



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

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

Larry Hayes
Interim Secretary

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Commissioner *KS*
Department for Financial Services

DATE: January 24, 2020

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, January 30, 2020** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EST) 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
January 30, 2020

Call to Order

Notification of Press

Roll Call

Minutes

Minutes from December 12, 2019 Regular KEDFA Board Meeting
Minutes from December 12, 2019 Executive Session

Reports

Approved/Undisbursed Report	Kylee Palmer
Financial Statements and Monitoring Reports	Krista Harrod

TIF Project (Final)

City of Ashland Department of Finance	Boyd	Kylee Palmer
Ashland Plaza Redevelopment Project		

TIF Project (Extension)

West Kentucky Rural Telephone Cooperative Corporation, Inc.	Graves	Kylee Palmer
WKT Technology Park Project		

KREDA Project (Amendment)

Sun Pools, Inc.	Clinton	Bobby Aldridge
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KEIA Projects (Extension)

Buffalo Trace Distillery	Franklin	Bobby Aldridge
American Greetings Corporation	Boyle	
Blueframe Design + Build LLC	Madison	
Hollison LLC	Daviess	
Kentucky Green Harvest LLC	Lincoln	
Novelis Corporation	Todd	
Sister Schubert's Homemade Rolls, Inc.	Hart	
The Hillshire Brands Company	Campbell	

KEIA Projects

Buffalo Trace Distillery, Inc.	Franklin	Andy Luttner / Michelle Elder
Logan Corporation	Magoffin	Zachary Lawrence / Kate McCane
Maker's Mark Distillery, Inc.	Marion	Annie Franklin / Debbie Phillips

KBI Projects (Preliminary) & KEIA Projects

Green Bomber Kentucky, LLC	Garrard	Annie Franklin / Michelle Elder
Green Bomber Kentucky, LLC	Garrard	
JW Rutledge Distillery, LLC	Woodford	Annie Franklin / Michelle Elder
JW Rutledge Distillery, LLC	Woodford	
Bluegrass Roller Service, Inc.	Shelby	Jim Kirk / Kate McCane
Bluegrass Roller Service, Inc.	Shelby	

KBI Projects (Preliminary)

Wastequip, LLC	Montgomery	Andy Luttner / Debbie Phillips
CGS Machine & Tool, Inc.	Warren	Andy Luttner / Michelle Elder
S. Rays, Inc.	Shelby	Annie Franklin / Michelle Elder
Tokai Carbon GE LLC	Fulton	Andy Luttner / Michelle Elder

KBI Projects (Extension)

Builders FirstSource, Inc.	Warren	Michelle Elder
DPL Financial Partners, LLC	Jefferson	
Amazon.com Services, Inc.	Boone	
Asahi Bluegrass Forge Corporation	Madison	
Coldstream Laboratories, Inc.	Fayette	
Custom Resins, Inc.	Henderson	
Evolent Health LLC	Jefferson	
Hardin Scientific, Inc.	Green	
Infiltrator Water Technologies, LLC	Clark	
OG&A BioSpecialties LLC	Daviess	
Precision Strip, Inc.	Warren	

KBI Projects (Final)

Carter Lumber Company	Warren	Debbie Phillips
CCBCC Operations, LLC	Kenton	
Fritz Winter North America LP	Simpson	
Gehret Gage, LLC	Simpson	
Lakeshore Equipment Company	Woodford	
dba Lakeshore Learning Materials		
KBCB, LLC	Boone	
Safran Landing Systems Kentucky, LLC	Boone	
Stark Truss Company, Inc.	Simpson	
Thorntons LLC	Jefferson	
Toyota Tsusho America, Inc.	Scott	

KRA Projects (Final)

Debbie Phillips

Pilkington North America, Inc.	Woodford
SFC Global Supply Chain, Inc.	Boone

KSBTC

Tim Back

Air Raid Trampoline Park LLC	Laurel
Automated Living LLC	Jefferson
Barnhill Chimney Supply, LLC	Fayette
Barnhill Enterprises, LLC	Fayette
Bluegrass Chiro, PLLC	Boyle
Brite Wholesale Electric Supply, Inc.	Hardin
DX Solutions, LLC	Jessamine
Engineered Building Systems, Inc.	Campbell
Franklin Management, Inc.	Adair
Grover Tire, LLC	Graves
Haybrier Inc.	Jefferson
J.E.T. Tank Testing, Inc.	Marion
Pleasant Meadow II, LLC	Franklin
Rockerbuilt LLC	Jefferson
Scott Endodontics, PLC	Jefferson

Other Business

4th Quarter 2019 - KSBCI Funding Report	Kylee Palmer
Revised Local Industrial Revenue Bonds (IRB) Operating Procedures	Katie Smith

Closed Session**Adjournment**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING December 12, 2019

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EST on December 12, 2019, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

Notification of Press

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

Roll Call

Members Present: Jean R. Hale, J. Don Goodin, Secretary Holly M. Johnson, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Bobby Aldridge, Tim Back, David Brock, Beka Burton, Sarah Butler, Brittany Cox, Stephanie Cullen, Martin David-Jacobs, Michelle Elder, Annie Franklin, David Hamilton, Krista Harrod, Jim Kirk, Zach Lawrence, Andy Luttner, Brandon Mattingly, Kate McCane, Jason Neal, Kylee Palmer, Corky Peek, Erran Persley, Debbie Phillips, Dawn Powers, Jason Rainey, Katie Smith and Teresa Spreitzer

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Alex Stafferini, Stoll Keenon Ogden; Dr. Kent Murphy, Axon Connected LLC; Jeff McKenzie, Bingham Greenebaum Doll LLC; Meredith Rozanski, Bowling Green Area Chamber of Commerce; Ben Smock, Canopy Certified Inc.; Tom Myhal, Centrality; Mayor Greg Meyers and Steve Lehman, City of Highland Heights; Mayor Alan Keck and John Adams, City of Somerset; Gina Greathouse, Ryan Kaffenberger and Cheryl Klever, Commerce Lexington, Inc.; Casey Bolton, Commonwealth Economics; Adam Branscomb and Niel Van Uum, Fairmont Properties; Billy Aldridge, Finance and Administration Cabinet, Office of Financial Management; Heather Pierce and Bruce Wilcox, Greater Paducah Economic Development; James Thornberry, Heritage Millwords, LLC; Jim Parsons, KMK Law; Alex Mercer, Louisville Forward; Sierra Enlow, McGuire Sponsel; Adam Caswell, Northern Kentucky University; Cody Gibson and Chris Girdler, Somerset-Pulaski Economic Development Authority; and Matt Tompkins, The Schroering Company

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the October 31, 2019 regular KEDFA board meeting.

Chad Miller moved to approve the minutes, as presented; Mike Cowles seconded the motion. Motion passed; unanimous.

Approved/Undisbursed Report

Chairman Hale called on Kylee Palmer to review the approved/undisbursed report. After review, the Authority accepted the report as presented.

Financial Statements and Monitoring Reports

Chairman Hale called on Krista Harrod to review the financial statements and monitoring reports. After review, the Authority accepted the statements and reports as presented.

Tax Increment Financing (TIF) Project (Final)

Chairman Hale called on Kylee Palmer to present a TIF project for final approval to the Authority.

Administration Department of the City of Highland Heights, Kentucky Northern Kentucky University Campus Gateway Campbell County

Kylee Palmer

Ms. Palmer stated Northern Kentucky University Campus Gateway is a Mixed-Use Redevelopment in Blighted Urban Areas TIF project. The development is expected to include connectivity, office space, green space/sustainability, parking, retail, hotel and conference space. The construction is estimated to take place over the next two years.

The project was reviewed by an independent consultant and determined to create a net new positive impact for the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with their statutorily-required Certification of Net Positive Impact to the Commonwealth. The applicant has also reviewed the report and agrees with the findings and the amount eligible for recovery.

The applicant, Administration Department of the City of Highland Heights, Kentucky, requested approval of the Northern Kentucky University Campus Gateway Mixed-Use Redevelopment in Blighted Urban Areas TIF project. The total estimated cost of the project is \$112.6 million, excluding financing of which approximately \$23.1 million is estimated for public infrastructure. The applicant is eligible to recover a negotiated tax incentive amount up to \$14,216,000 for public infrastructure through a 40% recovery on withholding, sales and real estate property taxes. Only amounts deemed as public infrastructure that occur within the State footprint are eligible for recovery through increments. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (not to exceed \$200,000,000) has been verified as being invested in the development area.

The total cumulative investment of \$112,672,500, excluding financing costs, must be achieved to be eligible for the maximum total incentive of \$14,216,000. The actual project completion percentage of the investment will be applied annually to the total incentive approved of \$14,216,000 to determine the maximum total incentive available/earned for the project during the term of the agreement.

Staff recommended final approval of the negotiated tax incentive amount of up to \$14,216,000.

Ms. Palmer introduced Mayor Greg Meyers, Steve Lehman, Adam Caswell, Adam Branscomb, Neil Van Uum, Jim Parsons and Casey Bolton and invited them to address the board regarding the project.

After discussion, J. Don Goodin moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

High-Tech Investment Pool Projects

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

**Canopy Certified Inc.
Jefferson County**

**David Brock
Kylee Palmer**

David Brock stated Canopy Certified Inc. is a start-up nonprofit 501 (c)(3) organization that supports socially responsible businesses in Kentucky by growing their impact through certification, advocacy, and education. Their goal is to create the nation's strongest network of socially conscious and impact driven businesses that work to make lives better throughout Kentucky.

Ms. Palmer stated Canopy Certified Inc. requested \$100,000 from the High-Tech Pool. The financing for this project will be performance-based. At a minimum, a dollar-for dollar match will be required. KEDFA Funds shall be no more than 50% of the total project. The company must create and maintain 8 full-time Kentucky resident jobs paying an average hourly wage of at least \$24.00 per hour, excluding benefits. Failure to meet the job and wage requirement will result in a penalty based on a formula outlined in the agreement. In addition, the company shall produce at least 25 newly certified companies each year. Failure to meet this requirement will result in an annual reduction of the disbursement by \$1,000 for each company not certified. Funds will be disbursed on a reimbursement basis after compliance is met, the investment begins and matching funds are documented. All funds must be requested with supporting documentation no later than February 29, 2024. The company will report on the use of funds every year with a final report at the end of the project term. The grant term will cover four (4) years with a maximum disbursement for each year of \$25,000.

The Executive Director, Office of Entrepreneurship recommended funding the High-Tech Pool request in the amount of \$100,000.

After discussion, Naashom Marx moved to table the project until the January KEDFA board meeting pending a letter from Mike Kalinyak outlining the reasoning for considering eligibility of this request. Mr. Goodin seconded the motion. Motion passed; unanimous.

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

Mr. Aldridge stated nine companies requested additional time to complete the projects. Mr. Aldridge asked that all nine be presented as one motion.

Company	County	Extension
Cabot Corporation	Nelson	6 Month
Heaven Hill Distilleries Inc.	Jefferson	6 Month
Outdoor Venture Corporation	McCreary	6 Month
Accumetric, LLC	Hardin	12 Month
Amazon.com Services, Inc.	Boone	12 Month
DAE-IL USA	Calloway	12 Month
East Kentucky Network, LLC	Floyd	12 Month
Kentucky Owl, LLC	Nelson	12 Month
Performance Feeds	Warren	12 Month

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

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

Bespoke Ventures and Investments, LLC Grant County

**Zach Lawrence
Debbie Phillips**

Zach Lawrence stated Camp Bespoke is a modern and boutique campground nestled in the heart of Horse Country. Bespoke Venture & Investments LLC proposes to create a differentiated camping experience with unique lodging and accommodations.

Debbie Phillips stated the project investment is \$2,076,700 of which \$925,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$45,000 for construction materials and building fixtures.

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

Kimberly-Clark Corporation Daviess County

**Corky Peek
Michelle Elder**

Corky Peek stated Kimberly-Clark Corporation produces personal care products, mostly paper-based consumer items. The company's brand name products include Kleenex, Kotex, Cottonelle, Scott, Andrex, Wypall, KimWipes and Huggies. Kimberly-Clark is considering the construction and installation of an on-site high-efficiency power and steam production facility.

Michelle Elder stated the project investment is \$19,000,000 of which \$4,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

Mr. Miller moved to approve the staff recommendation, as presented; Secretary Holly M. Johnson seconded the motion. Motion passed; unanimous.

Bardstown Barrel Company, LLC Nelson County

**Jim Kirk
Kate McCane**

Jim Kirk stated Bardstown Barrel Company, LLC is considering a new location to build industrial warehouses for storing distilled spirits to service the storage needs of various distilled spirits producers.

Mr. Kirk introduced Jeff McKenzie and invited him to address the board regarding the project.

Kate McCane stated the project investment is \$23,750,000 of which \$12,375,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$125,000 for construction materials and building fixtures.

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

KBI (Preliminary) and KEIA Projects

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

Bardstown Bottling Company, LLC
Nelson County

Jim Kirk
Kate McCane

Mr. Kirk stated Bardstown Bottling Company, LLC, a new full-scale industrial distilled spirits bottling facility, is considering establishing a bottling facility and related operations to service the needs of various distilled spirits producers.

Mr. Kirk invited Mr. McKenzie to address the board regarding the project.

Ms. McCane stated the project investment is \$19,875,000 of which \$11,925,000 qualifies as KBI eligible costs and \$9,875,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$36.00 including benefits. The state wage assessment participation is 1.50% and the City of Bardstown will participate at 0.50%. The company will be required to maintain 95% 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 \$430,000 and the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

ISCO Industries, Inc.
Jefferson County

Jim Kirk
Kate McCane

Mr. Kirk stated ISCO Industries, Inc. is a global piping solutions provider with more than 30 facilities across the United States and Canada. The company is considering an expansion due to space constraints as well as adding new equipment.

Ms. McCane stated the project investment is \$3,365,410 of which \$1,800,000 qualifies as KBI eligible costs and \$1,125,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 12 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%. 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 Jefferson County. Only investment costs incurred at 10711 Freeport Court, Louisville 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 \$120,000 and the KEIA approved recovery amount of \$40,000 for construction materials and building fixtures.

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

American Freedom Distillery, LLC
Pulaski County

Zach Lawrence
Kate McCane

Mr. Lawrence stated American Freedom Distillery opened for business with its Horse Soldier Bourbon in 2017. The company has experienced rapid expansion into 12 states and online

distribution. The company is seeking to build a distillation facility and rickhouse in order to meet demand.

Mr. Lawrence introduced Mayor Alan Keck, John Adams, Chris Girdler and Cody Gibson and invited them to address the board regarding the project.

Ms. McCane stated the project investment is \$25,500,000, all of which qualifies as KBI eligible costs and \$15,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 58 with an average hourly wage of \$26.50 including benefits. The state wage assessment participation is 5.00%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$870,000 and the KEIA approved recovery amount of \$130,000 for construction materials and building fixtures.

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

**Fresh Bourbon Inc. dba Edwards Spirit Company
Fayette County**

**Andy Luttner
Kate McCane**

Andy Luttner stated Fresh Bourbon Inc. dba Edwards Spirit Company set out in 2017 to establish a premier bourbon brand owned by African Americans. The company is considering constructing a 64,000 square foot building to operate as its headquarters and support the production and tours of its Spirit brands.

Katie Smith introduced Gina Greathouse and invited her to address the board regarding the project.

Ms. McCane stated the project investment is \$5,400,000 of which \$5,150,000 qualifies as KBI eligible costs and \$3,200,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$18.00 including benefits. The state wage assessment participation is 3.00% and Lexington-Fayette Urban County Government will participate at 1.00%. 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 \$200,000 and the KEIA approved recovery amount of \$125,000 for construction materials and building fixtures.

After discussion, Ms. Marx moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

**LeanCor, LLC
Boone County**

**Brittany Cox
Debbie Phillips**

Brittany Cox stated LeanCor, LLC is a third party logistics and supply chain company providing in-bound and/or out-bound parts and product logistics and distribution. The project would include a relocation from its existing location to meet customer demands.

Ms. Phillips stated the project investment is \$4,400,000 of which \$2,965,000 qualifies as KBI eligible costs and \$750,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 53 with an average hourly wage of \$40.00 including benefits. The state wage assessment participation is 3.00% and the City of Florence will participate at

0.7857% with Boone County participating at 0.2143%. 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 \$755,000 and the KEIA approved recovery amount of \$45,000 for construction materials and building fixtures.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

KBI Projects (Preliminary)

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

SolarEdge Technologies Inc. Fayette County

**Brittany Cox
Debbie Phillips**

Ms. Cox stated SolarEdge Technologies Inc. is a global leader in smart energy technology and provides intelligent inverter solutions that changed the way power is harvested and managed in photovoltaic (PV) systems. The project would include a call center operation in Lexington.

Ms. Cox introduced Ms. Greathouse, Cheryl Klever and Ryan Kaffenberger and invited them to address the board regarding the project.

Ms. Phillips stated the project investment is \$4,900,000 of which \$3,150,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 230 with an average hourly wage of \$20.00 including benefits. The state wage assessment participation is 1.50% and Lexington-Fayette Urban County Government will participate at 0.50%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,100,000.

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

WABCO USA LLC Boone County

**Brittany Cox
Debbie Phillips**

Ms. Cox stated WABCO USA LLC is a subsidiary of WABCO North America which has various business units serving commercial vehicle manufacturers, fleet operators, and the Aftermarket. The company is considering expanding OEM business in an existing operation in the United States.

Ms. Phillips stated the project investment is \$3,068,167 of which \$1,100,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 123 with an average hourly wage of \$39.00 including benefits. The state wage assessment participation is 1.50% and Boone County Fiscal Court will participate at 0.40%. 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 \$1,100,000.

Mr. Miller moved to approve the staff recommendation, as presented; Ms. Marx seconded the motion. Motion passed; unanimous.

**Android Industries – Bowling Green, L.L.C.
Warren County**

**Andy Luttner
Debbie Phillips**

Mr. Luttner stated Android Industries - Bowling Green, L.L.C. is a leader in complex assembly, tooling and equipment solutions. The project will include an expansion of its current facility in Bowling Green.

Ms. Phillips stated the project investment is \$1,400,000 of which \$1,000,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$27.06 including benefits. The state wage assessment participation is 3.00% and the City of Bowling Green will participate at 1.00%. 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 \$450,000.

Ms. Marx moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

**Packaging Technology Group, Inc.
Jefferson County**

**Annie Franklin
Michelle Elder**

Annie Franklin stated Packaging Technology Group, Inc. (PTG) designs, engineers and manufactures thermal shipping and packaging solutions for clients in the biopharmaceutical and life sciences sector. PTG is considering a new location in Kentucky that will allow expansion of its capacity and product portfolio.

Ms. Franklin introduced Sierra Enlow and Matt Tompkins and invited them to address the board regarding the project.

Ms. Elder stated the project investment is \$1,885,000 of which \$835,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 40 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 3.00% and Louisville-Jefferson County Metro Government will participate at 1.00%.

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

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

**Heritage Millworks, LLC dba Powell Valley Millwork
Montgomery County**

**Jason Neal
Michelle Elder**

Jason Neal stated Heritage Millworks, LLC dba Powell Valley Millwork is a family-owned and operated company with experience in the secondary wood manufacturing marketplace. The company is considering expanding its manufacturing facility in Jeffersonville to support increased demand for production.

Mr. Neal introduced James Thornberry and invited him to address the board regarding the project.

Ms. Elder stated the project investment is \$4,415,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 70 with an average hourly wage of \$18.00 including benefits. The state wage assessment participation is 5.00%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,500,000.

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

**DDS Glass Doors, L.L.C.
Todd County**

**Corky Peek
Michelle Elder**

Mr. Peek stated DDS Glass Doors, L.L.C. manufactures glass cooler and freezer doors, beer cave doors, windows and accessories for the convenience store and supermarket industry. To meet increased production demands from growth opportunities, the company is considering purchasing a building in Elkton, as well as additional equipment, workstations and conveyor lines.

Ms. Elder stated the project investment is \$1,600,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 3.00% and the City of Elkton will participate at 1.00%. 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 \$1,000,000.

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

**Axon Connected LLC
Warren County**

**Corky Peek
Michelle Elder**

Mr. Peek stated Axon Connected LLC is currently building technology-based companies in healthcare, communications, and data. The company is expanding and evaluating its commercialization focused business entities. This project would establish a location for executive management and all operational activities including locating the affiliate product lines as well.

Mr. Peek introduced Dr. Kent Murphy and invited him to address the board regarding the project.

Ms. Elder stated the project investment is \$20,375,000 of which \$20,187,500 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 55 with an average hourly wage of \$43.00 including benefits. The state wage assessment participation is 3.00% and the City of Bowling Green will participate at 1.00%. Only investment costs incurred by the approved company will be considered toward calculating eligible costs. Only the approved company may participate in the corporate income tax credit incentive (no affiliate is eligible).

The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliates, Caza Health LLC, AxImmune Corporation and Axon DX LLC.

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

After discussion, Ms. Marx moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

**Southern Star Central Gas Pipeline, Inc.
Daviess County**

**Corky Peek
Michelle Elder**

Mr. Peek stated Southern Star Central Gas Pipeline, Inc. is a leading transporter of natural gas with approximately 5,800 miles of natural gas transmission pipeline. The company is considering upgrading its headquarters location by adding office space, parking lot upgrades as well as infrastructure improvements.

Ms. Elder stated the project investment is \$3,319,759, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 13 with an average hourly wage of \$37.00 including benefits. The state wage assessment participation is 3.00% and Daviess County will participate at 0.35%. 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 Daviess County. Only investment costs incurred at 4700 Hwy 56, Owensboro 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 \$200,000.

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

**Boxvana LLC
Martin County**

**Zach Lawrence
Kate McCane**

Mr. Lawrence stated Boxvana LLC opened for business in 2018 as a modular home designer and manufacturer. The company is considering purchasing new equipment and leasing a facility to expand its production capacity.

Ms. McCane stated the project investment is \$2,362,500 of which \$1,666,250 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$23.50 including benefits. The state wage assessment participation is 5.00%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$400,000.

Mr. Goodin moved to approve the staff recommendation, as presented; Secretary Johnson 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 11 companies requested additional time to complete the projects. Ms. Elder asked that all 11 be presented as one motion.

Company	County	Extension
Fritz Winter North America LP	Simpson	3 Month
Hema Biologics	Jefferson	9 Month
Homecare Products, Inc. dba EZ-Access	Union	12 Month
Kentucky Green Harvest LLC	Lincoln	12 Month
MobileMedTek Holding, Inc.	Jefferson	12 Month
Nishida Art Specialty Composite America Inc.	Franklin	12 Month
NX Development Corp.	Fayette	12 Month
Performance Feeds, LLC	Warren	12 Month
Precision Tooling Products, LLC	Graves	12 Month
Resolve Packaging, LLC	Boone	12 Month
Sonic Electronix, Inc.	Jefferson	12 Month

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

Ms. Phillips stated two companies requested KBI final approval, Ms. Phillips asked that both be presented as one motion.

No Modifications:

Project Name	County	Type Project
Mubea Tailor Rolled Blanks, LLC	Boone	Manufacturing
Tru-Tone Finishing Inc.	Fayette	Manufacturing

Staff recommended final approval of the KBI resolutions, tax incentive agreements and the authorization to execute and deliver the documents.

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

KEDFA Loan (Modification)

Chairman Hale called on Ms. Palmer to present the KEDFA Loan modification request to the Authority.

GPEDC, Inc.

McCracken County

Ms. Palmer stated on December 14, 1992, KEDFA closed a loan with the Greater Paducah Economic Development Council, Inc. (GPEDC), an industrial authority, to finance the purchase of 362.5 acres for an Information Age Park in Paducah. The original loan was \$3,500,000 with 2% interest paid quarterly and a maturity date of December 14, 2002.

KEDFA security is a first mortgage on the acreage and terms included principal repayment from land sales at a 77% release price. The loan has been modified and extended several times since 2002.

In December of 2013, KEDFA approved a request to extend the maturity date for five years to December 31, 2018 and to increase principal payments to \$1,500 per month. The GPEDC has made additional principal payments as land has sold.

In December of 2018, KEDFA approved a time extension for twelve months to allow GPEDC to restructure. Security for the loan continues to be a first mortgage on the remaining lots in the park and all other repayment terms from lot sales remain the same.

The GPEDC is requesting to extend the term of the loan for five years and increase the monthly principal payments to \$2,500 with interest due quarterly. The current principal balance is \$1,554,875. Approximately 185 acres (35 lots) remain in inventory with an estimated value of \$6.47 million (24% LTV).

Staff recommended approval to extend the maturity date to December 31, 2024 and increase principal payments to \$2,500 monthly.

Ms. Palmer introduced Bruce Wilcox and Heather Pierce and invited them to address the board regarding the project.

After discussion, Chairman Hale entertained a motion to modify the loan agreement to include the principal repayment from land sales at a 100% release price less closing costs, increase the monthly principal payment to \$2,500 with interest due quarterly and extend the maturity date to December 31, 2024. Mr. Goodin moved to approve the motion; Mr. Cowles seconded the motion. Motion passed, unanimous.

Incentive for Energy Independence Act (IEIA) Project (Extension)

Chairman Hale called on Ms. Palmer to present the IEIA extension request to the Authority.

Delta Natural Gas Company, Inc. Madison County

Ms. Palmer stated Delta Natural Gas Company, Inc. requested a 12 month extension of its project.

Staff recommended approval of the IEIA extension to December 31, 2020.

Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Miller 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 61 Kentucky small businesses, from 22 counties with qualifying tax credits of \$673,100. The 61 businesses created 196 jobs and invested \$1,647,290 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>
Amaroo Farm, LLC	Fayette	0	3	\$ 12.50	\$ 20,407	\$ 10,500
A Professional Tree Service, Inc.	Fayette	2	4	\$ 16.38	\$ 48,000	\$ 14,000

Automated Living LLC	Jefferson	1	1	\$ 15.50	\$ 11,000	\$ 3,500
Babcon Inc.	Madison	39	3	\$ 12.67	\$ 25,062	\$ 7,500
Blacksmith Iron works II LLC	Jefferson	7	3	\$ 24.96	\$ 13,429	\$ 10,500
Bluegrass Bean Counter, PLLC	Scott	1	1	\$ 18.27	\$ 5,186	\$ 3,500
BMI Pallets, LLC	Marshall	6	1	\$ 15.00	\$ 36,250	\$ 3,500
Brettt Construction Co.	Fayette	40	3	\$ 32.71	\$ 41,900	\$ 10,500
Broker House Lending, LLC	Jefferson	3	2	\$ 17.96	\$ 21,467	\$ 7,000
C2 Strategic Communications LLC	Jefferson	7	3	\$ 29.37	\$ 15,611	\$ 10,500
Clarkland Farm, LLC	Fayette	2	4	\$ 13.46	\$ 41,221	\$ 14,000
Copes and Lenihan Dental Care, P.S.C.	Pendleton	1	1	\$ 32.15	\$ 5,613	\$ 3,500
D and D Electric Company	Jessamine	18	3	\$ 16.42	\$ 70,900	\$ 10,500
Diversified Metals LLC	Jefferson	0	7	\$ 29.21	\$ 39,963	\$ 24,500
Elkins Waste Services, Inc.	Greenup	18	8	\$ 17.10	\$ 28,500	\$ 25,000
Emma Justine Salon Ltd. Co.	Jefferson	0	4	\$ 17.38	\$ 14,110	\$ 14,000
Epiphany Foam Insulation, LLC	Woodford	5	3	\$ 18.82	\$ 14,500	\$ 10,500
Equine Medical Associates, P.S.C.	Fayette	18	6	\$ 25.26	\$ 36,500	\$ 21,000
Foley Machinery Movers & Riggers, LLC	Bourbon	7	1	\$ 19.00	\$ 9,500	\$ 3,500
Hensley & Throneberry, PLLC	Warren	7	2	\$ 19.51	\$ 8,406	\$ 7,000
Hinkle Environmental Services, LLC	Bourbon	22	6	\$ 23.47	\$ 131,777	\$ 21,000
Hinkle Holding Company, LLC	Bourbon	4	1	\$ 31.25	\$ 5,805	\$ 3,500
Innovative Access Solutions, LLC	Grayson	7	2	\$ 22.14	\$ 7,154	\$ 7,000
Integrated Engineering LLC	Fayette	22	3	\$ 59.43	\$ 30,096	\$ 10,500
IT Supply Solutions LLC	Kenton	15	1	\$ 19.00	\$ 8,997	\$ 3,500
J.C. Services, LLC	Jefferson	11	5	\$ 18.70	\$ 18,600	\$ 17,500
Janson Communications, LLC	Boyd	18	2	\$ 18.75	\$ 37,182	\$ 7,000
JRA, Inc.	Fayette	27	2	\$ 31.26	\$ 8,146	\$ 7,000
JR Buck Industries, LLC	Fayette	13	2	\$ 15.00	\$ 5,081	\$ 5,000
Kentucky Machinery Company, LLC	Madison	5	1	\$ 11.50	\$ 43,500	\$ 3,500
Kentucky Skin Cancer Center, PLLC	Warren	0	3	\$ 21.67	\$ 47,405	\$ 10,500
Kertis Creative, LLC	Jefferson	20	5	\$ 23.03	\$ 18,247	\$ 17,500
Kinemetrix Industrial Design, Inc.	Fayette	19	3	\$ 41.67	\$ 18,602	\$ 10,500
Kinthead & Stilz, PLLC	Fayette	17	2	\$ 25.50	\$ 7,754	\$ 7,000
Laswell Electric Company, Inc.	Jefferson	8	3	\$ 25.77	\$ 22,846	\$ 10,500
Lexington Behavioral Medicine, PLLC	Fayette	2	1	\$ 28.26	\$ 5,001	\$ 3,500
Liberty Ranch Rehabilitation Center, LLC	Casey	9	2	\$ 22.55	\$ 6,363	\$ 6,300
Marrillia Interests, LLC	Fayette	17	3	\$ 35.02	\$ 24,859	\$ 10,500
Mc Afee Mowing and Landscaping, Inc.	Boyle	3	3	\$ 14.00	\$ 17,339	\$ 10,500
McDaniel Financial Services, PLLC	Boyle	5	2	\$ 25.00	\$ 7,037	\$ 7,000
Middleground Management, LP	Fayette	0	5	\$ 125.70	\$ 27,248	\$ 17,500
Midsouth Rentals, LLC	Daviess	21	5	\$ 19.26	\$ 23,500	\$ 17,500
Mindsight, PLLC	Pulaski	6	3	\$ 17.17	\$ 16,907	\$ 10,500
Northern Kentucky Home Health Care, LLC	Kenton	8	6	\$ 12.94	\$ 26,250	\$ 21,000
On Time Finance, LLC	Jefferson	36	1	\$ 14.00	\$ 10,115	\$ 3,500
Orb Technologies, LLC	Fayette	0	1	\$ 23.00	\$ 5,190	\$ 3,500
OrthoSource, LLC	Fayette	0	7	\$ 46.90	\$ 25,749	\$ 24,500
Ron Dennis Lumber and Post, LLC	Woodford	0	5	\$ 19.20	\$ 27,500	\$ 17,500
Site-Safe Products, LLC	Grayson	17	4	\$ 20.00	\$ 60,647	\$ 14,000
Solid Rock Excavating, LLC	Boone	4	1	\$ 22.00	\$ 69,500	\$ 3,500
Tates Creek Dental, PSC	Fayette	8	4	\$ 23.70	\$ 38,424	\$ 14,000
Technical Horizons, PLLC	Fayette	1	5	\$ 32.14	\$ 15,904	\$ 15,900
Tellennium, Inc.	Bullitt	34	3	\$ 27.33	\$ 12,413	\$ 10,500
The Kentucky Life, Inc	Fayette	0	4	\$ 21.88	\$ 14,103	\$ 14,000
Thermal Equipment Sales, Inc.	Fayette	27	1	\$ 21.50	\$ 16,185	\$ 3,500
Traugher Mechanical Services, Inc.	Simpson	28	6	\$ 20.10	\$ 18,428	\$ 18,400
Tri Five, LLC	Fayette	11	7	\$ 13.80	\$ 32,148	\$ 24,500
Versailles Independent Pharmacy Inc	Woodford	3	1	\$ 60.72	\$ 5,276	\$ 3,500
Western Crane Service, Inc.	Warren	32	6	\$ 22.96	\$ 188,432	\$ 21,000
Wiley Electrical Contractor, LLC	Lincoln	1	1	\$ 24.00	\$ 6,990	\$ 3,500
Winner's Circle Painting, LLC	Jessamine	12	5	\$ 22.34	\$ 27,065	\$ 17,500

Staff recommended approval of the tax credits.

Ms. Marx moved to approve the staff recommendation, as presented; Mr. Cowles seconded the motion. Motion passed; unanimous.

Other Business

Chairman Hale presented a resolution honoring Reid Glass for his service to the Cabinet for Economic Development and the Commonwealth of Kentucky.

Closed Session

Pursuant to KRS Section 61.810 (1) (g), Chairman Hale entertained a motion to enter into Executive Session to discuss specific business proposals, the open discussion of which would jeopardize the site, retention, expansion or upgrade of the businesses.

Mr. Goodin moved to enter into closed session; Mr. Miller seconded the motion. Motion passed; unanimous.

The board entered into executive session at 11:25 a.m.

Regular Session

Chairman Hale entertained a motion to return to regular session.

Mr. Goodin moved to return to regular session; Mr. Miller seconded the motion. Motion passed; unanimous.

The board returned to regular session 12:01 p.m.

Kentucky Angel Investment Act Project (Termination)

AffiniCorp, LLC

Jefferson County

Chairman Hale entertained a motion to terminate the Qualified Small Business Agreement between KEDFA and AffiniCorp, LLC due to non-compliance.

Mike Cowles moved to approve the termination; Mr. Goodin seconded the motion. Motion passed; unanimous.

Announcement

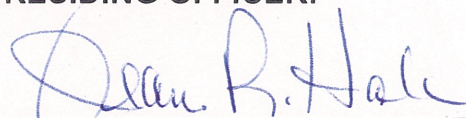
Katie Smith announced the 2020 KEDFA board meeting dates.

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

Mr. Miller moved to adjourn the December KEDFA board meeting; Mr. Cowles seconded the motion. Motion passed; unanimous.

The meeting adjourned at 12:02 p.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

12/31/2019

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
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KEDFA LOANS

None

KEDFA GRANTS

Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-21	\$381,774
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SMALL BUSINESS LOANS

None

TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)**\$381,774****Approved and Partially Disbursed KEDFA Projects**

Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
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KEDFA GRANTS

Louisville/Jefferson County Metro Government (Restaurant Supply Chain Solutions)	21636	Jefferson	May-17	Jun-20	\$500,000	(\$375,000)	\$125,000
Louisville/Jefferson County Metro Government (Res-Care, Inc.)	21990	Jefferson	Jan-18	Dec-22	\$500,000	(\$100,000)	\$400,000

TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)**\$525,000****TOTAL KEDFA APPROVED AND NOT DISBURSED****\$906,774**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

STATEMENT OF NET POSITION

12/31/2019

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 12/31/19	OOE 12/31/19	COMBINED 12/31/19
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	175,308.69	0.00	0.00	175,308.69	0.00	175,308.69
Cash	220,095.89	17,557,131.22	411,441.08	18,188,668.19	0.00	18,188,668.19
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	2,738,283.88	2,738,283.88
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	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernment Receivable	906,774.00	0.00	0.00	906,774.00	98,006.21	1,004,780.21
Total Cash & Accounts Receivable	1,302,178.58	17,557,131.22	411,441.08	19,270,750.88	2,977,833.97	22,248,584.85
Accrued Interest Receivable						
Loans	35,587.03	1,119.08	0.00	36,706.11	0.00	36,706.11
Investments	354.76	18,731.89	439.04	19,525.69	0.00	19,525.69
Total Accrued Interest Receivable	35,941.79	19,850.97	439.04	56,231.80	0.00	56,231.80
Notes Receivable						
Loans Receivable	17,968,740.40	1,084,027.49	0.00	19,052,767.89	0.00	19,052,767.89
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	(1,434,722.43)
Total Notes Receivable	17,968,740.40	1,084,027.49	0.00	17,618,045.46	0.00	17,618,045.46
TOTAL ASSETS	19,306,860.77	18,661,009.68	411,880.12	36,945,028.14	2,977,833.97	39,922,862.11
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred Outflows Pension				1,893,000.00	0.00	1,893,000.00
Deferred Outflows OPEB				455,000.00	0.00	455,000.00
<u>LIABILITIES</u>						
Accrued Salaries & Compensated Absences				351,752.04	0.00	351,752.04
Accounts Payable				0.00	0.00	0.00
Intergovernment Payable						0.00
Grants Payable				0.00	0.00	0.00
Pension Liability				9,480,000.00	0.00	9,480,000.00
OPEB Liability				1,650,000.00	0.00	1,650,000.00
TOTAL LIABILITIES				11,481,752.04	0.00	11,481,752.04
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Pension				133,000.00	0.00	133,000.00
Deferred Inflows OPEB				147,000.00	0.00	147,000.00
<u>NET POSITION</u>						
Beginning Balance				28,504,109.74	3,352,157.11	31,856,266.85
Current Year Undivided Profits				(972,833.64)	(374,323.14)	(1,347,156.78)
TOTAL NET POSITION				27,531,276.10	2,977,833.97	30,509,110.07

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 December 31, 2019

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2019-2020 YEAR TO DATE	FY 2018-2019 YEAR TO DATE
Operating Revenues - KEDFA						
Interest Income/Loans	15,452.19	1,810.58	0.00	0.00	104,846.89	113,047.96
Interest Income/ Investments	354.76	18,731.89	439.04	0.00	149,399.32	163,418.85
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	63,707.00	0.00	0.00	0.00	242,378.55	255,765.05
Miscellaneous Income	310.86	0.00	0.00	0.00	2,501.01	2,446.56
Total Operating Revenues - KEDFA	79,824.81	20,542.47	439.04	0.00	499,125.77	534,678.42
Operating Expenses - KEDFA						
Salaries	94,585.07				610,366.36	556,751.15
Employee benefits	99,661.69				653,048.38	568,535.93
Pension Liability Adjustment	0.00				0.00	0.00
OPEB Liability Adjustment	0.00				0.00	0.00
Other Personnel Costs	0.00				0.00	0.00
Contracted Personal Services	8,563.44				77,736.57	95,406.40
Printing Services	0.00				50.00	0.00
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	0.00				0.00	8.71
Telecommunications	0.00				0.00	0.00
Computer Services	0.00				0.00	0.00
Supplies	0.00				0.00	0.00
Miscellaneous Services	0.00				0.00	32.00
Travel	394.01				2,933.21	3,064.36
Miscellaneous Commodities	0.00				0.00	335.00
Dues	0.00				2,824.89	0.00
Commodities Expense	0.00				0.00	0.00
Bad Debt Expense	0.00				0.00	0.00
Grant Disbursement	0.00				0.00	0.00
Total Operating Expenses - KEDFA	203,204.21	0.00	0.00	0.00	1,346,959.41	1,224,133.55
Income (Loss) from Operations - KEDFA	(123,379.40)	20,542.47	439.04	0.00	(847,833.64)	(689,455.13)
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund	0.00				0.00	0.00
Operating Transfer Out - BSSC					0.00	0.00
Operating Transfer Out - Secretary's Office					0.00	0.00
Operating Transfer Out - New Business	0.00				0.00	0.00
Transfer Due from Bonds					0.00	381,774.00
Transfer Due from KSBCI	0.00				0.00	0.00
Grants Disbursed	0.00				(125,000.00)	(128,048.79)
Operating Transfer In - Economic Dev	0.00				0.00	(6,760.00)
Unrealized Gains/(Losses) on Investment	0.00				0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
Total Non-Operating Revenues (Expenses) -	0.00	0.00	0.00	0.00	(125,000.00)	246,965.21
CHANGE IN NET POSITION - KEDFA	(123,379.40)	20,542.47	439.04	0.00	(972,833.64)	(442,489.92)
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				0.00	0.00	0.00
Misc Income				0.00	0.00	0.00
Disbursements: Projects (Note 1)					(124,323.14)	(88,410.39)
Repayments received from Projects				0.00	0.00	0.00
Non-Operating Revenues (Expenses) - OOE						0.00
Operating Transfer in - OOE					0.00	0.00
Transfer Due from Bonds					0.00	0.00
Operating Transfer Out - OOE				0.00	(250,000.00)	0.00
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	0.00	(374,323.14)	(88,410.39)
CHANGE IN NET POSITION - COMBINED	(123,379.40)	20,542.47	439.04	0.00	(1,347,156.78)	(530,900.31)

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
12/31/2019

	<u>12/31/2018</u>	<u>12/31/2019</u>
Fund A Cash Balance	\$1,722,263.59	\$220,095.89
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$1,722,263.59</u>	<u>\$220,095.89</u>
2003 Bond Fund Cash Balance	\$16,807,856.66	\$17,557,131.22
Less: Approved/Undisbursed	(2,461,774.00)	(906,774.00)
Total Unobligated Balance	<u>\$14,346,082.66</u>	<u>\$16,650,357.22</u>
Small Business Loan Fund Cash Balance	\$403,809.60	\$411,441.08
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$403,809.60</u>	<u>\$411,441.08</u>
Bond Funds to be Provided for Loans		
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$0.00</u>	<u>\$0.00</u>
Budget: Cash to be Transferred to Other CED Programs for		
	<u>\$0.00</u>	<u>\$0.00</u>
CASH AVAILABLE	<u><u>\$16,472,155.85</u></u>	<u><u>\$17,281,894.19</u></u>
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	\$2,902,326.80	\$2,738,283.88
Less: Approved/Undisbursed	(\$654,624.00)	(\$603,587.00)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$250,000.00	\$98,006.21
Bond Funds Available for Projects		
Total Unobligated Balance	<u>\$2,639,247</u>	<u>\$2,374,247</u>
TOTAL ALL FUNDS	<u><u>\$19,111,402.53</u></u>	<u><u>\$19,656,141.16</u></u>

**Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2018**

KEDFA Meeting date 1/30/2020

Total Projects Approved Fiscal Year-to-Date 26

Number of Proposed Projects for Current Month 6

Construction Materials and Building Fixtures

Fiscal Year Cap \$20,000,000

Approved Fiscal Year-to-Date \$8,067,500

Committed Amount \$0

Balance Available for Current Month \$11,932,500

Proposed Approval for Current Month \$1,205,000

Balance Available for Remainder of Fiscal Year \$10,727,500

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap \$5,000,000

Approved Fiscal Year-to-Date \$1,825,000

Committed Amount \$0

Balance Available for Current Month \$3,175,000

Proposed Approval for Current Month \$0

Balance Available for Remainder of Fiscal Year \$3,175,000

KBI Summary

Updated January 24, 2020

Fiscal Year End Reporting

Year	Number of Projects	Jobs			Wages		
		Jobs Reported	Job Target	% Achieved	Average Wage Reported	Wage Target	% Achieved
2010	1	40	51	78%	\$11.42	\$11.00	104%
2011	5	269	257	105%	\$35.00	\$28.90	121%
2012	18	1,264	1,154	110%	\$25.30	\$23.23	109%
2013	58	5,908	5,395	110%	\$24.85	\$23.35	106%
2014	94	10,024	9,525	105%	\$24.85	\$22.98	108%
2015	142	14,506	13,113	111%	\$25.38	\$22.38	113%
2016	196	21,251	18,665	114%	\$25.05	\$21.79	115%
2017	238	25,667	21,531	119%	\$26.91	\$22.06	122%
2018	260	29,666	23,837	124%	\$26.18	\$21.86	120%
2019	76	6,293	4,640	136%	\$26.59	\$21.44	124%

Annual Maximums and Incentives Claimed

Year	Approved Annual Maximum	Earned Annual Maximum	Incentives Claimed*	Utilization Rate
2010-2012**	\$5,182,833	\$4,914,663	\$2,104,094	43%
2013	\$15,611,951	\$13,992,639	\$6,601,085	47%
2014	\$27,405,836	\$23,759,875	\$13,131,631	55%
2015	\$45,896,940	\$39,276,598	\$18,084,965	46%
2016	\$40,299,248	\$35,382,109	\$19,923,814	56%
2017	\$44,788,701	\$38,692,046	N/A	N/A
2018	\$49,840,951	\$42,885,927	N/A	N/A
2019	\$50,890,486	\$43,908,875	N/A	N/A
Grand Total	\$279,916,945	\$242,812,731	\$59,845,588	

- Based on actual jobs and wages reported in 2018 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is approximately \$1.6 billion.

***Notes on incentives claimed:** Data is based on information provided by the Kentucky Department of Revenue. Total incentives claimed represents the total of income tax credits and wage assessments claimed through December 31, 2017.

****Due to taxpayer confidentiality, years 2010-2012 were combined.**

Project Update Report

January 2020

Project	County	Approval Date	Exit Date	Program
Siemens Industry, Inc.				
	Crittenden	07/31/2014	10/1/2018	KBI
Per 11/20/2019 email, company withdrew from KBI program effective 10/1/2018 due to anticipated employment levels below the required baseline in the upcoming years.				
Data Dimensions, LLC				
	Montgomery	5/31/2018	5/31/2019	KBI
Company advised they are no longer doing business in Kentucky and is withdrawing their KBI project from the KBI program effective 5/31/2019.				
Curtis-Maruyasu America, Inc.				
	Marion	6/29/2017	6/29/2019	KBI
Company failed to respond to certified mail requests to activate their KBI project resulting in automatic termination				
Four Roses Distillery, LLC				
	Bullitt	6/29/2017	6/29/2019	KBI
Per 12/2/2019 email, company advised they were not able to meet minimum employment requirement at activation and requested the KBI project be closed.				
Road ID, Inc.				
	Kenton	01/26/2017	12/26/2019	KBI
Per email dated 12/5/2019, the company requested to let the KBI Incentives expire.				
Hera Testing Laboratories, Inc.				
	Fayette	04/28/2016	12/09/2019	KBI
Company requested to withdraw from the KBI Program per an email dated 12/09/2019.				
Legion Logistics, LLC				
	Boone	6/26/2014	7/15/2019	KBI
Per email dated 7/15/19, company withdrew from KBI. The project had been suspended for two years for failure to meet minimum job creation requirement for KBI.				
American Air Filter Company, Inc.				
	Jefferson	10/25/2012	7/16/2019	KBI
Per email dated 7/16/19, company withdrew from KBI. The project had been suspended for three years for failure to meet the minimum job requirement for KBI.				

Project Update Report

January 2020

Project	County	Approval Date	Exit Date	Program
Dometic Corporation				
	Jefferson	10/31/2013	9/30/2019	KBI
The company relocated its headquarters to Rosemont, Illinois and ended its lease in Louisville effective 9/30/19, while retaining only a skeleton staff in Louisville.				
KapStone Container Corporation				
	Warren	01/29/2015	12/31/2019	KBI
Per an email dated 12/31/2019, the company withdrew from the KBI Program due to their employment levels below the required number.				
SCA Personal Care, Inc.				
	Warren	09/29/2016	12/31/2019	KBI
Per an email dated 11/12/2019, the company requested to withdraw from the KBI Program.				
INOAC Group North America, LLC				
	Washington	06/29/2017	06/29/2019	KBI
Company failed to achieve the minimum employment to activate on 6/29/2019.				

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

Date: January 30, 2020
Preliminary Approval: August 31, 2017
Applicant: City of Ashland Department of Finance
Project Name: Ashland Plaza Redevelopment Project
City: Ashland **County:** Boyd
Program Type: Mixed-Use Redevelopment in Blighted Urban Areas
TIF Term: 20 years **DFS Staff:** Kylee Palmer

Project Description: Development is expected to include renovation of the existing hotel, construction of a new public parking structure and conference center, as well as some residential and restaurant uses. The 36-acre project is located in downtown Ashland, Boyd County, upon the southern bank of the Ohio River and across from West Virginia.

The proposed development is expected to include:

- Renovation of the current Ashland Plaza Hotel into a Marriott brand Delta Hotel (149 room, 3-star full service accommodations, including restaurant, lobby bar, meetings spaces, etc.)
- Construction of new public parking structure and conference center next to the hotel (4-level, 400 space above ground parking structure with 12,000 square feet of conference space on top level)
- Downtown streetscape and utility improvements
- Renovation of old college building at 1420 Central Avenue to residential units (13 or 14 apartment units)
- Renovation of 4-story building at 15th and Winchester (12 residential units targeted to young professionals)

The project is in 3 zones and construction is estimated to be completed by Spring 2021.

Infrastructure: Infrastructure costs per the application total approximately \$18.8 million:

- Land preparation
- Public buildings/structure
- Sewers/storm drainage
- Curbs, sidewalks, promenades and pedways
- Provision of utilities
- Parking

Eligible Public Infrastructure Costs: \$ 12,750,000.00

Consultant Report: The project was reviewed by an independent consultant and determined to create a net new positive impact on the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with a statutorily-required Certification of Net Positive Impact to the Commonwealth. The applicant has also reviewed the report and agrees with the findings and the amount eligible for recovery.

Total Capital Investment: \$ 43,450,000 **Type of Eligible Cost:** Public Infrastructure

Increment Recovery:

The following taxes are available for recovery from the footprint over the TIF term through a **45%** recovery, as based on the independent consultant analysis:

Pledged Taxes

Property Tax

Sales Tax

Term Pledged

20 years

20 years

Approved Cost:

\$6,800,000

Please note only amounts deemed as public infrastructure that occur within the state footprint are eligible for recovery through increments as outlined above. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (but not to exceed \$200,000,000) has been verified as being invested in the development area.

Special Condition/Requirement:

In order to ensure the applicant makes the capital investment, staff recommends including the following special condition/requirement:

Total cumulative investment of \$43,450,000, excluding financing costs, must be achieved to be eligible for the maximum total incentive of \$6,800,000. The actual project completion percentage of the investment will be applied annually to the total incentive approved of \$6,800,000 to determine the maximum total incentive available/earned for the project during the term of the agreement.

MEMORANDUM

TO: KEDFA Board Members
FROM: Kylee Palmer *KP*
Department for Financial Services
DATE: January 30, 2020
SUBJECT: TIF Extension

The following applicant has previously received a TIF preliminary approval and is requesting approval of a time extension:

Applicant	County	Extension
West Kentucky Rural Telephone Cooperative Corporation, Inc. (WKT Technology Park Project)	Graves	6-month

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division *RA*

DATE: January 30, 2020

SUBJECT: KREDA Amendment
Sun Pools, Inc. (Clinton)
KREDA Project # 15926

Due to an asset sale, Sun Fiberglass Products of Kentucky, Inc. is requesting a First Amendment to KREDA Tax Incentive Agreement to assign the rights, duties and responsibilities of the Agreement to Sun Pools, Inc. retroactive to June 26, 2018.

Staff recommends approval

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: January 30, 2020

SUBJECT: KEIA Extensions

RA

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

Company	County	Extension
Buffalo Trace Distillery	Franklin	4 months
American Greetings Corporation	Boyle	6 Months
Blueframe Design + Build LLC	Madison	12 Months
Hollison LLC	Daviess	12 Months
Kentucky Green Harvest LLC	Lincoln	12 Months
Novelis Corporation	Todd	12 Months
Sister Schubert's Homemade Rolls, Inc.	Hart	12 Months
The Hillshire Brands Company	Campbell	12 Months

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: Buffalo Trace Distillery, Inc.
City: Frankfort
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Franklin
Resolution #: KEIA-20-22886
DFS Staff: M. Elder

Project Description: Buffalo Trace Distillery, Inc. has been making bourbon whiskey for more than 200 years. The project would include the expansion of its barrel storage warehouses in order to keep up with increased demand.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$3,000,000	\$6,750,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$1,750,000
\$0	\$0
\$3,000,000	\$8,500,000

Ownership (20% or more):

Sazerac Distillers, LLC Metairie, LC

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Apr 25, 2019	KEIA	Approve-Final	\$250,000

Unemployment Rate:

County: 3.3%

Kentucky: 4.4%

Existing Presence in Kentucky:

Daviess, Franklin, Jefferson and Nelson Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$100,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: Logan Corporation
City: Salyersville
Activity: Manufacturing
Bus. Dev. Contact: Z. Lawrence

County: Magoffin
Resolution #: KEIA-20-22914
DFS Staff: K. McCane

Project Description: Logan Corporation is both a mining supplier and a full-scale dump body manufacturer. The company is considering expanding its current facility and adding another electrical service in order to increase its production.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$350,000	\$525,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$675,000
\$0	\$30,000
\$350,000	\$1,230,000

Ownership (20% or more):

Mingo Wyoming Coal Land - Nitro, WV

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Sep 28, 2017	KBI	Monitor	\$2,000,000
Jun 30, 2016	KEDFA Loan	Monitor	\$1,100,000

Unemployment Rate:

County: 12.7%

Kentucky: 4.4%

Existing Presence in Kentucky:

Magoffin County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$20,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: Maker's Mark Distillery, Inc.
City: Lebanon **County:** Marion
Activity: Manufacturing **Resolution #:** KEIA-20-22880
Bus. Dev. Contact: A. Franklin **DFS Staff:** D. Phillips

Project Description: Maker's Mark Distillery, Inc. is a leader in the production of high-end bourbon. The company is considering the construction of five maturation warehouses which will each house 50,000 barrels.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$9,000,000	\$30,000,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$9,000,000	\$30,000,000

Ownership (20% or more):

Beam Suntory, Inc. - Chicago, IL

Other State Participation: None

Unemployment Rate:

County: 3.3%

Kentucky: 4.4%

Existing Presence in Kentucky:

Marion and Nelson Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$400,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$400,000

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

Date: January 30, 2020
Approved Company: Green Bomber Kentucky, LLC
City: Lancaster **County:** Garrard
Activity: Agribusiness **Prelim Resolution #:** KBI-I-20-22907
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: Green Bomber Kentucky, LLC was formed in December 2019 in hopes to operate a whiskey distillery in Kentucky. In addition to opening the distillery, the company is considering operating a bottling facility for whiskey produced by the company and third-party distillers.

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
\$3,750,000	\$3,750,000
\$200,000	\$5,000,000
\$250,000	\$250,000
\$4,200,000	\$9,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$15.00	
1	10	\$15.00	\$40,000
2	20	\$15.00	\$40,000
3	30	\$15.00	\$40,000
4	40	\$15.00	\$40,000
5	40	\$15.00	\$40,000
6	40	\$15.00	\$40,000
7	40	\$15.00	\$40,000
8	40	\$15.00	\$40,000
9	40	\$15.00	\$40,000
10	40	\$15.00	\$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$400,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Green Bomber, LLC Atlanta, GA

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% Garrard County Fiscal Court

Unemployment Rate:

County: 4.1%

Kentucky: 4.4%

Existing Presence in Kentucky: None**Special Conditions:** None

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: Green Bomber Kentucky, LLC
City: Lancaster **County:** Garrard
Activity: Agribusiness **Resolution #:** KEIA-20-22908
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder
Project Description: Green Bomber Kentucky, LLC was formed in December 2019 in hopes to operate a whiskey distillery in Kentucky. In addition to opening the distillery, the company is considering operating a bottling facility for whiskey produced by the company and third-party distillers.

Facility Details: Locating in a new facility

Anticipated Project Investment

	Eligible Costs	Total Investment
Rent	\$0	\$0
Building Construction	\$2,250,000	\$3,750,000
Electronic Processing Equipment	\$0	\$0
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$5,000,000
Other Start-up Costs	\$0	\$250,000
TOTAL	\$2,250,000	\$9,000,000

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$135,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$135,000

See KBI file (KBI-I-20-22907) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: January 30, 2020
Approved Company: JW Rutledge Distillery, LLC
City: Midway **County:** Woodford
Activity: Agribusiness **Prelim Resolution #:** KBI-I-20-22900
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: JW Rutledge Distillery, LLC is a start-up company with owners collectively having over 40 years experience distilling and distributing bourbon for national companies. The company is considering using this knowledge to build a new distillery to enhance and promote Kentucky bourbon heritage with its own bourbon brand, J.W. Rutledge.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$2,900,000	\$2,900,000
\$11,995,556	\$11,995,556
\$200,000	\$5,089,670
\$594,846	\$594,846
\$15,690,402	\$20,580,072

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$31.00	
1	10	\$31.00	\$100,000
2	29	\$31.00	\$100,000
3	46	\$31.00	\$100,000
4	46	\$31.00	\$100,000
5	46	\$31.00	\$100,000
6	47	\$31.00	\$100,000
7	47	\$31.00	\$100,000
8	47	\$31.00	\$100,000
9	47	\$31.00	\$100,000
10	47	\$31.00	\$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,000,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Jim Rutledge Lebanon, KY

Stephen Camisa Louisville, KY

Lance Jon Mowry Rocklin, CA

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: City of Midway .50%

Woodford County Fiscal Court .50%

Unemployment Rate:

County: 3.1%

Kentucky: 4.4%

Existing Presence in Kentucky: None**Special Conditions:** None

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: JW Rutledge Distillery, LLC
City: Midway
Activity: Agribusiness
Bus. Dev. Contact: A. Franklin

County: Woodford
Resolution #: KEIA-20-22901
DFS Staff: M. Elder

Project Description: JW Rutledge Distillery, LLC is a start-up company with owners collectively having over 40 years experience distilling and distributing bourbon for national companies. The company is considering using this knowledge to build a new distillery to enhance and promote Kentucky bourbon heritage with its own bourbon brand, J.W. Rutledge.

Facility Details: Locating in a new facility

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$2,900,000
\$11,650,710	\$11,995,556
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$5,089,670
\$0	\$594,846
\$11,650,710	\$20,580,072

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

See KBI file (KBI-I-20-22900) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL

Date: January 30, 2020
Approved Company: Bluegrass Roller Service, Inc.
City: Shelbyville **County:** Shelby
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-22884
Bus. Dev. Contact: J. Kirk **DFS Staff:** K. McCane

Project Description: Bluegrass Roller Service, Inc. services its customers needs via manufactured rollers specific to the applications originating in the steel, plastic, glass, paper and wood industries. The company is considering moving its current operations to a new facility to meet growing market demand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$3,500,000	\$3,500,000
\$200,000	\$250,000
\$125,000	\$125,000
\$3,825,000	\$3,875,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$17.00	
1	10	\$17.00	\$10,000
2	10	\$17.00	\$10,000
3	10	\$17.00	\$10,000
4	10	\$17.00	\$10,000
5	10	\$17.00	\$10,000
6	10	\$17.00	\$10,000
7	10	\$17.00	\$10,000
8	10	\$17.00	\$10,000
9	10	\$17.00	\$10,000
10	10	\$17.00	\$10,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$100,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Art Dixon Louisville, KY

Scott Dixon Taylorsville, KY

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% City of Shelbyville

Unemployment Rate:

County: 3.0%

Kentucky: 4.4%

Existing Presence in Kentucky:

Shelby 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 26 full-time, Kentucky resident employees as of the application date.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: January 30, 2020
Approved Company: Bluegrass Roller Service, Inc.
City: Shelbyville
Activity: Manufacturing
Bus. Dev. Contact: J. Kirk

County: Shelby
Resolution #: KEIA-20-22885
DFS Staff: K. McCane

Project Description: Bluegrass Roller Service, Inc. services its customers needs via manufactured rollers specific to the applications originating in the steel, plastic, glass, paper and wood industries. The company is considering moving its current operations to a new facility to meet growing market demand.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land
Building Construction
Electronic Processing Equipment
Research & Development Equipment
Flight Simulation 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	\$250,000
\$0	\$125,000
\$2,100,000	\$3,875,000

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

See KBI file (KBI-I-20-22884) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: January 30, 2020
Approved Company: Wastequip, LLC
City: Mt. Sterling **County:** Montgomery
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-20-22792
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: Wastequip, LLC operates parts distribution businesses in Tennessee and Indiana. The company is considering a centralized distribution center of aftermarket parts for the waste industry to meet growing customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$3,243,510	\$6,487,020
\$0	\$0
\$696,500	\$696,500
\$99,500	\$99,500
\$4,039,510	\$7,283,020

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$27.00	
1	20	\$27.00	\$126,666
2	36	\$27.00	\$126,666
3	60	\$27.00	\$126,666
4	62	\$27.00	\$126,666
5	65	\$27.00	\$126,666
6	70	\$27.00	\$126,667
7	73	\$27.00	\$126,667
8	75	\$27.00	\$126,667
9	78	\$27.00	\$126,667
10	80	\$27.00	\$126,667
11	87	\$27.00	\$126,667
12	100	\$27.00	\$126,667
13	100	\$27.00	\$126,667
14	100	\$27.00	\$126,667
15	100	\$27.00	\$126,667

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,900,000

Incentive Type:

Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Ownership (20% or more):

Patriot Container Acquisition - Charlotte, NC

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 5.0%

Unemployment Rate:

County: 4.6%

Kentucky: 4.4%

Existing Presence in Kentucky:

Bell and Lawrence Counties

Special Conditions:

Wastequip, LLC has evaluated its operations in Louisa (Lawrence County) and Middlesboro (Bell County) and expects to maintain a minimum of 85% of the current level of employment based upon current economic conditions. However, given the changes occurring and potential changes occurring to its major customer base in the region, the company requires the right to a future amendment to this agreement designating the current employment level as base employment in lieu of a specific maintenance requirement in Lawrence and Bell Counties.

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

Date: January 30, 2020
Approved Company: CGS Machine & Tool, Inc.
City: Bowling Green **County:** Warren
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-22913
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: CGS Machine & Tool, Inc. is a machine shop producing quality parts for companies throughout the Midwest and Southeast. The company is considering adding production capacity including a building renovation to house new equipment.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$1,500,000	\$1,500,000
\$300,000	\$1,000,000
\$250,000	\$250,000
\$2,050,000	\$2,750,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$26.00	
1	15	\$26.00	\$25,000
2	15	\$26.00	\$25,000
3	15	\$26.00	\$25,000
4	15	\$26.00	\$25,000
5	15	\$26.00	\$25,000
6	15	\$26.00	\$25,000
7	15	\$26.00	\$25,000
8	15	\$26.00	\$25,000
9	15	\$26.00	\$25,000
10	15	\$26.00	\$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Stephen B. Allen Bowling Green, KY

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% City of Bowling Green

Unemployment Rate:

County: 3.4%

Kentucky: 4.4%

Existing Presence in Kentucky:

Warren 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 43 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: Janaury 30, 2020
Approved Company: S. Rays, Inc.
City: Simpsonville **County:** Shelby
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-20-22915
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder
Project Description: S. Rays, Inc. (Shady Rays) embarked on a journey to solve the problem with sunglasses in 2012. The company is considering expanding its location in Simpsonville and adding additional staff to continue to grow the company.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$35,150	\$70,300
Building/Improvements	\$40,000	\$40,000
Equipment	\$60,000	\$60,000
Other Start-up Costs	\$294,000	\$294,000
TOTAL	\$429,150	\$464,300

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$22.00	
1	10	\$22.00	\$40,000
2	20	\$22.00	\$40,000
3	28	\$22.00	\$40,000
4	34	\$22.00	\$40,000
5	38	\$22.00	\$40,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Chris Ratterman Louisville, KY

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 2.25%

Local: City of Simpsonsville- 0.25%

Shelby County Fiscal Court- 0.50%

Unemployment Rate:

County: 3.0%

Kentucky: 4.4%

Existing Presence in Kentucky:

Shelby 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 22 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: January 30, 2020
Approved Company: Tokai Carbon GE LLC
City: Hickman
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Fulton
Prelim Resolution #: KBI-I-20-22887
DFS Staff: M. Elder

Project Description: Tokai Carbon GE LLC is a manufacturer and distributor of graphite electrodes to the steel industry. The company is considering adding an additional building, new conveyors, autoclaves and furnaces to allow Tokai to increase production to be able to fully serve the U.S. market.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$2,750,000	\$2,750,000
\$22,250,000	\$22,250,000
\$0	\$0
\$25,000,000	\$25,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$29.00	
1	15	\$29.00	\$75,000
2	15	\$29.00	\$75,000
3	15	\$29.00	\$75,000
4	15	\$29.00	\$75,000
5	15	\$29.00	\$75,000
6	15	\$29.00	\$12,500
7	15	\$29.00	\$12,500
8	15	\$29.00	\$12,500
9	15	\$29.00	\$12,500
10	15	\$29.00	\$12,500
11	15	\$29.00	\$12,500
12	15	\$29.00	\$12,500
13	15	\$29.00	\$12,500
14	15	\$29.00	\$12,500
15	15	\$29.00	\$12,500

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

Incentive Type:

Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Ownership (20% or more):

Tokai Carbon GE Holding Delaware

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 5.0%

Unemployment Rate:

County: 4.8%

Kentucky: 4.4%

Existing Presence in Kentucky:

Fulton 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 30 full-time, Kentucky resident employees as of the application date.

MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Administration Division
DATE: January 30, 2020
SUBJECT: KBI Extensions

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

Company	County	Extension
Builders FirstSource, Inc.	Warren	6 Month
DPL Financial Partners, LLC	Jefferson	6 Month
Amazon.com Services, Inc.	Boone	12 Month
Asahi Bluegrass Forge Corporation	Madison	12 Month
Coldstream Laboratories, Inc.	Fayette	12 Month
Custom Resins, Inc.	Henderson	12 Month
Evolent Health LLC	Jefferson	12 Month
Hardin Scientific, Inc.	Green	12 Month
Infiltrator Water Technologies, LLC	Clark	12 Month
OG&A BioSpecialties LLC	Daviess	12 Month
Precision Strip, Inc.	Warren	12 Month

Staff recommends approval.

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

Date: January 30, 2020
Preliminary Approval: July 27, 2017
Approved Company: Carter Lumber Company
City: Bowling Green
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Warren
Final Resolution #: KBI-F-20-21708
DFS Staff: M. Elder

Project Description: Carter Lumber Company, founded in 1932, is the nation's 5th largest lumberyard with over 150 locations across 12 states. Carter Lumber acquired the Kight Home Center brand in 2005 and this Bowling Green location operates under the Kight name. This new location allows Carter to add manufacturing capabilities of roof and floor trusses, wall panels, and carry engineered wood products.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$7,500,000	\$10,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	\$21.00	
1	50	\$21.00	\$60,000
2	50	\$21.00	\$60,000
3	50	\$21.00	\$60,000
4	50	\$21.00	\$60,000
5	50	\$21.00	\$60,000
6	50	\$21.00	\$60,000
7	50	\$21.00	\$60,000
8	50	\$21.00	\$60,000
9	50	\$21.00	\$60,000
10	50	\$21.00	\$60,000

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: None

Modifications since preliminary approval? No

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

Date: January 30, 2020
Preliminary Approval: June 28, 2018
Approved Company: CCBCC Operations, LLC
Approved Affiliate(s): CCBCC, Inc.
City: Erlanger
Activity: Service & Technology
Bus. Dev. Contact: B. Cox

County: Kenton
Final Resolution #: KBI-FL-20-22093
DFS Staff: M. Elder

Project Description: CCBCC Operations, LLC, a wholly owned subsidiary of Coca-Cola Bottling Co. Consolidated, is currently the largest bottler of Coca-Cola products in the United States. The company has over 15,000 employees, multiple manufacturing facilities, distribution and sales centers. The company chose a site in Erlanger to build a highly efficient distribution center.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$9,200,000	\$12,400,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	290	\$28.50	
1	290	\$28.50	\$350,000
2	293	\$28.50	\$350,000
3	303	\$28.50	\$350,000
4	303	\$28.50	\$350,000
5	303	\$28.50	\$350,000
6	303	\$28.50	\$350,000
7	303	\$28.50	\$350,000
8	303	\$28.50	\$350,000
9	303	\$28.50	\$350,000
10	303	\$28.50	\$350,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,500,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions:

Maintain Statewide Employment: 572

Modifications since preliminary approval? No

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

Date: January 30, 2020
Preliminary Approval: December 10, 2015
Approved Company: Fritz Winter North America LP
City: Franklin **County:** Simpson
Activity: Manufacturing **Final Resolution #:** KBI-F-20-20752
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Fritz Winter is a family owned German company founded in 1951. The company specializes in iron cast auto parts such as brake rotors, drums, fly wheels and more. Production facilities have been steadily expanded and modernized to meet the growing demand and requirements. Fritz Winter has been exporting to the US since as early as 1966. The company located a foundry in Franklin to better serve those existing customers in the US market as well as meet additional demand.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$40,850,000	\$193,720,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	100	\$22.00	
1	160	\$22.00	\$500,000
2	210	\$22.00	\$500,000
3	235	\$22.00	\$500,000
4	265	\$22.00	\$500,000
5	265	\$22.00	\$500,000
6	265	\$22.00	\$500,000
7	265	\$22.00	\$500,000
8	265	\$22.00	\$500,000
9	265	\$22.00	\$500,000
10	265	\$22.00	\$500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$5,000,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions: None

Modifications since preliminary approval? No

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

Date: January 30, 2020
Preliminary Approval: December 13, 2018
Approved Company: Gehret Gage, LLC
City: Franklin
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Simpson
Final Resolution #: KBI-FL-20-22339
DFS Staff: M. Elder

Project Description: Gehret Gage, LLC is a start-up gage manufacturing facility located in Franklin. The company has some of the newest innovations in CNC machines and inspection equipment available using state-of-the-art grinding machines that will speed up the processes by 75%, running multiple procedures at once.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$875,000	\$1,505,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$22.70	
1	13	\$22.70	\$16,000
2	16	\$22.70	\$16,000
3	16	\$22.70	\$16,000
4	16	\$22.70	\$16,000
5	16	\$22.70	\$16,000
6	16	\$22.70	\$16,000
7	16	\$22.70	\$16,000
8	16	\$22.70	\$16,000
9	16	\$22.70	\$16,000
10	16	\$22.70	\$16,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$160,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions: None

Modifications since preliminary approval? No

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

Date: January 30, 2020
Preliminary Approval: August 25, 2016
Approved Company: Lakeshore Equipment Company dba Lakeshore Learning Materials
City: Midway **County:** Woodford
Activity: Service & Technology **Final Resolution #:** KBI-F-20-21213
Bus. Dev. Contact: E. Bishop **DFS Staff:** M. Elder

Project Description: Founded in 1954, Lakeshore Learning Materials is the leading U.S. developer of educational materials and classroom furniture & supplies. Over the last decade, Lakeshore's business has grown at a remarkable rate where opening a second distribution center in the U.S. is critical for meeting current and future demand. The company located its new distribution and storage facility in Midway.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$28,709,019	\$47,440,579

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	262	\$19.00	
1	262	\$19.00	\$370,000
2	262	\$19.00	\$370,000
3	262	\$19.00	\$370,000
4	262	\$19.00	\$370,000
5	262	\$19.00	\$370,000
6	262	\$19.00	\$370,000
7	262	\$19.00	\$370,000
8	262	\$19.00	\$370,000
9	262	\$19.00	\$370,000
10	262	\$19.00	\$370,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,700,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions: None

Modifications since preliminary approval? No

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

Date: January 30, 2020

Preliminary Approval: July 27, 2017

Approved Company: KBCB, LLC

City: Hebron

Activity: Manufacturing

Bus. Dev. Contact: K. Slattery

County: Boone

Final Resolution #: KBI-F-20-21727

DFS Staff: D. Phillips

Project Description: KBCB, LLC is a manufacturer and national distributor of baked goods. The project included the construction of a new manufacturing facility to increase capacity for its new regional and national contracts.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$10,592,547	\$40,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	70	\$22.00	
1	81	\$22.00	\$150,000
2	81	\$22.00	\$220,000
3	81	\$22.00	\$220,000
4	81	\$22.00	\$220,000
5	81	\$22.00	\$220,000
6	81	\$22.00	\$220,000
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,250,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Statewide Employment: 16

Modifications since preliminary approval? Yes

The company name changed from Whitehall Inc. to KBCB, LLC. All other aspects of the project remain the same.

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

Date: January 30, 2020
Preliminary Approval: January 28, 2016
Approved Company: Safran Landing Systems Kentucky, LLC
City: Walton **County:** Boone
Activity: Manufacturing **Final Resolution #:** KBI-F-20-20884
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Safran Landing Systems Kentucky, LLC produces and refurbishes advanced carbon composite brake disks and produces aluminum alloy wheels and brakes for large commercial and military aircraft. The project included an expansion of its existing facility in Walton to meet increasing demand and continued growth.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$91,980,000	\$150,330,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	17	\$35.00	
1	38	\$35.00	\$250,000
2	64	\$35.00	\$250,000
3	84	\$35.00	\$250,000
4	84	\$35.00	\$250,000
5	84	\$35.00	\$250,000
6	84	\$35.00	\$250,000
7	84	\$35.00	\$250,000
8	84	\$35.00	\$250,000
9	84	\$35.00	\$250,000
10	84	\$35.00	\$250,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,500,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 221

Modifications since preliminary approval? Yes

The company name changed from Messier-Bugatti USA, LLC to Safran Landing Systems Kentucky, LLC. All other aspects of the project remain the same.

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

Date: January 30, 2020
Preliminary Approval: January 26, 2017
Approved Company: Stark Truss Company, Inc.
City: Franklin
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Simpson
Final Resolution #: KBI-F-20-21457
DFS Staff: M. Elder

Project Description: Stark Truss Company, Inc. has been in operation for over 50 years manufacturing building components. Stark has 10 manufacturing facilities located in 7 states. The company expanded its manufacturing capabilities at its Franklin location.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$990,000	\$1,655,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	11	\$18.00	
1	14	\$18.00	\$25,000
2	18	\$18.00	\$25,000
3	22	\$18.00	\$25,000
4	22	\$18.00	\$25,000
5	22	\$18.00	\$25,000
6	22	\$18.00	\$25,000
7	22	\$18.00	\$25,000
8	22	\$18.00	\$25,000
9	22	\$18.00	\$25,000
10	22	\$18.00	\$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions:

Maintain Base Employment: 21

Modifications since preliminary approval? Yes

The project ownership changed from a leased project to an owned project. All other aspects of the project remain the same.

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

Date: January 30, 2020
Preliminary Approval: July 30, 2015
Approved Company: Thorntons LLC
City: Louisville
Activity: Headquarters
Bus. Dev. Contact: J. Kirk

County: Jefferson
Final Resolution #: KBI-FL-20-20570
DFS Staff: M. Elder

Project Description: Thorntons LLC, headquartered in Louisville, is a rapidly growing gasoline/convenience-chain retailer. Due to the company's growth, Thorntons, no longer operating efficiently out of its previous space, moved its headquarters location to a larger location.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$20,842,000	\$23,485,112

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	28	\$40.00	
1	28	\$40.00	\$200,000
2	46	\$40.00	\$200,000
3	68	\$40.00	\$200,000
4	79	\$40.00	\$200,000
5	93	\$40.00	\$200,000
6	100	\$40.00	\$200,000
7	110	\$40.00	\$200,000
8	110	\$40.00	\$200,000
9	110	\$40.00	\$200,000
10	110	\$40.00	\$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,000,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions:

Maintain Base Employment: 152

Modifications since preliminary approval? Yes

The company name changed from Thorntons Inc. to Thorntons LLC. The investment decreased from \$27,782,000 to \$23,485,112. The eligible costs decreased from \$26,842,000 to \$20,842,000. The project ownership changed from an owned project to a leased project with no rent eligible. All other aspects of the project remain the same.

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

Date: January 30, 2020
Preliminary Approval: December 7, 2017
Approved Company: Toyota Tsusho America, Inc.
City: Georgetown
Activity: Manufacturing
Bus. Dev. Contact: B. Cox

County: Scott
Final Resolution #: KBI-F-20-21903
DFS Staff: D. Phillips

Project Description: Toyota Tsusho America, Inc., headquartered in New York, is a multi-market, multi-business enterprise which has operated in North America for over 50 years. The company manufactures steel products, non-ferrous products; waste management and recycling; transportation; warehousing and logistical management. The project included an expansion of its current facility in order to grow its overall capacity and product range.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$3,311,424	\$9,958,424

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	23	\$21.00	
1	23	\$21.00	\$20,000
2	23	\$21.00	\$20,000
3	23	\$21.00	\$20,000
4	23	\$21.00	\$20,000
5	23	\$21.00	\$20,000
6	23	\$21.00	\$20,000
7	23	\$21.00	\$20,000
8	23	\$21.00	\$20,000
9	23	\$21.00	\$20,000
10	23	\$21.00	\$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

Special Conditions:

Maintain Base Employment: 411

Modifications since preliminary approval? Yes

The preliminary approval included a base employment requirement as well as a county-wide maintenance requirement of 95%. The countywide maintenance requirement will be replaced with a campus approach requirement to include all company locations within Georgetown/Scott County. Only investment costs incurred at 700 Triport Road 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. All other aspects of the project remain the same.

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

Date: January 30, 2020
Preliminary Approval: January 26, 2017
Approved Company: Pilkington North America, Inc.
City: Versailles **County:** Woodford
Final Resolution #: KRA-F-20-21459
Bus. Dev. Contact: B. Cox **OFS Staff:** D. Phillips

Project Description: Pilkington North America, Inc., is a wholly-owned subsidiary of NSG Group and is the manufacturer of glass for the automotive, architectural and solar markets. The company's reinvestment in the facility included the purchase of new equipment to support the formed glass pieces as well as the PVB inner-layer used to assemble windshields with "Head's Up Display" (HUD) technology.

Current number of full-time jobs at the project location: 305

Required number of full-time jobs to retain at the project location: 290

Preliminarily Approved Anticipated Costs

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs	Total Investment
\$3,750,000	\$7,500,000
\$0	\$0
\$3,750,000	\$7,500,000

Actual Costs Expended

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs	Total Investment
\$3,789,685	\$7,579,370
\$0	\$0
\$3,789,685	\$7,579,370

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: \$700,000

Modifications since preliminary approval? No

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

Date: January 30, 2020
Preliminary Approval: March 30, 2017
Approved Company: SFC Global Supply Chain, Inc.
City: Florence **County:** Boone
Final Resolution #: KRA-F-20-21549
Bus. Dev. Contact: K. Slattery **OFS Staff:** D. Phillips

Project Description: SFC Global Supply Chain, Inc. is a manufacturer of frozen food products that are sold both in the United States and internationally. The company's reinvestment in the facility included replacing some aging equipment to increase manufacturing capacity and capabilities to its production line.

Current number of full-time jobs at the project location:

339

Required number of full-time jobs to retain at the project location:

289

Preliminarily Approved Anticipated Costs

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs	Total Investment
\$16,983,994	\$33,967,987
\$0	\$0
\$16,983,994	\$33,967,987

Actual Costs Expended

Equipment and Related Costs

Training Costs

TOTAL

Eligible Costs	Total Investment
\$16,233,982	\$32,467,963
\$0	\$0
\$16,233,982	\$32,467,963

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,500,000

Modifications since preliminary approval? No

Kentucky Small Business Tax Credit Projects
January 2020

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
Air Raid Trampoline Park LLC	Laurel	0	4	\$16.89	\$51,129	\$14,000
Automated Living LLC	Jefferson	2	1	\$13.50	\$10,900	\$3,500
Barnhill Chimney Supply, LLC	Fayette	3	1	\$16.92	\$15,496	\$3,500
Barnhill Enterprises, LLC	Fayette	26	2	\$30.35	\$32,810	\$7,000
Bluegrass Chiro, PLLC	Boyle	35	4	\$32.11	\$14,208	\$14,000
Brite Wholesale Electric Supply, Inc.	Hardin	31	2	\$13.95	\$33,997	\$7,000
DX Solutions, LLC	Jessamine	0	8	\$28.54	\$34,000	\$25,000
Engineered Building Systems, Inc.	Campbell	12	1	\$56.25	\$5,011	\$3,500
Franklin Management, Inc.	Adair	10	6	\$24.00	\$24,917	\$21,000
Grover Tire, LLC	Graves	7	2	\$15.00	\$8,042	\$7,000
Haybrier Inc.	Jefferson	0	8	\$24.20	\$23,100	\$23,100
J.E.T. Tank Testing, Inc.	Marion	7	1	\$16.04	\$6,400	\$3,500
Pleasant Meadow II, LLC	Franklin	9	1	\$16.00	\$5,901	\$3,500
Rockerbuilt LLC	Jefferson	0	3	\$18.33	\$13,321	\$10,500
Scott Endodontics, PLC	Jefferson	4	1	\$17.00	\$6,817	\$3,500
15	11		45	Total	\$286,049	\$149,600

Note: The tax credit amount will be equal to the lesser of \$3,500 per eligible position or the total eligible qualifying equipment/technology amount, with a maximum tax credit of \$25,000 per applicant for each calendar year. Per KRS 154.60-020, the total sum of tax credits awarded for Kentucky Small Business Tax Credit (KSBTC) and Kentucky Selling Farmer Tax Credit (KSFTC) projects in each state fiscal year shall be capped at \$3,000,000.

Fiscal Year Credit Limit	\$3,000,000
FYTD KSBTC Approvals	\$1,015,700
FYTD KSFTC Approvals	\$0
Current KSBTC Request	\$149,600
Current KSFTC Request	\$0
Remaining FY Credits	\$1,834,700

KSBCI Quarterly Funding Report

December 31, 2019

Closed

Ruby Concrete, Inc.
CKW Physical Therapy, Inc.
Beaver Creek Vet.
Burgess Steel Services, Inc.
Casey's Foods, Inc. dba Happy IGA
JAKLAK LLC
ROR, LLC/Stepping Stones For Children, Inc.
Nicholas D. Ring & Maren B. Ring / Rotolamento Forno LLC
DC Logistics, Inc.
Arnett Dental Practice, PLLC/Shelia's Property, LLC
Prosigns LLC
Print My Threads, LLC
Marshall T. West d/b/a West & Jones Funeral Home
Against The Grain, LLC
Shooting Star Properties, LLC/Paladin, Inc.
Miles Exterminating Co., Inc.
Phillips Diversified Manufacturing, Inc.
S & K Farms LLC/S & K Powder Coating, LLC
Grace Community Health Center
Trackside Butcher Shoppe - Request #1
Trackside Butcher Shoppe - Request #2
Land Shark Shredding, LLC
Land Shark Shredding, LLC
Starlite, LLC
Bader's Food Mart, Inc.
Bradley Ebelhar and Angela Ebelhar dba The Crowne
Heritage Millworks, LLC d/b/a Powell Valley Millwork
Heritage Millworks, LLC
Atlas Development Group, LLC
Whitaker Group, LLC
Whitaker Group II, LLC
Carey Technologies, Inc. dba Pine Mountain Canopy Tours
Frontier Veterinary Services, LLC
Gaunce's Café and Deli LLC
Christian Academy of Lawrenceburg, Kentucky, Inc.
Steamer Seafood Bowling Green LLC
Posh Academy, LLC
Stapleton Holdings, LLC
Steamer Seafood Concessions & Catering, LLC
CFO Advantage, LLC - Travel Guide-Kentucky
Bluegrass Tool & Industrial, LLC
Latonia Star, LLC
Julep Pets, Inc.
Miles Away, Inc.
Quality Tire & Access, Inc.
Whitaker Group, LLC
Whitaker Group II, LLC
Wellness Care, LLC
Malibu Jack's 2, LLC
Parkview Pharmacy, Inc.
M & M Newspapers, LLC
Cane Run Properties, LLC
Two Martini's LLC
Taylor Tot Child Center, Inc.
Canewood Homeowners Association, Inc. & Canewood HOA GC, LLC
B & B Contracting, LLC
RuffleGirl Inc.
Downtown Fitness Paducah, LLC
Critchfield Meats, Inc.
Latonia Star, LLC
Cunningham Golf Car Co., Inc.
Michael A. Green and Vipavee T. Green (Crank and Boom)
Kentucky River Community Care, Inc. (project #1)
America's Finest Filters, Inc.
Discernity, LLC
HRS Brooks, Inc.
Library Holdings, LLC
Howard Law Firm, PLC
Eddie Eugene Shelton and Charlotte Shelton
FireFresh Bar-B-Q, Blankenbaker, LLC
Miracle Lawn and Landscaping, Inc.
PMAK, LLC (project #1)

Participating Bank	KSBCI Program	Total Project Amount	KSBCI Support Amount
Farmers Bank of Marion	KYLPP	\$ 5,675,000.00	\$ 80,000.00
Commercial Bank of West Liberty	KYCSP	\$ 272,900.92	\$ 54,580.00
MACED	KYLPP	\$ 410,000.00	\$ 68,000.00
Citizens Deposit Bank	KYCSP	\$ 75,173.47	\$ 14,000.00
MACED	KYCSP	\$ 176,610.00	\$ 34,800.00
MainSource Bank	KYLPP	\$ 550,147.16	\$ 106,029.40
Kentucky Bank	KYCSP	\$ 1,300,000.00	\$ 98,030.89
Kentucky Bank	KYCSP	\$ 95,000.00	\$ 10,500.00
United Citizens Bank & Trust	KYCSP	\$ 350,000.00	\$ 18,750.00
First National Bank of Grayson	KYCSP	\$ 580,000.00	\$ 104,400.00
MACED	KYCSP	\$ 150,000.00	\$ 30,000.00
MACED	KYCSP	\$ 230,000.00	\$ 40,000.00
MACED	KYCSP	\$ 225,000.00	\$ 40,000.00
Wilson & Muir Bank & Trust Co.	KYCSP	\$ 1,100,000.00	\$ 200,000.00
Community Trust Bank	KYCSP	\$ 705,000.00	\$ 40,125.00
First National Bank of Grayson	KYCSP	\$ 80,000.00	\$ 16,000.00
KHIC	KYCSP	\$ 1,200,000.00	\$ 240,000.00
Franklin Bank & Trust Company	KYCSP	\$ 203,133.00	\$ 40,000.00
Forch Bank	KYCSP	\$ 600,000.00	\$ 99,000.00
United Citizens Bank & Trust	KYCSP	\$ 50,000.00	\$ 10,000.00
United Citizens Bank & Trust	KYCSP	\$ 376,000.00	\$ 75,200.00
Franklin Bank & Trust Company	KYCSP	\$ 455,000.00	\$ 91,000.00
Franklin Bank & Trust Company	KYCSP	\$ 120,000.00	\$ 24,000.00
Kentucky Bank	KYCSP	\$ 1,777,000.00	\$ 223,424.00
MainSource Bank	KYCSP	\$ 286,000.00	\$ 57,200.00
Community Ventures Corporation	KYCSP	\$ 435,000.00	\$ 27,000.00
MACED	KYCSP	\$ 425,000.00	\$ 80,000.00
MACED	KYCSP	\$ 4,500,000.00	\$ 150,000.00
First Citizens Bank	KYCSP	\$ 2,590,000.00	\$ 440,000.00
MACED	KYCSP	\$ 175,000.00	\$ 35,000.00
MACED	KYCSP	\$ 175,000.00	\$ 35,000.00
KHIC	KYCSP	\$ 550,000.00	\$ 50,000.00
United Southern Bank	KYCSP	\$ 300,000.00	\$ 37,498.55
Kentucky Bank	KYCSP	\$ 200,000.00	\$ 28,000.00
MainSource Bank	KYCSP	\$ 707,000.00	\$ 131,400.00
Franklin Bank & Trust Company	KYCSP	\$ 700,000.00	\$ 100,000.00
Paducah Bank & Trust	KYCSP	\$ 358,250.00	\$ 49,000.00
MainSource Bank	KYCSP	\$ 457,000.00	\$ 91,400.00
Franklin Bank & Trust Company	KYCSP	\$ 148,000.00	\$ 20,000.00
MainSource Bank	KYCSP	\$ 99,086.76	\$ 19,817.35
First Security Bank	KYCSP	\$ 1,250,000.00	\$ 250,000.00
MainSource Bank	KYCSP	\$ 548,000.00	\$ 45,000.00
Kentucky Bank	KYCSP	\$ 155,000.00	\$ 23,250.00
Community Ventures Corporation	KYCSP	\$ 290,000.00	\$ 10,000.00
SKED	KYCSP	\$ 150,000.00	\$ 22,500.00
KHIC	KYCSP	\$ 270,000.00	\$ 54,000.00
KHIC	KYCSP	\$ 5,535,000.00	\$ 108,000.00
Fifth Third Bank	KYCSP	\$ 470,000.00	\$ 70,500.00
Community Ventures Corporation	KYCSP	\$ 1,604,500.00	\$ 60,000.00
Citizens National Bank of Paintsville	KYCSP	\$ 260,000.00	\$ 52,000.00
Traditional Bank	KYCSP	\$ 500,000.00	\$ 90,000.00
MainSource Bank	KYCSP	\$ 285,000.00	\$ 57,000.00
Community Ventures Corporation	KYCSP	\$ 504,027.00	\$ 37,801.00
Community Ventures Corporation	KYCSP	\$ 177,110.00	\$ 15,750.00
Kentucky Bank	KYCSP	\$ 1,230,000.00	\$ 184,500.00
MACED	KYCSP	\$ 100,000.00	\$ 20,000.00
First Harrison Bank	KYCSP	\$ 1,450,000.00	\$ 290,000.00
Community Financial Services Bank	KYCSP	\$ 468,230.78	\$ 88,000.00
Traditional Bank	KYCSP	\$ 1,607,905.79	\$ 211,543.20
MainSource Bank	KYCSP	\$ 40,000.00	\$ 8,000.00
MainSource Bank	KYCSP	\$ 700,000.00	\$ 140,000.00
Community Ventures Corporation	KYCSP	\$ 410,500.00	\$ 33,656.00
Citizens National Bank of Paintsville	KYCSP	\$ 525,000.00	\$ 105,000.00
MainSource Bank	KYCSP	\$ 170,500.00	\$ 34,100.00
MainSource Bank	KYCSP	\$ 100,000.00	\$ 20,000.00
First Citizens Bank	KYCSP	\$ 4,364,000.00	\$ 450,000.00
Fifth Third Bank	KYCSP	\$ 2,530,000.00	\$ 249,000.00
KHIC	KYCSP	\$ 250,000.00	\$ 10,000.00
Citizens National Bank of Paintsville	KYCSP	\$ 149,000.00	\$ 29,800.00
MainSource Bank	KYCSP	\$ 175,000.00	\$ 26,250.00
KHIC	KYCSP	\$ 150,000.00	\$ 25,600.00
Fifth Third Bank	KYCSP	\$ 725,000.00	\$ 72,500.00

Country Boy Brewing, LLC & CBB Properties, LLC (equipment loan)
 Kenneth A. Bell, Inc.
 KJKJ, LLC
 Hildreth Brothers, LLC
 Mahalaxmi Host, LLC and Radha Ventures, LLC
 Kentucky River Community Care, Inc. (project #2)
 Sterling Physical Therapy & Associates, P.S.C.
 Great Flood Holdings, LLC
 Hicks-Blaydes Farm, LLC
 Affordable Signs & Apparel, LLC
 Christon Enterprises, Inc. d/b/a Isom IGA
 Whitaker Group, LLC
 Whitaker Group II, LLC
 McClure's Auto Parts, Inc.
 High Performance Computer Services LLC
 Mirissia Duncil and Miles Duncil
 Hillview Property Management, LLC
 RHLasher/BGC Properties, LLC (The Big Green Cow, Inc.)
 DHN Midland, LLC
 Optimum Fitness, LLC
 Kentucky River Community Care, Inc. (project #3)
 Logan Corporation
 Lee's Ford Dock, Inc.
 Tackett Enterprises, LLC
 B&D Cleaning, LLC
 The Law Offices of John Thompson, PLLC
 GBC Enterprises, LLC
 Dalton Development Company Limited Liability Company (project #1)
 Addiction Recovery Care, LLC (project #1)
 Dalton Development Company Limited Liability Company (project #2)
 5454 LLC
 Faith Holdings LLC
 SNEAK Properties, LLC
 Drs. Burch, Renshaw, Wix & Associates, P.S.C.
 Parker Lilly Holdings, LLC
 The B Hive Child Care Academy Limited Liability Company
 Crum Funeral Home LLC
 Philip Sharp LLC
 Marikka's Restaurant, Inc.
 TVC Holdings LLC
 East End Foot, LLC
 Zinky's Dog Care, LLC
 May and Lee Management, LLC
 Robert Leon Allen
 Addiction Recovery Care, LLC (project #2)
 AAA CNC Milling Center LLC
 Alley Land Company
 True North Properties, LLC
 PEARCE Group LLC
 Hopland Ventures, LLC
 Wentz Holdings, LLC
 Highland Property Group LLC
 AEK Transport Services LLC
 Dalton Development Company Limited Liability Company (project #3)
 BBY Management Group LLC
 Narrow Gate Properties, LLC
 Capitol Brewing Company, PBC
 F&B Properties LLC
 Affordable Granite & Marble Co. LLC
 PMAK, LLC (project #3)
 Sav's Grill, LLC
 Kentucky Rural Health Information Technology Network, Inc. (dba Horizon Health)
 BWH Land Company, LLC
 Pearly Gates JV L.L.C.
 Unstoppable Faith LLC
 Parker Farm Supply, LLC
 OC Brannon Crossing, LLC
 153 LLC

Traditional Bank	KYCSP	\$	2,997,438.00	\$	346,716.00
Fifth Third Bank	KYCSP	\$	334,988.36	\$	66,997.00
Fifth Third Bank	KYCSP	\$	578,106.63	\$	91,306.00
Franklin Bank & Trust Company	KYCSP	\$	400,000.00	\$	80,000.00
Traditional Bank	KYCSP	\$	1,250,000.00	\$	250,000.00
Citizens National Bank of Paintsville	KYCSP	\$	673,000.00	\$	134,600.00
The Citizens Bank	KYCSP	\$	467,000.00	\$	75,000.00
Republic Bank & Trust	KYCSP	\$	500,000.00	\$	100,000.00
Kentucky Bank	KYCSP	\$	600,913.40	\$	58,930.00
United Citizens Bank & Trust	KYCSP	\$	48,000.00	\$	9,000.00
MACED	KYCSP	\$	468,000.00	\$	83,600.00
MACED	KYCSP	\$	655,000.00	\$	105,000.00
MACED	KYCSP	\$	262,000.00	\$	52,400.00
MACED	KYCSP	\$	560,000.00	\$	112,000.00
Citizens National Bank of Paintsville	KYCSP	\$	338,080.00	\$	62,500.00
First National Bank of Grayson	KYCSP	\$	205,000.00	\$	41,000.00
Citizens First Bank	KYCSP	\$	488,000.00	\$	96,000.00
Traditional Bank	KYCSP	\$	1,322,840.00	\$	132,284.00
First Harrison Bank	KYCSP	\$	1,167,500.00	\$	225,000.00
United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	1,000,000.00	\$	200,000.00
SKED	KYCSP	\$	575,000.00	\$	80,000.00
Community Trust Bank	KYCSP	\$	974,000.00	\$	194,800.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	232,000.00	\$	46,400.00
Community Ventures Corporation	KYCSP	\$	37,500.00	\$	7,500.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	78,662.00	\$	15,732.00
Republic Bank & Trust	KYCSP	\$	2,822,500.00	\$	360,000.00
Fifth Third Bank	KYCSP	\$	243,000.00	\$	27,000.00
MACED	KYCSP	\$	150,000.00	\$	16,000.00
Fifth Third Bank	KYCSP	\$	375,208.00	\$	75,041.60
First Harrison Bank	KYCSP	\$	144,100.00	\$	15,851.00
First Harrison Bank	KYCSP	\$	3,120,000.00	\$	456,000.00
Stock Yards Bank	KYCSP	\$	4,200,000.00	\$	798,000.00
Republic Bank & Trust	KYCSP	\$	1,907,637.00	\$	250,000.00
Fifth Third Bank	KYCSP	\$	690,000.00	\$	69,000.00
United Citizens Bank & Trust	KYCSP	\$	97,380.00	\$	9,738.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	750,000.00	\$	150,000.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	300,000.00	\$	53,000.00
Traditional Bank	KYCSP	\$	3,641,565.00	\$	461,140.00
First Harrison Bank	KYCSP	\$	610,000.00	\$	120,000.00
First Harrison Bank	KYCSP	\$	615,000.00	\$	108,309.00
Citizens First Bank	KYCSP	\$	189,230.00	\$	37,000.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	1,100,000.00	\$	220,000.00
Monticello Banking Company	KYCSP	\$	87,500.00	\$	17,500.00
MACED	KYCSP	\$	500,000.00	\$	100,000.00
First Harrison Bank	KYCSP	\$	330,000.00	\$	36,000.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	768,000.00	\$	88,200.00
Fifth Third Bank	KYCSP	\$	120,000.00	\$	24,000.00
Fifth Third Bank	KYCSP	\$	230,000.00	\$	46,000.00
South Central Bank	KYCSP	\$	99,000.00	\$	15,600.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	845,953.00	\$	169,190.00
Fifth Third Bank	KYCSP	\$	1,400,000.00	\$	200,000.00
Community Ventures Corporation	KYCSP	\$	85,000.00	\$	17,000.00
Fifth Third Bank	KYCSP	\$	338,500.00	\$	67,700.00
Traditional Bank	KYCSP	\$	2,017,000.00	\$	188,000.00
Fifth Third Bank	KYCSP	\$	3,625,000.00	\$	360,000.00
Traditional Bank	KYCSP	\$	130,000.00	\$	26,000.00
Traditional Bank	KYCSP	\$	1,600,000.00	\$	142,500.00
First Harrison Bank	KYCSP	\$	230,000.00	\$	45,000.00
Fifth Third Bank	KYCSP	\$	624,500.00	\$	62,450.00
Traditional Bank	KYCSP	\$	525,000.00	\$	96,200.00
Forcht Bank	KYCSP	\$	50,000.00	\$	10,000.00
Citizens Bank of Kentucky, Inc.	KYCSP	\$	205,000.00	\$	41,000.00
First Harrison Bank	KYCSP	\$	939,964.00	\$	120,000.00
First Harrison Bank	KYCSP	\$	843,755.00	\$	166,751.00
United Citizens Bank & Trust	KYCSP	\$	472,000.00	\$	25,400.00
Fifth Third Bank	KYCSP	\$	1,500,000.00	\$	150,000.00
First Harrison Bank	KYCSP	\$	496,764.00	\$	97,853.00
TOTAL CLOSED FUNDS		\$	111,322,659.27	\$	14,218,093.99

Paid Off/Recyclable Funds

NucSafe, Inc. / NucSafe Instruments, Inc.
 M&M Partners (project #2)

SKED	KYCSP	\$	2,000,000.00	\$	100,000.00
Community Trust Bank	KYCSP	\$	51,442.00	\$	10,000.00

Eastern Telephone & Technologies
 OB Holdings, LLC (Ocean Breeze)
 The RF Group, LLC DBA Simply the Best Sports Bar & Grill
 Indatus
 Sunny Deals, LLC
 Wreck-A-Mend Auto Restoration, LLC
 Vest Fabrication & Certified Welding, LLC
 Grace Coffee, Café, Bakery, LLC
 Land of Tomorrow Productions, LLC
 Lincoln Manufacturing USA, LLC
 Lincoln Manufacturing USA, LLC
 H & S Distributing, LLC
 BCM JR WR LLC/Elevation Management Group, LLC
 J and L Lyle, Inc. Project #2
 Carnage Outdoor Gear, LLC
 K&G Bear Creek Retreat/Montgomery Wildness/KY Antler
 Tim and Bonita Butler
 ROR, LLC/Stepping Stones For Children, Inc.
 Maynard Studios
 Benjamin Watts/William & Kathy Watts/Wattsy's House of Iron
 J and L Lyle, Inc. Project #1
 Fit Bodies, Inc.
 Big Red Burritos, LLC
 Walnut Specialists Incorporated
 JSB Industrial Solutions, Inc.
 Lee's Ford Wine & Spirit Shoppe, LLC
 Palate Restaurant Group, LLC
 Grace Community Health Center
 Geoffrey & Angel Knight/Knights Transportation Services
 H.B. Molding
 Skidaddles, Inc.
 LES Workout, LLC
 JC Brewer Construction, Inc.
 Clark County Veterinary Clinic, INC. Jeff and Kim Castle
 Austin Enterprises Incorporated
 HC Matthews
 212 Wayne Drive LLC, dba LaFontaine Preparatory School, LLC
 All Type Supply, LLC
 CGS Machine & Tool, Inc.
 Stardust Holdings, LLC & Stardust Ventures, LLC
 Godi Corporation
 Cosmic Cheer and Tumble LLC
 Superior Expeditors LLC (project #1)
 AU Associates, Inc.
 Starlite, LLC
 Eastman Law Office, PSC
 Mountain Music Exchange, LLC
 J & H Mcglone LLC dba Kees Farm Services & Supply, LLC - project #1
 J & H Mcglone LLC dba Kees Farm Services & Supply, LLC - project #2
 Empress Properties, LLC
 D & M Contracting, Inc.
 Tilted Tulip, LLC
 Purley Enterprises, Inc. (project #1)
 Purley Enterprises, Inc. (project #2)
 Miller Insulation, LLC/Andrew & Eli Miller
 My Visual Package, LLC
 Paducah Pizza Bakers, LLC
 Country Boy Brewing, LLC & CBB Properties, LLC (construction loan)
 G&M Investments, LLC
 Best Tyler, LLC
 Mike Combs, Inc. dba Concrete Craft of Lexington
 Auto Wash USA, LLC
 Hospitality Resources, LLC
 Women First, PLLC
 Durbin Super Bowl, LLC
 Invictus 2468, LLC
 breathe, LLC
 M&M Partners (project #1)

MACED	KYCSP	\$	275,000.00	\$	9,500.00
Community Trust Bank	KYCSP	\$	386,086.50	\$	47,250.00
The Commercial Bank of Grayson	KYCSP	\$	151,274.27	\$	30,000.00
PNC Bank	KYCSP	\$	8,700,000.00	\$	1,000,000.00
MainSource Bank	KYCSP	\$	25,000.00	\$	5,000.00
United Southern Bank	KYCSP	\$	94,500.00	\$	14,250.00
Kentucky Bank	KYCSP	\$	40,000.00	\$	4,000.00
Community Ventures Corporation	KYCSP	\$	75,000.00	\$	15,000.00
South Central Bank	KYCSP	\$	-	\$	326.05
Commercial Bank	KYCSP	\$	7,245,000.00	\$	449,000.00
Commercial Bank	KYCSP	\$	2,800,000.00	\$	280,000.00
Wilson & Muir Bank & Trust Co.	KYCSP	\$	104,000.00	\$	19,400.00
United Southern Bank	KYCSP	\$	480,000.00	\$	96,000.00
Kentucky Bank	KYCSP	\$	29,000.00	\$	5,220.00
Paducah Bank & Trust	KYCSP	\$	90,522.00	\$	18,000.00
Kentucky Farmers Bank	KYCSP	\$	-	\$	11,582.47
Citizens First Bank	KYCSP	\$	140,000.00	\$	26,000.00
Kentucky Bank	KYCSP	\$	-	\$	151,969.11
Community Trust Bank	KYCSP	\$	165,750.00	\$	24,862.50
United Citizens Bank & Trust	KYCSP	\$	50,000.00	\$	10,000.00
Kentucky Bank	KYCSP	\$	35,000.00	\$	6,300.00
Fifth Third Bank	KYCSP	\$	211,000.00	\$	26,954.00
Fifth Third Bank	KYCSP	\$	25,000.00	\$	5,000.00
KHIC	KYCSP	\$	150,000.00	\$	30,000.00
MACED	KYCSP	\$	550,000.00	\$	50,000.00
Community Trust Bank	KYCSP	\$	350,000.00	\$	70,000.00
Traditional Bank	KYCSP	\$	1,175,000.00	\$	120,000.00
Forcht Bank	KYCSP	\$	-	\$	21,000.00
South Central Bank	KYCSP	\$	225,000.00	\$	45,000.00
Huntington Bank	KYCSP	\$	40,000.00	\$	1,200.00
Huntington National	KYCSP	\$	65,306.12	\$	1,902.12
Citizens First Bank	KYCSP	\$	1,098,920.00	\$	49,672.00
Citizens First Bank	KYCSP	\$	251,200.00	\$	50,000.00
Kentucky Bank	KYCSP	\$	680,823.58	\$	24,800.00
Kentucky Bank	KYCSP	\$	242,000.00	\$	48,400.00
Citizens First Bank	KYCSP	\$	444,900.00	\$	69,101.00
MACED	KYCSP	\$	355,000.00	\$	69,000.00
Citizens Deposit Bank	KYCSP	\$	181,868.00	\$	36,000.00
Franklin Bank & Trust Company	KYCSP	\$	1,440,000.00	\$	248,000.00
KHIC	KYCSP	\$	1,800,000.00	\$	250,000.00
Fifth Third Bank	KYCSP	\$	908,000.00	\$	60,000.00
First National Bank of Grayson	KYCSP	\$	239,000.00	\$	29,850.00
SKED	KYCSP	\$	75,000.00	\$	13,800.00
Community Ventures Corporation	KYCSP	\$	471,919.11	\$	45,855.00
Kentucky Bank	KYCSP	\$	-	\$	26,576.00
MainSource Bank	KYCSP	\$	91,000.00	\$	18,200.00
MACED	KYCSP	\$	50,000.00	\$	10,000.00
First National Bank of Grayson	KYCSP	\$	366,000.00	\$	26,700.00
First National Bank of Grayson	KYCSP	\$	50,000.00	\$	10,000.00
Republic Bank & Trust	KYCSP	\$	1,200,000.00	\$	150,000.00
MACED	KYCSP	\$	100,000.00	\$	16,000.00
MACED	KYCSP	\$	305,000.00	\$	49,000.00
Kentucky Bank	KYCSP	\$	147,500.00	\$	29,500.00
Kentucky Bank	KYCSP	\$	317,355.00	\$	57,471.00
South Central Bank of Hardin County, Inc.	KYLPP	\$	85,000.00	\$	17,000.00
South Central Bank	KYCSP	\$	30,000.00	\$	3,000.00
Paducah Bank & Trust	KYCSP	\$	1,660,000.00	\$	132,800.00
Traditional Bank	KYCSP	\$	2,950,000.00	\$	250,000.00
Paducah Bank & Trust	KYCSP	\$	350,000.00	\$	35,000.00
Wilson & Muir Bank & Trust Co.	KYCSP	\$	279,000.00	\$	48,000.00
Community Ventures Corporation	KYCSP	\$	20,000.00	\$	4,000.00
Whitaker Bank	KYCSP	\$	1,331,688.00	\$	60,000.00
United Cumberland Bank	KYCSP	\$	5,705,000.00	\$	342,300.00
First National Bank of Grayson	KYCSP	\$	335,000.00	\$	67,000.00
Fifth Third Bank	KYCSP	\$	2,125,000.00	\$	285,000.00
Fifth Third Bank	KYCSP	\$	875,000.00	\$	175,000.00
Community Ventures Corporation	KYCSP	\$	57,000.00	\$	10,000.00
Community Trust Bank	KYCSP	\$	95,612.00	\$	18,800.00
TOTAL PAID OFF/RECYCLABLE FUNDS		\$	52,442,666.58	\$	5,540,541.25

Transfer of Paid Off/Recyclable Funds

KEDFA Grant Program	\$	1,330,000.00
	\$	1,330,000.00

Claims Paid

Land of Tomorrow Productions, LLC	South Central Bank	KYCSP	\$	250,000.00	\$	49,673.95
K&G Bear Creek Retreat/Montgomery Wildness KY Antler	Kentucky Farmers Bank	KYCSP	\$	3,353,745.85	\$	388,417.53
TOTAL CLAIMS PAID			\$	3,603,745.85	\$	438,091.48

Approved

Green Solutions Landcare, LLC	Monticello Banking Company	KYCSP	\$	1,309,000.00	\$	250,000.00
		TOTAL APPROVED FUNDS	\$	1,309,000.00	\$	250,000.00

TOTAL CLOSED, PAID OFF/RECYCLABLE, CLAIMS PAID & APPROVED		\$	168,678,071.70	\$	20,446,726.72
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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
 PMAK, LLC (project #2)
 Grassroots Pharmacy, PLLC - Project #2
 Grassroots Pharmacy, PLLC - Project #1
 Robby Shell and Renae Shell
 2nd Star, LLC dba Something 2 Do
 Melissa J Stamper and Thomas Stamper dba Got Roots Hair Salon
 SGCE LLC
 Fairview Eye Care Real Estate, LLC
 Hickory & Oak, LLC
 Robert Leon Allen - Project #1
 Haney Enterprises LLC
 Superior Expeditors LLC (project #2)
 ShellTech LLC - project #1
 JCSB LLC (William M Cornett Inc.)
 Revelry Boutique Gallery, LLC
 ShellTech LLC (project #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
KHIC	KYCSP	\$	980,000.00	\$	20,000.00
MACED	KYCSP	\$	250,000.00	\$	50,000.00
Kentucky Bank	KYCSP	\$	150,000.00	\$	30,000.00
Fifth Third Bank	KYCSP	\$	700,000.00	\$	63,000.00
Central Bank & Trust	KYCSP	\$	75,000.00	\$	15,000.00
Central Bank & Trust	KYCSP	\$	170,000.00	\$	34,000.00
Community Ventures Corporation	KYCSP	\$	299,000.00	\$	12,000.00
Community Ventures Corporation	KYCSP	\$	50,000.00	\$	10,000.00
Community Ventures Corporation	KYCSP	\$	30,300.00	\$	4,000.00
Fifth Third Bank	KYCSP	\$	162,000.00	\$	16,200.00
Republic Bank & Trust	KYCSP	\$	2,500,000.00	\$	100,000.00
Franklin Bank & Trust Company	KYCSP	\$	750,000.00	\$	150,000.00
Monticello Banking Company	KYCSP	\$	92,500.00	\$	18,500.00
Citizens Deposit Bank	KYCSP	\$	59,864.52	\$	11,972.00
SKED	KYCSP	\$	150,000.00	\$	27,000.00
SKED	KYCSP	\$	650,000.00	\$	117,000.00
First Harrison Bank	KYCSP	\$	197,000.00	\$	34,400.00
First Harrison Bank	KYCSP	\$	685,000.00	\$	135,000.00
KHIC	KYCSP	\$	1,875,000.00	\$	184,005.00
TOTAL APPROVED BUT WITHDRAWN		\$	12,292,139.52	\$	1,481,135.20

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

Fund Used By Program	Total Project		KSBCI Support Amount
		Amounts	
KYLPP	\$	6,720,147.16	\$ 271,029.40
KYCSP	\$	161,852,618.42	\$ 20,172,595.20
KYCAP	\$	105,306.12	\$ 3,102.12
	\$	168,678,071.70	\$ 20,446,726.72

MEMORANDUM

TO: KEDFA Board Members

FROM: Katie Smith, Commissioner 
Department for Financial Services

DATE: January 30, 2020

SUBJECT: Updated Local Industrial Revenue Bond Operating Procedures

Kentucky Revised Statute (KRS) 103.210 requires the Kentucky Economic Development Finance Authority (KEDFA) to evaluate and give its prior approval of the reduction of the state ad valorem tax rate on property being financed through the issuance of industrial revenue bonds by a local tax-exempt governmental unit or statutory authority. KEDFA has adopted and periodically updates the Operating Procedures for the evaluation and approval of the reduced ad-valorem taxes.

The attached redline version of the Operating Procedures includes minor edits and incorporates language clarifying the requirement of a Payment in lieu of Taxes (PILOT) agreement including 100% payment of the school tax to the local school district(s).

Staff recommends approval of the revised Operating Procedures.

Just the Facts:

Industrial Revenue Bonds (IRB)

Operating Procedures

Adopted by the Kentucky Economic Development Finance Authority on 6/27/2002-June 27, 2002; Revised 01/12/2004; Revised 04/29/2004; Revised 12/02/2004; Revised 05/26/2005; Revised 08/04/2006; Revised 7/25/2013; and Revised 1/30/2020.

The Kentucky Economic Development Finance Authority adopted operating procedures for the evaluation and approval of reduced ad-valorem taxes related to the issuance of industrial revenue bonds by local governmental entities under KRS 103.210.

KRS 103.210 requires the Kentucky Economic Development Finance Authority (KEDFA) to evaluate and give its prior approval of the reduction of the state ad valorem tax rate on property being financed through the issuance of industrial revenue bonds by a local tax-exempt governmental unit or statutory authority when the following occur:

- the structure of the proposed bond issue will require that all or part of the financed industrial project be leased from the tax-exempt governmental unit or statutory authority, and
- the ad valorem tax on the industrial project will be reduced as provided by KRS 132.020.

Under this legislation, KEDFA is required to adopt operating procedures governing its review and evaluation of the above-described industrial revenue bond issues for the purpose of determining whether a reduction in the ad valorem tax should be approved.

Eligibility and Application Process

KEDFA shall only review the reduction of the state ad valorem tax rate on property being financed through industrial revenue bond issues of local tax-exempt governmental units and statutory authorities where the issuing entity adopted with respect to the issuance of such bonds the following action on or after July 15, 2002: a) an inducement or similar resolution, b) municipal order, or c) an authorizing resolution or ordinance in the event that the adoption of an inducement or similar resolution or municipal order is not necessary. KEDFA review and approval of any such industrial revenue bond issues is not required if the issuing entity has adopted an inducement or similar resolution or municipal order prior to July 15, 2002, even if the issuing entity adopts an authorizing resolution or ordinance with respect to the issuance of such bonds on or after July 15, 2002.

KEDFA shall only approve or disapprove the reduction of the state ad valorem tax rate on property being financed through the issuance of industrial revenue bonds by a local tax-exempt governmental unit or statutory authority when:

- it is anticipated that the original principal amount of the proposed bond issue will exceed \$500,000,
- the structure of the bond issue contemplates that all or a portion of the bond financed facility or equipment will be leased from the local tax-exempt governmental unit or statutory authority to a company,
- the local tax-exempt governmental unit or statutory authority anticipates a reduction of the ad valorem tax as authorized by KRS 132.020, and

- the local tax-exempt governmental unit or statutory authority adopted an inducement resolution/municipal order on or after July 15, 2002.

For industrial projects interested in the reduction of the state ad valorem tax as provided by KRS 132.020, the local tax-exempt governmental unit or statutory authority and the company requesting the issuance of industrial revenue bonds shall submit a joint application to KEDFA using the most recent application form. The joint application shall be submitted a minimum of forty-five (45) days prior to the anticipated date of issuance of the industrial revenue bonds by the local tax-exempt governmental unit or statutory authority. The joint application shall be accompanied by (a) a certified copy of the local tax-exempt governmental unit or statutory authority's inducement resolution/municipal order or, if no inducement is required, a resolution/ordinance authorizing the issuance of the industrial revenue bonds for the particular industrial project; and (b) a five hundred dollar (\$500) non-refundable application fee paid either by the issuer or the company on whose behalf the industrial revenue bonds are to be issued.

Evaluation Criteria and Conditions

The following criteria shall be considered by KEDFA when evaluating a request for the reduction in the ad valorem tax imposed on projects being financed pursuant to KRS 103.200 to 103.285:

- The number of existing full-time jobs committed to be retained and the number of new, full-time jobs committed to be created by the company for which the bonds are to be issued. Full-time job shall be defined as a position filled by an employee (excluding contract or part-time employees) that the company projects will work, on an annual basis, one thousand eight hundred and twenty (1,820) hours;
- The average salary committed to be paid for each full-time job created or maintained and the employee benefits to be offered by the company requesting the issuance of the industrial revenue bonds;
- The amount of capital investment being made by the company in the industrial project that is being financed by the industrial bonds;
- The unemployment rate in the county of the industrial project;
- The state tax incentive programs and grant/loan programs that the company is either seeking to or in which it is participating for the particular industrial project;
- Whether the proposed project would be eligible to participate in a tax incentive or grant/loan program offered under KRS Chapters 154 or 148;
- Whether the new project is a relocation of an existing Kentucky business;
- The new tax revenues which the company and the local tax-exempt governmental unit or statutory authority anticipates will be produced by the industrial project over the life of the bond issue;
- The approximate amount and percentage of the state and local ad valorem taxes which will be lost as a result of the applicant company leasing all or a portion of the industrial project from the local tax-exempt governmental unit or statutory authority; and
- The documentation provided by the company and the local tax-exempt governmental unit or statutory authority (i.e., resolutions, Payment In Lieu of Tax (PILOT) Agreement, etc.) which demonstrates local support of the industrial revenue bond financing by all governmental entities affected by the proposed bond issue.

As a condition of approval of the proposed bond issuance, KEDFA may require the execution and delivery of a PILOT Payment in Lieu of Taxes Agreement, by and among the company, KEDFA, the Department of Revenue and if necessary, the issuer, which Agreement will offset, in whole or in part, the portion of the ad valorem taxes that the state will lose as a result of the applicant company leasing

all or a portion of the industrial project from the local tax-exempt governmental unit or statutory authority. Additionally, KEDFA will require a PILOT Agreement to include 100% payment of the school tax to the local school district(s).

When reviewing a specific bond financed industrial project, KEDFA shall review and consider the total incentives that have been awarded to the industrial project under other programs. Upon recommendation of the Commissioner of the Department for Business Development upon the recommendation of the Secretary of the Cabinet, KEDFA may elect to reduce the amount of tax credits and/or wage assessment benefits previously approved under KRS Chapter 154 for the subject industrial project.

KEDFA Review, Approval and Reporting to the Department of Revenue

KEDFA shall evidence its approval or disapproval of the reduced state ad-valorem tax rate-proposed bond issue through the adoption of a resolution. and, if KEDFA is requiring a Payment in Lieu of Taxes Agreement, tThe resolution shall also include the PILOT Agreement requirementsapprove such Agreement and authorize the appropriate officials of KEDFA to negotiate the terms of and execute such Agreement. if required. A copy of this KEDFA resolution shall be sent to the applicant company, the local tax-exempt governmental unit or statutory authority issuing the industrial revenue bonds and the Department of Revenue upon receipt of the fully executed PILOT Agreement.

In order to facilitate the enforcement of KRS 103.210 and KRS 132.020 by local Property Valuation Administrators, KEDFA shall send a quarterly report to the Department of Revenue of all industrial revenue bond issues reviewed by KEDFA pursuant to KRS 103.210 and KRS 132.020 during the previous quarter.

Fees

There is a \$500 non-refundable application fee payable upon submission of an application for local issue IRBs seeking approval by KEDFA of the reduction in the state property tax rate.

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To learn more, contact:
Katie Smith
Katie.Smith@ky.gov
Phone: (502) 782-1987
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