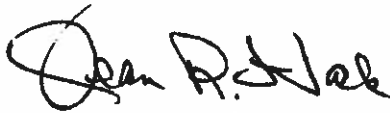


MEMORANDUM

TO: KEDFA Board Members

FROM: Jean Hale, Chairman
Kentucky Economic Development Finance Authority



DATE: January 18, 2018

SUBJECT: KEDFA Special Board Meeting

A special meeting of the Kentucky Economic Development Finance Authority is called for 9:30 a.m. (EST) on Tuesday, January 23, 2018 via video conference.

Meeting locations are as follows:

- **Frankfort**
Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway,
Board of Directors Conference Room
- **Nicholasville**
LockNet, 800 John C Watts Drive

The purpose of the meeting is to consider a Kentucky Business Investment (KBI) project and Kentucky Enterprise Initiative Act (KEIA) project in Todd County.

Attachment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

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

SPECIAL BOARD MEETING

AGENDA
January 23, 2018

Call to Order
Notification of Press
Roll Call

KBI Project (Preliminary) and KEIA Project – Todd County
Presented by Lucas Witt and Michelle Elder

Adjournment

Video Conference Sites:

Cabinet for Economic Development
Board of Directors Conference Room
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky

LockNet, LLC
Bay 3 Conference Room
800 John C. Watts Drive
Nicholasville, Kentucky

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: January 23, 2018
Approved Company: Novelis Corporation
City: Guthrie **County:** Todd
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-21900
Bus. Dev. Contact: L. Witt **OFS Staff:** M. Elder

Project Description: Novelis is the global leader in aluminum rolled products and the world's largest recycler of aluminum. Novelis is considering locating a manufacturing operation in Guthrie, KY to meet market demands from the automotive markets. The proposed project anticipates the creation of at least 125 new, full-time jobs (including non-Kentucky residents).

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
\$113,968,998	\$113,968,998
\$600,000	\$185,381,508
\$5,500,248	\$5,500,248
\$120,069,246	\$304,850,754

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	30	\$38.50	
1	30	\$38.50	\$850,000
2	100	\$38.50	\$850,000
3	100	\$38.50	\$850,000
4	100	\$38.50	\$850,000
5	100	\$38.50	\$850,000
6	100	\$38.50	\$850,000
7	100	\$38.50	\$850,000
8	100	\$38.50	\$850,000
9	100	\$38.50	\$850,000
10	100	\$38.50	\$850,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$8,500,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Novelis Corporation Atlanta, GA

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: \$7,250,000 for land acquisition and site preparation - Todd County and the City of Guthrie

Unemployment Rate:

County: 3.7%

Kentucky: 4.1%

Existing Presence in Kentucky:

Madison County

Special Conditions:

The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at the Madison County location as of the date of preliminary approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: Janaury 23, 2018
Approved Company: Novelis Corporation
City: Guthrie **County:** Todd
Activity: Manufacturing **Resolution #:** KEIA-18-21901
Bus. Dev. Contact: L. Witt **OFS Staff:** M. Elder

Project Description: Novelis is the global leader in aluminum rolled products and the world's largest recycler of aluminum. Novelis is considering locating a manufacturing operation in Guthrie, KY to meet market demands from the automotive markets.

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
\$98,968,998	\$113,968,998
\$0	\$0
\$0	\$0
\$0	\$185,381,508
\$0	\$5,500,248
\$98,968,998	\$304,850,754

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$3,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,000,000

See KBI file (KBI-I-18-21900) for Ownership, Other State Participation and Unemployment Rate.