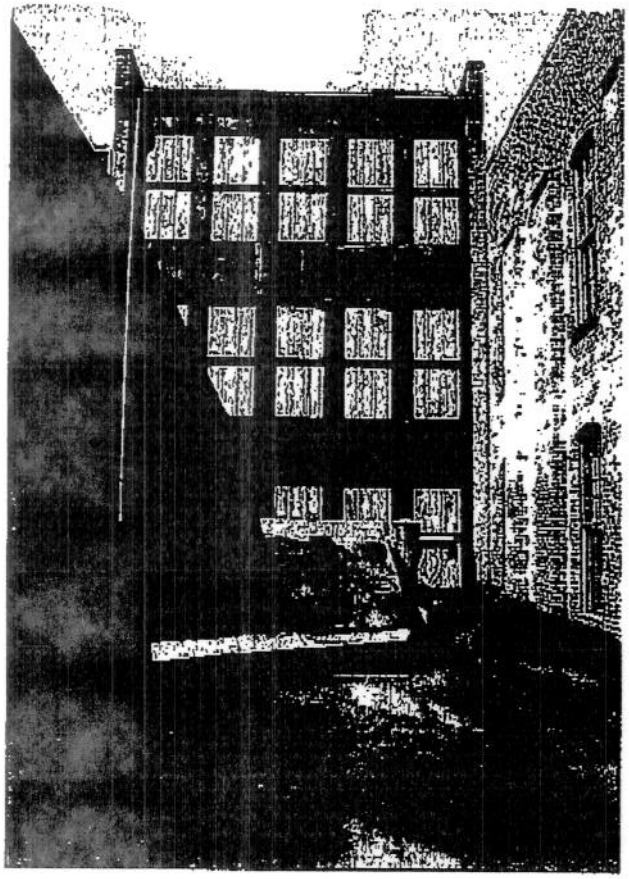
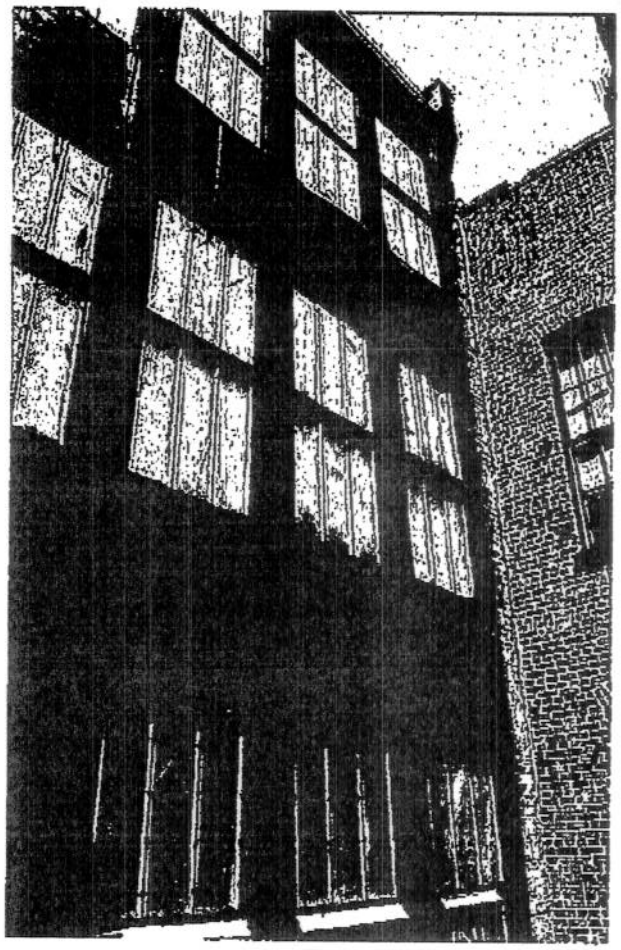


Photo # 10
View of existing exterior rear façade, Floors 3-5, including skylight.
Facing north on lower roof deck.



[illegible]
[illegible] lower roof deck of existing exterior rear façade [illegible] Floors 3-5
[illegible] looking northeast.

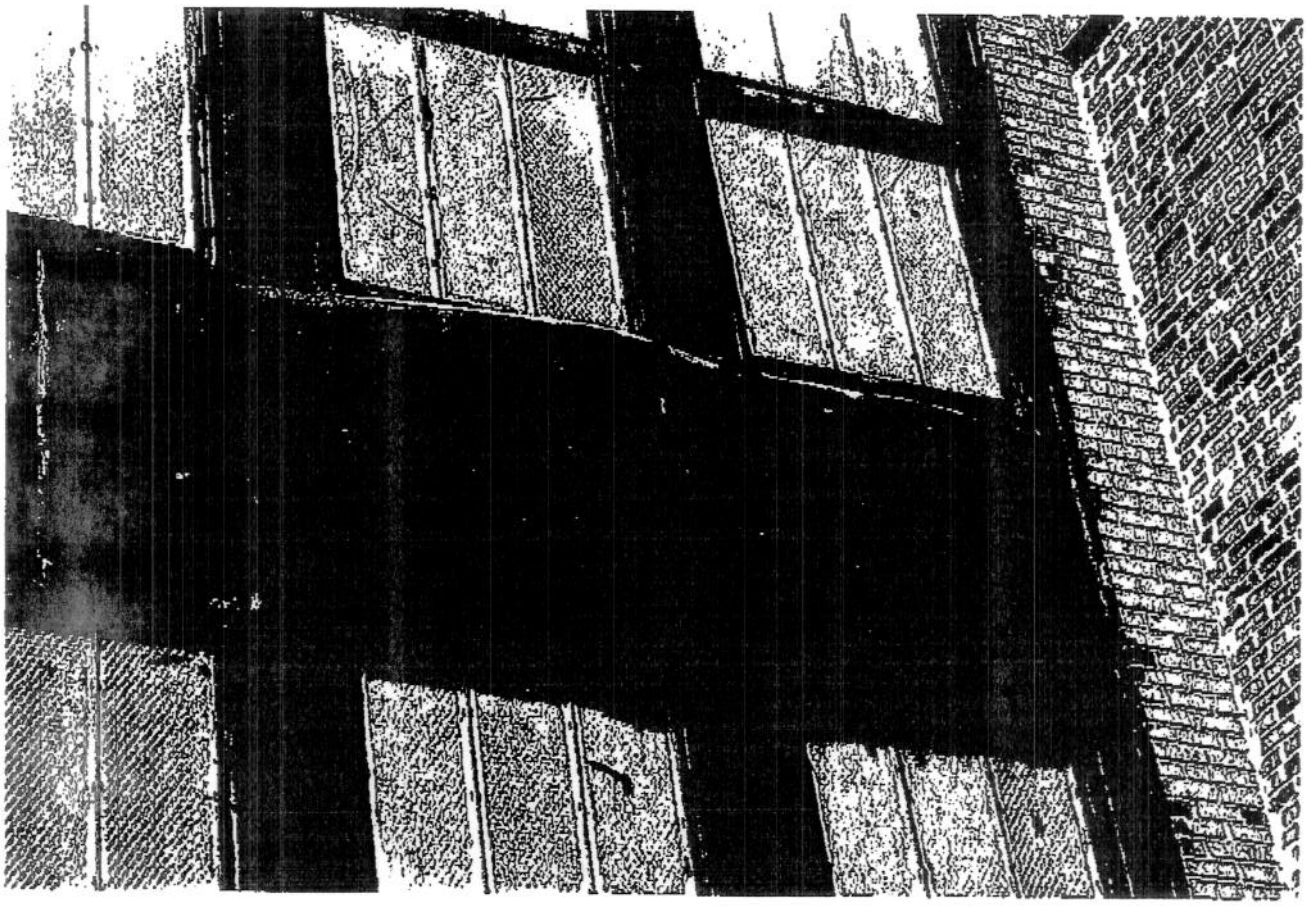


Photo #12
Close up of deteriorated rear façade Floors4-5.
View facing northeast.

Heaven Hill Distilleries, Inc.
528 West Main Street Louisville KY

February 2013
NPS Project #27,867

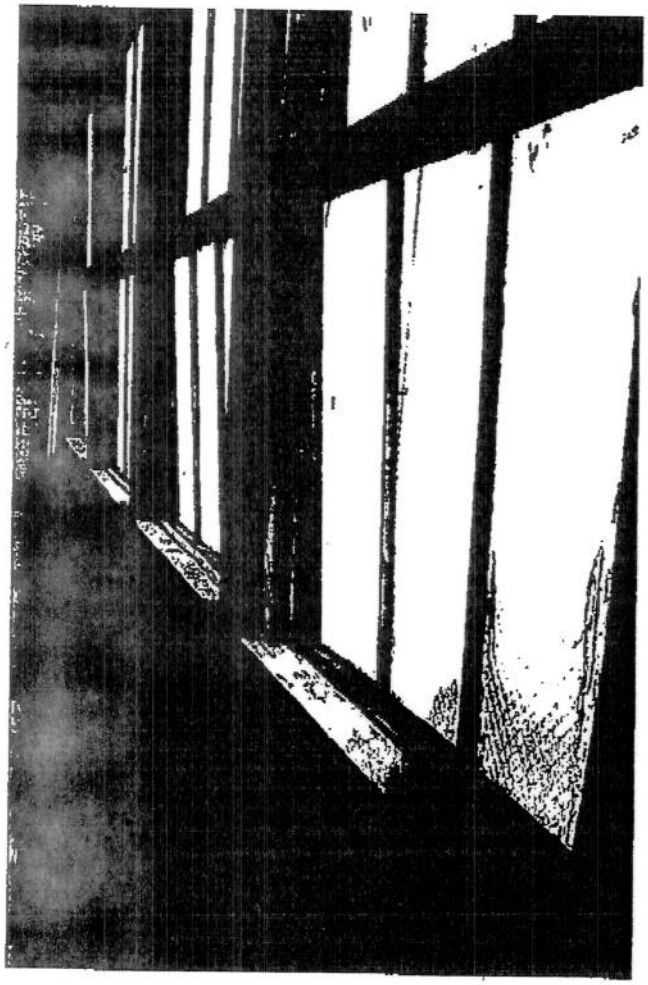


Photo # 13
Example of interior of windows on rear façade,
Floors 4 -5
View facing southeast.

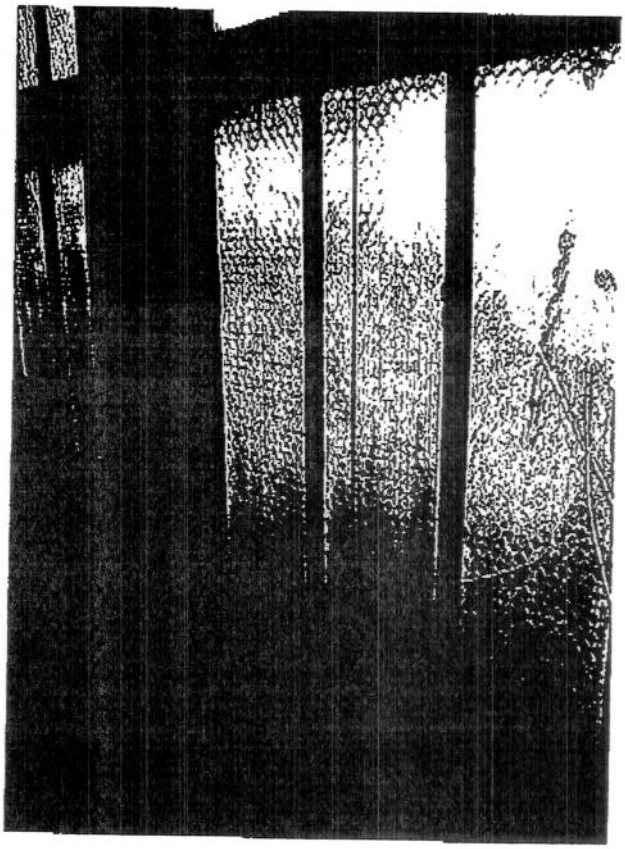


Photo # 14
Example of interior of windows on rear façade,
Floors 3 -5
View facing southeast

Heaven Hill Distilleries, Inc.
528 West Main Street Louisville KY

February 2013
NPS Project #27,867

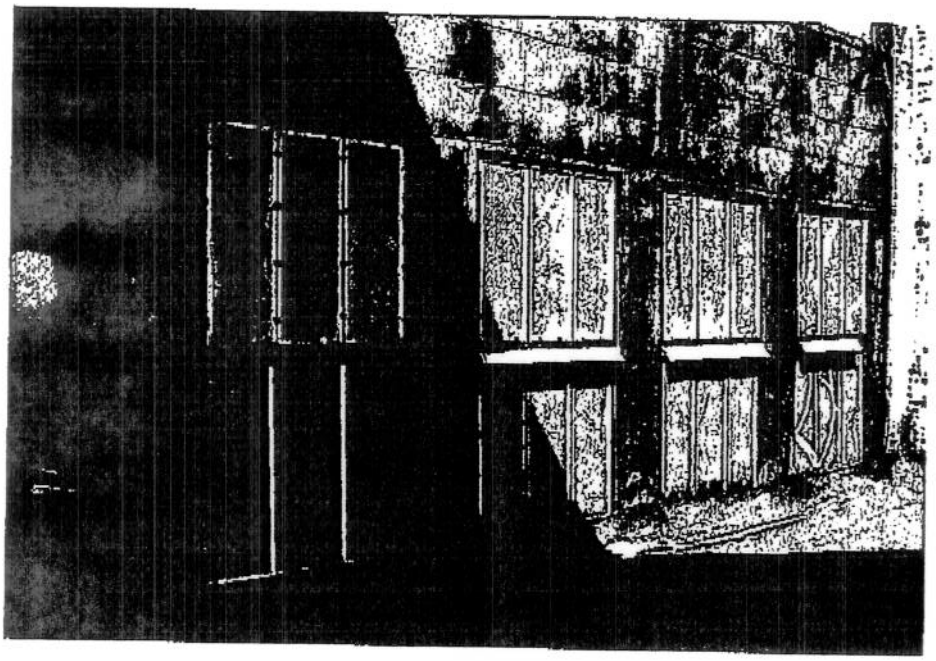


Photo # 15
View from lower roof deck of existing windows on rear facade Floor 3.
Facing northeast.

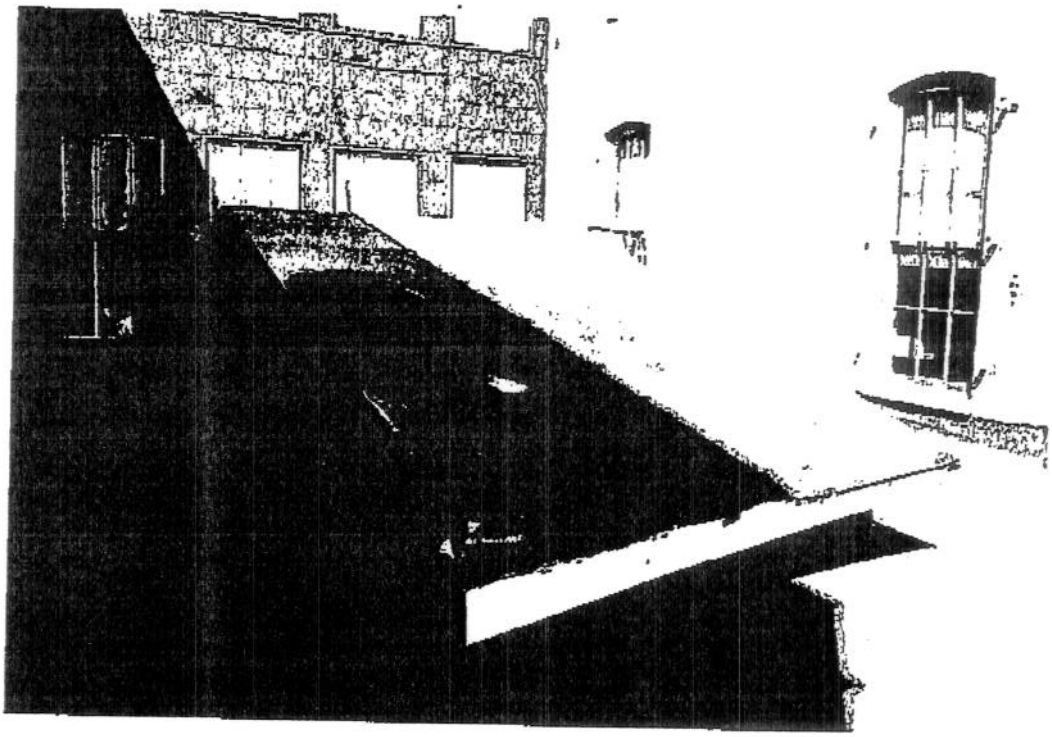


Photo #16
View of deteriorated sky light cover and rear windows on floor 3
facing northeast from lower roof deck

Heaven Hill Distilleries, Inc.
528 West Main Street Louisville KY

February 2013
NPS Project #27,867

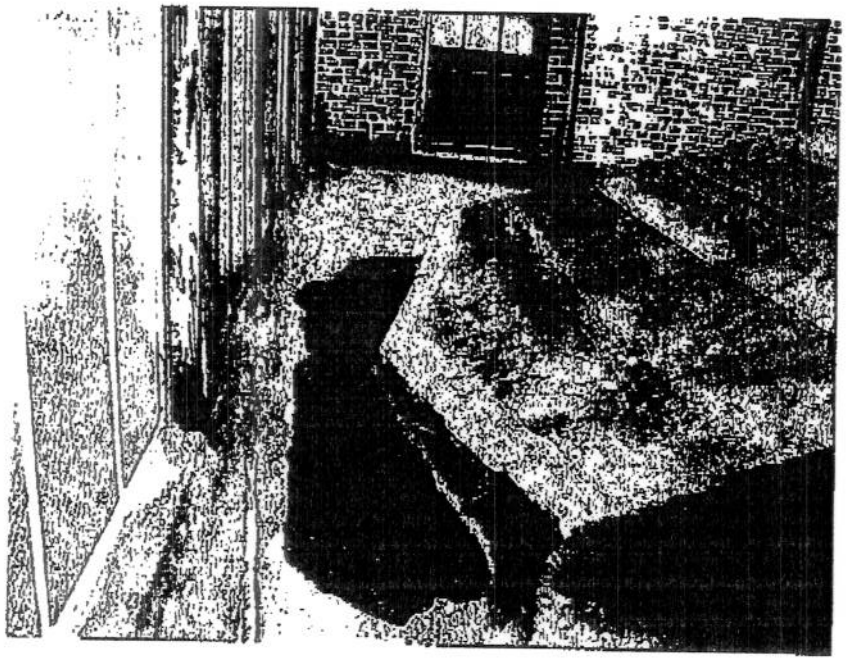


Photo #17
View of deteriorating lower roof deck and skylight cover.
Facing east in front of rear façade windows on Floor.

(Note buildup of bituminous roofing around Floor 3 window sills to prevent further water penetration.)

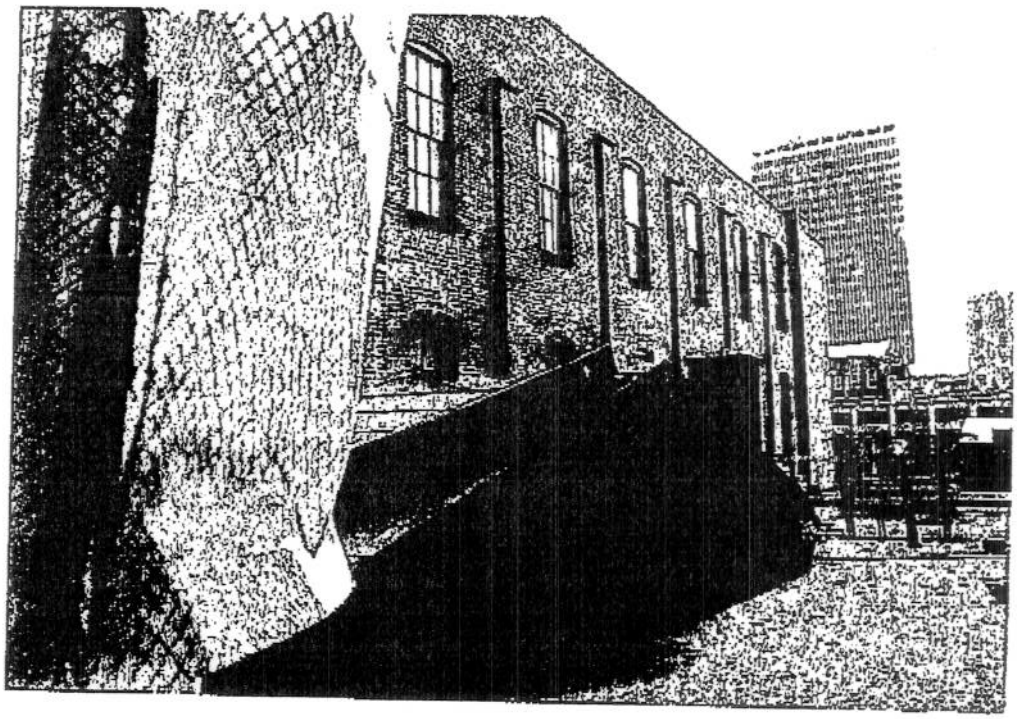


Photo #18
Skylight and lower roof deck as work begins
View southeast from opening in Floor 3 rear façade.

Heaven Hill Distilleries, Inc.
528 West Main Street Louisville KY

February 2013
NPS Project #27,867

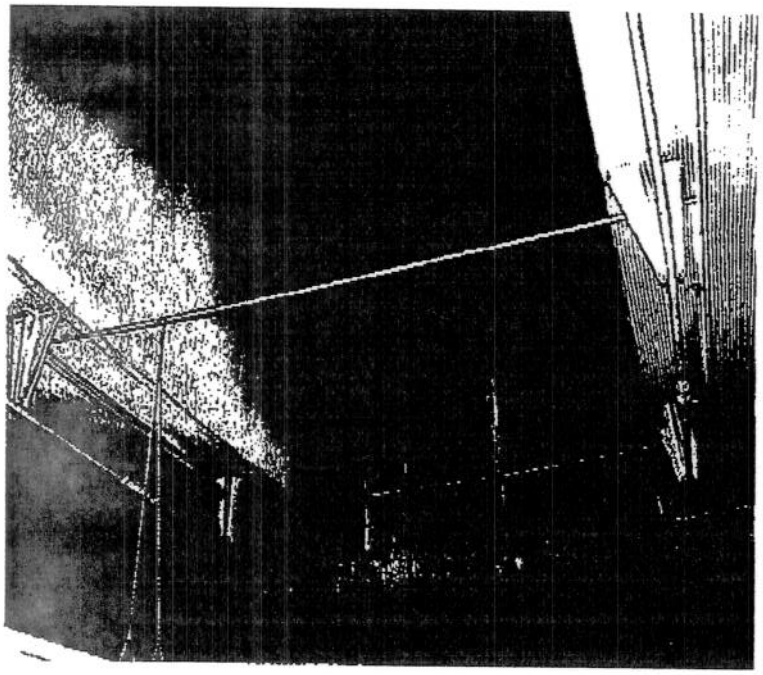


Photo #19
Interior view of covered skylight
From Floor 2 facing southeast.

(Note water leaking on south wall of skylight from leaking glass before the entire structure was covered with roofing material.)

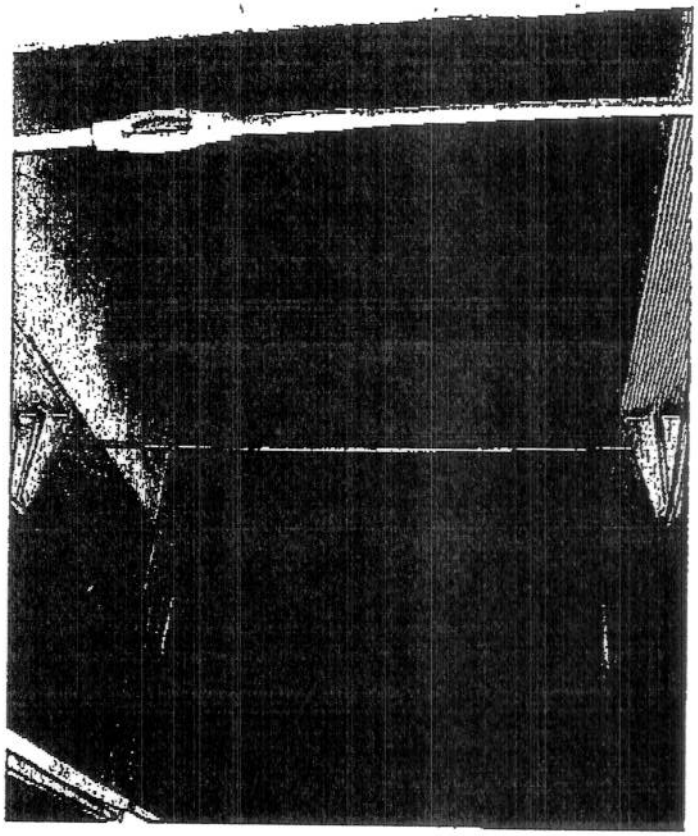


Photo #20
Interior of enclosed skylight
Facing south from Floor 2

Evan Williams Bourbon Experience
Notes from 07/17/12 meeting with Heritage Council:

Jen Williamson
Scot Walters
Jonathan Nofke
Jeff McKensie
Rod McMahan
Lee Bagley
Betty Webb

Part I Tax credit application
See no problem with acceptance as contributing to historic district
Submit 2 copies o applicaiton - one for state and one for federal
Make CD with PDFs of drawings / also 11x17 print copies
Photos - 4x6 on photo paper Check website for labeling instructions

Part II
Potential issues/ need to address in application:

- Interpretation of cut through as atria/ light well / courtyard (size); destruction of historic fabric (floor)
  - Keep opening as small as possible for desired effect
  - Include renderings of views from bottom floor up and second floor down
- Strong graphic on front may overwhelm historic façade
  - Include renderings of streetscape (noon/ twighlight/ dark) to demonstrate subtlety of effect / behind glass not on face of building
- Interior storms may be viewed as tinted windows/ change in historic fabric
  - Refer to them as "window treatments" instead (not regulated/ temporary)
- Treatment of extra egress door on storefront
  - Steel door should not be a problem if configuration is same as existing doors and it is painted
  - Dept of Interior will probably be happy with either approach - door and framing that mimic the existing doors or a cut that is barely visible in existing façade (does not draw attention away from historic façade)
- Exposing the interior brick (most warehouse spaces were roughly finished to minimize dirt)
  - Most important to try and retain/ restore original fabric in area like entrance lobby and retail - which are not formal "museum" or interpretive spaces
- Removal of rear stair should not be an issue
  - Include photos/ site map of existing rear areawhich clearly shows that this façade is rarely if ever viewed by public

Balance above concerns by emphasizing other positive preservation priorities/ NPS wants to see as much emphasis as possible on retaining the original materials and feel of structure/ space:

- Slavaging and reusing wood bead board on stairs (1903 long grain pine) in restrooms, other areas
- Retaining/ repair plastered wall treatment where ever they still exist, if possible
- Entire museum experience is meant to give public a more accurate view of early Louisville streetscape/ industry

RECEIVED
SEP 1 2 2012
NATIONAL PARK SERVICE
TAX INCENTIVE PROGRAM

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

OMB Approved
No. 1024-0009
Form 10-168
Rev. 2011

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 1 – EVALUATION OF SIGNIFICANCE

NPS Project Number 27867

Instructions: This page of the form must appear exactly as below and must bear the owner's original signature. Other sections may be expanded as needed or continued on blank pages. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

1. Property Name Heaven Hill Distilleries, Inc.
   Street 528 West Main Street
   City Louisville County Jefferson State Kentucky Zip 40202
   Name of Historic District West Main Street Historic District, Expanded 1980
   ☒ National Register district ☐ certified historic district ☐ potential district
2. Nature of request (check only one box)
   ☒ certification that the building contributes to the significance of the above-named historic district or National Register property for rehabilitation purposes.
   ☐ certification that the building contributes to the significance of the above-named historic district for a charitable contribution for conservation purposes.
   ☐ certification that the building does not contribute to the significance of the above-named district.
   ☐ preliminary determination for individual listing in the National Register.
   ☐ preliminary determination that a building located within a potential historic district contributes to the significance of the district.
   ☐ preliminary determination that a building outside the period or area of significance contributes to the significance of the district.
3. Project contact (if different from Owner)
   Name
   Street City
   State Zip Telephone
4. Owner

I hereby attest that the information I have provided is, to the best of my knowledge, correct, and that I own the property described above. I understand that falsification of factual representations in this application is subject to criminal sanctions of up to $10,000 in fines or imprisonment for up to five years pursuant to 18 USC 1001.

Name Harry J. Shapira Signature Date 8/24/12
Organization Heaven Hill Distilleries, Inc. Social Security OR Taxpayer ID Number 61-0402960
Street 528 West Main Street City Louisville
State Kentucky Zip 40202 Telephone (502) 584-2114

NPS Official Use Only

The National Park Service has reviewed the Historic Certification Application – Part 1 for the above-named property and has determined that the property:

☒ contributes to the significance of the above-named district (or National Register property) and is a "certified historic structure" for rehabilitation purposes.
☐ contributes to the significance of the above-named district and is a "certified historic structure" for a charitable contribution for conservation purposes.
☐ does not contribute to the significance of the above-named district.

Preliminary Determinations:

☐ appears to meet the National Register Criteria for Evaluation and will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 60.
☐ does not appear to meet the National Register Criteria for Evaluation and will likely not be listed in the National Register.
☐ appears to contribute to the significance of a potential historic district, which will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer.
☐ appears to contribute to the significance of a registered historic district but is outside the period or area of significance as documented in the National Register nomination or district documentation on file with the NPS.
☐ does not appear to qualify as a certified historic structure.

9/14/2012
Date National Park Service Authorized Signature

☐ See Attachments

KHC Form TC-1 Rev. 2007 Page 1 of 2	**COMMONWEALTH OF KENTUCKY** **Kentucky Heritage Council** Kentucky Historic Preservation Tax Credit Certification Application Part 1 – Evaluation of National Register Status	KHC Project # Date Received

Read all Instructions and Guidelines *(provided separately from this application)* carefully before completing this application. No certification will be made unless a completed application form has been received. Type or print clearly in black ink. If additional space is needed, use continuation sheets or attach blank sheets. Submit this completed application, along with a completed Part 2 Application, no later than April 29 of the calendar year in which you want to receive a tax credit allocation.

NOTE: If the federal tax credit is also being applied for, only the first page of this form and first page of the state part 2 is required to be completed and submitted with copies of the federal application.

1. **Name of property:** Heaven Hill Distilleries, Inc. - Evan Williams Bourbon Experience

   Street: 528 West Main Street

   City: Louisville County: Jefferson State: KY Zip: 40202

2. **National Register Listing:** (check only one) (see instructions for determining NR listing)

   ☐ Property is listed individually on the National Register of Historic Places

   ☒ Property is within the boundaries of a district listed on the National Register of Historic Places.

   Name of historic district: Wet Main Streeet Historic Dstrict, Expanded
   **Attach a copy of the official National Register district map noting location of this property

3. **Project contact:**

   Name: Harry J. Shapira

   Street: 528 West Main Street Telephone Number: 502-584-2114

   City: Louisville State: KY Zip: 40202 E-Mail Address: (b)(6) [redacted]

4. **Owner: - I hereby attest that the information I have provided is correct and that I own the property described in this application.**

   Name: Harry J. Shapira

   Signature: Harry J. Shapira Date: 9/19/12

   Organization: Heaven Hill Distilleries, Inc.

   Social Security or Taxpayer Identification Number: 61-0402960

   Street: 528 West Main Street Telephone Number: 502-584-2114

   City: Louiville State: KY Zip: 40202 E-Mail Address: (b)(6) [redacted]

KHC Office Use Only

The Kentucky Heritage Council has reviewed this Application for the above named property and has determined:

- ☐ This property is listed individually on the National Register of Historic Places and is a "certified historic structure" for the purpose of rehabilitation.
- ☐ This property contributes to the historic significance of the district listed on the National Register of Historic Places and is a "certified historic structure" for the purpose of rehabilitation.
- ☐ This property is not a contributing building to the district listed on the National Register of Historic Places nor is it individually listed on the National Register of Historic Places and is not a "certified historic structure" for the purpose of rehabilitation

Kentucky Heritage Council /State Historic Preservation Office Authorized Signature Date

RECEIVED
SEP 12 2012
NATIONAL PARK SERVICE
TAX INCENTIVE PROGRAM

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

OMB Approved
No. 1024-0009
Form 10-168
Rev. 2011

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 1 – EVALUATION OF SIGNIFICANCE

NPS Project Number 27867

Instructions: This page of the form must appear exactly as below and must bear the owner's original signature. Other sections may be expanded as needed or continued on blank pages. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

1. Property Name Heaven Hill Distilleries, Inc.
   Street 526 West Main Street
   City Louisville County Jefferson State Kentucky Zip 40202
   Name of Historic District West Main Street Historic District, Expanded 1980
   ☒ National Register district ☐ certified local district ☐ potential district
2. Nature of request (check only one box)
   ☒ certification that the building contributes to the significance of the above-named historic district or National Register property for rehabilitation purposes.
   ☐ certification that the building contributes to the significance of the above-named historic district for a charitable contribution for conservation purposes.
   ☐ certification that the building does not contribute to the significance of the above-named district.
   ☐ preliminary determination for individual listing in the National Register.
   ☐ preliminary determination that a building located within a potential historic district contributes to the significance of the district.
   ☐ preliminary determination that a building outside the period or area of significance contributes to the significance of the district.
3. Project contact (if different from Owner)
   Name
   Street City
   State Zip Telephone
4. Owner

I hereby attest that the information I have provided is, to the best of my knowledge, correct and that I own the property described above. I understand that falsification of factual representations in this application is subject to criminal sanctions of up to $10,000 in fine and/or imprisonment for up to five years pursuant to 18 USC 1001.

Name Harry J. Shapira Signature [signature] Date 8/23/12
Organization Heaven Hill Distilleries, Inc. Social Security OR Taxpayer ID Number 61-0402960
Street 526 West Main Street City Louisville
State Kentucky Zip 40202 Telephone (502) 584-2114

NPS Official Use Only

The National Park Service has reviewed the Historic Certification Application – Part 1 for the above-named property and has determined that the property:

☒ contributes to the significance of the above-named district (or National Register property) and is a "certified historic structure" for rehabilitation purposes.
☐ contributes to the significance of the above-named district and is a "certified historic structure" for a charitable contribution for conservation purposes.
☐ does not contribute to the significance of the above-named district.

Preliminary Determinations:

☐ appears to meet the National Register Criteria for Evaluation and will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer according to the procedures set forth in 36 CFR Part 60.
☐ does not appear to meet the National Register Criteria for Evaluation and will likely not be listed in the National Register.
☐ appears to contribute to the significance of a potential historic district, which will likely be listed in the National Register of Historic Places if nominated by the State Historic Preservation Officer.
☐ appears to contribute to the significance of a registered historic district but is outside the period or area of significance as documented in the National Register nomination or district documentation on file with the NPS.
☐ does not appear to qualify as a certified historic structure.

9/19/2012 [signature]
Date National Park Service Authorized Signature

☐ See Attachments

KHC Form TC-1 Rev. 2007 Page 1 of 2	**COMMONWEALTH OF KENTUCKY** **Kentucky Heritage Council** Kentucky Historic Preservation Tax Credit Certification Application Part 1 – Evaluation of National Register Status	KHC Project # _____ Date Received _____

Read all Instructions and Guidelines *(provided separately from this application)* carefully before completing this application. No certification will be made unless a completed application form has been received. Type or print clearly in black ink. If additional space is needed, use continuation sheets or attach blank sheets. Submit this completed application, along with a completed Part 2 Application, no later than April 29 of the calendar year in which you want to receive a tax credit allocation.

NOTE: If the federal tax credit is also being applied for, only the first page of this form and first page of the state part 2 is required to be completed and submitted with copies of the federal application.

1. **Name of property:** Heaven Hill Distilleries, Inc. - Evan Williams Bourbon Experience

   Street: 528 West Main Street

   City: Louisville County: Jefferson State: KY Zip: 40202

2. **National Register Listing:** (check only one) (see instructions for determining NR listing)

   ☐ Property is listed individually on the National Register of Historic Places

   ☒ Property is within the boundaries of a district listed on the National Register of Historic Places.

   Name of historic district: West Main Streeet Historic Dstrict, Expanded
   **Attach a copy of the official National Register district map noting location of this property.

3. **Project contact:**

   Name: Harry J. Shapira

   Street: 528 West Main Street Telephone Number: 502-584-2114

   City: Louisville State: KY Zip: 40202 E-Mail Address: (b)(6) [redacted]

4. **Owner: - I hereby attest that the information I have provided is correct and that I own the property described in this application.**

   Name: Harry J. Shapira

   Signature: Harry J. Shapira Date: 9/19/12

   Organization: Heaven Hill Distilleries, Inc.

   Social Security or Taxpayer Identification Number: 61-0402960

   Street: 528 West Main Street Telephone Number: 502-584-2114

   City: Louiville State: KY Zip: 40202 E-Mail Address (b)(6) [redacted]

KHC Office Use Only

The Kentucky Heritage Council has reviewed this Application for the above named property and has determined:

- ☐ This property is listed individually on the National Register of Historic Places and is a "certified historic structure" for the purpose of rehabilitation.
- ☐ This property contributes to the historic significance of the district listed on the National Register of Historic Places and is a "certified historic structure" for the purpose of rehabilitation.
- ☐ This property is not a contributing building to the district listed on the National Register of Historic Places nor is it individually listed on the National Register of Historic Places and is not a "certified historic structure" for the purpose of rehabilitation

Kentucky Heritage Council /State Historic Preservation Office Authorized Signature Date

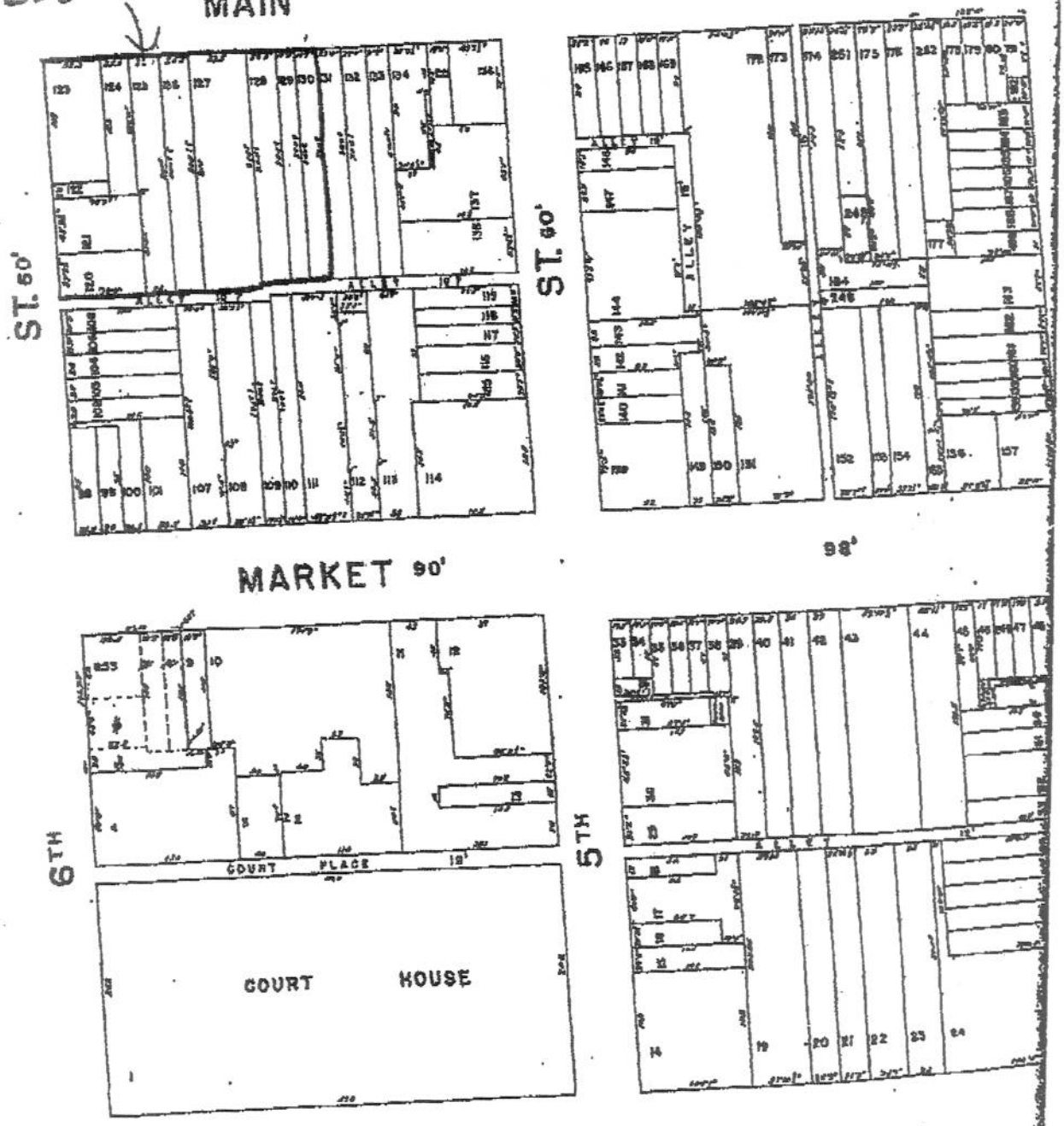
SCALE, 1" = 60'

West Main Street Historic District, Expanded

THOS. F. BURKE
JEFFERSON COUNTY TAX COMM'R
R. J. TAPPEHORN - CHIEF DRAFTSMAN

SCALE, 1" = 60'.

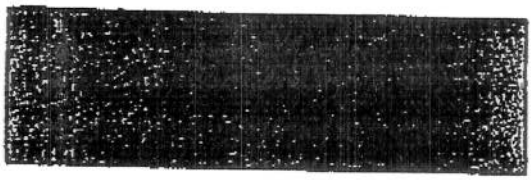
East West Main



Form No. 10-300a
(Rev. 10-74)

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

NATIONAL REGISTER OF HISTORIC PLACES INVENTORY -- NOMINATION FORM



West Main StreetHistoric District, Expanded

CONTINUATION SHEET ITEM NUMBER 7 PAGE 2

No. 528 is constructed of white enamel glazed brick and rises to a height of five stories. The structure has retained its original, cast-iron ground floor. The upper floors contain three windows each surrounded by a laurel molding. The building is capped by a extended cornice.

No. 530 is a five-story building of masonry and cast-iron. The lower story is a cast-iron store front. Above this, the cornice bends to accept a pair of pilasters which flank the center bay from that point to the top of the fifth floor. Pilasters also rise on the sides the facade, dividing it into thirds and adding verticality to this already slender structure. Engaged Corintian columns flank the windows on the second and third floors. Panels above the second floor windows contain festoons and above the third , a foliage motif is evident. The fourth floor consists of shorter, round-arched windows decorated by egg and dart mold and large keys. Foliated spandrals supply transition to the horizonal entablature above this story. The fenestration on the fifth floor consists of six round-headed windows articulated vertically by smooth, squat columns. Further division is furnished by pilasters and wide arches. A spray of foliage provides decoration for the space between the windows and the entablature. A parapet with the name and address of the structure crowns the building.

8/17/12 Draft
w/out +

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

OMB Approved
No. 1024-0009
Form 10-168
Rev. 2011

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 2 – DESCRIPTION OF REHABILITATION

NPS Project Number

Instructions: This page of the form must appear exactly as below and must bear the owner's original signature. Other sections may be expanded as needed or continued on blank pages. The National Park Service certification decision is based on the descriptions in this application form. In the event of any discrepancy between the application form and other, supplementary material submitted with it (such as architectural plans, drawings and specifications), the application form takes precedence. A copy of this form will be provided to the Internal Revenue Service.

1. Property Name Heaven Hill Distilleries, Inc.
   Street 328 West Main Street
   City Louisville County Jefferson State KY Zip 40202
   Name of Historic District West Main Historic District- Expanded
   ☐ Listed individually in the National Register of Historic Places; date of listing
   ☒ Located in a Registered Historic District; name of district West Main Historic District- Expanded
   ☒ Part 1 – Evaluation of Significance submitted? Date submitted concurrently Date of certification

2. Data on building and rehabilitation project
   Date of construction 1903 Cost of rehabilitation (estimated) 4,000,000
   Type of construction Rehabilitation / Restoration Floor area before / after rehabilitation 21.128 / 21,128
   Start date (estimated) September 2012 Use(s) before / after rehabilitation Office / Museum
   Completion date (estimated) August 2013 Number of housing units before / after rehabilitation 0 / 0
   This application covers phase number NA of NA phases Number of low-moderate income housing units before / after rehabilitation 0 / 0

3. Project Contact (if different from Owner)
   Name
   Street City
   State Zip Telephone

4. Owner

I hereby attest that the information I have provided is, to the best of my knowledge, correct and that I own the property described above. I understand that falsification of factual representations in this application is subject to criminal sanctions of up to $10,000 in fines or imprisonment for up to five years pursuant to 18 USC 1001.

Name Harry J. Shapira Signature Date
Organization Heaven Hill Distilleries, Inc. Social Security OR Taxpayer ID Number
Street 528 West Main Street City Louisville
State KY Zip 40202 Telephone (502) 584-2114

NPS Official Use Only

The National Park Service has reviewed the Historic Certification Application – Part 2 for the above-named property and has determined that:

☐ the rehabilitation described herein is consistent with the historic character of the property and, where applicable, with the district in which it is located and that the project meets the Secretary of the Interior's Standards for Rehabilitation. This letter is a preliminary determination only, since a formal certification of rehabilitation can be issued only to the owner of a "certified historic structure" after rehabilitation work is complete.

☐ the rehabilitation or proposed rehabilitation will meet the Secretary of the Interior's Standards for Rehabilitation if the attached conditions are met.

☐ the rehabilitation described herein is not consistent with the historic character of the property or the district in which it is located and that the project does not meet the Secretary of the Interior's Standards for Rehabilitation.

Date National Park Service Authorized Signature

☐ See Attachments

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 2 – DESCRIPTION OF REHABILITATION

Property name Heaven Hill Distilleries, Inc. NPS Project Number

Property address 528 West Main Street, Louisville, KY 40202

5. **Detailed description of rehabilitation work** Reproduce this page as needed to describe all work or create a comparable format with this information. Number items consecutively to describe all work, including building exterior and interior, additions, site work, landscaping, and new construction.

Number 1 Feature Main Street Facade Date of Feature 1903

Describe existing feature and its condition

The facade of this structure was constructed with cast iron framing: the first floor comprises wood storefront moldings (replaced in 2000 to match the original), Luxfer Prism Lights transom in addition to the cast iron frame. The entablature above the Luxfer transom is a cast iron panel featuring the company name. The four floors surmounting this storefront contain three double-hung windows with limestone sills above a spandrel panel of porcelain glazed, white clay bricks in Roman style brick face sizes made by the Rookwood pottery in Cincinnati, Ohio. The windows and spandrels are surrounded by a stone garland. A large stone cornice with brackets caps the facade. All components of this facade match the original design by D. X. Murphy

Photo numbers 1,2,3,4,5,6,7,8,9,16 Drawing numbers G1.1, A2.1, A3.1, A5.2, A6.1, A6.3

Describe work and impact on feature

The Kentucky Building Code requires the addition of an emergency exit door in this facade. As shown on the Rehabilitation, this door will be placed on the extreme left side as seen from the street. It will match the existing entrance doors. As none of the lower facade is original, no historic fabric will be lost.

The existing pair of front mahogany doors will be replaced by matching steel doors as the mahogany doors are unable to withstand the exposure to the weather.

The mahogany storefront window trim will be stripped and refinished with a high performance

Number 2 Feature Exterior Envelope Date of Feature 1903, 2000, unknown

Describe existing feature and its condition

With the exception of the Main Street Facade, elements of the exterior envelope have not been properly maintained and are in a state of unsalvageable decay. The roof is a built up type, with layers of felt with interlayers of asphalt. It has suffered extreme deterioration and leaks regularly.

The lower rear facade which opens on a midblock alley, was completely reconstructed in 2000 with no regard for the historic value. The upper rear wall is in an advanced state of failure and admits great quantities of water.

Photo numbers 10,11,12,13,17,18,19, 25 Drawing numbers A2.1, A2.3, A2.6, A3.1

Describe work and impact on feature

The roof will be stripped to the wood deck, rotten decking will be replaced and a modified bitumen with insulation will be installed. The roofing will run up the parapet walls and terminate at the glazed clay coping tiles. All missing coping tiles will be replaced and the building will have a 20 year warranty.

The lower rear wall will be rebuilt with brick and the existing doors will be replaced with steel service doors.

The west facing brick wall will be pointed and cleaned to remove the painted advertisement which

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 2 -- DESCRIPTION OF REHABILITATION

Property name Heaven Hill Distilleries, Inc. NPS Project Number

Property address 328 West Main Street, Louisville, KY 40202

B. **Detailed description of rehabilitation work** Reproduce this page as needed to describe all work or create a comparable format with this information. Number items consecutively to describe all work, including building exterior and interior, additions, site work, landscaping, and new construction.

Number 3 Feature Interior: Basement Date of Feature 1903, 2000

Describe existing feature and its condition

The basement has a concrete floor and brick bearing walls on four sides. It has an open wooden stair, a freight elevator at the rear and a passenger elevator at the front. Several pieces of abandoned machinery, plumbing fixtures and shelving are strewn about. A small boiler and the elevator machines are still in service.

Structurally, a row of wood posts march down the center of the basement supporting a built-up beam. Floor joists span from brick bearing wall to the beam from both side walls.

Photo numbers 35, 36, 37, 38, 39, 40, 41, 42 Drawing numbers A2.0, A5.7, A5.8

Describe work and impact on feature

The Main Street end of the basement will be large rest rooms for the public with an adjacent lounge area. The entire basement level will be themed as a speakeasy from the early 1900s when the building served the Hollenbach family as a distribution warehouse for whiskey and beer. Visitors will pass through a "secret" door and into a speakeasy bar with a large racetrack shaped bar, seating and a dining room. At the rear of the basement will be a catering kitchen, micro-distillery infrastructure and a modern freight elevator.

The brick walls will remain exposed as well as the ceiling joists, central beam and wood columns.

Number 4 Feature Interior: First Floor Date of Feature 1903, 1953, 2000

Describe existing feature and its condition

The First Floor has been partially renovated to provide an entrance lobby and executive offices for Heaven Hill Distilleries, Inc. The entry is a large open room with carpet , a suspended ceiling, and side walls furred out to receive drywall. There are narrow corridors leading to the Executive office which is paneled in walnut, has a fake fireplace and fake window, suspended ceiling. Adjacent to the Office is a similarly sized and finished conference room. In all of these areas, original wall, floor and ceiling finishes are concealed by later renovation work. At the rear of the First Floor are storage rooms which feature original room finishes. The entire rear wall of the building was reconstructed in 2000 and retains no historic features. It is made of concrete block

Photo numbers 20, 28, 29, 30, 31, 32, 33, 34 Drawing numbers A2.1, A5.2, A5.4, A5.9

Describe work and impact on feature

The First floor will be converted into a museum quality visitors center with interactive exhibits, videos and historical recreations. The front lobby will feature the neck of a bourbon bottle emerging from the exposed ceiling joists through a new Second floor penetration measuring 6'-8" by 6'-8". As a number of floor joists will be salvaged, this penetration may be seen as a reversible intrusion. From the street, it will appear as if a five storey bottle were upturned just behind the facade.

From the lobby, visitors will move through various videos and historic presentations intended to educate them about Evan Williams, America's first commercial distiller. His late 18th century still was just across Main Street from this venue.

HISTORIC PRESERVATION CERTIFICATION APPLICATION
PART 2 – DESCRIPTION OF REHABILITATION

Property name Heaven Hill Distilleries, Inc. NPS Project Number

Property address 528 West Main Street, Louisville, KY 40202

5. **Detailed description of rehabilitation work** Reproduce this page as needed to describe all work or create a comparable format with this information. Number items consecutively to describe all work, including building exterior and interior, additions, site work, landscaping, and new construction.

Number 5 Feature Main Street Facade Date of Feature 1903

Describe existing feature and its condition

The Second Floor retains much of its original features although many have been severely compromised by deferred maintenance, mostly water infiltration. The wood floor has been overlain in part by other wood floors to conceal water damage. The brick walls were once completely plastered but these walls now only retain a portion of that plaster. The ceiling joists are covered in a corrugated sheet tin material. Only rudimentary lighting remains, there is no plumbing or HVAC serving this space. There is a large split system mechanical unit on this floor which serves the renovated space on the First Floor. There is a single open stair going down to One and up to Three.

Photo numbers 21, 24, 25, 28 Drawing numbers A2.2, A5.4, A5.10, A5.11

Describe work and impact on feature

Visitors will ascend an open stair constructed as if it were within a bourbon rickhouse surrounded by barrels to land on "Main Street" as it may have looked in different eras. They will be ushered into on of two Tasting Rooms (one themed as a 1900 liquor distributor's lobby and the other as a 1960s uptown bar) to sample various bourbons. Leaving the "Tasting Rooms" visitors are escorted to the gift shop which occupies space behind the Main Street windows.

In the corner of the room is a portion of the five storey bottle with its neck penetrating the floor. From this point upward, the bottle becomes a two dimensional graphic placed behind the windows on the third fourth and fifth floors.

Number 6,7,8 Feature 6.Third, 7.Fourth, and 8.Fifth Floors Date of Feature 1903

Describe existing feature and its condition

The top three floors are essentially identical. Their Main Street Windows have been completely restored, their floors are the original pine with no finish, their ceilings are the corrugated sheet tin, their side walls are exposed brick, their rear walls are in an advanced state of decay to the point of being dangerous to occupants. The have only rudimentary lighting, they have no plumbing or HVAC. They all have an open stair communicating with adjacent floors; they are all served by the passenger elevator.

Photo numbers 22, 23 Drawing numbers A2.3, A2.4, A2.5, A5.11, A5.12, A5.12

Describe work and impact on feature

The third floor will have two meeting / special event rooms, two rest rooms, storage, elevator and enclosed fire stair. It will have all new finishes with the exception of wall and ceiling finishes where existing finishes are preserved and usable. This floor will be rentable and will feature a roof garden on the adjacent second floor roof for outdoor entertaining at the rear of the building. A new exterior open fire stair will serve all three of these floors with the exit path traversing the second floor roof to another stair at the rear of the building.

The Fourth Floor will be converted to an administrative / employee floor with employee lockers, rest rooms, showers, stock room, break room and a meeting room. It will have all new finishes

Form 10-168d
Revised 1/2000

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

Historic Preservation Certification Application
State Historic Preservation Office Review & Recommendation Sheet
Rehabilitation—Part 2/Part 3

Project Number: _____

Number 1

Heaven Hill Distilleries, Inc.
(Property)
528 W Main St., Louisville, Jefferson Co, KY 40202
(Property)
West Main Main Street Historic District, expanded NRIS#80004594, listed 3/14/1980

_____ Preliminary done

_____ Non-standard billing

Certified Historic Structure? _____ Yes __x__ pending

Type of Request: __x__ Part 2
_____ Part 3 (Part 2 previously reviewed)
_____ Part 3 (Part 2 not previously reviewed)
_____ Amendment

Date application received by State August 24, 2012
Date(s) additional information requested by State August 24, 2012
_____, _____, _____, _____, _____
Complete information received by State August 24, 2012
Date transmitted to NPS September 4, 2012
Property visit by State staff _____ _____ _____ rehab.
(before) (during) (after)

_____ _____ _____

PROJECT SUMMARY REVIEW

__x__ Fully reviewed by SHPO
_____ No outstanding concerns
_____ Owner informed of SHPO recommendation
_____ In-depth NPS review requested

Number 2

STATE RECOMMENDATION:

Jen Spangler Williamson
who meet the Secretary of the Interior's Professional Qualification Standards, have reviewed this application.

The project:
___meets the Standards.

x__meets the Standards *only* if the attached conditions are met.

___does not meet Standard number(s) _____ for the reasons listed on reverse.

___warrants denial for lack of information.

___This application is being forwarded without recommendation.

For completed work previously reviewed, check as appropriate:
___completed rehabilitation conforms to work previously approved.

___completed rehabilitation differs substantively from work previously approved (describe divergences from Part 2 application on reverse).

September 4, 2012
Date State Official Signature Deputy SHPO

This is a review sheet only and does not constitute an official certification rehabilitation.

Form 10-168f
New

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

CONDITIONS SHEET
Historic Preservation Certification Application

Property name: Heaven Hill Distilleries, Inc

Project Number: _____

Property address: 528 W Main St., Louisville, Jefferson Co, KY 40202

West Main Main Street Historic District, expanded NRIS#80004594 listed 3/14/1980

The rehabilitation of this property as described in the Historic Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation provided that the following condition(s) is/are met:

INTERIOR FINISHES
Interior architectural finishes, consisting of first and second floor plaster and bead board ceiling in the entrance lobby and second floor retail space should be preserved. More photographs documenting the existing condition of this material, particularly after the removal of the 1950s tenant finishes should be submitted for review and approval of the State Historic Preservation Office prior to the removal of any historic finishes. Photographs showing the preservation of this historic fabric preserved in place must be submitted with the Request for Certification of Completed Work

INTERIOR EXPOSED BRICK
Exposed brick walls in a building that historically had a plaster finish are not an appropriate treatment. Interior architectural finish, consisting of smooth plaster walls must be preserved in the entrance lobby and second floor retail space. Compatible treatments will be to replaster or cover with gypsum wallboard. Photographs showing the covered brick walls must be submitted with the Request for Certification of Completed Work.

REAR ELEVATION
Historic fabric of double hung windows and rear elevation composition on the first and second floor shall be maintained in place or reconstruct to match the existing character.

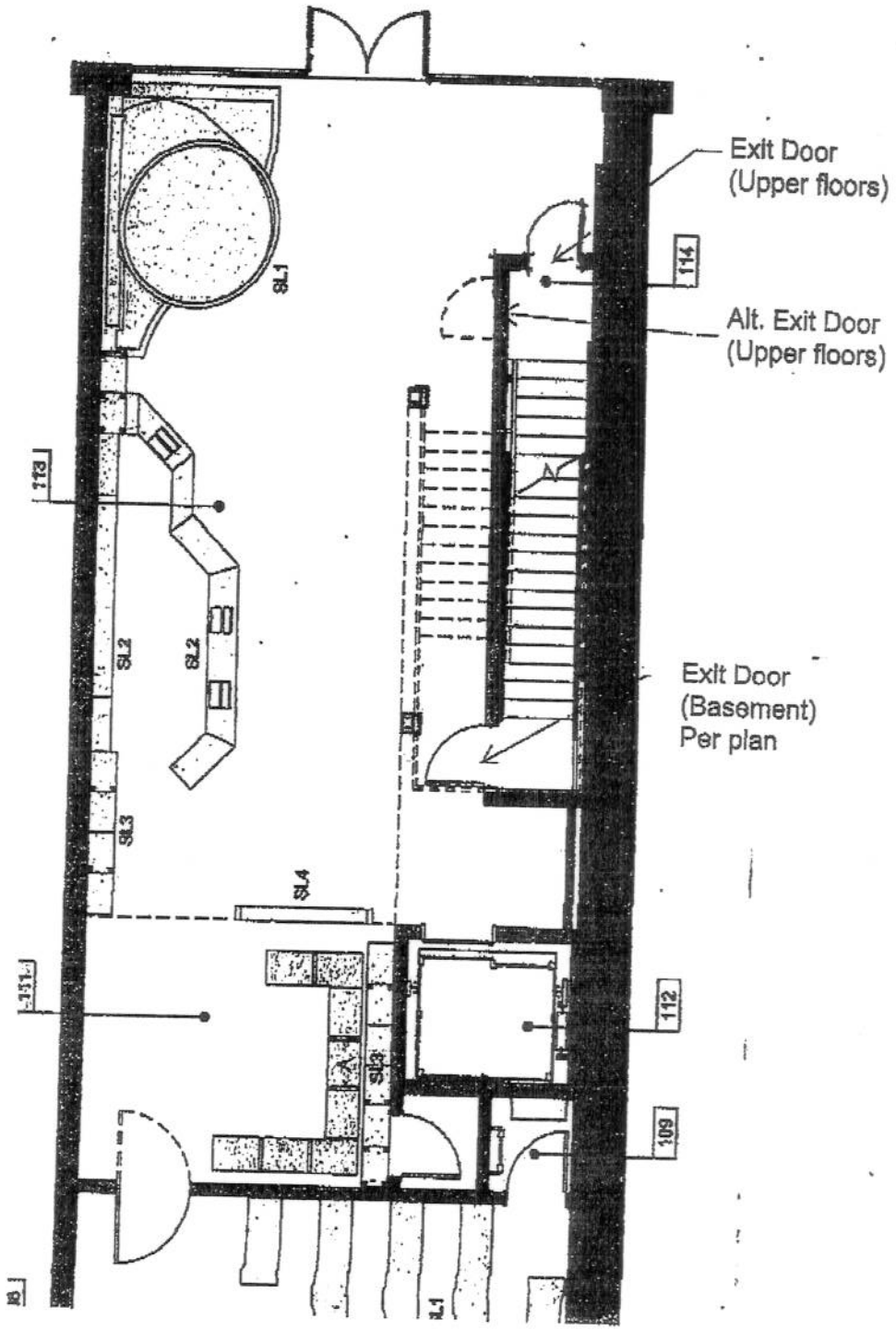
9-5-12 [signature]
Date State Official Signature Deputy SHPO

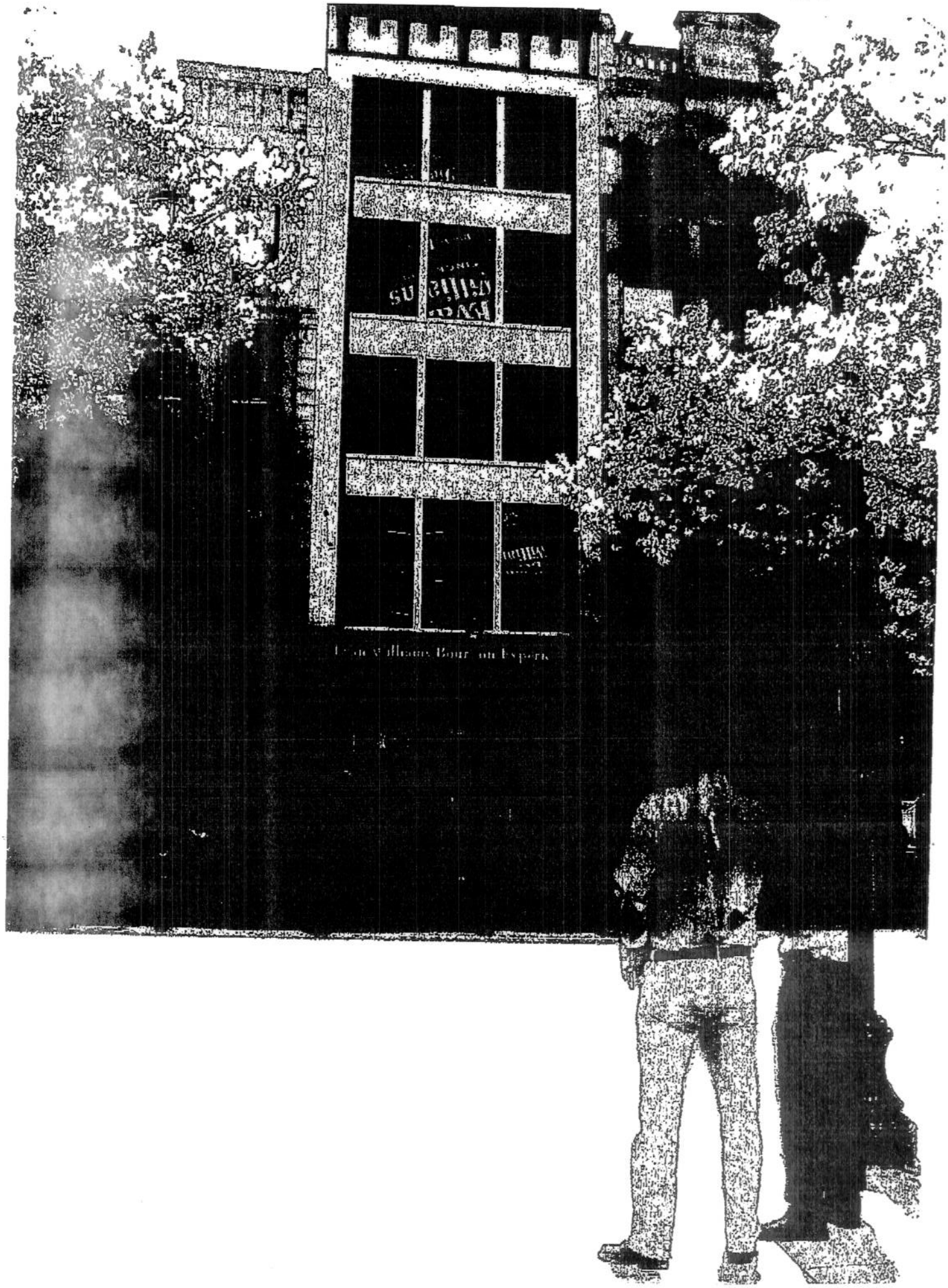
502-569-7005 x133
State Contact Telephone Number

The National Park Service has determined that this project will meet the Secretary of the Interior Standards for Rehabilitation if the condition(s) listed in the box above are met.

Date National Park Service Signature

Telephone Number

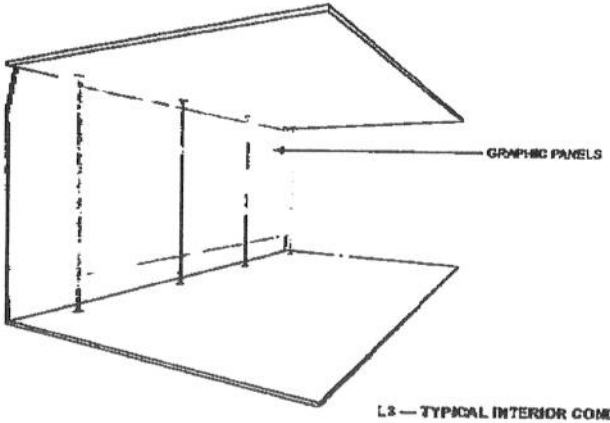

Exit Door
(Upper floors)
114
Alt. Exit Door
(Upper floors)
113
Exit Door
(Basement)
Per plan
112
109
SL1
SL2
SL2
SL3
SL4
SL3
SL1



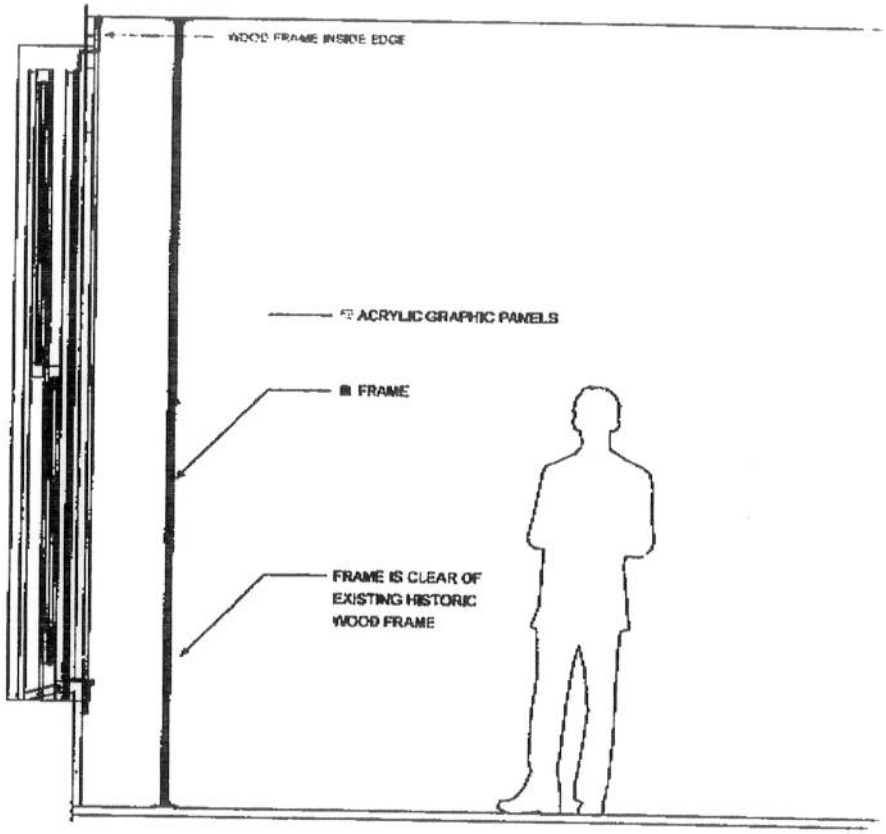
Free-Standing Display Framing

GRAPHIC APPLICATION

Channel hardware will run floor-to-ceiling to support six (6) acrylic panels, displaying the Evan Williams® bottle graphic. Required hardware includes floor mount, ceiling mount, vertical channel tubing to capture the acrylic panels, and horizontal support tubing for stability.



L3 — TYPICAL INTERIOR CONDITION
Floors 3, 4, and 5, to follow plan shown.



SOLID LIGHT
433 S. 3RD STREET
LOUISVILLE, KY 40202
WWW.SOLIDLIGHT-INC.COM
P 502-992-0960

Heaven Hill Distilleries
Evan Williams Bourbon Experience
PROJECT

Free-Standing Display Framing
Graphic Panel Application
SHEET TITLE

DATE 11 20 12

SCALE

1
SHEET NUMBER

UNITED STATES DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE

OMB Approved
No. 1024-0009
Form 10-168
Rev. 2011

HISTORIC PRESERVATION CERTIFICATION APPLICATION AMENDMENT SHEET

Property name Heaven Hill Distilleries, Inc. NPS Project Number 27,887

Property address 528 West Main Street, Louisville, Kentucky 40202

Instructions: This page of the form must appear exactly as below and must bear the owner's original signature.

Amendments: Summarize changes to previously submitted application in the space provided; describe in detail in attachments.

Requests for an advisory determination that a completed phase of a rehabilitation project meets the Secretary of the Interior's Standards for Rehabilitation: List phase number, completion date, and cost, and summarize completed work items. Continue in attachments if necessary.

This sheet ☐ amends Part 1 ☒ amends Part 2 ☐ amends Part 3

☐ requests an advisory determination that phase _____ of _____ phases of this rehabilitation project meets the Secretary of the Interior's Standards for Rehabilitation. Phase completion date: _____
Cost of this phase: _____

☐ See Attachments

Project Contact (if different from Owner)

Name _____

Street _____ City _____

State _____ Zip _____ Telephone _____

Owner

I hereby attest that the information I have provided is, to the best of my knowledge, correct and that I own the property described above. I understand that falsification of factual representations in this application is subject to criminal sanctions of up to $10,000 in fines or imprisonment for up to five years pursuant to 18 USC 1001.

Name Harry J. Shapira Signature [signature] Date 2/11/13

Organization Heaven Hill Distilleries, Inc. Social Security OR Taxpayer ID Number _____

Street 528 West Main Street City Louisville

State Kentucky Zip 40202 Telephone (502) 584-2114

NPS Official Use Only

The National Park Service has reviewed this amendment to the Historic Preservation Certification Application and has determined that the amendment:

☐ meets the Secretary of the Interior's Standards for Rehabilitation.

☐ will meet the Secretary of the Interior's Standard for Rehabilitation if the attached conditions are met.

☐ does not meet the Secretary of the Interior's Standards for Rehabilitation.

Advisory Determinations:

☐ The National Park Service has determined that the work completed in this phase is consistent with the Secretary of the Interior's Standards for Rehabilitation. This determination is advisory only. A formal certification of rehabilitation can be issued only after all rehabilitation work and any associated site work or new construction have been completed. This approval could be superseded if it is found that the overall rehabilitation does not meet the Secretary's Standards. A copy of this form will be provided to the Internal Revenue Service.

Date _____ National Park Service Authorized Signature _____

☐ See Attachments

HISTORIC PRESERVATION CERTIFICATION APPLICATION
AMENDMENT SHEET

Property name Heaven Hill Distilleries, Inc. NPS Project Number 27,867

Property address 528 West Main Street, Louisville, KY 40202

The submitted Application Part 2 shall be amended as follows:

The rehabilitation of this property as described in the Historic Certification Application will meet the Secretary of the Interior's Standards for Rehabilitation:

INTERIOR FINISHES
Interior architectural finishes, consisting of first and second floor plaster and corrugated tin ceiling in the entrance lobby and second floor retail space will be preserved. More photographs documenting the existing condition of this material, particularly after the removal of the 1950s tenant finishes will be submitted for review and approval of the State Historic Preservation Office prior to the removal of any historic finishes. Photographs showing the preservation of this historic fabric preserved in place will be submitted with the Request for Certification of Completed Work.

INTERIOR EXPOSED BRICK
Interior architectural finish, consisting of smooth plaster walls will be preserved in the entrance lobby and second floor retail space. Compatible treatments will be to replaster or cover with gypsum wallboard. Photographs showing the covered brick walls will be submitted with the Request for Certification of Completed Work.

REAR ELEVATION
Historic fabric of double hung windows and rear elevation composition on the first and second floor shall be maintained in place or reconstruct to match the existing character. Existing bricks will be salvaged for reconstruction of the rear wall with new windows matching the original.

United States Department of the Interior

NATIONAL PARK SERVICE
1849 C Street, N.W.
Washington, DC 20240

FEB 2 8 2013

H32(2256)

The Honorable Rand Paul
United States Senator
1029 State Street
Bowling Green, Kentucky 42101

Dear Senator Paul:

Thank you for your letter of February 19, 2013 on behalf of Mr. Harry J. Shapira concerning the Heaven Hill Distilleries property at 528 West Main Street, Louisville, Kentucky.

The owner had submitted an application to the National Park Service (NPS) in seeking approval of the proposed rehabilitation work for the above-referenced property. This is a necessary step in seeking certain Federal tax credits for rehabilitating historic buildings. On February 26, 2013, the proposed rehabilitation as described in the application amended on February 11, 2013, was determined by the NPS to meet the Secretary of the Interior's Standards for Rehabilitation and the application, thereby, was approved. This is a preliminary determination only, since the required formal certification of rehabilitation can be issued only after the rehabilitation work is completed.

Thank you for your interest in the Historic Preservation Programs of the NPS. If you have any questions, please contact Mr. Brian Goeken, Technical Preservation Services, at 202-354-2026.

Sincerely,

Stephanie Toothman

Stephanie Toothman, Ph.D
Associate Director, Cultural Resources, Partnerships
and Science

DEPARTMENT OF THE INTERIOR

TASKING PROFILE

ACCN #:	ESO-00035433	Status:	Open	Fiscal Year:	2012
Document Date:	**Received Date:**	**Due Date:**	**Action Office:**	**Signature Level:**	**Doc Source:**
01/25/2012	02/02/2012	02/17/2012	LM	SS	CM

To (Recipient): Salazar, Ken

From (Author): Vitter, David; Coburn, Tom; DeMint, Jim; Blunt, Roy; McCain, John; Paul, Rand; Johnson, Ron; Heller, Dean; Sessions, Jeff; Chambliss, Saxby; Hatch, Orrin G.; Hutchison, Kay Bailey; Shelby, Richard; Cochran, Thad; Cornyn, John; Kyl, Jon; Thune, John; Wicker, Roger F.; Inhofe, James M

Senator
United States Senate
Hart Senate Office Building
Suite SH-516
Washington, DC 20210

Subject Text: White House Referral (WHR) 1074755: 22 Senators concerned about management of US energy onshore and offshore resources. Ask to increase domestic production and transport new energy supplies.

Also referred to Departments of Energy and State

Req. Surnames: BLM;BOE;OCL;SIO-Counselor;SOL

Steve Black

Mail Carrier: PM **Mail Track #:**

Cross Ref:

Copies To: SIO-OES

Status Tracking: 02/03/2012 16:24:49 PM - Lisa Cannuscio : The Senate budget hearing before the Committee on Natural Resources is scheduled for Tuesday, February 28. Deadline for letter is prior to the 28th.

Correspondence Specialist and Phone: SIO-OES Lisa Cannuscio/202-208-2443

Closed Comments:

Signed:

EXPEDITE

THE WHITE HOUSE OFFICE
REFERRAL

February 01, 2012

508808

TO: DEPARTMENT OF THE INTERIOR

ACTION COMMENTS:

ACTION REQUESTED: DIRECT REPLY W/COPY

REFERRAL COMMENTS: ALSO REFERRED TO ENERGY AND STATE - FYI

RECEIVED
2012 FEB -2 AM 9: 52
OFFICE OF THE
EXECUTIVE SECRETARIAT

DESCRIPTION OF INCOMING:

ID:	1074755
MEDIA:	LETTER
DOCUMENT DATE:	January 25, 2012
TO:	PRESIDENT OBAMA
FROM:	THE HONORABLE DAVID VITTER UNITED STATES SENATE WASHINGTON, DC 20510
SUBJECT:	WRITES CONCERNING THE MANAGEMENT OF THE NATION'S ABUNDANT ENERGY RESOURCES LOCATED ON FEDERAL LANDS AND WATERS

COMMENTS: _____

_____

_____

PROMPT ACTION IS ESSENTIAL -- IF REQUIRED ACTION HAS NOT BEEN TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, UNLESS OTHERWISE STATED, PLEASE TELEPHONE THE UNDERSIGNED AT (202) 456-2590.

RETURN ORIGINAL CORRESPONDENCE, WORKSHEET AND COPY OF RESPONSE (OR DRAFT) TO: DOCUMENT TRACKING UNIT, ROOM 85, OFFICE OF RECORDS MANAGEMENT - THE WHITE HOUSE, 20500
FAX A COPY OF REPONSE TO: (202) 456-5881

THE WHITE HOUSE
DOCUMENT MANAGEMENT AND TRACKING WORKSHEET

DATE RECEIVED: January 30, 2012

CASE ID: 1074755

NAME OF CORRESPONDENT: THE HONORABLE DAVID VITTER

SUBJECT: WRITES CONCERNING THE MANAGEMENT OF THE NATION'S ABUNDANT ENERGY RESOURCES LOCATED ON FEDERAL LANDS AND WATERS

ROUTE TO: AGENCY/OFFICE	(STAFF NAME)	ACTION CODE	ACTION DATE	DISPOSITION TYPE RESPONSE	DISPOSITION CODE	DISPOSITION DATE COMPLETED
LEGISLATIVE AFFAIRS	ROB NABORS	ORG	01/31/2012			
ACTION COMMENTS:						
DOI		R	2/1/12			
ACTION COMMENTS:						
DOE.		I	2/1/12		C	2/1/12
ACTION COMMENTS:						
DOS		I	2/1/12		C	2/1/12
ACTION COMMENTS:						
ACTION COMMENTS:						

COMMENTS: 21 ADDL SIGNEES

MEDIA TYPE: LETTER

USER CODE:

ACTION CODES	DISPOSITION		
	TYPE RESPONSE	DISPOSITION CODES	COMPLETED DATE
A = APPROPRIATE ACTION B = RESEARCH AND REPORT BACK D = DRAFT RESPONSE I = INFO COPY/NO ACT NECESSARY R = DIRECT REPLY W/ COPY ORG = ORIGINATING OFFICE	INITIALS OF SIGNER (W.H. STAFF) **NRN** = NO RESPONSE NEEDED **OTBE** = OVERTAKEN BY EVENTS	**A** = ANSWERED OR ACKNOWLEDGED **C** = CLOSED **X** = INTERIM REPLY	DATE OF ACKNOWLEDGEMENT OR CLOSEOUT DATE (MM/DD/YY)

KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING LETTER AT ALL TIMES
REFER QUESTIONS TO DOCUMENT TRACKING UNIT (202)-456-2590
SEND ROUTING UPDATES AND COMPLETED RECORDS TO OFFICE OF RECORDS MANAGEMENT - DOCUMENT TRACKING UNIT ROOM 85, EEOB.

Scanned by ORM

1074755

United States Senate

WASHINGTON, DC 20510

January 25, 2012

The Honorable Barack Obama
President of United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama:

We write to convey our concern with the management of our nation's abundant energy resources, particularly those located on federal lands and waters.

There is a growing threat to consumers and our economy from the potential disruption in energy supplies stemming from the instability in the Middle East, particularly Iran. We believe the federal government should take commonsense steps here at home to safeguard Americans by removing the unnecessary obstacles placed in the way of energy development on lands and waters owned by taxpayers. Especially during a time of increasing volatility overseas and rising fuel prices, the single greatest impact the federal government can have on our nation's energy security is to expand access to its vast energy resources—both traditional and alternative—available on federal lands and waters. While proven reserves have increased dramatically in recent years due to improvements in technology, *energy production from federal resources has fallen.*

According to the U.S. Energy Information Administration (EIA), the United States relies on foreign countries for almost half of our petroleum resources, with a significant portion of that coming from unstable regimes. Additional analysis shows our economy will rely on fossil fuels for nearly 70 percent of its energy needs through 2035. While these facts are not disputed, the course of action to address it often is. Seeking to develop alternative energy technologies is a necessary goal in the long-term, but it is not sufficient for our nation's current and foreseeable needs.

Fortunately, our country holds within its borders extensive traditional energy resources that could sustain our energy needs for decades to come. According to a recent Congressional Research Service report, the United States' combined recoverable oil, natural gas, and coal resources is the largest in the world. However, much of this is restricted from exploration and production. Hundreds of thousands of jobs and trillions of dollars in economic activity may be foregone if current policies remain in place.

The 1.76 billion acre endowment of our Outer Continental Shelf (OCS) is a good example. Of those 1.76 billion acres, only 38 million acres are actually leased to energy companies, meaning the federal government has provided access to a mere 2.16 percent of our

total potential resources. Yet, while the federal government has provided financing for other countries, such as Brazil, to develop offshore resources, it has consistently restricted companies from doing the same within U.S. waters.

Moreover, as a result of the 2010 moratorium and uncertainty about future permitting, 11 drilling rigs representing 14 projects have left the Gulf of Mexico since April 2010. These rigs have gone to countries such as Brazil, Egypt and Angola with some rigs later relocating to the North Sea—taking a cumulative $21.4 billion of associated lost U.S. capital and operating investment with them.[1] In addition, the EIA projects that Gulf oil production will be down more than 12 percent in 2012 over 2010.

In 2007, the EIA projected total 2010 U.S. oil production on federal lands to be 850 million barrels. Today's actual production on federal lands is 714 million barrels, a 16 percent decline from what was projected. Arbitrary federal land restrictions now serve as a primary roadblock to domestic energy production. Federal land designations now exceed the total amount of developed lands in the United States. Wilderness areas, the most restrictive of land designations, total over 100 million acres. In many cases, wilderness areas are now used for purposes beyond their original intent on lands clearly unsuitable for the designation rather than maintaining the integrity of our most sensitive public lands. These restrictions, which are rich in resources, prevent the responsible development of natural resources.

Information developed by the Western Energy Alliance shows an unfortunate regression in federal policy, specifically at the Department of Interior. Their analysis shows that the ratio of revenue returned per dollar spent by the federal government has fallen from $46.07 to $40.12 for onshore energy production, and an unprecedented falloff of $118.54 to $30.08 for offshore energy production over the last three years.

This is in sharp contrast to production occurring on non-federal lands. For example, since 2005 oil production in North Dakota has been growing at a rate of 26 percent a year. Thus it is increasingly clear our nation is reliant on foreign sources of oil, largely because we do not first access our own. Utilizing our nation's natural resources located on federal lands could create American jobs, produce American energy resources, reduce our foreign imports and trade deficit, keep more of our nation's wealth at home, and protect our national security interests.

Needless to say, reducing restrictions to access our federally managed lands would allow American industry the freedom to develop abundant traditional energy reserves. Additionally, it would provide a more realistic economic environment for emerging alternative energy technologies, allowing them to be developed according to true market conditions. This approach could weed out faltering technologies and spare taxpayers the risk of subsidizing wasteful projects, as we experienced with Solyndra.

Finally, let us be clear in our disappointment in the recent decision to not approve the Keystone XL pipeline project, which is clearly in our national interest. Considering the potential for supply disruptions in the coming year, the federal government could well be facing price constraints that are a result of international conflicts, for example, in the Strait of Hormuz. It

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[1] http://www.api.org/policy/exploration/upload/Quest_2011_December_29_Final.pdf

would be unfortunate if the only tool available to calm markets is further sales from our strategic reserves. Providing more access to both onshore and offshore resources and construction of a strategic pipeline from Canada are clear ways forward. We urge you to re-consider this decision and provide a clear path forward for increasing domestic production and transporting new energy supplies.

Sincerely,

Mo R

Kay Bailey Hutchison

Richard Shelby

Roger F. Wicker

John Thune

Thad Cochran

John Cornyn

Jon Kyl

Cc: Secretary Clinton, Secretary Salazar, Secretary Chu

David Vitter (LA)

Jim DeMint (SC)

John McCain (AZ)

Rand Paul (KY)

James Inhofe (OK)

Jeff Sessions (AL)

Michael S. Lee (UT)

Marco Rubio (FL)

Richard Shelby (AL)

John Thune (SD)

John Cornyn (TX)

Tom Coburn (OK)

Roy Blunt (MO)

Richard Burr (NC)

Ron Johnson (WI)

Dean Heller (NV)

Saxby Chambliss (GA)

Orrin G. Hatch (UT)

Kay Bailey Hutchison (TX)

Roger F. Wicker (MS)

Thad Cochran (MS)

Jon Kyl (AZ)

THE SECRETARY OF THE INTERIOR
WASHINGTON

FEB 2 9 2012

The Honorable Rand Paul
United States Senate
Washington, DC 20510

Dear Senator Paul:

Thank you for your letter dated January 25, 2012, to President Barack Obama regarding management of our Nation's energy resources on Federal lands and waters. Your letter included discussion of Federal onshore and offshore acreage, both of which fall within the jurisdiction of the Department of the Interior (Department). President Obama has asked me to respond to your letter.

This Administration is advancing safe and responsible domestic oil and gas production as part of an "all of the above" energy strategy that is focused on improving our energy security and reducing dependence on foreign oil. When President Obama took office, the United States imported 11 million barrels of oil a day. President Obama put forward a plan to cut that by one-third by the Year 2025, and we are already making progress toward that goal. Since 2008, U.S. oil and natural gas production has *increased*, while imports of foreign oil have *decreased*.

In 2011, U.S. crude oil production reached its highest level since 2003, increasing by an estimated 90,000 barrels per day (bbl/day) over 2010 levels to 5.57 million bbl/day. America's natural gas production grew by an estimated 7.4 percent in 2011—the largest year-over-year volumetric increase, easily eclipsing the previous all time production record set in 1973. Overall, oil imports have been falling since 2008, and net imports as a share of total consumption declined from 57 percent in 2008 to 45 percent in 2011—the lowest level since 1995. The public lands and the Outer Continental Shelf (OCS) have contributed to this increase in domestic production.

Onshore

Last year, onshore oil production in the lower 48 states increased by 370,000 bbl/day over 2010 levels. Independent analysis shows that the number of onshore oil-directed drilling rigs increased from 777 at the beginning of 2011 to 1,193 on December 29, 2011. On public lands, the amount of oil produced in 2010 was the highest since 1997, and the amount of natural gas produced in 2011 from public lands was the second highest since 2004.

Industry has approximately 37 million acres under lease, and is actively producing from or exploring 16 million of those acres. The Energy Policy Act of 2005 authorized the Bureau of

Land Management (BLM) to retain the nonproducing lease rentals funds in the onshore oil and gas program. These important funds from rentals support seven pilot offices that contribute significantly in processing permits for industry in some of the most active offices. Companies have an inventory of approximately 7,000 applications for permits to drill that have been approved by BLM, but that have not yet been exercised. This figure represents leases where drilling operations are approved by the BLM and available to drill by industry. In both acres leased and permits issued but not yet acted upon, industry has a healthy inventory of opportunities to move ahead with energy production.

The BLM is offering onshore lease sales that continue to put even more lands under oil and gas leases, and industry response indicates that these are lands with significant potential. In 2011, the BLM held 32 oil and gas lease sales covering nearly 4.4 million acres and generating $256 million in revenue for American taxpayers and shared disbursements to the states. This reflects a 20 percent increase in lease sale revenues from 2010. The largest sale in 2011 was the BLM's July 12 auction in Billings, Montana, where 111 parcels covering 32,180 acres of public land (19,392 acres in North Dakota; 12,788 acres in South Dakota) brought in more than $66 million. Bonus bids in this sale were the second-highest received by the BLM since the Leasing Reform Act of 1987. The December 2011 sale in the National Petroleum Reserve-Alaska (NPR-A) attracted significantly more industry bids than the August 2010 sale. In the 2011 NPR-A sale, the BLM sold 17 tracts for $3.6 million, as compared to the sale of five tracts for $799,995 in the 2010 sale. Indicating the Department's commitment to responsibly expanding exploration and development activities on the public lands, this increased response in the NPR-A resulted partly from the Department's effort to resolve interagency issues with crossing the Colville River to serve development in the NPR-A.

The BLM continues to make new acres available for lease in 2012. Thus far, four lease sales have been held, and the BLM expects to hold an additional 32 lease sales over the course of the year.

Our leasing reforms have also allowed the Department to offer leases with fewer impediments to leasing as we fully address the issues that would otherwise lead to sale protests, appeals, and litigation as we clear parcels for the final sale list. In Wyoming, where 100 percent of lease sale parcels were protested in 2008, the BLM held a lease sale this month on which three protests were filed against seven of the 204 parcels in the sale. The sale went forward and produced nearly $22 million in bonus bids, after all protests had been addressed. In 2009, nearly 50 percent of all new oil and gas parcels were being protested. Today, since the implementation of leasing reforms in early 2011, the number has declined to 36 percent.

We will continue to promote exploration and development of important domestic onshore resources with an approach that appropriately balances development with the Department's other responsibilities, as well as fair financial return to the U.S. citizens who own these precious resources under the Department's management. The BLM is implementing leasing reforms so that future lease sales will offer parcels in appropriate locations and reduce the contention and litigation that have characterized many development proposals in the past decade. Our goal is to work with local communities and address conflicts prior to lease sales, so that leasing activities—and the jobs that they generate—can move forward without being held up by protests or potential litigation.

Offshore

Offshore, the Administration is committed to making the areas with the most substantial resources available to companies, and to incentivizing diligent development of leases. The *Deepwater Horizon* uncontrolled blowout and oil spill made all too clear the tremendous human and environmental costs that can come from deepwater oil and gas drilling without proper safeguards. I am proud of the efforts the Department has taken to reform and strengthen our offshore drilling safety regime. I believe that the temporary pause in deepwater drilling activity following the oil spill was necessary to protect the human, marine, and coastal environments while we heightened standards, gained control of the Macondo well, and responded to the spill. The largest oil spill in American history demanded that strong action be taken. I am pleased that our reforms have increased safety and preparedness, including the development of readily available subsea containment systems, and restored public confidence in the industry and regulatory oversight. Offshore oil and gas exploration and development under these heightened standards is moving forward, and industry is continuing to invest in the Gulf of Mexico.

On December 14, the Department's Bureau of Ocean Energy Management (BOEM) held Western Gulf of Mexico Lease Sale 218, which attracted over 240 bids on 191 tracts, with nearly $338 million in total high bonus bids—about $100 million more than the average for Western Gulf sales over the previous decade. The Administration has announced that BOEM will hold Consolidated Central Gulf of Mexico Lease Sale 216/222 on June 20, 2012. The Lease Sale 216/222 will make available all unleased areas in the Central Gulf of Mexico, a region that BOEM estimates contains close to 31 billion barrels of oil and 134 trillion cubic feet of natural gas that are currently undiscovered and technically recoverable. The Central Gulf alone is estimated to hold about one-third of the OCS's undiscovered resources.

The Lease Sale 216/222 is the last remaining sale scheduled in the 2007–2012 OCS Oil and Natural Gas Leasing Program. As the President discussed in his State of the Union, we are finalizing the next Five Year Program for 2012-2017, which **will make more than 75 percent of estimated undiscovered technically recoverable oil and gas resources on the OCS available for development**. The Proposed 2012-2017 OCS Oil and Gas Leasing Program schedules 12 potential lease sales in the Gulf of Mexico, as well as three potential sales off the coast of Alaska.

In addition to holding lease sales, BOEM has implemented administrative reforms to ensure fair return to taxpayers and encourage diligent development. These include escalating rental rates to encourage prompt exploration and development of leases, as well as extensions built into the terms of the lease if the operator demonstrates a commitment to exploration by drilling a well during the base period. The length of lease terms is graduated by water depth to account for differences in operating at various water depths. The BOEM recently increased the minimum bid for deepwater to $100 per acre, up from only $37.50, to ensure that taxpayers receive fair market value for offshore resources and to provide leaseholders with additional impetus to invest in leases that they are more likely to develop. Rigorous analysis of the last 15 years of lease sales in the Gulf of Mexico showed that deepwater leases that received high bids of less than

$100 per acre, adjusted for energy prices at the time of each sale, experienced virtually no exploration and development drilling.

Regarding offshore rigs, the number of rigs that left the Gulf of Mexico after *Deepwater Horizon* has been more than offset by the number of new rigs being brought into the Gulf by companies eager to explore and develop its abundant oil and gas resources. The firm Baker Hughes reports that the total number of active offshore rigs in the U.S. was higher in January 2012 than any time since May 2010. Baker Hughes has published weekly averages of 42 to 45 rigs operating in the Gulf of Mexico in January through February 2012, comparable to the 41 to 46 rigs identified in their weekly averages for January through February 2010, prior to the oil spill.

With new rigs entering the Gulf of Mexico, the economy continuing to grow, and the industry complying with the strengthened safety and environmental standards, I am confident that the Gulf of Mexico remains an attractive place to work, with strong infrastructure to develop finds and bring resources to market efficiently.

The Department will continue to provide balanced, responsible leadership as we work with the states, stakeholders, and local communities on these important issues. Please be assured that this Department is moving forward, onshore and offshore, with policies and programs that will continue to bring important energy resources to market, with appropriate attention to safety and environmental protection. We know the importance of domestic oil and gas, now and for the future, for energy supply, economic prosperity, and revenue generation. We will continue to manage this Nation's oil and gas resources in the full interests of the American public.

Similar letters have been sent to the cosigners of your letter.

Sincerely,

Ken Salazar

Ken Salazar