

# INDUSTRIAL CHIC





Lexington's industrial birthplace has been re-imagined in the Distillery District, a hip collection of restaurants, bars, shops, and services

By Patti Nickell / Photos by Kirk Schlea

Coming down Manchester Street from the east, motorists are often taken aback by the large black-and-red mural depicting what looks to be — depending on their perspective — a demented scuba diver, a man wearing a gas mask, or, more menacingly, a prison inmate flashing what may or may not be a gang symbol. Underneath are scrawled the words, “Caution. Do Not Feed.”

It's actually a controversial self-portrait by the French muralist MTO, and for some Lexingtonians not exactly a warm and fuzzy addition to the city's burgeoning public art scene. The mural seems entirely appropriate, however, as one of the key features of Lexington's newest arts-and-entertainment corridor, the Distillery District.



From the enormous mural at the entrance to the repurposed buildings and signage, the Distillery District is unlike anything else in Lexington.

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Sandwiched between two former bourbon distilleries — Old Tarr at the east entrance and James E. Pepper at the western boundary — the area doesn't exactly scream tourism hot spot. It's gritty rather than genteel, seedy rather than sanitized, urban rather than urbane.

Buildings are in various stages of use and disuse, with many sporting windows lacking glass, and others looking as if they could benefit from a heavy coat of paint. Until a recent parking lot paving, the buildings on the Pepper campus had been tied together by a pockmarked lot hazardous to the health of any auto brave enough to take it on.

So, just why has such a scruffy side of our refined city become the newest go-to destination, where nearly every night locals and visitors alike scramble for seats in the smattering of businesses that have opened in the past few years?



Barrel House started with distilling, then added tours and tastings. A cocktail lounge opens this fall. Right, distiller Chad Brown stirs mash for Devil John's Moonshine.



Chad Burns, a distiller at one of those businesses, Barrel House Distilling Co., thinks it goes beyond the Pure Blue Vodka and Devil John's Moonshine that he and his fellow distiller Robert Downing have been producing since 2008.

"On a deeper level, the area's appeal is in the revitalization of something that was once the very lifeblood of

Lexington," said Burns.

It was indeed. By 1810, more than 100 distilleries operated in or near the city. Lacking a major waterway to transport the bourbon, the industry relied heavily on local consumption. All of that changed following the Civil War with the arrival of the railroad, culminating in Lexington's "Golden Age of Distilling."

In the late 1800s and early 1900s the two distilleries that book-end the current district, Old Tarr and Pepper, produced some 36,000 barrels of bourbon every year. (Now Manchester Music Hall, Old Tarr was the region's first registered distillery with a plaque commemorating the date: 1866.)

While the industry survived both the economic downturn

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of the 1890s and Prohibition (producing spirits for “medicinal purposes”), by 1969 all of Lexington’s distilleries had ceased production.

The opening of the High Street Viaduct in 1981 further isolated the Manchester Street corridor, and despite its prominent role in the commonwealth’s signature industry, the neighborhood continued to languish. Less than a decade ago it was an urban eyesore — a blighted area of empty warehouses and abandoned buildings.

### “History is brewing”

All of that changed in 2005 when local developer Barry McNees bought the Tarr property and two years later the Pepper warehouses. He proposed an ambitious three-phase project that he hoped to have partially completed by the start of the 2010 Alltech FEI World Equestrian Games.

McNees’ original idea was to combine the district’s development with the proposed restoration of Town Branch Creek,

which wraps around one side of it like a sheltering arm.

“I was romanced by the whole notion of it,” McNees acknowledged.

That romance was kindled after he saw what had been done in cities such as San Antonio, Minneapolis, and St. Louis while on NCAA Final Four trips with his family.

“I was so impressed with the repurposing of historic buildings in those cities,” said McNees, “and came to the conclusion that the Pepper buildings were the only ones in Lexington that spoke the same language of history and potential.”

Toward that end he labored to create partnerships and get the required zoning. Next he appealed to local and state government for \$81 million in tax increment financing (the cost of the entire project was estimated at \$190 million) to bring the area’s infrastructure up to par after decades of neglect.

“This area still has some of the oldest sewer and water lines in Lexington, dating



back to the earliest part of the 20th century,” he said.

He faced other challenges as well. The area lies right in the middle of the city’s flood plain, which would impact the insurance costs of any development, although ironically, McNees noted, “there has been no history of Town Branch overflowing its banks at our site.”

Still, it was necessary for the city to conduct a hydrology study to map the area to determine any flood risks more accurately.

Next came the task of convincing potential investors that such a long-neglected area was a safe and viable location for an entertainment district.

Finally, said McNees, the timing was less than perfect.

“Right after we announced the project, the economy tanked,” he said.

McNees sold the Pepper Distillery building in 2013 but retained ownership of the Rickhouse, the structure



The Break Room is named for an actual employees’ break room once found in the Pepper Distillery.





Opposite, Middle Fork's general manager and bartender Brad Hagarbome displays a signature drink, "I'm Not Bitter On Rye." Above, head chef Mark Jensen prepares a seasonal dish.

where the barrels were aged. Over the next 18 months he plans to redevelop the ground floor of the five-story building into a complex of coffee shops, restaurants, and retail that will play off the dynamics of the district's past life.

Once that phase is completed, he will work his way up with office space and residential lofts, which he

said, "should be completed within three years, depending on the market."

There are other signs of progress. In May it was announced that for the first time in nearly 60 years Pepper-branded bourbon will once again be produced at its namesake distillery, with a boutique facility scheduled to open by the end of 2017.

Still, the project has had its share of bumps — literally. City officials, unhappy with the condition of the parking lot, threatened to revoke the liquor licenses of businesses unless it was fully paved to the tune of \$85,000.

The blacktop had barely dried when another controversy befell the fledgling area in April. A second mural — commissioned by PRHBTN, an organization dedicated to street art exhibitions — was unceremoniously removed from the façade of

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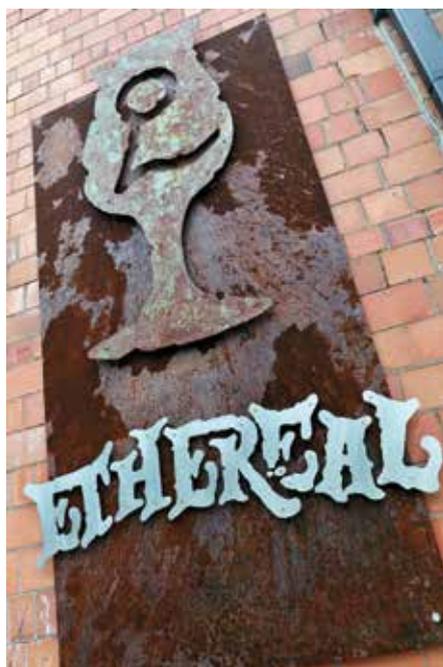
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the Pepper Stillhouse.

However, the building's owner had underestimated the community's fondness for the slightly off-balance column of playful figures depicted on the mural. Overnight a social media brouhaha erupted among Lexington's arts community. To appease it, Washington, D.C., entrepreneur Amir Peay, steward of the Pepper brand through his Georgetown Trading Co., contracted with the artist, United Kingdom-based Phlegm, to return and paint another mural.

### Radical renaissance

Although the Distillery District has a total footprint of 27 acres and officially extends from Oliver Lewis Way west to Forbes Road and includes a smattering of diverse businesses, including M.S. Rezny Photography/Fine Arts; Grand Reserve Special Events; Dog-

town Day Care; and Studio 300, producing bourbon barrel coffee, the nucleus of the district is the quadrangle bordered by the Pepper Rickhouse and its Stillhouse.

In the past few years this quadrangle has emerged as Lexington's hippest

'hood, an area of industrial chic where millennials, Gen Xers, and boomers alike congregate to celebrate.

They sip bourbon in the saloon-like Break Room and relish the knowledge that they are doing so in what was once the actual break room for employees of the Pepper Distillery.

They enjoy a meal at chef Mark Jensen's Middle Fork Kitchen in surroundings that feature lots of exposed brick and steel girders, an open wood-fired grill, and a bar that runs the length of the dining area.

Nearby at Ethereal Brewing, whose hand-painted white signage identifies it as "a blurring between science and magic," they sit on a patio overlooking the gray-green waters of Town Branch and down mugs of craft beer brewed on the premises.

They belly up to the bar at Crank & Boom Ice Cream Lounge, where "bartenders," clad in T-shirts with the slogan "Here Comes the Boom," ask them what their pleasure is.

Their pleasure might be any of 18 flavors ranging from Blackberry Buttermilk to Crank & Boom's best-seller, Bourbon and Honey, a combination of Buffalo Trace bourbon and Hosey Honey from Midway.

Toa Green, whose business card identifies her as owner and Chief Happiness Officer, said that she needed a location as non-traditional as her brand and the Pepper Campus was perfect.

"We have a creek next to our parking lot, and these crazy cool old buildings that had the exact right feel of what we were trying to do," she said.

Claiming that on most nights the parking lot is packed and the energy ratcheted up to its highest level, Green said, "People love the idea of being able to one-stop shop — get a beer at Ethere-

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The Distillery District provides a base for the popular Gastro Gnomes Food Truck, co-owned by Andrew Suthers, above.

al, have dinner at Middle Fork, grab dessert at Crank & Boom, and end the evening with a nightcap at the Break Room.”

### Looking back and ahead

Over at Barrel House Distilling, where Pepper employees once filled the barrels with their bourbon, Chad Burns and Robert Downing were busily churning out another batch of Devil John’s Moonshine in late July. Looking somewhat devilish himself with his glittering eyes and bushy black beard, Burns talked about how over the past eight years he has seen what could best be described as a time capsule become a part of a new era in Lexington.

“Night and day,” he said, referring to then and now. “We started out with distilling, added tastings and tours, and this fall will open an onsite cocktail lounge serving craft cocktails,

For Crank & Boom Ice Cream Lounge owner Toa Green, the Distillery District provides the perfect non-traditional setting for her business.

craft beer, and infused moonshine along with some light snacks.

Downing, who acknowledges it “has been neat to help bring back Lexington’s early bourbon history,” said the reopening of the Pepper Distillery will take the area to another level, serving as both a boon to Lexington and a beacon to other parts of the country that have run-down industrial complexes.

It remains to be seen whether the Distillery District will be a beacon to the rest of the country, but the boon to Lexington continues with more businesses slated to open during the next year.

Among them will be Goodfellas Pizzeria, which in addition to pizzas, will also feature a 1920s-style speakeasy offering 400 bourbons; Building 20, a collaborative effort between Rooster Brewing in Paris and Gastro Gnomes Food Truck; and the Burl, an intimate music venue in the manner of Lexington’s late, lamented The Dame, which will be housed in a former Texaco fuel and oil distribution hub.

Whatever happens in the future — and McNees thinks the District will be ripe for even more redevelopment and infill opportunities over the next decade — most want the boho chic feel to remain intact.

A recent Ethereal patron summed it up best.

“I don’t want the Distillery District to become all spit and polish,” he said. “A little grime is good.” **KM**

