



CABINET FOR ECONOMIC DEVELOPMENT

Matthew G. Bevin
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601
ThinkKentucky.com

Erik Dunnigan
Acting Secretary

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Executive Director
Office of Financial Services *KS*

DATE: July 20, 2016

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, July 28, 2016** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EDT) in the Board of Directors Conference Room.

If you have any questions, please feel free to contact our office at any time.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

Old Capitol Annex
Board of Directors Conference Room
300 West Broadway
Frankfort, Kentucky

AGENDA July 28, 2016

Call to Order
Notification of Press
Roll Call

Approval of Minutes

1. Minutes from June 30, 2016

Reports

- | | | |
|--|--|-------------|
| 2. Approved / Undisbursed Loan Report | | Don Goodin |
| 3. Financial Statements and Monitoring Reports | | Katie Smith |

High-Tech Pool Project

- | | | |
|---|--------|-------------------------|
| ■ Western Kentucky University Research Foundation, Inc. | Warren | Chad Eames / Don Goodin |
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EDB Project (Amendment)

- | | | |
|-------------------------|-------|----------------|
| 4. Corning Incorporated | Boyle | Bobby Aldridge |
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KREDA Project (Amendment)

- | | | |
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| 5. NSU Corporation | Marion | Bobby Aldridge |
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KBI Project (Amendment)

- | | | |
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| 6. A. Raymond Tinnerman Automotive, Inc. | Fleming | Bobby Aldridge |
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KEIA Projects (Extension)

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|--------------------------------|--------------|----------------|
| 7. Whitworth Tool, Inc. | Breckinridge | Bobby Aldridge |
| Zoeller Company | Jefferson | |
| Belcan Engineering Group, Inc. | Fayette | |
| Kentucky Building Systems, LLC | Daviess | |
| US Chita Co., Ltd. | Marion | |

KEIA Projects (Final)

- | | | |
|--|-----------|--|
| 8. Power Truss, Inc. | Graves | Frank Tate / Michelle Elder |
| 9. WITHDRAWN | | |
| 10. United Parcel Service, Inc. | Fayette | Morgan Pierstorff / Lynda Cunningham
Kristina Slattery / Lynda Cunningham
Kristina Slattery / Lynda Cunningham
Anna Beth Bobbitt / Lynda Cunningham |
| 11. Guess?, Inc. | Jefferson | |
| 12. Restaurant Supply Chain Solutions, LLC | Jefferson | |
| 13. Sazerac Distillers, LLC | Nelson | |

KBI Projects (Preliminary) & KEIA Projects (Final)

14. Santa Rosa Systems, LLC	Bullitt	Anna Beth Bobbitt / Lynda Cunningham
15. Santa Rosa Systems, LLC	Bullitt	
16. Meredith Machinery, LLC	Jefferson	Lindsey Ransdell / Michelle Elder
17. Meredith Machinery, LLC	Jefferson	
18. Patriot Brands LLC	Henry	Lindsey Ransdell / Michelle Elder
19. Patriot Brands LLC	Henry	

KBI Projects (Preliminary)

20. Superb IPC, LLC	Shelby	Alec Germond / Lynda Cunningham
21. Total Cart Management USA Inc.	Boyle	Kristina Slattery / Lynda Cunningham
22. Clubessential LLC	Kenton	Marlene Duffy / Debbie Phillips

KBI Projects (Extension)

23. Park Community Federal Credit Union	Jefferson	Michelle Elder
A. Kayser Automotive Systems USA, LP	Fulton	
Clariant Corporation	Jefferson	
Compass Manufacturing International, LLC	Jefferson	
Harbor Steel & Supply Corporation	Fayette	
PMC Organometallics, Inc.	Carroll	
Structures USA, LLC (SUSA)	Hardin	

KBI Projects (Final)

24. Dart Container Corporation of Kentucky	Hart	Debbie Phillips
25. Fuel Total Systems Kentucky Corporation	Marion	
26. Skilcraft LLC	Boone	
27. Alpla, Inc.	Kenton	
28. America SednAir Compressor System, Inc.	Graves	
29. M & M Cartage Co., Inc.	Jefferson	

KSBTC

30. Advance Feeding Systems, Inc.	McLean	Tim Back
Davis Gate Mfg, Inc.	Russell	
MILA International, Inc.	Boone	
Roger D. Shocklee	McLean	
Ronald Kinmon	Grant	
Town Branch Tree Experts, Inc.	Fayette	

Kentucky Angel Investment Act Program

31. Jacobs, Joey	Laurel	Tim Back
		First Care Holding, LLC

Kentucky Collateral Support Program (KYCSP)

32. Kentucky River Community Care, Inc.		Don Goodin
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KEDFA Loan

33. Southeast Kentucky Industrial Development Authority, Inc.	Knox	Don Goodin
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Closed Session

34.

Other Business

Quarterly KSBCI Funding Report

Don Goodin

35. KSBCI Quarterly Funding Report as of June 30, 2016

Quarterly Amendment Report / Resolution

Caroline Baesler

36. Quarterly Amendment Report as of June 30, 2016

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

June 30, 2016

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EDT on June 30, 2016, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

Notification of Press

Jean Hale, Chairman, received verification that the media had been notified of the KEDFA regular monthly board meeting.

Roll Call

Members Present: Jean Hale, Aubrey Hayden, Edwin King, Proxy for Secretary William M. Landrum, III, Tucker Ballinger, Dorsey Hall, Joe Kelly and Mike Vogt

Staff Present: Bobby Aldridge, Tim Back, Caroline Baesler, Anna Beth Bobbitt, Lynda Cunningham, Marlene Duffy, Michelle Elder, John Enochs, Don Goodin, Lisa Jones, Robyn Lee, Brandon Mattingly, Jack Mazurak, Corky Peek, Debbie Phillips, Morgan Pierstorff, Lindsey Ransdell, Kristina Slattery, Katie Smith, Teresa Spreitzer and Frank Tate

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Jeff Doss, Abel Construction Co.; M. Holtz, Bingham Greenebaum Doll; Brent Avent, Corbin Economic Development Agency; Brad Thomas, East Kentucky Power Cooperative; Sharon Johnston, Kentucky Adult Education (KYAE); Randy Holbrook, John Horn and Randy Risner, Logan Corporation; Ben Moore and Sam Wang, Louisville Metro; Chuck Sexten, One East Kentucky and John Short, State Representative, 92nd District

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the May 26, 2016 regular KEDFA board meeting and the June 23, 2016 special KEDFA board meeting.

Aubrey Hayden moved to approve the minutes, as presented; Mike Vogt seconded the motion. Motion passed; unanimous.

Approved/Undisbursed Loan Report

Chairman Hale called on Don Goodin to review the approved/undisbursed loan report.

After review, the Authority accepted the report as presented.

Financial Statements, Monitoring Reports and Audit Communication

Chairman Hale called on Katie Smith to review the monthly financial statements and monitoring reports as of May 31, 2016 as well as the audit communication.

After review, the Authority accepted the statements and reports as presented.

Ms. Smith also reviewed the annual audit communication from Mountjoy Chilton Medley, LLP. The audit should begin on July 18, 2016 and be concluded with issued reports by October 3, 2016.

High Tech Pool Project (Grant)

Chairman Hale called on staff to present a High-Tech Pool project to the Authority.

MakeTime Inc. Fayette County

**Anna Beth Bobbitt
Don Goodin**

Anna Beth Bobbitt stated MakeTime Inc. is an on-demand manufacturing platform that matches projects from buyers to production hours on computer numerically controlled (CNC) machines from pre-qualified suppliers. A buyer posts a project with DFM-ready part files to the MakeTime platform and receives a price estimate that includes machining, materials and delivery costs. Upon approval from the buyer, the company places the project with suppliers whose capabilities and available machine time match the project. MakeTime manages production, material procurement, delivery and payments. Every project is backed by a surety bond to ensure quality.

Mr. Goodin stated MakeTime Inc. is requesting up to \$500,000 from the High Tech Investment Pool in the form of a performance-based grant for operating expenses and to hire and train additional staff. The company reported 38 current, full-time Kentucky resident employees and will be required to create 28 new high-tech, full-time, Kentucky resident jobs paying an average annual wage of \$70,000 excluding benefits. In addition, the company must pay at least \$40,000 annually for jobs to be considered towards the requirement. The job retention and requirement date will begin on June 30, 2017 and job maintenance measurement will be conducted annually for three additional years through June 20, 2020. The Agreement will include a grant reduction provision of \$1,894 per job not created or retained and a wage reduction provision for failure to meet the requirements. Funds will be disbursed on a reimbursement basis.

Staff and the Acting Executive Director, Office of Entrepreneurship, recommended approval of the grant request.

Dorsey Hall moved to approve the staff recommendation, as presented; Tucker Ballinger seconded the motion. Motion passed; unanimous.

KEDFA Revenue Bond

Chairman Hale called on Ms. Smith to present a KEDFA Revenue Bond request to the Authority.

Catholic Health Initiatives

Ms. Smith stated KEDFA previously authorized the 2013 bond issue for Catholic Health Initiatives (CHI). A portion of the bond proceeds were used to finance or refinance costs of facilities that CHI recently sold to an unrelated third party. The sale requires KEDFA to report certain information regarding the sale to the Internal Revenue Service. Therefore, CHI is requesting KEDFA to execute and deliver Form 8038 (Information Return for Tax-Exempt Private Activity Bond Issues).

KEDFA serves as the conduit issuer of the bonds. The bonds do not constitute a general obligation of KEDFA and KEDFA is not obligated to pay principal or interest for the bonds from its own funds.

Staff recommended KEDFA's adoption of the resolution and the execution and delivery of Form 8038.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KEDFA Economic Development Bond (EDB) (Grant)

Chairman Hale called on Debbie Phillips to present a proposed EDB project to the Authority.

Ashland Inc.

Fayette County

Ms. Phillips stated the Lexington-Fayette Urban County Government requested the use of \$450,000 in EDB funds for the benefit of Ashland Inc. The company is considering the lease of 165,000 square foot facility to be constructed in Lexington. The facility will serve as the new headquarters for Ashland's Valvoline unit. The proposed EDB grant funds will be used to offset the costs associated with this project.

The company will be required to retain 616 existing permanent, full-time, Kentucky resident jobs paying an average hourly wage of \$42.00, excluding benefits, within one (1) year of KEDFA approval of the project and maintain the jobs and wages for three (3) additional years. Disbursement of funds will not occur until after annual compliance reporting has occurred. The Agreement will include a job reduction provision of \$365 per job not retained and a wage reduction provision on a pro rata portion of the EDB grant.

In accordance with KRS 154.12-100, KEDFA's approval of this EDB grant is subject to the Cabinet for Economic Development's (CED) receipt of concurrence from the Secretary of the Kentucky Finance & Administration Cabinet to CED's use of the EDB funds for this project. Ms. Phillips stated the Secretary's concurrence had been received.

Staff recommended approval of the grant request.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Hall seconded the motion. Motion passed; unanimous.

Local Industrial Revenue Bond (IRB) Project (Final)

Chairman Hale called on Ms. Phillips to present a Local IRB project to the Authority.

Heaven Hill Distilleries, Inc.

Nelson County

Ms. Phillips stated in accordance with KRS 103.210, Nelson County Fiscal Court requested KEDFA review and approve a one hundred percent (100%) reduction in the state ad valorem tax rate on the industrial building and equipment which Heaven Hill Distilleries proposes to be financed through the issuance of industrial revenue bonds by the Nelson County Fiscal Court. The company proposed the acquisition, construction and equipping of a product distribution facility in Bardstown. The principal amount of the IRB authorization is up to \$29,000,000 for a term of 30 years. A Payment in Lieu of Tax Agreement will be required with the Bardstown Independent School District.

Staff recommended approval of the requested percentage reduction in the state ad valorem tax rate on the industrial building and equipment proposed to be financed through the issuance of the industrial revenue bonds.

Mr. Ballinger moved to approve the staff recommendation, as presented; Joe Kelly seconded the motion. Motion passed; unanimous.

Note: The KEDFA board did not make any type of determination as to the legality of the bonds to be issued by the Nelson County Fiscal Court, but only approved the reduction on the ad valorem tax rate as provided by KRS 103.200 and KRS 132.020.

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

Chairman Hale called on Bobby Aldridge to present the KEIA project extension requests to the Authority.

Mr. Aldridge stated there are 3 companies that have requested additional time to complete the projects and requested they be presented as one motion.

Company	County	Extension
Berry Plastics Corporation	Hopkins	12 Month
nGimat, LLC	Fayette	12 Month
Tyson Chicken, Inc.	Henderson	12 Month

Staff recommended approval of extension requests.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KEIA Projects (Final)

Chairman Hale called on staff to present the KEIA final projects to the Authority.

Altec Industries, Inc. Hardin County

**Morgan Pierstorff
Lynda Cunningham**

Morgan Pierstorff stated Altec Industries, Inc. is a privately held company formed in 1929 and is a leading provider of products and services to the electric utility, telecommunications, tree care and contractor markets. Products include truck bodies and related equipment. The company is considering an expansion of its existing manufacturing facility to house new equipment associated with improving the quality of its production. The expansion would also include increasing the size of the existing office, high bay and cafeteria space.

Lynda Cunningham stated the project investment is \$16,099,750 of which \$3,010,875 qualifies as KEIA eligible costs.

Staff recommended final approval of the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Hall seconded the motion. Motion passed; unanimous.

Jim Beam Brands Co. Bullitt County

**Marlene Duffy
Debbie Phillips**

Marlene Duffy stated Jim Beam Brands Co. has been making bourbon in Kentucky for more than 200 years and is the #1 selling bourbon in the world. The company is considering the construction of additional warehousing space to meet growing customer demands for its products.

Ms. Phillips stated the project investment is \$27,800,000 of which \$9,257,190 qualifies as KEIA eligible costs.

Staff recommended final approval of the KEIA approved recovery amount of \$400,000 for construction materials and building fixtures.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

KBI Project (Preliminary) and KEIA Project (Final)

Chairman Hale called on staff to present a KBI preliminary project and KEIA final project to the Authority.

New Riff Distilling, LLC Campbell County

**Marlene Duffy
Debbie Phillips**

Ms. Duffy stated New Riff Distilling, LLC is the largest craft distillery in Kentucky currently operating at full production of over 7,400 barrels a year. The company is considering the construction of a whiskey campus that will hold 28,000 bourbon barrels to age, raw material storage, offices, general warehousing, bottling and distribution operation. The project would also include the renovation of an existing facility by remodeling two historic brick warehouse buildings and constructing a major set of rick houses. In addition, this proposal includes acquisition of additional land adjacent to this property to construct a "state of the art" brewery/taproom/restaurant, event space as well as parking.

Ms. Phillips stated the project investment is \$12,475,000 of which \$9,705,000 qualifies as KBI eligible costs and \$3,735,000 qualifies as KEIA eligible costs. The highest jobs target over the term of the agreement is 39 with average hourly wages of \$22.00 including benefits. The state wage assessment participation is 3.0% and the City of Newport will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The project will include multiple locations within Campbell County/the City of Newport. Only investment costs incurred at 1050 Lowell Street will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000 and final approval of the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

Mr. Hall moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

KBI Projects (Preliminary)

Chairman Hale called on staff to present the KBI preliminary projects to the Authority.

Ervin Cable Construction of Florida, LLC Union County

**Frank Tate
Michelle Elder**

Frank Tate stated Ervin Cable Construction of Florida, LLC (ECC), began business in 1980 as a small construction company doing Cable TV design and construction work. With steady growth and continued reinvestment in the company, ECC has grown allowing it to serve more customers throughout the Southeastern United States. ECC has reached maximum capacity at its headquarters location in Sturgis and the company is considering an expansion to support this growth.

Michelle Elder stated the project investment is \$511,000 of which \$391,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 20 with average hourly wages of \$17.00 including benefits. The state wage assessment participation is 3.0% and Union County will participate at 0.5%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The only incentive available for this project is the wage assessment.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$200,000.

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

**Beltline Electric Co., Inc.
McCracken County**

**Corky Peek
Michelle Elder**

Corky Peek stated Beltline Electric Co., Inc. is a heavy industrial and commercial electrical and mechanical construction contractor serving the Southeastern U.S. The company is considering the expansion of its current facility in Paducah to manufacture fabrication of engineered electrical components.

Ms. Elder stated the project investment is \$1,205,000 all of which qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 15 with average hourly wages of \$25.00 including benefits. The state wage assessment participation is 3.0% and the City of Paducah will participate at 1.0%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$125,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; unanimous.

**North America Sticks
Knox County**

**Lindsey Ransdell
Michelle Elder**

Lindsey Ransdell stated French-owned Euro Sticks Group, a multigenerational family company with facilities across the world, is considering opening its first US manufacturing operation to supply demand from US-based customers for its wooden ice cream, popsicle and coffee stir sticks.

Ms. Elder stated the project investment is \$15,000,000 of which \$14,100,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 90 with average hourly wages of \$18.75 including benefits. The state wage assessment participation is 5.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$3,000,000.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; Tucker Ballinger abstained.

**Astecnos America Corporation
Jessamine County**

**Marlene Duffy
Debbie Phillips**

Ms. Duffy stated Astecnos America Corporation designs and manufactures specialized machines and processing of jigs as well as designs and produces control panels for the automotive industry. The company is considering establishing its first U.S. operation to be closer to its customers.

Ms. Phillips stated the project investment is \$1,242,817 of which \$743,692 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 41 with average hourly wages of \$42.00 including benefits. The state wage assessment participation is 3.0% with the City of Nicholasville participating at 0.6% and Jessamine County participating at 0.4%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$300,000.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; unanimous.

**JBR Industrial Services, LLC
Mason County**

**Marlene Duffy
Debbie Phillips**

Ms. Duffy stated JBR Industrial Services, LLC provides a conduit for its clients to transfer the inherent risk associated with an industrial transition, such as closing, partial relocation or consolidating a manufacturing facility. JBR also provides heavy equipment moving, total plant relocation, plant demolition and scrap out projects. The company is considering expanding its warehousing ability to store and rebuild machinery, expand the rigging operations, freight brokerage services and office space.

Ms. Phillips stated the project investment is \$2,364,500 all of which qualifies as KBI eligible costs. The highest jobs target of the term of the agreement is 10 with average hourly wages of \$20.00 including benefits. The state wage assessment is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The project will include multiple locations within Mason County/the City of Maysville. Only investment costs incurred at 1118 Progress Way will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$250,000.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Hall seconded the motion. Motion passed; unanimous.

**Leggett & Platt, Incorporated
Scott County**

**Marlene Duffy
Debbie Phillips**

Ms. Duffy stated Leggett & Platt, Incorporated manufactures adjustable bed frames for household use. The company is considering an expansion to consolidate its existing Georgetown operations into two facilities.

Ms. Phillips stated the project investment is \$1,850,000 all of which qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 64 with average hourly wages of \$18.00 including benefits. The state wage assessment participation is 3.0% with the City of Georgetown participating at 0.50% and Scott County Fiscal Court participating at

0.50%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval. The project will include multiple locations within Scott County/the City of Georgetown. Only investment costs incurred at 108 Summer Court will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$800,000.

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

**Logan Corporation
Magoffin County**

**Robyn Lee
Debbie Phillips**

Robyn Lee stated Logan Corporation manufactures a wide range of quality products for mining, rail transport, industrial, construction and power generation markets. The company is considering acquiring a facility in Salyersville for its truck bed product line to meet customer demand.

Ms. Lee acknowledged and introduced State Representative, John Short, 92nd District, who is in support of the project. Ms. Lee introduced Randy Holbrook, John Horn and Randy Risner of Logan Corporation and invited them to address the board regarding the project.

Ms. Phillips stated the project investment is \$2,600,000 all of which qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 70 with average hourly wages of \$15.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,000,000.

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

**Alliance Entertainment, LLC
Bullitt County**

**Anna Beth Bobbitt
Lynda Cunningham**

Ms. Bobbitt stated Alliance Entertainment, LLC is the largest wholesale distributor of CD, DVD and Blu-Ray titles in the United States. The company provides distribution, fulfillment and other services to retailers such as Barnes & Noble, Amazon.com and Wal-Mart.com. Alliance Entertainment is considering acquiring another company and moving some of the business to its Shepherdsville location.

Ms. Cunningham stated the project investment is \$6,328,000 of which \$4,564,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 150 with average hourly wages of \$13.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval and to withdraw from the Kentucky Jobs Development Act (KJDA) program prior to KBI final approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

Mr. Hall moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

**AnyConnect LLC
Jefferson County**

**Morgan Pierstorff
Lynda Cunningham**

Ms. Pierstorff stated AnyConnect LLC develops, markets and licenses software for the Internet of Things (IoT). Its existing intellectual property includes copyrighted software and patented inventions that allow two devices on the internet to communicate directly. This technology is used in baby monitors and video conferencing services. The company is considering Louisville as a location for a second office for approximately half of its U.S. based development staff.

Ms. Cunningham stated the project investment is \$1,950,000 of which \$1,940,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 12 with average hourly wages of \$50.00 including benefits. The state wage assessment participation is 3.0% and the Louisville/Jefferson County Metro Government will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$300,000.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; unanimous.

KBI Projects (Extension)

Chairman Hale called on Ms. Elder to present the KBI extension requests to the Authority.

Ms. Elder stated there are 11 companies that have requested additional time to complete the projects and requested they be presented as one motion.

Company	County	Extension
FET Engineering, Inc.	Nelson	3 Month
America SednAir Compressor System, Inc	Graves	6 Month
Hayashi Telemu North America Corporation	Franklin	6 Month
ISCO Industries, Inc.	Jefferson	6 Month
Boyd Company, LLC	Jefferson	12 Month
Elovations Services Group, LLC	Boone	12 Month
Faurecia Automotive Seating LLC	Shelby	12 Month
iHealth Solutions LLC	Jefferson	12 Month
L'Oreal USA Products, Inc.	Kenton	12 Month
Stantec Consulting Services Inc.	Fayette	12 Month
zTux, Inc.	Jefferson	12 Month

Staff recommended approval of the KBI extension requests.

Mr. Vogt moved to approve the staff recommendation, as presented; Edwin King seconded the motion. Motion passed; unanimous.

KBI Projects (Final)

Chairman Hale called on Ms. Phillips to present the KBI final projects to the Authority.

Staff recommended preliminary approval of the KRA negotiated tax incentive amount of \$750,000 and the KEIA approved recovery amount of \$45,000 for construction materials and building fixtures.

Mr. Hall moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; unanimous.

KRA Project (Preliminary)

Chairman Hale called on staff to present a KRA preliminary project to the Authority.

Rane Precision Die Casting, Inc. Logan County

**Corky Peek
Michelle Elder**

Mr. Peek stated Rane Precision Die Casting, Inc. is a leading supplier of high-quality, complex aluminum die casting to the North American automotive market. The company manufactures steering components, compressor components, pumps and valve housings.

Currently, the company is reeling under losses. Poorly maintained tooling and machinery have increased scrap rates and high level of machinery downtimes are resulting in huge overtime labor costs. Unfortunately, the company is expected to incur losses for the next two years and profitability in the following two years is expected to be marginal. Significant investments are required for replacement of tooling, refurbishment of existing equipment and installation of new equipment to help turn around the business. The company stated the reinvestment would not be economically feasible if not for the KRA incentives.

Ms. Elder stated the project investment is \$5,750,000 of which \$2,875,000 qualifies as KRA eligible costs. The job retention requirement over the term of the agreement is 90% of the number of full-time jobs at the project location as of preliminary approval.

Staff recommended preliminary approval of the KRA negotiated tax incentive amount of \$1,200,000.

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Kelly seconded the motion. Motion passed; unanimous.

KEDFA Loan

Chairman Hale called on Mr. Goodin to present a KEDFA Loan request to the Authority.

Logan Corporation Magoffin County

Mr. Goodin stated Logan Corporation, founded in 1904, manufactures dump truck bodies in a 27,000 square foot facility in Martin County. Currently, the company has over a \$3 million backlog of orders. The company has located a 134,000 square foot facility in Magoffin County and plans to expand its existing operations. Logan Corporation proposed to invest \$1,100,000 for the building and requested a \$1,100,000 loan, secured by a first mortgage, to finance real estate for the planned expansion.

The KEDFA loan amount exceeds the maximum KEDFA guideline of \$500,000, and the rate of 4.5% is less than the guideline rate of 5.0% for 10 years. Staff requests an exception to the policy and recommends a loan amount of \$1,100,000 for 10 years at 4.5% with interest only payments in the first two years, then amortized monthly over 8 years.

Staff recommended approval of the KEDFA loan request with exceptions as stated.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

KEDFA Loan (Extension)

Chairman Hale called on Mr. Goodin to present a KEDFA Loan extension request to the Authority.

Crittenden County Economic Development Corporation Crittenden County

Mr. Goodin stated on May 10, 2006, KEDFA closed a \$300,000 loan with the Crittenden County Economic Development Corporation (CCEDC) to help finance the purchase of a tract of land for an industrial park near Marion, KY in Crittenden County. The loan was made for a term of five years at an interest rate of 2.0%. Collateral for the loan is an irrevocable letter of credit from two local banks. Under the terms of the loan, interest is due quarterly with principal payments due upon the sale of the property or at maturity. The authority has not sold any of the land in the park but anticipate a sale in late summer that will result in a \$60,000 principal payment.

CCEDC has requested an extension of the loan for an additional five year term, has agreed to begin making monthly principal payments of at least \$250, and will continue to make the quarterly interest payments. The loan will remain secured by letters of credit.

Based upon the request, staff recommends an additional five year extension of the loan to May 10, 2021 at the current rate of 2.0%. The loan will continue to be secured with a letter of credit from the local banks.

Staff recommended approval of the extension request.

Mr. Hall moved to approve the staff recommendation, as presented; Mr. Vogt seconded the motion. Motion passed; unanimous.

Incentives for Energy Independence Act (IEIA) Project (Final)

Chairman Hale called on Mr. Goodin to present the IEIA final project request to the Authority.

Energy Services Group, Inc. Graves County

Mr. Goodin stated Energy Services Group, Inc. requested final approval of the energy project at its manufacturing operation. The company will only be able to recover the approved tax credit amount through sales and use tax refunds. There were no modifications to the project since preliminary approval.

Staff recommended approval of the IEIA final resolution and tax incentive agreement and the authorization to execute and deliver the documents.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

IEIA Project (Extension)

Chairman Hale called on Mr. Goodin to present the IEIA project extension request to the Authority.

**Secure Energy Kentucky, LLC
McCracken County**

Mr. Goodin stated Secure Energy Kentucky, LLC received preliminary approval and has requested a 12 month extension.

Staff recommended approval of the extension request to June 30, 2017.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Hall seconded the motion. Motion passed; unanimous.

Kentucky Small Business Tax Credit (KSBTC) Projects

Chairman Hale called on Tim Back to present the KSBTC projects to the Authority.

Mr. Back stated there are 12 Kentucky small businesses, from 8 counties with qualifying tax credits of \$105,000. The 12 businesses created 30 jobs and invested \$409,084 in qualifying equipment or technology. Mr. Back requested the following tax credits be presented as one motion:

<u>Qualified Small Business</u>	<u>County</u>	<u>Beg. Emp.</u>	<u>Elig. Pos.</u>	<u>Average Hourly Wage</u>	<u>Qualifying Equipment or Technology</u>	<u>Tax Credit</u>
Ballast, Inc.	Fayette	4	2	\$ 30.09	\$ 31,287	\$ 7,000
Blue Heaven Technologies, L.L.C.	Jefferson	8	1	\$ 18.00	\$ 6,224	\$ 3,500
Blythe, White & Associates, PLLC	McCracken	13	3	\$ 26.12	\$ 14,537	\$ 10,500
BryMak & Associates, Inc.	Christian	5	5	\$ 29.15	\$ 34,922	\$ 17,500
DMD Data Systems Inc.	Franklin	18	2	\$ 23.74	\$ 8,845	\$ 7,000
Eakle, Current and Company	Fayette	2	1	\$ 15.00	\$ 5,123	\$ 3,500
Empyrean Artisan Ales LLC	Fayette	0	2	\$ 13.00	\$ 8,900	\$ 7,000
GLC Industries, LLC	Montgomery	12	4	\$ 14.05	\$ 230,400	\$ 14,000
Global Aviation Navigator, Inc.	Jefferson	5	3	\$ 20.83	\$ 12,846	\$ 10,500
Kinemetrix Industrial Design, Inc.	Fayette	14	2	\$ 18.00	\$ 28,977	\$ 7,000
Pinnacle Inc.	Marshall	28	3	\$ 13.33	\$ 10,523	\$ 10,500
W & B Broadcasting Co., Inc.	Hardin	15	2	\$ 23.96	\$ 16,500	\$ 7,000
			30		\$ 409,084	\$ 105,000

Staff recommended approval of the tax credits.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Hall seconded the motion. Motion passed; unanimous.

Kentucky Angel Investment Act Program Projects

Chairman Hale called on Mr. Back to present the Kentucky Angel Investment Act Program projects to the Authority.

Mr. Back stated there are two Kentucky Angel Investment Act Program projects representing one Kentucky business for a total projected investment of \$200,000 with eligible tax credits of \$100,000. The investor will have 60 calendar days in which to make the planned investment and 20 calendar days from the investment date in which to submit proof of the investment before receiving the tax credit.

Mr. Back requested the following proposed Kentucky Angel Investment tax credits be presented as one motion:

Qualified Small Business Qualified Investor(s)	County	Projected Investment	Tax Credit
<u>First Care Holding, LLC</u> Ronald M. Fincher Darren King	Laurel	\$ 100,000 \$ 100,000	\$ 50,000 \$ 50,000

Staff recommended approval of the proposed tax credits.

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

Other Business

KBI Enhanced Incentive Counties for FY 2016-2017

Chairman Hale called on Mr. Goodin to present the KBI Enhanced Incentive Counties for 2016-2017 to the Authority.

Mr. Goodin stated the counties of **Gallatin, Garrard, Harrison and Metcalfe**, previously certified as enhanced no longer meet the criteria and will be decertified as of June 30, 2016. All preliminary approved projects in these counties must complete final approval by June 30, 2019. The counties of **Allen and Marshall**, which were decertified last year, are in the second year of decertification and projects must complete final approval by June 30, 2018. The counties of **Bullitt, Grant, Nelson and Washington** are in the third year of decertification and projects must complete final approval by June 30, 2017.

Boyd, Rowan and Union Counties meet the criteria for certification and are designated as a KBI Enhanced Incentive County as of June 30, 2016.

Staff recommended adoption of the resolution certifying the Kentucky Business Investment (KBI) Program Enhanced Incentive Counties for FY 2016-2017.

Mr. Ballinger moved to adopt the resolution, as presented; Mr. Hayden seconded the motion. Motion passed; unanimous.

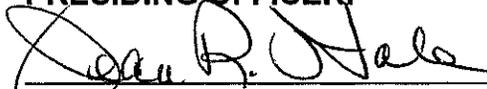
Adjournment

There being no further business, Chairman Hale entertained a motion to adjourn.

Mr. Hall moved to adjourn the June KEDFA board meeting; Mr. Vogt seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:55 a.m.

PRESIDING OFFICER:



 Jean Hale, Chairman



Approved Undisbursed List
Jun-16

KEDFA LOANS

	Applicant	Form #	County	Date Approved	Commitment Expires	Amount	Jobs
1	City of Shepherdsville	21008	Bullitt	Apr-16	Apr-17	3,500,000	
2	Logan Corporation	21152	Magoffin	Jun-16	Jun-16	1,100,000	70

SMALL BUSINESS LOANS

	Applicant	Form #	County	Date Approved	Commitment Expires	Amount	Jobs
	None						

TOTAL COMMITMENTS 2						4,600,000	70
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KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF NET POSITION
6/30/2016

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 6/30/16	OOE 6/30/16	COMBINED 6/30/16
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	119,872.20	0.00	0.00	119,872.20	0.00	119,872.20
Cash	3,358,515.64	14,165,467.47	393,998.61	17,917,981.72	0.00	17,917,981.72
High Tech Construction Pool	0.00	0.00	0.00	0.00	137,500.00	137,500.00
High Tech Investment Pool	0.00	0.00	0.00	0.00	3,129,364.13	3,129,364.13
High Tech LGEDF Pool	0.00	0.00	0.00	0.00	4,043.88	4,043.88
Investment Account	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	22,897.98	0.00	0.00	22,897.98	0.00	22,897.98
Intergovernment Receivable	4,821,353.50	0.00	0.00	4,821,353.50	1,030,370.00	5,851,723.50
Total Cash & Accounts Receivable	8,322,639.32	14,165,467.47	393,998.61	22,882,105.40	4,301,278.01	27,183,383.41
Accrued Interest Receivable						
Loans	24,432.93	4,372.95	1.57	28,807.45	1,549.89	30,357.34
Investments	32.52	141.13	3.94	177.59	0.00	177.59
Total Accrued Interest Receivable	24,465.45	4,514.08	5.51	28,985.04	1,549.89	30,534.93
Notes Receivable						
Loans Receivable (Allowance for Doubtful Accounts)	18,004,559.13	1,708,054.17	2,571.59	19,715,184.89 (1,159,163.61)	96,143.00	19,811,327.89 (1,159,163.61)
Total Notes Receivable	18,004,559.13	1,708,054.17	2,571.59	18,556,021.28	96,143.00	18,652,164.28
TOTAL ASSETS	26,351,663.90	15,878,035.72	396,575.71	41,467,111.72	4,398,970.90	45,866,082.62
DEFERRED OUTFLOWS OF RESOURCES				443,000.00	0.00	443,000.00
<u>LIABILITIES</u>						
Accrued Salaries & Compensated Absences				355,518.86	0.00	355,518.86
Accounts Payable				296.01	0.00	296.01
Intergovernment Payable				0.00	3,070.20	3,070.20
Grants Payable				0.00	0.00	0.00
Pension Liability				7,492,000.00	0.00	7,492,000.00
TOTAL LIABILITIES				7,847,814.87	3,070.20	7,850,885.07
DEFERRED INFLOWS OF RESOURCES				0.00	0.00	0.00
<u>NET POSITION</u>						
Beginning Balance				33,132,577.78	5,544,303.02	38,676,880.80
Current Year Undivided Profits				929,719.07	(1,148,402.32)	(218,683.25)
TOTAL NET POSITION				34,062,296.85	4,395,900.70	38,458,197.55

NOTE 1 The Small Business Loan Pool is presented separately only for internal tracking purposes.

NOTE 2 The Office of Entrepreneurship (OOE) operating transactions are no longer under the direction of KEDFA and are not reflected above.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTH ENDING AND FISCAL YTD June 30, 2016

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2015-2016 YEAR TO DATE	FY 2014-2015 YEAR TO DATE
Operating Revenues - KEDFA						
Interest Income/Loans	14,379.20	2,991.45	11.03	0.00	217,282.42	247,225.66
Interest Income/ Investments	32.52	141.13	3.94	0.00	1,832.90	1,782.91
Late Fees	0.00	0.00	0.00	0.00	853.68	0.02
Application Fees	64,799.55	0.00	0.00	0.00	538,287.38	750,411.38
Miscellaneous Income	22.79	0.00	0.00	0.00	339.09	492.99
Total Operating Revenues - KEDFA	79,234.06	3,132.58	14.97	0.00	758,595.47	999,912.96
Operating Expenses - KEDFA						
Salaries	33,227.03				995,598.18	1,038,835.08
Employee benefits	20,944.79				646,379.78	595,617.52
Pension Liability Adjustment	2,664,000.00				2,664,000.00	(110,000.00)
Other Personnel Costs	0.00				0.00	6,464.94
Contracted Personal Services	10,184.73				141,726.02	147,052.54
Utilities and Heating Fuels	0.00				0.00	0.00
Rentals	0.00				0.00	0.00
Maintenance and Repairs	0.00				0.00	0.00
Postage and Related Services	2.36				17.09	12.90
Telecommunications	0.00				0.00	0.00
Computer Services	0.00				0.00	0.00
Supplies	0.00				0.00	0.00
Miscellaneous Services	16.00				16.00	116.00
Travel	629.46				3,262.62	2,961.69
Miscellaneous Commodities	255.00				651.75	723.50
Commodities Expense	(219,830.71)				0.00	1,200.00
Bad Debt Expense	0.00				0.00	0.00
Grant Disbursement	0.00				0.00	0.00
Total Operating Expenses - KEDFA	2,509,428.66	0.00	0.00	0.00	4,451,651.44	1,682,984.77
Income (Loss) from Operations - KEDFA	(2,430,194.60)	3,132.58	14.97	0.00	(3,693,055.97)	(683,071.21)
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund					0.00	0.00
Transfer Due from Bonds	4,600,000.00				4,600,000.00	(500,000.00)
Grants Disbursed					0.00	0.00
Operating Transfer In - Economic Dev					22,775.04	0.00
Unrealized Gains/(Losses) on Investment					0.00	0.00
Realized Gains/(Losses) on Investment					0.00	0.00
Total Non-Operating Revenues (Expenses) -	4,600,000.00	0.00	0.00	0.00	4,622,775.04	(500,000.00)
CHANGE IN NET POSITION - KEDFA	2,169,805.40	3,132.58	14.97	0.00	929,719.07	(1,183,071.21)
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				143.52	1,695.26	713.64
Misc Income				0.00	0.00	3.18
Disbursements: Projects (Note 1)				0.00	(709,963.69)	(1,924,718.95)
Repayments received from Projects				0.00	315,110.00	0.00
Non-Operating Revenues (Expenses) - OOE						
Operating Transfer in - OOE				0.00	0.00	0.00
Transfer Due from Bonds				0.00	(350,000.00)	(275,000.00)
Operating Transfer Out - OOE				(51,828.69)	(405,243.89)	(225,787.29)
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	(51,685.17)	(1,148,402.32)	(2,424,789.42)
CHANGE IN NET POSITION - COMBINED	2,169,805.40	3,132.58	14.97	(51,685.17)	(218,683.25)	(3,607,860.63)

NOTE 1 Represents disbursements for projects from OOE Funds. (See OOE listings for detail of approved projects)

NOTE 2 Statement does not include interest income for OOE that is swept monthly to OOE's operating account

NOTE 3 The Small Business Loan Pool is presented separately only for internal tracking purposes.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CASH POSITION STATEMENT
6/30/2016

	6/30/2015	6/30/2016
Fund A Cash Balance	\$4,072,732.51	\$3,358,515.64
Less: Loans Closed This Month	<i>INCLUDED IN BAL</i>	<i>INCLUDED IN BAL</i>
Less: Approved/Undisbursed	0.00	0.00
Total Unobligated Balance	\$4,072,732.51	\$3,358,515.64
2003 Bond Fund Cash Balance	\$13,615,510.68	\$14,165,467.47
Less: Loans Closed This Month	0.00	0.00
Less: Approved/Undisbursed	0.00	(4,600,000.00)
Total Unobligated Balance	\$13,615,510.68	\$9,565,467.47
Small Business Loan Fund Cash Balance	\$385,528.00	\$393,998.61
Less: Loans Closed This Month	0.00	0.00
Less: Approved/Undisbursed	0.00	0.00
Total Unobligated Balance	\$385,528.00	\$393,998.61
Bond Funds to be Provided for Loans	\$0.00	\$0.00
Less: Approved/Undisbursed	0.00	0.00
Total Unobligated Balance	\$0.00	\$0.00
Budget: Cash to be Transferred to Other CED Programs for	\$0.00	\$0.00
CASH AVAILABLE	\$18,073,771.19	\$13,317,981.72
OCI Fund Cash Balance		
High Tech Construction Pool	\$137,500.00	\$137,500.00
Less: Approved/Undisbursed	\$0.00	\$0.00
High Tech Investment Pool	\$3,873,360.93	\$3,126,293.93
Less: Approved/Undisbursed	(\$2,067,439.00)	(\$1,670,372.00)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$1,380,370.00	\$1,030,370.00
Bond Funds Available for Projects	\$0.00	\$0.00
Total Unobligated Balance	\$3,327,835.81	\$2,627,835.81
TOTAL ALL FUNDS	\$21,401,607.00	\$15,945,817.53

**Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2017**

KEDFA Meeting date	7/28/2016
Total Projects Approved Fiscal Year-to-Date	0
Number of Proposed Projects for Current Month	8

Construction Materials and Building Fixtures

Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$0
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$20,000,000
Proposed Approval for Current Month	<u>\$1,440,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$18,560,000</u></u>

Research & Development and Electronic Processing Equipment

Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$0
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$5,000,000
Proposed Approval for Current Month	<u>\$0</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$5,000,000</u></u>

Office of Compliance, Financial and Administrative Services
 Monthly Monitoring Report as of June 30, 2016

Financial Incentives Programs

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
KBI	68	77	0	0	13
IEIA	0	0	0	0	0
KEIA	16	0	0	0	3
KIDA	6	5	0	0	5
KJDA	10	14	0	0	1
KREDA	5	22	0	0	9
KIRA	2	6	0	0	0
KJRA	0	0	0	0	0
KIFA	1	5	0	0	0
KESA	0	0	0	0	0
KRA	3	2	0	0	1
KAIA	11	27	0	0	0
TIF	10	5	0	0	0
Totals	132	163	0	0	32

Cash Based Programs

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
HIP	12	3	0	0	1
Direct Loans	0	0	0	0	0
EDB	22	2	0	0	0
Totals	34	5	0	0	1

Projects Contacted - This category reflects phone calls, e-mails, or other less involved questions.

Projects Monitored - This category includes review of specific aspects of a project which requires research of a file or a more in-depth examination.

Completed Exhibits - Project's Fiscal Year End exhibits have been monitored for the year.

Project Update Report

Project	County	Approval Date	Exit Date	Program
<u>Summit Polymers, Inc.</u>	<u>Hardin</u>	<u>7/31/2014</u>	<u>6/03/2016</u>	<u>KBI</u>
<u>Explanation: Company withdrew from the KBI Program per email dated 6/3/2016.</u>				
<u> </u>				
<u> </u>				
<u>Two Rivers Fisheries, Inc.</u>	<u>Ballard</u>	<u>6/28/2012</u>	<u>06/24/2016</u>	<u>KBI</u>
<u>Explanation: Company withdrew from the KBI Program per email dated 6/24/2016.</u>				
<u> </u>				
<u> </u>				
<u> </u>				
<u>Explanation: _____</u>				
<u> </u>				
<u>Explanation: _____</u>				
<u> </u>				
<u> </u>				
<u> </u>				

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
HIGH-TECH POOL (HTP) PROJECT REPORT**

Date: July 28, 2016
Company: Western Kentucky University Research Foundation, Inc. (WKURF)
City: Bowling Green **County:** Warren
Activity: Environmental & Energy Technology
New/Existing: Existing
Bus. Dev. Contact: Chad Eames **OFS Staff:** Don Goodin

Project Description: The Western Kentucky University Research Foundation (WKURF) promotes projects, development of intellectual property, and serves as the unaffiliated fiscal agent of most external funds from grants, contracts, and cooperative agreements for the university. Additionally, WKURF provides customized services for contracting with business and industry, as well as helping Western Kentucky University attract and retain high-quality researchers by promoting the development, implementation, and coordination of extramurally-funded sponsored programs.

WKURF has partnered with other entities to conduct a one-year on-site test for the development of a Nano enzyme treatment for coal and combustion technology. The use of enzymes for the activation of coal has over 70 years of research. Major benefits of the use of enzyme on coal is the change of coal structures and the activation of an oxygen layer on the coal, which allows it to burn easier and completely.

The Nano enzyme treatment proposal will be tested at Big Rivers - Wilson Station and could have a profound positive impact on Kentucky's coal industry. The treatment has the capability of minimizing the problems seen using high sulfur coal and can bring both combustion and emission efficiencies to coal burning power plants.

Funding Source	Status	Use of Proceeds	Amount
Office of Entrepreneurship	Requested	Equipment	\$200,000
Nectar Technology	Committed	Personnel & Operating	\$200,000
Big Rivers	Committed	Testing site, Equipment use & Operating	\$330,000
Enzyme company	Committed	Materials	\$175,358
ACT Holdings	Committed	Materials & Operating	\$271,243
TOTAL			\$1,176,601

Other Terms: WKURF will provide the Cabinet with semi-annual progress reports and a final report at the conclusion of the project.

Disbursement: Funds will be disbursed on a reimbursement basis.

RECOMMENDED HIGH-TECH POOL FUNDING AMOUNT:

\$200,000

Source of Funds: Bond Pool

Financing Type: Grant

Recommendation:

This project was recommended by the Executive Director, Office of Entrepreneurship

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Assistant Director 
Compliance Division

DATE: July 28, 2016

SUBJECT: EDB Amendment
Corning Incorporated (Boyle County)
EDB Project # 19520

Corning Incorporated is requesting an Amended and Restated Grant Agreement to reflect an extension of the First Compliance Date from May 30, 2016 to May 30, 2019 and for the provision that the disbursement of grant proceeds be made performance based.

Boyle County Fiscal Court has provided written support for the request.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Assistant Director
Compliance Division 

DATE: July 28, 2016

SUBJECT: KREDA Amendment
NSU Corporation (Marion County)
KREDA Project # 12638

NSU Corporation is requesting an Amendment No. 2 to Financing Agreement to reflect a refinance of KREDA debt with a current KREDA lender "Nakagawa Sangyo Co. Ltd". retroactive to February 21, 2016 and extend the terms of the debt obligation and the KREDA incentives until January 31, 2017 (the maximum allowable term of the Agreement).

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Assistant Director 
Compliance Division

DATE: July 28, 2016

SUBJECT: KBI Amendment
A. Raymond Tinnerman Automotive, Inc. (Fleming County)
KBI Project # 17838

A. Raymond Tinnerman Manufacturing, Inc. is requesting a First Amendment to Tax Incentive Agreement to reflect a company name and FEIN# change to A. Raymond Tinnerman Automotive, Inc. retroactively to January 1, 2016.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members
FROM: Robert Aldridge, Assistant Director
Compliance Division
DATE: July 28, 2016
SUBJECT: KEIA Extensions



The following companies have requested additional time to complete their projects:

Company	County	Extension
Whitworth Tool, Inc.	Breckinridge	3 Months
Zoeller Company	Jefferson	6 Months
Belcan Engineering Group, Inc.	Fayette	12 Months
Kentucky Building Systems, LLC	Daviess	12 Months
US Chita Co., Ltd.	Marion	12 Months

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Power Truss, Inc.
City: Mayfield **County:** Graves
Activity: Manufacturing **Resolution #:** KEIA-17-21187
Bus. Dev. Contact: C. Peek **OFS Staff:** M. Elder

Project Description: Power Truss, Inc. produces high-quality wood roof and floor trusses for the construction industry. The company also provides engineered wood products and hangers to meet its builders' needs. Power Truss plans to update and grow its business by purchasing new computerized and automated production equipment that will greatly improve labor costs and raw material utilization. To house this new equipment the company plans to build a building on its existing property.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

	Eligible Costs	Total Investment
Land	\$0	\$0
Building Construction	\$550,000	\$675,000
Electronic Processing Equipment	\$0	\$0
Research & Development Equipment	\$0	\$0
Other Equipment	\$0	\$900,000
Other Start-up Costs	\$0	\$50,000
TOTAL	\$550,000	\$1,625,000

Ownership (20% or more):

Donald Power Mayfield, KY
 Lynn Power Mayfield, KY

Other State Participation: None

Unemployment Rate

County: 5.7% Kentucky: 4.9%

Existing Presence in Kentucky:

Graves County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$25,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: United Parcel Service, Inc.
City: Lexington **County:** Fayette
Activity: Service & Technology **Resolution #:** KEIA-17-21176
Bus. Dev. Contact: M. Pierstorff **OFS Staff:** L. Cunningham

Project Description: United Parcel Service (UPS) is the world's largest package delivery company and global leader in supply chain services, offering an extensive range of options for synchronizing the movement of goods, information, and funds. Headquartered in Atlanta, Georgia, UPS services more than 200 countries and territories worldwide and operates the largest franchise shipping chain, the UPS Store. UPS is considering the expansion of its Lexington Ground Hub. The expansion would increase the sorting capacity to 43,000 pieces per hour with the expansion of the building and additional sorting automation added. The project is necessary to maintain services for current and future growth of the Lexington area.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$1,591,122
\$20,903,066	\$36,584,680
\$0	\$0
\$0	\$0
\$0	\$66,983,076
\$0	\$825,000
\$20,903,066	\$105,983,878

Ownership (20% or more):

United Parcel Service, Inc. DE - Atlanta, GA

Unemployment Rate

County: 3.6%

Kentucky: 4.9%

Existing Presence in Kentucky:

Boone, Boyd, Boyle, Christian, Daviess, Floyd, Harlan, Hopkins, Jefferson, Kenton, Laurel, Mason, McCracken, Perry, Pike, Powell, Pulaski, Taylor, and Warren Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Guess?, Inc.
City: Louisville **County:** Jefferson
Activity: Service & Technology **Resolution #:** KEIA-17-21178
Bus. Dev. Contact: K. Slattery **OFS Staff:** L. Cunningham

Project Description: Guess?, Inc. has operated a distribution center in Louisville since January, 2000. The distribution center handles the majority of the receiving, warehousing, shipping and other services for its retail stores, department store customers, and its direct to consumer Ecommerce business for the United States. The company is considering an expansion to accommodate future growth.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$4,800,000	\$8,460,000
\$0	\$0
\$0	\$0
\$0	\$2,500,000
\$0	\$100,000
\$4,800,000	\$11,060,000

Ownership (20% or more): Publicly traded

Other State Participation: None

Existing Presence in Kentucky:
 Jefferson County

Approved Recovery Amount:
 Construction Materials and Building Fixtures: \$250,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$250,000**

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Restaurant Supply Chain Solutions, LLC
City: Louisville **County:** Jefferson
Activity: Service & Technology **Resolution #:** KEIA-17-21175
Bus. Dev. Contact: K. Slattery **OFS Staff:** L. Cunningham

Project Description: Restaurant Supply Chain Solutions, LLC is the largest purchasing cooperative in the quick-service restaurant industry. It is the exclusive supply chain management organization for Yum! Brands, Inc. and its three restaurant systems - KFC, Pizza Hut, and Taco Bell. The company is considering the renovation of office space and technology at the project site.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$2,100,000	\$3,500,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$2,100,000	\$3,500,000

Ownership (20% or more):

KFC National Purchasing Co-op - Louisville, KY
 Pizza Hut National Purchasing Co-op - Louisville, KY
 Taco Bell National Purchasing Co-op - Louisville, KY

Unemployment Rate

County: 4.4%

Kentucky: 4.9%

Existing Presence in Kentucky:

Jefferson County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$125,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$125,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Sazerac Distillers, LLC
City: Bardstown **County:** Nelson
Activity: Manufacturing **Resolution #:** KEIA-17-21177
Bus. Dev. Contact: A. Bobbitt **OFS Staff:** L. Cunningham

Project Description: Barton 1792 Distillery was established in 1879 and continues to be the oldest fully-operating distillery in Bardstown. The company is considering upgrades to processes, equipment and buildings to increase distillery production. By replacing the Dryhouse and equipment it will increase capacity by 25% and handle projected production requirements up to year 2022.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$975,000	\$2,050,000
\$0	\$0
\$0	\$0
\$0	\$13,250,000
\$0	\$0
\$975,000	\$15,300,000

Ownership (20% or more):

Barton Brands of California, Inc.

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Dec. 10, 2015	KBI	Monitor	\$3,250,000

Unemployment Rate

County: 4.4%

Kentucky: 4.9%

Existing Presence in Kentucky:

Franklin, Daviess, and Jefferson Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: July 28, 2016
Approved Company: Santa Rosa Systems, LLC
City: Mt. Washington **County:** Bullitt
Activity: Manufacturing **Prelim Resolution #:** KBI-ID-16-21183
Bus. Dev. Contact: A. Bobbitt **OFS Staff:** L. Cunningham

Project Description: Santa Rosa Systems, LLC (SRS) is a manufacturer of conveyor and automated sortation equipment. SRS fabricates and assembles equipment that is installed by its sister company, Material Handling Systems, Inc. SRS needs to expand its plant's current capacity in order to meet current as well as projected future demand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$1,330,000	\$1,330,000
\$12,325,000	\$12,325,000
\$2,000,000	\$2,000,000
\$500,000	\$500,000
\$16,155,000	\$16,155,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$25.00	
1	30	\$25.00	\$40,000
2	60	\$25.00	\$40,000
3	60	\$25.00	\$40,000
4	60	\$25.00	\$40,000
5	60	\$25.00	\$40,000
6	60	\$25.00	\$40,000
7	60	\$25.00	\$40,000
8	60	\$25.00	\$40,000
9	60	\$25.00	\$40,000
10	60	\$25.00	\$40,000
11	60	\$25.00	\$40,000
12	60	\$25.00	\$40,000
13	60	\$25.00	\$40,000
14	60	\$25.00	\$40,000
15	60	\$25.00	\$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$600,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Santa Rosa Systems, LLC
City: Mt. Washington **County:** Bullitt
Activity: Manufacturing **Resolution #:** KEIA-17-21184
Bus. Dev. Contact: A. Bobbitt **OFS Staff:** L. Cunningham

Project Description: Santa Rosa Systems, LLC (SRS) is a manufacturer of conveyor and automated sortation equipment. SRS fabricates and assembles equipment that is installed by its sister company, Material Handling Systems, Inc. SRS needs to expand its plant's current capacity in order to meet current as well as projected future demand.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$1,330,000
\$4,930,000	\$12,325,000
\$0	\$0
\$0	\$0
\$0	\$2,000,000
\$0	\$500,000
\$4,930,000	\$16,155,000

Existing Presence in Kentucky:

Bullitt and Jefferson Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$250,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

See KBI file (KBI-ID-16-21183) for Ownership, Other State Participation and Unemployment Rate.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

Date: July 28, 2016
Approved Company: Meredith Machinery, LLC
City: Louisville **County:** Jefferson
Activity: Headquarters **Prelim Resolution #:** KBI-I-16-21171
Bus. Dev. Contact: L. Ransdell **OFS Staff:** M. Elder

Project Description: Founded in 2000 by two brothers in a basement, Meredith Machinery, LLC, provides full-service integration of manufacturing machinery for the metal working industry. Meredith tailors basic "big box" machinery to a specific manufacturing process. Meredith is a full line machine tool distributor with engineering and integration capabilities, offers machine tools sales, replacement part and repair services, manufacturing process and system design engineering plus automation manufacturing services to its customers. The company is considering expanding and equipping its existing location to meet the growing needs of its customers.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$1,800,000	\$1,800,000
\$200,000	\$200,000
\$0	\$0
\$2,000,000	\$2,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$24.00	
1	10	\$24.00	\$20,000
2	10	\$24.00	\$20,000
3	10	\$24.00	\$20,000
4	10	\$24.00	\$20,000
5	10	\$24.00	\$20,000
6	10	\$24.00	\$20,000
7	10	\$24.00	\$20,000
8	10	\$24.00	\$20,000
9	10	\$24.00	\$20,000
10	10	\$24.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

David Meredith Jefferstown, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Louisville-Jefferson County Metro Government

Unemployment Rate

County: 4.4%

Kentucky: 4.9%

Existing Presence in Kentucky:

Jefferson County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 21 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Jefferson County/Louisville. Only investment costs incurred at 2640 Technology Drive will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Meredith Machinery, LLC
City: Louisville **County:** Jefferson
Activity: Headquarters **Resolution #:** KEIA-17-21172
Bus. Dev. Contact: L. Ransdell **OFS Staff:** M. Elder

Project Description: Founded in 2000 by two brothers in a basement, Meredith Machinery, LLC, provides full-service integration of manufacturing machinery for the metal working industry. Meredith tailors basic "big box" machinery to a specific manufacturing process. Meredith is a full line machine tool distributor with engineering and integration capabilities, offers machine tools sales, replacement part and repair services, manufacturing process and system design engineering plus automation manufacturing services to its customers. The company is considering expanding and equipping its existing location to meet the growing needs of its customers.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$720,000	\$1,800,000
\$0	\$0
\$0	\$0
\$0	\$200,000
\$0	\$0
\$720,000	\$2,000,000

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$40,000

See KBI file (KBI-I-16-21171) for Ownership, Other State Participation and Unemployment Rate.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

Date: July 28, 2016
Approved Company: Patriot Brands LLC
City: Pleasureville **County:** Henry
Activity: Manufacturing **Prelim Resolution #:** KBI-I-16-21173
Bus. Dev. Contact: L. Ransdell **OFS Staff:** M. Elder

Project Description: Patriot Brands LLC, a start-up company, is considering developing a craft distillery and visitor center on a 160-acre farm in Henry County. The company will manufacture distilled spirits, primarily bourbon. The project intends to combine the successful operational elements of urban bourbon tourism with an emphasis on the rural landscape and historical storytelling elements. The proposed project would include the construction of a distillery, manufacturing buildings and material processing.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$3,923,606	\$3,923,606
\$200,000	\$707,500
\$444,627	\$444,627
\$4,568,233	\$5,075,733

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$19.00	
1	10	\$19.00	\$20,000
2	10	\$19.00	\$20,000
3	10	\$19.00	\$20,000
4	10	\$19.00	\$20,000
5	15	\$19.00	\$20,000
6	15	\$19.00	\$20,000
7	15	\$19.00	\$20,000
8	15	\$19.00	\$20,000
9	15	\$19.00	\$20,000
10	15	\$19.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

Damien Prather Louisville, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: Refund of property tax up to \$5,000 per year for 10 years - Henry County

Unemployment Rate

County: 4.0%

Kentucky: 4.9%

Existing Presence in Kentucky: None

Special Conditions: None

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: July 28, 2016
Approved Company: Patriot Brands LLC
City: Pleasureville **County:** Henry
Activity: Manufacturing **Resolution #:** KEIA-17-21174
Bus. Dev. Contact: L. Ransdell **OFS Staff:** M. Elder

Project Description: Patriot Brands LLC, a start-up company, is considering developing a craft distillery and visitor center on a 160-acre farm in Henry County. The company will manufacture distilled spirits, primarily bourbon. The project intends to combine the successful operational elements of urban bourbon tourism with an emphasis on the rural landscape and historical storytelling elements. The proposed project would include the construction of a distillery, manufacturing buildings and material processing.

Facility Details: Locating in a new facility

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$3,582,536	\$3,923,606
\$0	\$0
\$0	\$0
\$0	\$707,500
\$0	\$444,627
\$3,582,536	\$5,075,733

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

See KBI file (KBI-I-16-21173) for Ownership, Other State Participation and Unemployment Rate.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

Date: July 28, 2016
Approved Company: Superb IPC, LLC
City: Shelbyville **County:** Shelby
Activity: Manufacturing **Prelim Resolution #:** KBI-I-16-21182
Bus. Dev. Contact: A. Germond **OFS Staff:** L. Cunningham

Project Description: Superb IPC, LLC headquartered in Shelbyville and established in 2009, is an industrial powder coating operation. The company is considering expanding its product/service to include supplying complete fabricated, coated and assembled products which would include constructing a 20,000 SF building to support all raw material receiving.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$750,000	\$750,000
\$40,000	\$40,000
\$0	\$0
\$790,000	\$790,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	30	\$15.00	
1	30	\$15.00	\$60,000
2	35	\$15.00	\$60,000
3	40	\$15.00	\$60,000
4	45	\$15.00	\$60,000
5	45	\$15.00	\$60,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$300,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

Date: July 28, 2016
Approved Company: Total Cart Management USA Inc.
City: Danville **County:** Boyle
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-16-21186
Bus. Dev. Contact: K. Slattery **OFS Staff:** L. Cunningham

Project Description: Total Cart Management USA Inc. (TCM USA) was created to provide retailers with a complete service program for shopping carts and material handling equipment. This would be the company's first U.S. operation and Kentucky is being considered because of the centralized location.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$450,000	\$900,000
Building/Improvements	\$25,000	\$25,000
Equipment	\$0	\$0
Other Start-up Costs	\$30,000	\$30,000
TOTAL	\$505,000	\$955,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$24.00	
1	10	\$24.00	\$10,000
2	10	\$24.00	\$10,000
3	10	\$24.00	\$10,000
4	10	\$24.00	\$10,000
5	10	\$24.00	\$10,000
6	10	\$24.00	\$10,000
7	10	\$24.00	\$10,000
8	10	\$24.00	\$10,000
9	10	\$24.00	\$10,000
10	10	\$24.00	\$10,000
11	10	\$24.00	\$10,000
12	10	\$24.00	\$10,000
13	10	\$24.00	\$10,000
14	10	\$24.00	\$10,000
15	10	\$24.00	\$10,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

Date: July 28, 2016
Approved Company: Clubessential LLC
City: Covington **County:** Kenton
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-16-21179
Bus. Dev. Contact: M. Duffy **OFS Staff:** D. Phillips

Project Description: Clubessential LLC is a leading provider of Software as a Service and is currently serving the private club market, resort market and semi-private and public golf facilities. Some services provided by the company include accounting, point-of-sale, website design and development and online reservations. The company is considering to move its home office and headquarters operation to Covington.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$4,085,000	\$8,170,000
Building/Improvements	\$1,120,000	\$1,120,000
Equipment	\$200,000	\$1,100,000
Other Start-up Costs	\$100,000	\$100,000
TOTAL	\$5,505,000	\$10,490,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$40.00	
1	10	\$40.00	\$30,000
2	15	\$40.00	\$50,000
3	20	\$40.00	\$65,000
4	25	\$40.00	\$65,000
5	40	\$40.00	\$65,000
6	40	\$40.00	\$65,000
7	40	\$40.00	\$65,000
8	40	\$40.00	\$65,000
9	40	\$40.00	\$65,000
10	40	\$40.00	\$65,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$600,000

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):
Battery Ventures Boston, MA

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1% - City of Covington

Unemployment Rate
County: 4.0% Kentucky: 4.9%

Existing Presence in Kentucky: None

Special Conditions: None

MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Assistance Division
DATE: July 28, 2016
SUBJECT: KBI Extensions

The following companies have previously received KBI preliminary approval and are requesting approval of a time extension:

Company	County	Extension
Park Community Federal Credit Union	Jefferson	6 month
A. Kayser Automotive Systems USA, LP	Fulton	12 month
Clariant Corporation	Jefferson	12 month
Compass Manufacturing International, LLC	Jefferson	12 month
Harbor Steel & Supply Corporation	Fayette	12 month
PMC Organometallic, Inc.	Carroll	12 month
Structures USA, LLC (SUSA)	Hardin	12 month

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016
Preliminary Approval: May 29, 2014
Approved Company: Dart Container Corporation of Kentucky
City: Horse Cave **County:** Hart
Activity: Manufacturing **Final Resolution #:** KBI-F-16-19933
Bus. Dev. Contact: C. Peek **OFS Staff:** L. Cunningham

Project Description: Dart Container Corporation of Kentucky manufactures a broad range of quality single-use products for the foodservice, retail/consumer, and food packaging industries. The company has expanded its Horse Cave facility which was operating at capacity. The project included an expansion of the production facility and construction of a new building for additional warehouse space.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$22,950,000	\$22,950,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$15.00	
1	30	\$15.00	\$30,000
2	30	\$15.00	\$30,000
3	30	\$15.00	\$30,000
4	30	\$15.00	\$30,000
5	30	\$15.00	\$30,000
6	30	\$15.00	\$30,000
7	30	\$15.00	\$30,000
8	30	\$15.00	\$30,000
9	30	\$15.00	\$30,000
10	30	\$15.00	\$30,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$300,000**

County Type: Other **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 1,435
 Maintain Statewide Employment: 129

Modifications since preliminary approval? No

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016
Preliminary Approval: August 28, 2014
Approved Company: Fuel Total Systems Kentucky Corporation
City: Lebanon **County:** Marion
Activity: Manufacturing **Final Resolution #:** KBI-F-16-20065
Bus. Dev. Contact: M. Duffy **OFS Staff:** D. Phillips

Project Description: Fuel Total Systems Kentucky Corporation manufactures plastic fuel tanks and steel fuel filler pipes for the automotive industry. The project included an expansion of its existing facility in Lebanon to increase capacity and the purchase of new equipment.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$48,132,000	\$48,132,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$21.00	
1	50	\$21.00	\$100,000
2	63	\$21.00	\$100,000
3	63	\$21.00	\$100,000
4	63	\$21.00	\$100,000
5	63	\$21.00	\$100,000
6	63	\$21.00	\$100,000
7	63	\$21.00	\$100,000
8	63	\$21.00	\$100,000
9	63	\$21.00	\$100,000
10	63	\$21.00	\$100,000
11	63	\$21.00	\$100,000
12	63	\$21.00	\$100,000
13	63	\$21.00	\$100,000
14	63	\$21.00	\$100,000
15	63	\$21.00	\$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$1,500,000**

County Type: Enhanced **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$9.06
 Total hourly compensation: \$10.42

Special Conditions:
 Maintain Base Employment: 100

Modifications since preliminary approval? No

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016

Preliminary Approval: July 31, 2014

Approved Company: Skilcraft LLC

City: Hebron

County: Boone

Activity: Manufacturing

Final Resolution #: KBI-FL-16-19987

Bus. Dev. Contact: R. Lee

OFS Staff: L. Cunningham

Project Description: Skilcraft LLC is a manufacturer and provider of custom metal fabrication for a broad range of industries and OEM markets. The company outgrew its previous facility and located in Boone County to expand its operations.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$1,835,000	\$5,705,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$25.00	
1	10	\$25.00	\$30,000
2	22	\$25.00	\$40,000
3	25	\$25.00	\$40,000
4	28	\$25.00	\$70,000
5	31	\$25.00	\$70,000
6	33	\$25.00	\$70,000
7	33	\$25.00	\$70,000
8	33	\$25.00	\$70,000
9	33	\$25.00	\$70,000
10	33	\$25.00	\$70,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$600,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 68

Modifications since preliminary approval? No

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016
Preliminary Approval: January 31, 2013
Approved Company: Alpla, Inc.
City: Florence **County:** Kenton
Activity: Manufacturing **Final Resolution #:** KBI-FL-16-19384
Bus. Dev. Contact: J. Bevington **OFS Staff:** D. Phillips

Project Description: Alpla, Inc. is a world leader of plastic packaging and manufactures products such as bottles, caps, tubes and preforms. The company expanded its manufacturing facility in Florence by adding advanced machinery using the latest technology to make its plastic bottles.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$2,920,000	\$9,655,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$25.00	
1	30	\$25.00	\$39,000
2	38	\$25.00	\$57,000
3	38	\$25.00	\$88,000
4	38	\$25.00	\$88,000
5	38	\$25.00	\$88,000
6	38	\$25.00	\$88,000
7	38	\$25.00	\$88,000
8	38	\$25.00	\$88,000
9	38	\$25.00	\$88,000
10	38	\$25.00	\$88,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$800,000**

County Type:
Other

Statutory Minimum Wage Requirements:
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 18

Modifications since preliminary approval? Yes - incorporated in above information
 The scope of the project has changed with rent no longer being an eligible cost. All other aspects of the project remain the same.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016
Preliminary Approval: June 27, 2013
Approved Company: America SednAir Compressor System, Inc.
City: Hickory **County:** Graves
Activity: Manufacturing **Final Resolution #:** KBI-FL-16-19552
Bus. Dev. Contact: C. Peek **OFS Staff:** L. Cunningham

Project Description: America SednAir Compressor System, Inc., established in 2006, specializes in selling and repairing air coolers. The company has expanded its product diversity to include the production of air coolers and construction of a new facility in Hickory Industrial Park.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$760,000	\$1,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	11	\$16.50	
1	11	\$16.50	\$15,000
2	11	\$16.50	\$15,000
3	11	\$16.50	\$15,000
4	11	\$16.50	\$15,000
5	11	\$16.50	\$15,000
6	11	\$16.50	\$15,000
7	11	\$16.50	\$15,000
8	11	\$16.50	\$15,000
9	11	\$16.50	\$15,000
10	11	\$16.50	\$15,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$150,000**

County Type: Other **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 2

Modifications since preliminary approval? Yes - incorporated in above information
 The project ownership changed from an owned to a leased project. Rent is not an eligible expense.
 All other aspects of the project remain the same.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: July 28, 2016
Preliminary Approval: August 29, 2013
Approved Company: M & M Cartage Co., Inc.
City: Louisville
Activity: Service & Technology
Bus. Dev. Contact: A. Bobbitt

County: Jefferson
Final Resolution #: KBI-F-16-19646
OFS Staff: M. Elder

Project Description: M&M Cartage Co., Inc. is a family run business based in Louisville, Kentucky for over 40 years. M&M Cartage provides high quality transportation and logistical services to regional and national customers. The company relocated its headquarters and built a new fleet hub in Louisville to accommodate their continued growth. M&M Cartage is also committing to an environmentally-friendly technology by converting its fleet to trucks that run on compressed natural gas.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$7,150,000	\$7,550,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	40	\$22.00	
1	55	\$22.00	\$85,000
2	70	\$22.00	\$85,000
3	90	\$22.00	\$85,000
4	90	\$22.00	\$85,000
5	90	\$22.00	\$85,000
6	90	\$22.00	\$85,000
7	90	\$22.00	\$85,000
8	90	\$22.00	\$85,000
9	90	\$22.00	\$85,000
10	90	\$22.00	\$85,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$850,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 175

Modifications since preliminary approval? Yes - incorporated in above information
 The jobs have increased from 45 to 90 and the negotiated tax incentive amount being requested increased from \$650,000 to \$850,000. All other aspects of the project remain the same.

Kentucky Small Business Tax Credit Projects

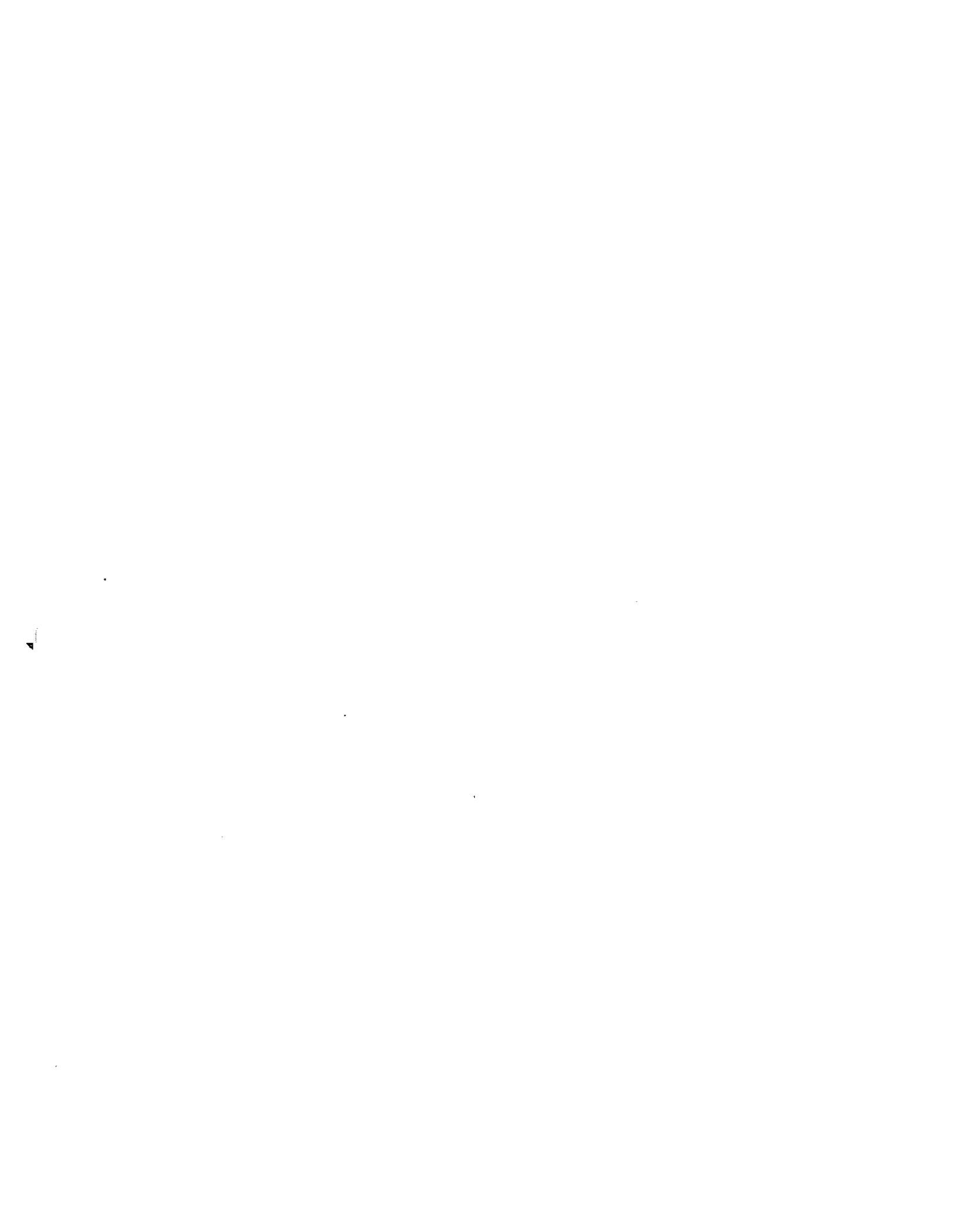
Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Advance Feeding Systems, Inc.	21165	MCLEAN	42	4	\$13.96	\$29,164	\$14,000	7/28/2016	PENDING
Davis Gate Mfg, Inc.	21166	RUSSELL	13	2	\$12.95	\$8,650	\$7,000	7/28/2016	PENDING
MILA International, Inc.	21167	BOONE	12	1	\$11.33	\$6,238	\$3,500	7/28/2016	PENDING
Roger D. Shocklee	21169	MCLEAN	2	2	\$14.43	\$49,000	\$7,000	7/28/2016	PENDING
Ronald Kinmon	21168	GRANT	3	1	\$17.00	\$39,500	\$3,500	7/28/2016	PENDING
Town Branch Tree Experts, Inc.	21170	FAYETTE	8	2	\$14.73	\$64,803	\$7,000	7/28/2016	PENDING
TOTALS	6						\$42,000		

Note: The tax credit amount will be equal to \$3,500 per eligible position, not to exceed the purchase price of qualifying equipment or technology, with a maximum income tax credit of \$25,000 per company for each calendar year. Per KRS 154.60-020, the maximum amount of credits that may be committed in each state fiscal year shall be capped at \$3,000,000. Current fiscal year allocations total \$42,000.

Kentucky Angel Investment Tax Credit Projects
July 2016

Qualified Investor	Qualified Small Business	County	Qualified Activity	Projected Investment	Tax Credit Amount
Jacobs, Joey	First Care Holding, LLC	Laurel	Health & Human Development	\$100,000	\$50,000
Total	1			\$100,000	\$50,000
<hr/>					
			Projected Credits - To Date		(\$3,496,220)
			Reclaimed Credits		\$504,736
			Current Projected/Approved Credits		(\$2,991,484)
<hr/>					
			Credit Limit		\$3,000,000
			Current Projected/Approved Credits		(\$2,991,484)
			Remaining Credits		\$8,516

Note: For each calendar year, the total amount of tax credits available for the Kentucky Angel Investment Act program shall not exceed \$3,000,000. The total amount of tax credits approved to a Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.



MEMORANDUM

TO: KEDFA Board

FROM: J. Don Goodin 

DATE: July 28, 2016

RE: Kentucky River Community Care, Inc.

Under the guidelines for the Kentucky Collateral Support Program that were approved by KEDFA, an eligible borrower, including its affiliates and subsidiaries, must have 500 or fewer employees at the time the loan is enrolled into this program. However, this is less than the federal guidelines under which credit cannot be extended to a borrower with more than 750 employees.

In a review of projects approved for this program from the 4th Quarter 2015, we found that we had enrolled an entity that had in excess of 500 employees. It is Kentucky River Community Care, Inc. This is a non-profit mental health organization that serves Eastern Kentucky, and has a number of offices throughout Eastern KY. The loan that we enrolled was for \$525,000, and we provided collateral support of \$105,000, which was 20% of the loan. The loan was for the purchase of an office building they were renting in Letcher County, KY. Letcher County is also in the Promise Zone as well as a SOAR county. The company reported 580.5 full time equivalents at the time the loan was closed, and we did not catch it at that time. The 580 employee count is for all locations.

We enrolled a second loan from a bank for the same company in May 2016. The purpose of the second loan was also to purchase an office building that they had been leasing in Hazard, KY. It was a \$673,000 loan that was approved for collateral support of \$134,600. This also was enrolled for 20% support.

Based upon this information, staff recommends an exception to policy to allow both of these loans to continue to be enrolled in the Collateral Support Program.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEDFA LOAN REPORT**

Date: July 28, 2016
Approved Company: Southeast Kentucky Industrial Development Authority, Inc.
County: Knox **Form #:** 21185
Activity: Manufacturing
Bus. Dev. Contact: L. Ransdell **OFS Staff:** D. Goodin

Project Description: This industrial authority was founded in 1999 to develop a 600 acre regional industrial park for the counties of Bell, Clay, Knox, Laurel, McCreary, and Whitley. As a part of those development efforts, the industrial authority has built speculative industrial buildings to sell to potential clients. At the June 30, 2016 meeting, KEDFA approved KBI tax credits for North American Sticks. The company plans to locate in a 57,590 square foot speculative building in the industrial park, located on a 19 acre tract. The industrial authority has requested a KEDFA loan of \$2.0 million to build out the spec building to the requirements of North American Sticks. The company plans to manufacture products from beech wood that it plans to source locally for the food and beverage industry, including ice cream sticks and coffee stir sticks. The company plans to create 90 new jobs at the site, paying average hourly wages of \$18.75, including benefits.

Facility Details: Locating in a new facility

Proposed Project Investment and Financing:

Total Investment		Proposed Financing	
Land:	\$0	KEDFA:	\$2,000,000
Building:	\$2,000,000	Bank:	\$0
Equipment:	\$0	Equity:	\$0
Other:	\$0	Other:	\$0
TOTAL:	\$2,000,000	TOTAL:	\$2,000,000

Job and Wage Requirement: Included in KBI Project #21140

Requested Funding: \$2,000,000	Security: First Mortgage
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Loan Terms:

Interest Rate: 2.0% Term: 5 yrs.
 Loan Payments: Amortized monthly
 Job Penalty: N/A

Additional Notes: The loan amount exceeds the maximum KEDFA guideline of \$500,000. In addition, we will be making construction advances as work is completed instead of the guideline to close when complete. Staff recommends an exception to policy for the loan amount and to be able to make the construction advances.

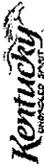
Active State Participation At The Project Site: None

Unemployment Rate

County: 7.6% Kentucky: 4.9%

Existing Presence in Kentucky: none

Special Conditions: None



KSBCI Quarterly Funding Report

June 30, 2016

Closed	Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
Tim and Bonita Butler	Citizens First Bank	KYCSP	\$ 140,000.00	\$ 26,000.00
J&L Lyle Proj. #1	Kentucky Bank	KYCSP	\$ 35,000.00	\$ 6,300.00
H.B. Molding	Huntington Bank	KYCAP	\$ 40,000.00	\$ 1,200.00
Women's First PLLC	First National Bank of Grayson	KYCSP	\$ 335,000.00	\$ 67,000.00
J&L Lyle Proj. #2	Kentucky Bank	KYCSP	\$ 29,000.00	\$ 5,220.00
M&M Partners Proj #1	Community Trust Bank	KYCSP	\$ 95,612.00	\$ 18,800.00
HC Matthews	Citizens First Bank	KYCSP	\$ 444,900.00	\$ 69,101.00
Ruby Concrete, Inc.	Farmers Bank of Marion	KYLPP	\$ 5,675,000.00	\$ 80,000.00
K&G Bear Creek Retreat/Montgomery Wildness /KY Antler	KY Farmers Bank	KYCSP	\$ 3,353,745.85	\$ 400,000.00
Clark County Veterinary Clinic, Inc.	Kentucky Bank	KYCSP	\$ 680,823.58	\$ 24,800.00
Godi Corporation / Louisville	Fifth Third Bank	KYCSP	\$ 908,000.00	\$ 60,000.00
CKW Physical Therapy, Inc.	Commercial Bank of West Liberty	KYCSP	\$ 272,900.92	\$ 54,580.00
AU Associates, Inc.	Community Ventures Corporation	KYCSP	\$ 471,919.11	\$ 45,855.00
Skiddaddles, Inc.	Huntington National	KYCAP	\$ 65,306.12	\$ 1,902.12
Beaver Creek Vet.	MACED	KYLPP	\$ 410,000.00	\$ 68,000.00
J & H McGlone, LLC - Proj #1	First National Bank of Grayson	KYCSP	\$ 366,000.00	\$ 26,700.00
J & H McGlone, LLC - Proj #2	First National Bank of Grayson	KYCSP	\$ 50,000.00	\$ 10,000.00
Fit Bodies, Inc./Kenton County	Fifth Third Bank	KYCSP	\$ 211,000.00	\$ 26,954.00
Burgess Steel Services, Inc.	Citizens Deposit Bank	KYCSP	\$ 75,173.47	\$ 14,000.00
Maynard Studios	Community Trust Bank	KYCSP	\$ 165,750.00	\$ 24,862.50
Casey's Foods, Inc. dba Happy IGA	MACED	KYCSP	\$ 176,610.00	\$ 34,800.00
LaFontaine Preparatory School, LLC	MACED	KYCSP	\$ 355,000.00	\$ 69,000.00
JAKLAK LLC	MainSource Bank	KYLPP	\$ 550,147.16	\$ 106,029.40
ROR, LLC/Stepping Stones For Children, Inc.	Kentucky Bank	KYCSP	\$ 1,300,000.00	\$ 250,000.00
Big Red Burritos, LLC	Fifth Third Bank	KYCSP	\$ 25,000.00	\$ 5,000.00
Stardust Holdings, LLC & Stardust Ventures, LLC	KY Highlands	KYCSP	\$ 1,800,000.00	\$ 250,000.00
Rotolamento Forno LLC	Kentucky Bank	KYCSP	\$ 95,000.00	\$ 10,500.00
Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #1	Kentucky Bank	KYCSP	\$ 147,500.00	\$ 29,500.00
Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #2	Kentucky Bank	KYCSP	\$ 317,355.00	\$ 57,471.00
DC Logistics, Inc.	United Citizens Bank & Trust	KYCSP	\$ 350,000.00	\$ 18,750.00
Knight Transportation	South Central Bank	KYCSP	\$ 225,000.00	\$ 45,000.00
Lincoln Manufacturing USA, LLC	Commercial Bank	KYCSP	\$ 7,245,000.00	\$ 449,000.00
Lincoln Manufacturing USA, LLC	Commercial Bank	KYCSP	\$ 2,800,000.00	\$ 280,000.00
Miller Insulation, LLC	South Central Bank of Hardin County, Inc.	KYLPP	\$ 85,000.00	\$ 17,000.00
Durbin Super Bowl, LLC	Fifth Third Bank	KYCSP	\$ 2,125,000.00	\$ 285,000.00
Arnett Dental Practice, PLLC/Sheila's Property, LLC	First National Bank of Grayson	KYCSP	\$ 580,000.00	\$ 104,400.00
Prosigns LLC	MACED	KYCSP	\$ 150,000.00	\$ 30,000.00





D & M Contracting, Inc.	MACED	KYCSP	\$	100,000.00	\$	16,000.00
Print My Threads, LLC	MACED	KYCSP	\$	230,000.00	\$	40,000.00
Marshall T. West d/b/a West & Jones Funeral Home	MACED	KYCSP	\$	225,000.00	\$	40,000.00
Against The Grain, LLC	Wilson & Muir Bank & Trust Co.	KYCSP	\$	1,100,000.00	\$	200,000.00
JBS Industrial Solutions, Inc.	MACED	KYCSP	\$	550,000.00	\$	50,000.00
Mountain Music Exchange, LLC	MACED	KYCSP	\$	50,000.00	\$	10,000.00
Shooting Star Properties, LLC/Paladin, Inc.	Community Trust Bank	KYCSP	\$	705,000.00	\$	40,125.00
Best Tyler, LLC	Wilson & Muir Bank & Trust Co.	KYCSP	\$	279,000.00	\$	48,000.00
Benjamin Watts/William & Kathy Watts/Watsy's House of Iron	United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Miles Exterminating Co., Inc.	First National Bank of Grayson	KYCSP	\$	80,000.00	\$	16,000.00
Phillips Diversified Manufacturing, Inc.	Kentucky Highlands	KYCSP	\$	1,200,000.00	\$	240,000.00
breathie, LLC	Community Ventures Corporation	KYCSP	\$	57,000.00	\$	10,000.00
H & S Distributing, LLC	Wilson & Muir Bank & Trust Co.	KYCSP	\$	104,000.00	\$	19,400.00
S & K Farms LLC/S & K Powder Coating, LLC	Franklin Bank & Trust Company	KYCSP	\$	203,133.00	\$	40,000.00
Grace Community Health Center	Forcht Bank	KYCSP	\$	600,000.00	\$	120,000.00
Trackside Butcher Shoppe - Request #1	United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Trackside Butcher Shoppe - Request #2	United Citizens Bank & Trust	KYCSP	\$	376,000.00	\$	75,200.00
Land Shark Shredding, LLC	Franklin Bank & Trust Company	KYCSP	\$	455,000.00	\$	91,000.00
Land Shark Shredding, LLC	Franklin Bank & Trust Company	KYCSP	\$	120,000.00	\$	24,000.00
Starlite, LLC	Kentucky Bank	KYCSP	\$	1,777,000.00	\$	250,000.00
Invictus 2468, LLC	Fifth Third Bank	KYCSP	\$	875,000.00	\$	175,000.00
Bader's Food Mart, Inc.	MainSource Bank	KYCSP	\$	286,000.00	\$	57,200.00
BCM JR WR LLC/Elevation Management Group, LLC	United Southern Bank	KYCSP	\$	480,000.00	\$	96,000.00
Bradley Ebelhar and Angela Ebelhar dba The Crowne	Community Ventures Corporation	KYCSP	\$	435,000.00	\$	27,000.00
Tilted Tulip, LLC	MACED	KYCSP	\$	305,000.00	\$	49,000.00
Wainut Specialists Incorporated	Kentucky Highlands	KYCSP	\$	150,000.00	\$	30,000.00
Heritage Millworks, LLC d/b/a Powell Valley Millwork	MACED	KYCSP	\$	425,000.00	\$	80,000.00
Heritage Millworks, LLC	MACED	KYCSP	\$	4,500,000.00	\$	150,000.00
Atlas Development Group, LLC	First Citizens Bank	KYCSP	\$	2,590,000.00	\$	440,000.00
Whitaker Group, LLC	MACED	KYCSP	\$	175,000.00	\$	35,000.00
Whitaker Group II, LLC	MACED	KYCSP	\$	175,000.00	\$	35,000.00
Carey Technologies, Inc. dba Pine Mountain Canopy Tours	Kentucky Highlands	KYCSP	\$	550,000.00	\$	50,000.00
Frontier Veterinary Services, LLC	United Southern Bank	KYCSP	\$	300,000.00	\$	37,498.55
Gaunce's Café and Deli LLC	Kentucky Bank	KYCSP	\$	200,000.00	\$	28,000.00
Christian Academy of Lawrenceburg, Kentucky, Inc.	MainSource Bank	KYCSP	\$	707,000.00	\$	131,400.00
Steamer Seafood Bowling Green LLC	Franklin Bank & Trust Company	KYCSP	\$	700,000.00	\$	100,000.00
All Type Supply	Citizens Deposit Bank	KYCSP	\$	181,868.00	\$	36,000.00
JC Brewer Construction, Inc.	Citizens First Bank	KYCSP	\$	251,200.00	\$	50,000.00
Austin Enterprises Incorporated	Kentucky Bank	KYCSP	\$	242,000.00	\$	48,400.00
Posh Academy, LLC	Paducah Bank & Trust	KYCSP	\$	358,250.00	\$	49,000.00
Eastman Law Office, PSC	MainSource Bank	KYCSP	\$	91,000.00	\$	18,200.00
LES Workout, LLC	Citizens First Bank	KYCSP	\$	1,098,920.00	\$	49,672.00
Stapleton Holdings, LLC	MainSource Bank	KYCSP	\$	457,000.00	\$	91,400.00
Steamer Seafood Concessions & Catering, LLC	Franklin Bank & Trust Company	KYCSP	\$	148,000.00	\$	20,000.00
Travel Guide-Kentucky	MainSource Bank	KYCSP	\$	99,086.76	\$	19,817.35
Bluegrass Tool & Industrial, LLC	First Security Bank	KYCSP	\$	1,250,000.00	\$	250,000.00



Lee's Ford Wine and Spirit Shoppe, LLC	Community Trust Bank	KYCSP	\$	350,000.00	\$	70,000.00
Latonia Star, LLC	MainSource Bank	KYCSP	\$	548,000.00	\$	45,000.00
Julap Pets, Inc.	Kentucky Bank	KYCSP	\$	155,000.00	\$	23,250.00
Miles Away, Inc.	Community Ventures Corporation	KYCSP	\$	290,000.00	\$	10,000.00
CGS Machine & Tool, Inc.	Franklin Bank & Trust Company	KYCSP	\$	1,440,000.00	\$	248,000.00
Quality Tire & Access, Inc.	SKED	KYCSP	\$	150,000.00	\$	22,500.00
Whitaker Group, LLC	Kentucky Highlands	KYCSP	\$	2,902,500.00	\$	54,000.00
Whitaker Group II, LLC	Kentucky Highlands	KYCSP	\$	2,902,500.00	\$	108,000.00
Wellness Care, LLC	Fifth Third Bank	KYCSP	\$	470,000.00	\$	70,500.00
Carnage Outdoor Gear, LLC	Paducah Bank & Trust	KYCSP	\$	90,522.00	\$	18,000.00
Malibu Jack's 2, LLC	Community Ventures Corporation	KYCSP	\$	1,604,500.00	\$	60,000.00
Parkview Pharmacy, Inc.	Citizens National Bank of Paintsville	KYCSP	\$	260,000.00	\$	52,000.00
M & M Newspapers, LLC	Traditional Bank	KYCSP	\$	500,000.00	\$	90,000.00
Cane Run Properties, LLC	MainSource Bank	KYCSP	\$	285,000.00	\$	57,000.00
Two Martini's LLC	Community Ventures Corporation	KYCSP	\$	540,027.00	\$	37,801.00
Taylor Tot Child Center, Inc.	Community Ventures Corporation	KYCSP	\$	177,110.00	\$	15,750.00
Canewood Homeowners Association, Inc. & Canewood HOA GC, LLC	Kentucky Bank	KYCSP	\$	1,230,000.00	\$	184,500.00
B & B Contracting, LLC	MACED	KYCSP	\$	100,000.00	\$	20,000.00
RuffleGirl Inc.	First Harrison Bank	KYCSP	\$	1,450,000.00	\$	290,000.00
Downtown Fitness Paducah, LLC	Community Financial Services Bank	KYCSP	\$	468,230.78	\$	88,000.00
Critchfield Meats, Inc.	Traditional Bank	KYCSP	\$	1,607,905.79	\$	211,543.20
Latonia Star, LLC	MainSource Bank	KYCSP	\$	40,000.00	\$	8,000.00
Cunningham Golf Car Co., Inc.	MainSource Bank	KYCSP	\$	700,000.00	\$	140,000.00
Michael A. Green and Vipavee T. Green (Crank and Boom	Community Ventures Corporation	KYCSP	\$	410,500.00	\$	33,656.00
Kentucky River Community Care, Inc.	Citizens National Bank of Paintsville	KYCSP	\$	525,000.00	\$	105,000.00
Empress Properties, LLC	Republic Bank & Trust	KYCSP	\$	1,200,000.00	\$	200,000.00
America's Finest Filters, Inc.	MainSource Bank	KYCSP	\$	170,500.00	\$	34,100.00
Discernity, LLC	MainSource Bank	KYCSP	\$	100,000.00	\$	20,000.00
HRS Brooks, Inc.	First Citizens Bank	KYCSP	\$	4,364,000.00	\$	450,000.00
Library Holdings, LLC	Fifth Third Bank	KYCSP	\$	2,530,000.00	\$	249,000.00
Howard Law Firm, PLC	Kentucky Highlands	KYCSP	\$	250,000.00	\$	10,000.00
Eddie Eugene Shelton and Charlotte Shelton	Citizens National Bank of Paintsville	KYCSP	\$	149,000.00	\$	29,800.00
FireFresh Bar-B-Q, Blankenbaker, LLC	MainSource Bank	KYCSP	\$	175,000.00	\$	26,250.00
G&M Investments, LLC	Paducah Bank & Trust	KYCSP	\$	350,000.00	\$	70,000.00
Miracle Lawn and Landscaping, Inc.	Kentucky Highlands	KYCSP	\$	150,000.00	\$	25,600.00
Pnak, LLC	Fifth Third Bank	KYCSP	\$	652,500.00	\$	72,500.00
Country Boy Brewing, LLC & CBB Properties, LLC (equipment loan)	Traditional Bank	KYCSP	\$	2,997,438.00	\$	346,716.00
Country Boy Brewing, LLC & CBB Properties, LLC (construction loan)	Traditional Bank	KYCSP	\$	2,950,000.00	\$	250,000.00
Superior Expeditors, LLC	SKED	KYCSP	\$	75,000.00	\$	13,800.00
Kenneth A. Bell, Inc.	Fifth Third Bank	KYCSP	\$	334,988.36	\$	66,997.00
KJKJ, LLC	Fifth Third Bank	KYCSP	\$	578,106.63	\$	91,306.00



Hildreth Brothers, LLC	Franklin Bank & Trust Company	KYCSP	\$	400,000.00	\$	80,000.00
Mahalaxmi Host, LLC	Traditional Bank	KYCSP	\$	1,250,000.00	\$	250,000.00
Kentucky River Community Care, Inc.	Citizens National Bank of Painsville	KYCSP	\$	673,000.00	\$	134,600.00
Sterling Physical Therapy & Associates, P.S.C.	The Citizens Bank	KYCSP	\$	467,000.00	\$	75,000.00
Great Flood Holdings, LLC	Republic Bank & Trust	KYCSP	\$	500,000.00	\$	100,000.00
Hicks-Blaydes Farm, LLC	Kentucky Bank	KYCSP	\$	650,000.00	\$	65,000.00
Affordable Signs & Apparel, LLC	United Citizens Bank & Trust	KYCSP	\$	45,000.00	\$	9,000.00
Christon Enterprises, Inc. d/b/a Isom IGA	MACED	KYCSP	\$	468,000.00	\$	83,600.00
Whitaker Group, LLC	MACED	KYCSP	\$	525,000.00	\$	105,000.00
Whitaker Group II, LLC	MACED	KYCSP	\$	262,000.00	\$	52,400.00
McClure's Auto Parts, Inc.	MACED	KYCSP	\$	560,000.00	\$	112,000.00
Palate Restaurant Group, LLC	Traditional Bank	KYCSP	\$	1,175,000.00	\$	120,000.00
High Performance Computer Services LLC	Citizens National Bank of Painsville	KYCSP	\$	338,080.00	\$	62,500.00
Minissia Duncil and Miles Duncil	First National Bank of Grayson	KYCSP	\$	205,000.00	\$	41,000.00
Hillview Property Management, LLC	Citizens First Bank	KYCSP	\$	488,000.00	\$	96,000.00
			TOTAL CLOSED FUNDS	\$ 101,722,609.53	\$	11,980,707.12

Paid Off/Recyclable Funds						
NucSafe, Inc. / NucSafe Instruments, Inc.	SKED	KYCSP	\$	2,000,000.00	\$	100,000.00
M&M Partners Proj #2	Community Trust Bank	KYCSP	\$	51,442.00	\$	10,000.00
Eastern Telephone	MACED	KYCSP	\$	275,000.00	\$	9,500.00
Ocean Breeze	Community Trust Bank	KYCSP	\$	386,086.50	\$	47,250.00
The RF Group, LLC DBA Simply the Best Sports Bar & Grill	The Commercial Bank of Grayson	KYCSP	\$	151,274.27	\$	30,000.00
Indatus	PNC Bank	KYCSP	\$	8,700,000.00	\$	1,000,000.00
Sunny Deals, LLC	MainSource Bank	KYCSP	\$	25,000.00	\$	5,000.00
Wreck-A-Mend Auto Restoration, LLC	United Southern Bank	KYCSP	\$	94,500.00	\$	14,250.00
Vest Fabrication & Certified Welding, LLC	Kentucky Bank	KYCSP	\$	40,000.00	\$	4,000.00
Grace Coffee, Café, Bakery, LLC	Community Ventures Corporation	KYCSP	\$	75,000.00	\$	15,000.00
Land of Tomorrow Productions, LLC	South Central Bank	KYCSP	\$	-	\$	326.05
			TOTAL PAID OFF/RECYCLABLE FUNDS	\$ 11,798,302.77	\$	1,235,326.05

Claims Paid						
Land of Tomorrow Productions, LLC	South Central Bank	KYCSP	\$	250,000.00	\$	49,673.95
			TOTAL CLAIMS PAID	\$ 250,000.00	\$	49,673.95

Approved						
2nd Star, LLC dba Something 2 Do	Community Ventures Corporation	KYCSP	\$	50,000.00	\$	10,000.00
Robby and Renae Shell	Community Ventures Corporation	KYCSP	\$	149,000.00	\$	12,000.00
Hospitality Resources, LLC	United Cumberland Bank	KYCSP	\$	6,000,000.00	\$	360,000.00
Hickory & Oak, LLC	Franklin Bank & Trust Company	KYCSP	\$	750,000.00	\$	150,000.00
Paducah Pizza Bakers, LLC dba Mellow Mushroom	Paducah Bank & Trust	KYCSP	\$	1,660,000.00	\$	132,800.00
The Big Green Cow, Inc.	Traditional Bank	KYCSP	\$	1,322,840.00	\$	132,284.00





TOTAL APPROVED FUNDS \$ 9,931,840.00 \$ 797,084.00

TOTAL CLOSED, PAID OFF/RECYCLABLE, CLAIMS PAID & APPROVED \$ 123,702,752.30 \$ 14,062,791.12

Approved but Withdrawn
 Corinth Christian Bookstore / Frankfort, KY
 Champion Chevrolet/Oldham Co.
 Carty-Vicars, Inc. dba Carty-Polly & Craft Funeral Home
 E & R Enterprises, PLLC d/b/a Advantage Physical Therapy
 Marrowbone Family Pharmacy, LLC
 Brown's Fresh Meats and Produce, LLC
 Bethlehem Fabrication, LLC
 Walnut Specialists Incorporated
 Cumberland Manor Rest Home, Inc.
 Barnhill Enterprises - Request #2

Community Trust Bank	KYCSP	\$	120,000.00	\$	20,750.00
The Bank - Oldham County	KYLPP	\$	1,264,934.00	\$	250,000.00
SKED	KYCSP	\$	790,000.00	\$	120,000.00
Community Trust Bank	KYCSP	\$	123,541.00	\$	24,708.20
MACED	KYCSP	\$	100,000.00	\$	20,000.00
Community Ventures Corporation	KYCSP	\$	20,000.00	\$	4,000.00
Traditional Bank	KYCSP	\$	48,000.00	\$	9,600.00
Kentucky Highlands	KYCSP	\$	980,000.00	\$	20,000.00
MACED	KYCSP	\$	250,000.00	\$	50,000.00
Kentucky Bank	KYCSP	\$	150,000.00	\$	30,000.00
TOTAL APPROVED BUT WITHDRAWN		\$	3,846,475.00	\$	549,058.20

Closed, Paid Off/Recyclable Funds, Claims Paid & Approved Projects By Program

		Total Project	
Fund Used By Program	Amounts	KSBCI Support Amount	
KYLPP	\$ 6,720,147.16	\$	271,029.40
KYCSP	\$ 116,877,299.02	\$	13,788,659.60
KYCSP	\$ 105,306.12	\$	3,102.12
	\$ 123,702,752.30	\$	14,062,791.12

MEMORANDUM

TO: Kentucky Economic Development Finance Authority
FROM: Caroline Boeh Baesler
General Counsel
RE: Quarterly Amendment Resolution
DATE: July 28, 2016

The following companies are the subject of this quarter's quarterly amendment resolution:

KAIA

Venminder, Inc.	Letter Amendment	Name Change
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KBI

Faurecia Emissions Control Systems NA, LLC	Letter Amendment	Name & Entity Change
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KEIA

Piramal Pharma Solutions Inc.	Letter Amendment	Name Change
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KJDA

Zirmed Tower, LLC	Letter Amendment	Lessor Change
Zirmed Tower, LLC	Letter Amendment	Lessor Change