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: February 21, 2020

SUBJECT: **KEDFA Board Meeting**

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, February 27, 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
February 27, 2020

Call to Order
Notification of Press
Roll Call

Minutes

Minutes from January 30, 2020 Regular KEDFA Board Meeting

Reports

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

KEDFA IRB Project (Refinance) — Debbie Phillips

Christian Care Communities, Inc. Obligated Group

KBI Project (Modification) — Michelle Elder

DAE-IL USA, Inc.	Calloway	

KEIA Project (Modification) — Bobby Aldridge

Bespoke Ventures and Investments, LLC	Grant	

KBI Projects (Amendment) — Bobby Aldridge

RxC Acquisition Company dba RxCrossroads (#18413)	Jefferson	
RxC Acquisition Company dba RxCrossroads (#19528)	Jefferson	

KEIA Project (Amendment) — Bobby Aldridge

DAE-IL USA Inc.	Calloway	

KEIA Projects (Extension) — Bobby Aldridge

Vanderbilt Chemicals, LLC	Calloway	
Hansens Aluminum Extrusion LLC	Henderson	
Kobe Aluminum Automotive Products, LLC	Warren	

KBI Projects (Preliminary) & KEIA Projects

T. Marzetti Company	Hart	Andy Luttner / Michelle Elder
T. Marzetti Company	Hart	

CROWN Cork and Seal USA, Inc.	Warren	Andy Luttner / Debbie Phillips
CROWN Cork and Seal USA, Inc.	Warren	

KBI Projects (Preliminary)

STEP CG, LLC	Kenton	Brittany Cox / Debbie Phillips
Gentis Solutions, LLC	Kenton	Brittany Cox / Michelle Elder
AtCorr Packaging Products, LLC	Barren	Andy Luttner / Michelle Elder
Envision Modular LLC	Hancock	Andy Luttner / Michelle Elder
ViWinTech Window & Door, Inc.	McCracken	Andy Luttner / Michelle Elder

KBI Projects (Extension) — Michelle Elder

Duro Hilex Poly LLC	Boone
Whitworth Tool, Inc.	Breckinridge
Alltech, Inc.	Jessamine
Cuddle Clones LLC	Jefferson
Information Capture Solutions LLC	Laurel
PharmaCord LLC	Jefferson
Vita-Stat LLC	Jefferson

KBI Projects (Final) — Debbie Phillips

Denyo Manufacturing Corporation	Boyle
Frost-Arnett Company	Taylor
TTA, LLC	Jefferson
Mobile Marketing Solutions, Inc. dba Brewco Marketing Group	Muhlenberg
RxC Acquisition Company dba RxCrossroads	Jefferson
The Webstaurant Store, Inc.	Hopkins

KSBTC — Tim Back

B & C Industries, Inc.	Pulaski
Consultant Solutions, Incorporated	Fayette
First Saturday Real Estate LLC	Jefferson
Hometown Concrete, LLC	Boone
Hummingbird Nano, Inc.	Jessamine
Key Source Properties LLC	Jefferson
MosquitoMate, Inc.	Fayette
Volta Inc.	Franklin

Other Business

Closed Session

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING
January 30, 2020

MINUTES

Call to Order
The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:03 a.m. EST on January 30, 2020, 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, Winston Miller, proxy for Secretary Holly M. Johnson, Tucker Ballinger, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Bobby Aldridge, Tim Back, Sarah Butler, Rachael Dever, Michelle Elder, Tony Ellis, Annie Franklin, Krista Harrod, Jim Kirk, Zach Lawrence, Andy Luttner, Brandon Mattingly, Kate McCane, Sean Muldoon, Kylee Palmer, Debbie Phillips, Katie Smith, Teresa Spreitzer and Jeff Taylor

Others Present: Jim Deckard, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Adam Ray, Brown & Kubican; Tom Mayhal, Centrality; Katherine Utsinger, City of Ashland; Casey Bolton, Commonwealth Economics; Casey Dunn, Denham-Blythe; Billy Aldridge, Finance & Administration Cabinet, Office of Financial Management; Jeff Hodges, Gray Construction; Eric Gregory, Kentucky Distillers' Association; John McCarty, Lexington Capital Advisors; Zeeshan Bhatti and Sara Bowman, Louisville Forward; Sierra Enlow, McGuire Sponsel; Sandy Romenesko, Mt. Sterling-Montgomery County Chamber of Commerce; Matt Zoellner, Scott, Murphy & Daniel; and Steve Kleug and Chris Nicolazzo, Wastequip, LLC

Approval of Minutes
Chairman Hale entertained a motion to approve the minutes from the December 12, 2019 regular KEDFA board meeting and executive session.

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 Ms. Palmer to present a TIF project for final approval to the Authority.

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

Ms. Palmer stated Ashland Plaza Redevelopment Project is a Mixed-Use Redevelopment in Blighted Urban Areas TIF project. The development is expected to include renovation of the current Ashland Plaza Hotel, construction of new public parking structure and conference center, downtown streetscape and utility improvements, renovation of old college building at 1420 Central Avenue to residential units and renovation of 4-story building at 15th and Winchester. The construction is estimated to be completed by Spring 2021.

The applicant, City of Ashland Department of Finance, requested final approval of the Ashland Plaza Redevelopment Project Mixed-Use Redevelopment in Blighted Urban Areas TIF project. The total estimated cost of the project is $43,450,000 of which approximately $12,750,000 is estimated for eligible public infrastructure. The applicant is eligible to recover a negotiated tax incentive amount up to $6,800,000 for public infrastructure through a 45% recovery on sales and real estate property taxes. Only amounts deemed as eligible public infrastructure costs 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.

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.

Staff recommended final approval of the negotiated tax incentive amount of up to $6,800,000.

Ms. Palmer introduced Katherine Utsinger and Casey Bolton and invited them to address the board regarding the project.

J. Don Goodin moved to approve the staff recommendation, as presented; Tucker Ballinger seconded the motion. Motion passed; unanimous.

Tax Increment Financing (TIF) Project (Extension)

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

West Kentucky Rural Telephone Cooperative Corporation, Inc.
Graves County

Ms. Palmer stated the applicant requested a 6-month extension to determine next steps for the WKT Technology Park Project TIF.

Staff recommended approval of the TIF extension request.

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

Kentucky Rural Economic Development Act (KREDA) Project (Amendment)

Chairman Hale called on Mr. Aldridge to present a KREDA project amendment to the Authority.

Sun Pools, Inc.
Clinton County

Mr. Aldridge stated due to an asset sale, Sun Fiberglass Products of Kentucky, Inc. requested 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 recommended approval of the KBI amendment request.

Mr. Cowles moved to approve the staff recommendation, as presented; Mr. Miller 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 eight companies requested additional time to complete the projects. Mr. Aldridge asked that all eight be presented as one motion.

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

Staff recommended approval of the KEIA extension requests.

Mr. Ballinger 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.

Buffalo Trace Distillery, Inc. **Andy Luttner**
Franklin County **Michelle Elder**

Andy Luttner stated 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 to meet increased demand.

Michelle Elder stated the project investment is $8,500,000 of which $3,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of $100,000 for construction materials and building fixtures.

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

Logan Corporation **Zach Lawrence**
Magoffin County **Kate McCane**

Zach Lawrence stated Logan Corporation is both a mining supplier and a full-scale dump body manufacturer. The company is considering expanding its currect facility and adding another electrical service in order to increase its production.

Kate McCane stated the project investment is $1,230,000 of which $350,000 qualifies as KEIA eligible costs.

After discussion, staff recommended the KEIA approved recovery amount of $20,000 for construction materials and building fixtures.

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

Maker's Mark Distilllery, Inc. **Annie Franklin**
Marion County **Debbie Phillips**

Annie Franklin stated 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.

Debbie Phillips stated the project investment is $30,000,000 of which $9,000,000 qualifies as KEIA eligible costs.

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

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

KBI (Preliminary) and KEIA Projects

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

Green Bomber Kentucky, LLC **Annie Franklin**
Garrard County **Michelle Elder**

Ms. Franklin stated Green Bomber Kentucky, LLC was formed in December 2019 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.

Ms. Elder stated the project investment is $9,000,000 of which $4,200,000 qualifies as KBI eligible costs and $2,250,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 40 with an average hourly wage of $15.00 including benefits. The state wage assessment participation is 3.00% and Garrard County will participate at 1.00%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $400,000 and the KEIA approved recovery amount of $135,000 for construction materials and building fixtures.

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

JW Rutledge Distillery, LLC **Annie Franklin**
Woodford County **Michelle Elder**

Ms. Franklin stated 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.

Ms. Elder stated the project investment is $20,580,072 of which $15,690,402 qualifies as KBI eligible costs and $11,650,710 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 47 with an average hourly wage of $31.00 including benefits. The state wage assessment participation is 3.00% and the City of Midway will participate at 0.50% with Woodford County Fiscal Court participating at 0.50%.

After discussion, staff recommended preliminary approval of the KBI negotiated tax incentive amount of $1,000,000 and the KEIA approved recovery amount of $500,000 for construction materials and building fixtures.

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

Bluegrass Roller Service, Inc. **Jim Kirk**
Shelby County **Kate McCane**

Jim Kirk stated 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.

Ms. McCane stated the project investment is $3,875,000 of which $3,825,000 qualifies as KBI eligible costs and $2,100,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of $17.00 including benefits. The state wage assessment participation is 3.00% and the City of Shelbyville 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 $100,000 and the KEIA approved recovery amount of $50,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

Wastequip, LLC **Andy Luttner**
Montgomery County **Debbie Phillips**

Mr. Luttner stated 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.

Mr. Luttner introduced Sandy Romenesko, John McCarty, Steve Klueg and Chris Nicolazzo and invited them to address the board regarding the project.

Ms. Phillips stated the project investment is $7,283,020 of which $4,039,510 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of $27.00 including benefits. The state wage assessment participation is 5.00%. 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.

After discussion, staff recommended preliminary approval of the KBI negotiated tax incentive amount of $1,900,000.

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

CGS Machine & Tool, Inc. **Andy Luttner**
Warren County **Michelle Elder**

Mr. Luttner stated 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.

Ms. Elder stated the project investment is $2,750,000 of which $2,050,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of $26.00 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 $250,000.

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

S. Rays, Inc. **Annie Franklin**
Shelby County **Michelle Elder**

Ms. Franklin stated 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.

Ms. Franklin introduced Sierra Enlow and invited her to address the board on behalf of the project.

Ms. Elder stated the project investment is $464,300 of which $429,150 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 38 with an average hourly wage of $22.00 including benefits. The state wage assessment participation is 2.25% and the City of Simpsonville will participate at 0.25% with Shelby County Fiscal Court participating at 0.50%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

After discussion, staff recommended preliminary approval of the KBI negotiated tax incentive amount of $200,000.

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

Tokai Carbon GE LLC **Andy Luttner**
Fulton County **Michelle Elder**

Mr. Luttner stated 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 and fully serve the U.S. market.

Ms. Elder stated the project investment is $25,000,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of $29.00 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.

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

Mr. Cowles moved to approve the staff recommendation, as presented; Winston Miller 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 eleven companies requested additional time to complete the projects and asked that all eleven be presented as one motion.

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 recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

Ms. Phillips stated ten companies requested KBI final approval, five of which have modifications since preliminary approval. Ms. Phillips asked that all ten be presented as one motion.

No Modifications:

Project Name	County	Type Project
Carter Lumber Company	Warren	Manufacturing
CCBCC Operations, LLC	Kenton	Service & Technology
Fritz Winter North America LP	Simpson	Manufacturing
Gehret Gage, LLC	Simpson	Manufacturing
Lakeshore Equipment Company dba Lakeshore Learning Materials	Woodford	Service & Technology

Modifications:

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

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

Stark Truss Company, Inc. Simpson Manufacturing
The project changed from a leased project to an owned project. All other aspects of the project remain the same.

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

Toyota Tsusho America, Inc. Scott Manufacturing
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 toward 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.

After discussion, 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. Ballinger seconded the motion. Motion passed, unanimous.

Kentucky Reinvestment Act (KRA) Projects (Final)

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

Ms. Phillips stated the following KRA projects were being presented for final approval and asked that they presented as one motion.

Pilkington North America, Inc.
Woodford County
Ms. Phillips stated Pilkington North America, Inc. requested final approval of its project. There were no modifications to the project since preliminary approval.

The company currently has 305 full-time employees and has expended approximately $7,579,370 in equipment and related costs of which $3,789,685 are eligible costs. Pilkington North America, Inc. is eligible to receive the $700,000 negotiated tax incentive amount as preliminarily approved.

SFC Global Supply Chain, Inc.
Boone County
Ms. Phillips stated SFC Global Supply Chain, Inc. requested final approval of its project. There were no modifications to the project since preliminary approval.

The company currently has 339 full-time employees and has expended approximately $32,467,963 in equipment and related costs of which $16,233,982 are eligible costs. SFC Global Supply Chain, Inc. is eligible to receive the $2,500,000 negotiated tax incentive amount as preliminarily approved.

Staff recommended final approval of the KRA resolutions, revitalization agreements and the authorization to execute and deliver the documents.

Mr. Miller moved to approve the staff recommendation, as presented; Mr. Cowles 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 15 Kentucky small businesses, from 11 counties with qualifying tax credits of $149,600. The 15 businesses created 45 jobs and invested $286,049 in qualifying equipment and/or technology.

Mr. Back requested the following tax credits be presented as one motion:

Qualified Small Business	County	Beg. Emp.	Elig. Pos.	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit
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

Staff recommended approval of the tax credits.

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

Other Business

Quarterly Report - Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Ms. Palmer to review the KSBCI Quarterly Funding Report for the period ending December 31, 2019. After review, the Authority accepted the report as presented.

Revised Local Industrial Revenue Bonds (IRB) Operating Procedures

Chairman Hale called on Katie Smith to review the Revised IRB Operating Procedures for submission to the Authority.

Ms. Smith stated, 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 revisions to 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.

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

Adjournment

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

Mr. Goodin moved to adjourn the January KEDFA board meeting; Mr. Ballinger seconded the motion. Motion passed; unanimous.

The meeting adjourned 10:57 a.m.

APPROVED
PRESIDING OFFICER:

Jean R. Hale

Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED
1/31/2020

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
KEDFA LOANS					
None					
KEDFA GRANTS					
Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-21	$381,774
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
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

1/31/2020

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 1/31/20	OOE 1/31/20	COMBINED 1/31/20
ASSETS						
Cash & Accounts Receivable						
Operating Account	214,885.64	0.00	0.00	214,885.64	0.00	*214,885.64*
Cash	268,857.50	17,411,168.63	411,880.12	18,091,906.25	0.00	*18,091,906.25*
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	2,774,683.96	*2,774,683.96*
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	1,390,517.14	17,411,168.63	411,880.12	19,213,565.89	3,014,234.05	*22,227,799.94*
Accrued Interest Receivable						
Loans	25,047.78	1,105.35	0.00	26,153.13	0.00	*26,153.13*
Investments	254.91	18,292.74	428.61	18,976.26	0.00	*18,976.26*
Total Accrued Interest Receivable	25,302.69	19,398.09	428.61	45,129.39	0.00	*45,129.39*
Notes Receivable						
Loans Receivable	17,946,752.34	1,050,554.06	0.00	18,997,306.40	0.00	*18,997,306.40*
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	*(1,434,722.43)*
Total Notes Receivable	17,946,752.34	1,050,554.06	0.00	17,562,583.97	0.00	*17,562,583.97*
TOTAL ASSETS	*19,362,572.17*	*18,481,120.78*	*412,308.73*	*36,821,279.25*	*3,014,234.05*	*39,835,513.30*
DEFERRED OUTFLOWS OF RESOURCES:						
Deffered Outflows Pension				*1,893,000.00*	*0.00*	*1,893,000.00*
Deffered Outflows OPEB				*455,000.00*	*0.00*	*455,000.00*
LIABILITIES						
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						
Deffered Inflows Pension				*133,000.00*	*0.00*	*133,000.00*
Deffered Inflows OPEB				*147,000.00*	*0.00*	*147,000.00*
NET POSITION						
Beginning Balance				28,504,109.74	3,352,157.11	*31,856,266.85*
Current Year Undivided Profits				(1,096,582.53)	(337,923.06)	(1,434,505.59)
TOTAL NET POSITION				*27,407,527.21*	*3,014,234.05*	*30,421,761.26*

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 January 31, 2020

	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	15,879.54	1,818.36	0.00	0.00	122,544.79	130,984.81
Interest Income/ Investments	254.91	18,292.74	428.61	0.00	168,375.58	196,129.43
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	43,293.89	0.00	0.00	0.00	285,672.44	265,545.05
Miscellaneous Income	306.51	0.00	0.00	0.00	2,807.52	2,919.07
Total Operating Revenues - KEDFA	59,734.85	20,111.10	428.61	0.00	579,400.33	595,578.36
Operating Expenses - KEDFA						
Salaries	94,173.94				704,540.30	645,362.22
Employee benefits	100,279.27				753,327.65	662,557.46
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	9,570.24				87,306.81	103,315.23
Printing Services	0.00				50.00	
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	9.21
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	0.00				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	204,023.45	0.00	0.00	0.00	1,550,982.86	1,414,675.48
Income (Loss) from Operations - KEDFA	(144,288.60)	20,111.10	428.61	0.00	(971,582.53)	(819,097.12)
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	(144,288.60)	20,111.10	428.61	0.00	(1,096,582.53)	(572,131.91)
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)				(11,400.69)	(135,723.83)	(88,410.39)
Repayments received from Projects				47,800.77	47,800.77	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	36,400.08	(337,923.06)	(88,410.39)
CHANGE IN NET POSITION - COMBINED	(144,288.60)	20,111.10	428.61	36,400.08	(1,434,505.59)	(660,542.30)

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
1/31/2020

	1/31/2019	1/31/2020
Fund A Cash Balance	$1,591,189.97	$268,857.50
Less: Approved/Undisbursed		
Total Unobligated Balance	**$1,591,189.97**	**$268,857.50**
2003 Bond Fund Cash Balance	$16,870,573.20	$17,411,168.63
Less: Approved/Undisbursed	(2,461,774.00)	(906,774.00)
Total Unobligated Balance	**$14,408,799.20**	**$16,504,394.63**
Small Business Loan Fund Cash Balance	$404,468.40	$411,880.12
Less: Approved/Undisbursed		
Total Unobligated Balance	**$404,468.40**	**$411,880.12**
Bond Funds to be Provided for Loans		
Less: Approved/Undisbursed		
Total Unobligated Balance	**$0.00**	**$0.00**
Budget: Cash to be Transferred to Other CED Programs for	**$0.00**	**$0.00**
CASH AVAILABLE	**$16,404,457.57**	**$17,185,132.25**
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	$2,774,683.96
Less: Approved/Undisbursed	($654,624.00)	($592,186.42)
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	**$2,639,247**	**$2,422,048**
TOTAL ALL FUNDS	**$19,043,704.25**	**$19,607,179.88**

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2020

KEDFA Meeting date	2/27/2020
Total Projects Approved Fiscal Year-to-Date	32
Number of Proposed Projects for Current Month	2

Construction Materials and Building Fixtures

Fiscal Year Cap	$20,000,000
Approved Fiscal Year-to-Date	$9,272,500
Committed Amount	$0
Balance Available for Current Month	$10,727,500
Proposed Approval for Current Month	$2,000,000
Balance Available for Remainder of Fiscal Year	$8,727,500

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 February 21, 2020

Fiscal Year End Reporting

		Jobs			Wages		
Year	Number of Projects	Jobs Reported	Job Target	% Achieved	Averge 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	239	25,675	21,631	119%	$26.90	$22.04	122%
2018	262	29,698	24,002	124%	$26.19	$21.84	120%
2019	125	14,950	10,395	144%	$28.98	$23.93	121%

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	$50,270,951	$42,924,013	N/A	N/A
2019	$55,882,986	$48,399,296	N/A	N/A
Grand Total	$285,339,445	$247,341,238	$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

February 2020

Project	County	Approval Date	Exit Date	Program
CafePress.com	**Jefferson**	**03/26/2009**	**11/08/2018**	**KIDA**
The company withdrew after being purchased by Snapfish.				
Wilbert, Inc.	**Marion**	**1/29/2015**	**4/15/2019**	**KBI**
Company sold the business to EPC-Columbia, Inc. on April 19, 2019 and no longer has operations in Kentucky. The Company withdrew from the project on January 15, 2020.				
Denyo Manufacturing Corporation	**Boyle**	**7/26/2012**	**2/10/2020**	**KRA**
Company withdrew having claimed all incentives as of 12/31/2018.				
Core-Mark International, Inc.	**Grayson**	**1/28/2016**	**01/31/2020**	**KBI**
Several attempts to contact the company with no response. Project expired on 1/31/2020.				
Minova USA Inc	**Scott**	**01/26/2017**	**01/31/2020**	**KBI**
Several attempts to contact the company with no response. Project expired on 1/31/2020.				
UHV Technologies, Inc.	**Fayette**	**12/10/2015**	**12/31/2019**	**KBI**
Several attempts to contact the company with no response. Project expired on 1/31/2019.				
U.S. Bank National Association	**Daviess**	**5/28/2015**	**2/12/2020**	**KBI**
		Date	**Program**	
Due to national changes in the mortgage industry, the company was unable to meet the employment requirements and withdrew from the project.				

MEMORANDUM

TO: KEDFA Board

FROM: Debbie Phillips DP
Incentives Administration Division

DATE: February 27, 2020

SUBJECT: Healthcare Facilities Revenue Bonds, Series 2020 (Christian Care Communities, Inc. Obligated Group) – $62,000,000 – Inducement Resolution

Attached is a draft New Bond Issue Report related to KEDFA's proposed issuance of healthcare facilities revenue bonds in an aggregate principal amount not to exceed $62 million on behalf of Christian Care Communities, Inc. Obligated Group. The bond proceeds will be used to: 1) refinance all or a portion of a series of bonds issued by KEDFA in 2016 and certain other taxable indebtedness and 2) finance/refinance the costs of acquisition, construction and equipping of healthcare and health-related facilities located in the Commonwealth and owned/operated by members of the Obligated Group. The local jurisdictions that may be impacted by the project include Louisville, Bowling Green, Corbin, Hopkinsville, Owensboro and Nicholasville, Kentucky.

Please note that KEDFA's adoption of a final resolution will be contingent on the Cabinet's receipt of referral resolutions from the affected local jurisdictions requesting that KEDFA issue the bonds. Furthermore, a TEFRA hearing for the purpose of receiving public comment on the proposed bond issues will be conducted by staff prior to KEDFA's adoption of a final resolution. Final approval is expected to be sought at the March 2020 Board meeting.

If the financing is approved, KEDFA would serve as the conduit issuer of the bonds. The bonds would not constitute a general obligation of KEDFA and KEDFA would not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommends KEDFA's adoption of the inducement bond resolution.

KEDFA BOND INFORMATION FORM

Name of Issue:

Kentucky Economic Development Finance Authority Healthcare Facilities Revenue Bonds, Series 2020A and Taxable Series 2020B (Christian Care Communities, Inc. Obligated Group) (the "Bonds"). The 2020A Bonds will be federally tax-exempt and issued in an aggregate principal amount not expected to exceed $55,000,000. The 2020B Bonds will be federally taxable and issued in an aggregate principal amount not expected to exceed $7,000,000.

Name of project(s) covered by Issue:

The following locations of the Christian Care Communities, Inc. Obligated Group:

- Christian Care Communities, Inc./Christian Health Center (Louisville)
- The Broadhurst Group, Inc./Corporate Office s for all facilities (Louisville)
- Christian Care Communities, Inc./Christian Health Center (Bowling Green)
- Christian Care Communities, Inc./Village Manor (Bowling Green)
- Christian Care Assisted Living – Bowling Green, Inc. (Bowling Green)
- Christian Care Communities, Inc./Christian Health Center (Corbin)
- Christian Care Communities, Inc./Village at Corbin (Corbin)
- Christian Care Communities, Inc./Christian Health Center (Hopkinsville)
- Christian Care Communities, Inc./Chambers Court (Hopkinsville)
- Christian Care Communities, Inc./Cornell Memory Center (Hopkinsville)
- Christian Care Communities, Inc./Cox Mill Court (Hopkinsville)
- Christian Care Communities, Inc./Village Manor (Hopkinsville)
- Christian Care Communities, Inc./Friendship House of Hopkinsville (Hopkinsville)
- Christian Care Communities,

Inc./Central Adult Day Center (Lexington)
- Christian Care Communities, Inc./Maplebrook Village (Owensboro)
- Christian Care Communities, Inc./Garden Grace (Owensboro)
- Christian Care Services, Inc./Bridgepointe at Ashgrove Woods (Nicholasville)

Purpose of Issue: The purpose of the Bonds is to (i) refinance the 2016 Bonds issued by KEDFA for the benefit of the Obligated Group and certain other taxable indebtedness (bank loans) of the members of the Obligated Group (collectively, the "Prior Debt"), the proceeds of which Prior Debt were used to finance and refinance health care and health related facilities, including long-term care facilities and housing for the aged or infirm, located in the Commonwealth and owned and/or operated by the members of the Obligated Group (collectively, the "Prior Project"), (ii) finance and refinance the costs of the acquisition, construction and equipping of health care and health related facilities, including long-term care facilities and housing for the aged or infirm, located in the Commonwealth and owned and/or operated by the members of the Obligated Group (collectively, the "New Project" and, together with the Prior Project, the "Project"), (iii) fund capitalized interest on all or a portion of the Bonds, (iv) fund a debt service reserve for the Bonds and (v) pay costs of issuance of the Bonds. The "Obligated Group" will include Christian Care Communities, Inc. ("CCC") and the following affiliates: The Broadhurst Group, Inc., Christian Care Services, Inc., Christian Care Properties, Inc., Christian Care Communities Foundation, Inc. and Christian Care Assisted Living – Bowling Green, Inc. The members of the Obligated Group will be jointly and severally liable for certain indebtedness incurred by one or more members of the Obligated Group.

Size: Not to exceed $62,000,000

Proposed date of Sale: May 13, 2020*
Proposed date of Issue: May 27, 2020*
Maturity: January 1, 2055

* Preliminary, subject to change

Ratings: Unrated

Security: Joint and several obligation of members of Obligated Group pursuant to a master trust indenture; gross revenues pledge of members of Obligated Group; mortgage on key operating facilities.

Date authorizations(s): February 27, 2020 (Inducement); and March 25, 2020 (anticipated)(Final)

Net Proceeds for Financing/Refinancing:	$51,370,591*
Plus: Issuance Cost	$1,282,545*
Plus: Debt Service Reserve Fund	$3,524,700*
Plus: Capitalized Interest	$0*
GROSS PROCEEDS (Series 2020AB):	$56,177,836*

Terms of issue: 35 Years*
Length of term: Final maturity 35 years

Net interest rate: 4.70%

Gross debt service amount: $113,850,800
Average annual debt service: $3,292,071

First call date: TBD depending on structure and market conditions

Premium at first call: TBD

Method of sale: Negotiated
Purchasers: Institutional and Accredited Investors

Professional Services

Pursuant to the provisions of KRS Chapter 47, the

Agency:
Issue:

is providing information on all costs associated, either directly or indirectly, with the issuance of revenue bonds or notes.

Payee Name/Address*	Participation	Fees, commissions, or any other economic benefits received or anticipated to be received
Kentucky Economic Development Finance Authority Old Capitol Annex 300 West Broadway Frankfort, KY 40601	Issuance Fee	Up to $10,000
Cain Brothers	Underwriter's Discount	650,000
Ice Miller LLP	Bond Counsel Fee and Expenses	140,000
Seiller Waterman LLC	Borrower Counsel Fee and Expenses	75,000
Harris Beach PLLC	Underwriter's Counsel Fee and Expenses	75,000
Dixon Hughes Goodman LLP	Feasibility Study Consultant	95,000
Stites & Harbison, PLLC	Issuer's Counsel Fee and Expenses	15,000
Trustee TBD		

* Payees listed shall include issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel, special tax counsel, and any other persons receiving financing benefit from the issuance of revenue bonds or notes.

All costs of issuance paid from Bond proceeds.

Note: Changes or additions in amounts or names of payees or recipients shall be furnished to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue, and shall be made available to the public, within three (3) days following such change or addition.

SOURCES AND USES (see attachment)

Sources:	Bond Proceeds	$52,585,000
	Premium	3,592,836
	Total Sources	$56,177,836
Debt Service:	(See Attachment)	
Uses:	Refunding Series 2016 Bonds	$32,458,588
	Refinancing taxable loans	5,119,491
	Swap termination fee	488,000
	Acquisition of Ashgrove Woods Facility	13,300,000*
	Debt Service Reserve Fund	3,524,700
	Legal, Accounting, Printing, UW's Discount and Incidental Expenses	1,287,057
	Total Uses	$56,177,836

FOR REFUNDING ONLY

Bond issue being refinanced: Kentucky Economic Development Finance Healthcare Facilities Revenue Bonds, Series 2016A and Series 2016B (Christian Care Communities, Inc. Obligated Group)

Amount of principal: $37,578,080 **Amount to be refunded:** $37,578,080

Terms of existing bond issue: Existing bonds are held by two commercial banks in a "bank direct purchase" transaction.

Net interest rate: Variable interest rate based on monthly reset of 1 Month LIBOR rate **Length of term:** Final maturity 12/01/2045

First call date: Currently callable **Call at par** Currently callable at par

Average annual debt service $2,831,253

REFUNDING ACTIVITY

Funds to apply to refunding:	$37,578,080*
Proceeds from New Bonds	$37,578,080*
Released Debt Service Reserve	-0-
Total Available to Pay Old Bond Issue	$37,578,080*

SAVINGS RESULTING FROM REFINANCING

-The refinancing is not expected to generate debt service savings over the remaining term the existing bonds will be held by the current bank purchasers. The refinancing is intended to take advantage of historically low fixed rates, eliminate burdensome bank covenants and eliminate "renewal risk" given short-term commitment period of banks.

Average annual debt service savings: N/A
Number of years savings will accrue: N/A
Total present value savings: N/A

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* Preliminary, subject to change

Christian Care
Communities
Since 1884

February 21, 2020

Katie Smith
Executive Director, Office of Financial Services
Cabinet for Economic Development
Commonwealth of Kentucky
Old Capitol Annex
300 West Broadway
Frankfort, KY 40601

Re: Proposed KEDFA bond issuance for Christian Care Communities, Inc. Obligated Group

Ladies and Gentlemen:

I am the Chief Financial Officer of Christian Care Communities, Inc. ("CCC"). I write to request that KEDFA serve as conduit issuer for a proposed issuance of revenue bonds (the "Bonds") to finance, refinance and reimburse the costs of health care and health related facilities, including long-term care facilities and housing for the aged or infirm, located in the Commonwealth of Kentucky and owned and/or operated by the members of the "Obligated Group" to be formed by CCC (the "Project"), including costs of issuance.

Overview of Christian Care Communities, Inc. and its Affiliates. CCC is Kentucky's largest and most extensive faith-based provider of affordable senior living and post-acute care services – serving over 4,000 elders in 6 communities throughout the Commonwealth, who are cared for by over 700 employees, and whose care generated in excess of $42 million in the fiscal year ended December 31, 2019.

Today CCC serves older adults through an extensive network of senior communities and services, including:

- Independent Living
- Personal Care Living
- Skilled Nursing Care
- Short-term Rehabilitation
- Long-term Care
- Adult Day Care

These services are provided in 6 cities including: Louisville, Bowling Green, Corbin, Hopkinsville, Nicholasville, and Owensboro. CCC owns or operates 11 HUD financed apartment buildings for seniors and a skilled nursing, personal care and independent living campus in Midway, each as its own corporation with a distinct Board of Directors and financial statements. The HUD and Midway properties are not being financed or refinanced with proceeds of the proposed Bonds.

12710 Townepark Way • Suite 1000 • Louisville, Kentucky 40243
Phone: (502) 254-4200 • Fax: (502) 254-4209
www.ChristianCareCommunities.org

In connection with the issuance of the KEDFA 2016 Bonds, CCC formed an "Obligated Group" consisting of CCC and one or more of its affiliates (but excluding all HUD facility affiliates and The Homeplace at Midway), such affiliates included by the Borrower include: The Broadhurst Group, Inc., Christian Care Services, Inc., Christian Care Properties, Inc., Christian Care Assisted Living – Bowling Green, Inc. and Christian Care Communities Foundation, Inc. (collectively, the "Obligated Group"), the members of which Obligated Group will be jointly and severally liable for certain indebtedness incurred by one or more members of the Obligated Group, including the proposed Bonds. The following contains additional information regarding the facilities operated by each Obligated Group member.

LOUISVILLE

Christian Care Communities, Inc./Christian Health Center (122 Skilled Nursing) – Built in 1984, included is a new 30-bed Transitional Rehab to Home Unit that helps ease the transition from hospital to home. The highly specialized Rehab to Home team provides exceptional short-term physical, occupational and speech therapy, nursing care and patient education to help patients recuperate, gain strength and return home as quickly as possible. For patients recovering from major surgery, stroke, joint replacements, pneumonia, COPD or other life-changing illnesses or injuries, a specialized unit can bring them one step closer to home.

BOWLING GREEN

Christian Care Communities, Inc./Christian Health Center – Built in 1996, the Christian Health Center is a 41-bed facility that is fully licensed for skilled nursing, intermediate and personal care. Licensed therapists provide occupational, physical and speech therapy, and regular therapeutic activities are tailored to meet each person's needs. Delicious, nutritional meals, made fresh daily, meet the dietary requirements of each resident. Many planned activities encourage residents to stay active and engaged, participating in classes and visiting with family and friends.

Christian Care Communities, Inc./Village Manor – 79 Independent Living Condominiums adjacent to, and located within the same building as Christian Health Center. When residents enter Village Manor, they choose their unit and pay for it, much like buying a home or condominium. Residents are also responsible for a reasonable monthly maintenance fee that covers items like maintenance of the grounds, security, trash removal and the like.

Residents enjoy all the benefits of campus living, including dining room, exercise room, a beautiful courtyard and gazebo, planned activities and numerous other amenities. More than just a place to live, Village Manor is a true community where active, interesting older adults live life to the fullest.

Christian Care Assisted Living – Bowling Green, Inc. – A personal care living expansion completed in 2015 including 56 Personal Care/Memory Care beds.

CORBIN

Christian Care Communities, Inc./Christian Health Center – Built in 1982, a 106 bed Skilled Nursing Facility where residents find a warm, inviting new home, and a caring, dedicated team of professionals ready to provide the latest, most innovative nursing, medical and therapeutic care available. A highly trained team of health care professionals and licensed staff are available 24 hours a day, every day to address a resident's every concern. An on-site chaplain not only leads worship services, but provides residents with one-on-one counseling.

Christian Care Communities, Inc./Village at Corbin - Built in 1999, a 7-acre campus with 7 Garden Homes under an entrance fee structure. Residents are also responsible for a reasonable monthly maintenance fee that covers items like maintenance of the grounds, security, trash removal and the like.

HOPKINSVILLE

Christian Care Communities, Inc./Christian Health Center – Built in 1978, a 116-bed, full-service nursing facility offers extensive clinical care for residents who need 24-hour attention. It also provides all campus residents access to rehabilitative care. Short-term rehabilitative services are also available to the community at large.

Christian Care Communities, Inc./Village/Chambers/Cox Mill – 87 Independent living garden homes adjacent to or located on the same campus as Christian Health Center. Residents choose their unit and pay for it, much like buying a home or condominium. Residents are also responsible for a reasonable monthly maintenance fee that covers items like maintenance of the grounds, security, trash removal and the like.

Residents can enjoy all the benefits of campus living, including dining room, exercise room, a beautiful park-like setting, planned activities and numerous other amenities. The Hopkinsville campus is also a true community where active, interesting older adults live life to the fullest.

OWENSBORO

Christian Care Communities, Inc./Maplebrook Village – Built in 1997, Phase 1 and 2000, Phase 2, Village includes 12 garden homes. Residents are also responsible for a reasonable monthly maintenance fee that covers items like maintenance of the grounds, security, trash removal and the like.

NICHOLASVILLE

Christian Care Services, Inc./Bridgepointe at Ashgrove Woods – Built in 2013 and nestled in Kentucky's beautiful horse country, Bridgepointe is part of a new, vibrant community designed to connect families and create a convenient, active lifestyle while offering state-of-the-art care and technology. Situated on the Fayette and Jessamine County borders in Nicholasville,

Bridgepointe at Ashgrove Woods provides: 72 personal care suites, a reabilitation center, personal care and rehabilitation center, wellness and prevention center, memory center specializing in Alzheimer's and Dementia care, and an Adult Day Center.

Use of Bond Proceeds. The proceeds of the Bonds, together with certain other available moneys, will be used by the Obligated Group to (i) refinance (A) KEDFA's 2016 Bonds issued for the Obligated Group, the proceeds of this debt were used to finance and refinanced all or a portion of the facilities described above and (B) depending on market conditions, certain taxable bank loans incurred at the same time as KEDFA's 2016 Bonds were issued, (ii) finance the acquisition of the Ashgrove Woods facility described above, (iii) pay capitalized interest on the Bonds, (iv) fund a debt service reserve for the Bonds and (v) to pay costs of issuance of the Bonds.

The Proposed Bond Financing. CCC has retained Cain Brothers, a division of KeyBanc Capital Markets to serve as underwriter for the proposed Bonds. Cain Brothers intends to offer the bonds in a limited public offering, with the Bonds being unrated. The Bonds will be fixed rate, with final maturity of up to 35 years, and are expected to consist of a tax-exempt series in a principal amount not expected to exceed $55,000,000, and a taxable series in a principal amount not expected to exceed $7,000,000. The Bonds will be secured by a master note issued under a master trust indenture among the members of the Obligated Group and a master trustee; a gross revenues pledge of the members of the Obligated Group; and a mortgage on certain of the Obligated Group's operating facilities.

A longer (35-year) maturity term for principal repayment will allow CCC to increase annual cash flow that will be directed to both support its operations and services throughout Kentucky and increase its cash balance to fund future service enhancements. The increased cash flow in operations will enable CCC to better serve the seniors of Kentucky and provide better wages to its employees.

We will email to you the current working group distribution list for the proposed Bond financing.

The Bonds will not be rated. Collateral securing the Bonds, including a mortgage on the facilities financed and refinanced with proceeds of the Bonds, will run in favor of the Master Trustee.

Timing. We anticipate closing on the proposed Bond transaction in late May or early June 2020.

On behalf of CCC and the other members of the Obligated Group, I thank you for KEDFA's past support of CCC, and also for KEDFA's consideration of our request that it serve as conduit issuer of the proposed Bonds. If you should have any questions regarding the Obligated Group, the Project or the proposed Bond financing, please do not hesitate to contact me at the number or email listed below. Thank you for your assistance.

Respectfully submitted,

CHRISTIAN CARE COMMUNITIES, INC.

By: _____

John Dadds, Chief Financial Officer
John.Dadds@ccc1884.org
(502) 254-4208

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder ME
Incentives Administration Division

DATE: February 27, 2020

SUBJECT: DAE-IL USA, Inc. - Calloway County
KBI Modification - KBI-I-17-21913

DAE-IL USA Incorporated was given preliminary approval on December 7, 2017 for a project consisting of an approximate 295,000 square foot manufacturing facility in Murray, Calloway County to manufacture gears for transmission for the automotive industry. The project was approved for up to $3,000,000 in KBI incentives.

The company initially registered as a new corporation with the Kentucky Secretary of State's office when they should have registered as a Foreign Entity since they were already registered in Delaware. The company has corrected its registration and the approved company will now be DAE-IL USA, Inc.

All other aspects of the project remain the same. Staff recommends approval of the modifications for this project.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 27, 2020

SUBJECT: KEIA Modification
Bespoke Ventures and Investments, LLC (Grant County)
Project # 22861

Bespoke Ventures and Investments, LLC was approved for KEIA on December 12, 2019. Subsequent to approval, the address changed from Eibeck Lane to Mercedes Drive and the acreage amount increased from 8.8 to 31.8 acres. The Department of Tourism has agreed to the changes. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge, Director RA
Compliance Division

DATE: February 27, 2020

SUBJECT: KBI Amended and Restated Tax Incentive Agreement
RxC Acquisition Company dba RxCrossroads (Jefferson County)
KBI Project #18413

RxC Acquisition Company has four core business lines serving the pharmaceutical manufacturing industry, including plasma transportation and storage, third-party logistics, brand support services, and pharmacy operations supporting mail order patient assistance programs. The company occupies numerous leased sites throughout Jefferson County. This project was an expansion of the third-party logistics operations with the leasing of two new facilities. The project activated September 27, 2014.

Subsequent to the date of the Original Agreement, the project has experienced several changes: the company expanded its physical operations by leasing additional sites and relocating others; the Authority determined that eligible costs for the project would be limited to one expansion site; the company was acquired by McKesson Corporation and as a result of corporate restructuring, a new subsidiary, RxCrossroads 3PL LLC was created, into which certain assets of the company were transferred. This Amended and Restated Tax Incentive Agreement recognizes the changes outlined above and adds the new subsidiary, RxCrossroads 3PL LLC, as an Approved Affiliate to the project. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 27, 2020

SUBJECT: KBI Amended and Restated Tax Incentive Agreement
RxC Acquisition Company dba RxCrossroads (Jefferson County)
KBI Project #19528

RxC Acquisition Company has four core business lines serving the pharmaceutical manufacturing industry, including plasma transportation and storage, third-party logistics, brand support services, and pharmacy operations supporting mail order patient assistance programs. The company occupies numerous leased sites throughout Jefferson County. This project added a new facility and employees as an expansion of the Brand Support Services division. The project has an activation date of October 26, 2019.

Subsequent to the date of the Original Agreement, the project expanded its physical operations to include a new leased facility. Additionally, the company was acquired by McKesson Corporation and as a result of corporate restructuring, a new subsidiary, RxCrossroads 3PL LLC was created, into which certain assets of the company were transferred. This Amended and Restated Tax Incentive Agreement recognizes the new campus site and adds the new subsidiary, RxCrossroads 3PL LLC, as an Approved Affiliate to the project. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 27, 2020

SUBJECT: KEIA Amendment
DAE-IL USA, Inc. (Calloway County)
Project # 21914

DAE-IL USA Incorporated was approved for KEIA on December 7, 2017. Subsequent to approval, the company changed its name from DAE-IL USA Incorporated to DAE-IL USA, Inc. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 27, 2020

SUBJECT: KEIA Extensions

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

Company	County	Extension
Vanderbilt Chemicals, LLC	Calloway	3 Months
Hansens Aluminum Extrusion LLC	Henderson	12 Months
Kobe Aluminum Automotive Products, LLC	Warren	12 Months

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	February 27, 2020		
Approved Company:	T. Marzetti Company		
City:	Horse Cave	**County:**	Hart
Activity:	Manufacturing	**Prelim Resolution #:**	KBI-I-20-22918
Bus. Dev. Contact:	C. Peek	**DFS Staff:**	M. Elder

Project Description: T. Marzetti produces a long list of salad dressings, fruit and vegetable dips, frozen baked goods and specialty brand items. The company is considering adding additional manufacturing space, purchasing dressing and sauce production equipment, and adding new kitchen and packaging lines to help drive increased consumer demand for its products.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$58,967,680	$58,967,680
Equipment	$320,000	$29,207,338
Other Start-up Costs	$4,600,000	$4,600,000
TOTAL	**$63,887,680**	**$92,775,018**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	16	$26.00	
1	32	$26.00	$200,000
2	44	$26.00	$200,000
3	56	$26.00	$200,000
4	68	$26.00	$350,000
5	80	$26.00	$300,000
6	92	$26.00	$300,000
7	104	$26.00	$300,000
8	116	$26.00	$300,000
9	128	$26.00	$300,000
10	140	$26.00	$300,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$2,750,000**

Incentive Type:
Other

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

Ownership (20% or more):
Publicly Traded

Active State Participation at the project site:

Date	Program	Status / Jobs Required	Amount
Oct 28, 2004	KREDA	Monitor/257	$11,700,000

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 0.8% Hart County Fiscal Court

Unemployment Rate:
County: 5.6%
Kentucky: 3.9%

Existing Presence in Kentucky:
Hart 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 525 full-time, Kentucky resident employees as of the application date.

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.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: February 27, 2020
Approved Company: T. Marzetti Company
City: Horse Cave
County: Hart
Activity: Manufacturing
Resolution #: KEIA-20-22919
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: T. Marzetti produces a long list of salad dressings, fruit and vegetable dips, frozen baked goods and specialty brand items. The company is considering adding additional manufacturing space, purchasing dressing and sauce production equipment, and adding new kitchen and packaging lines to help drive increased consumer demand for its products.

Facility Details: Expanding existing operations

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$51,598,815	$58,967,680
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$29,207,338
Other Start-up Costs	$0	$4,600,000
TOTAL	**$51,598,815**	**$92,775,018**

Approved Recovery Amount:

Construction Materials and Building Fixtures: $250,000

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

See KBI file (KBI-I-20-22918) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: CROWN Cork and Seal USA, Inc.
City: Bowling Green **County:** Warren
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-22928
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: CROWN Cork and Seal USA, Inc. is a subsidiary of Crown Holdings, Inc., a leading manufacturer of metal beverage cans, aerosol cans, promotional packaging, metal food packaging and closures. The company is considering establishing a metal beverage cans manufacturing facility in Bowling Green to serve existing and new customers.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$41,400,000	$41,400,000
Equipment	$2,520,000	$98,400,000
Other Start-up Costs	$7,750,000	$7,750,000
TOTAL	**$51,670,000**	**$147,550,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	126	$31.00	
1	126	$31.00	$500,000
2	126	$31.00	$500,000
3	126	$31.00	$500,000
4	126	$31.00	$500,000
5	126	$31.00	$500,000
6	126	$31.00	$500,000
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$3,000,000**

Incentive Type:
Other

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

Ownership (20% or more):
Publicly Traded

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: 3.8%
Kentucky: 3.9%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: February 27, 2020
Approved Company: CROWN Cork and Seal USA, Inc.
City: Bowling Green **County:** Warren
Activity: Manufacturing **Resolution #:** KEIA-20-22929
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: CROWN Cork and Seal USA, Inc. is a subsidiary of Crown Holdings, Inc., a leading manufacturer of metal beverage cans, aerosol cans, promotional packaging, metal food packaging and closures. The company is considering establishing a metal beverage cans manufacturing facility in Bowling Green to serve existing and new customers.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$41,400,000	$41,400,000
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$98,400,000
Other Start-up Costs	$0	$7,750,000
TOTAL	**$41,400,000**	**$147,550,000**

Existing Presence in Kentucky: None

Approved Recovery Amount:

Construction Materials and Building Fixtures: $1,000,000

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

See KBI file (KBI-I-20-22928) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: STEP CG, LLC
City: Covington
Activity: Headquarters
Bus. Dev. Contact: B. Cox

County: Kenton
Prelim Resolution #: KBI-IL-20-22917
DFS Staff: D. Phillips

Project Description: STEP CG, LLC is a nationwide technology engineering firm that provides a full portfolio of networking, voice, security and professional service solutions to healthcare, education, manufacturing, financial, retail, legal government and service providers. The company is considering the relocation of its existing operation in Covington and add additional office space.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$909,465	$1,818,930
Building/Improvements	$175,000	$175,000
Equipment	$400,000	$3,200,000
Other Start-up Costs	$100,000	$100,000
TOTAL	**$1,584,465**	**$5,293,930**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	$38.00	
1	20	$38.00	$90,000
2	30	$38.00	$90,000
3	40	$38.00	$90,000
4	50	$38.00	$90,000
5	83	$38.00	$90,000
6	83	$38.00	$90,000
7	83	$38.00	$90,000
8	83	$38.00	$90,000
9	83	$38.00	$90,000
10	83	$38.00	$90,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$900,000**

Incentive Type:
Other

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

Ownership (20% or more):
Rob Huff - Covington, KY
Edward J. Walton - Cincinnati, OH

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% - City of Covington

Unemployment Rate:
County: 3.2%
Kentucky: 3.9%

Existing Presence in Kentucky:
Kenton 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 19 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within the City of Covington/Kenton County. Only investment costs incurred at 50 E. RiverCenter Boulevard will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: Gentis Solutions, LLC
City: Covington
County: Kenton
Activity: Headquarters
Prelim Resolution #: KBI-IL-20-22888
Bus. Dev. Contact: B. Cox
DFS Staff: M. Elder

Project Description: Gentis Solutions, LLC, located in Williamsport, PA is a headquarter location providing IT programming and software design. Since 80% of its clients come from the KY/OH area the company is considering locating in Covington to be closer to the customers and candidates it serves.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$930,000	$1,860,000
Building/Improvements	$350,000	$350,000
Equipment	$275,000	$275,000
Other Start-up Costs	$250,000	$250,000
TOTAL	**$1,805,000**	**$2,735,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	30	$31.00	
1	30	$31.00	$50,000
2	40	$31.00	$50,000
3	45	$31.00	$50,000
4	50	$31.00	$50,000
5	55	$31.00	$50,000
6	60	$31.00	$50,000
7	65	$31.00	$50,000
8	70	$31.00	$50,000
9	75	$31.00	$50,000
10	80	$31.00	$50,000

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

Incentive Type:
Other

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

Ownership (20% or more):
Daniel R. Moore Williamsport, PA

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% City of Covington

Unemployment Rate:
County: 3.2% Kentucky: 3.9%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: AtCorr Packaging Products, LLC
City: Glasgow
County: Barren
Activity: Manufacturing
Prelim Resolution #: KBI-I-20-22937
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: AtCorr Packaging Products, LLC manufactures corrugated shipping products and fulfillment for various industries. Due to increased product demand the company is considering relocating its business into a portion of an existing building, purchasing additional equipment, workstations and conveyor lines.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$235,000	$235,000
Equipment	$495,950	$495,950
Other Start-up Costs	$50,000	$50,000
TOTAL	**$780,950**	**$780,950**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	31	$17.00	
1	31	$17.00	$25,000
2	31	$17.00	$25,000
3	31	$17.00	$25,000
4	31	$17.00	$25,000
5	31	$17.00	$25,000
6	31	$17.00	$25,000
7	31	$17.00	$25,000
8	31	$17.00	$25,000
9	31	$17.00	$25,000
10	31	$17.00	$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):

Kenneth Whitworth	Hardinsburg, KY
Mike Jones	Smiths Grove, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% City of Glasgow

Unemployment Rate:
County: 4.1%
Kentucky: 3.9%

Existing Presence in Kentucky:
Barren 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 14 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: Envision Modular LLC
Approved Affiliate(s): RiverRail Industries LLC
Westerfield Electric LLC
Envision Contractors LLC
City: Hawesville **County:** Hancock
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-22936
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: The cost and time to build hotels, multi-family units, government housing, office buildings and other vertical projects using traditional methods has resulted in the building industry failing to keep up with marketplace demand for these projects. Envision Modular has the solution, Permanent Modular Construction (PMC). PMC is an innovative, sustainable construction delivery method utilizing offsite, lean manufacturing techniques to prefabricate single or multi-story whole building solutions in deliverable module sections. Envision Modular LLC is considering locating its PMC manufacturing facility in Hancock County.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$2,600,000	$2,600,000
Building/Improvements	$11,000,000	$11,000,000
Equipment	$1,440,000	$10,000,000
Other Start-up Costs	$1,500,000	$1,500,000
TOTAL	**$16,540,000**	**$25,100,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	72	$26.00	
1	72	$26.00	$100,000
2	72	$26.00	$100,000
3	75	$26.00	$100,000
4	75	$26.00	$200,000
5	78	$26.00	$200,000
6	82	$26.00	$200,000
7	82	$26.00	$200,000
8	82	$26.00	$300,000
9	85	$26.00	$300,000
10	85	$26.00	$300,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$2,000,000**

Incentive Type:
Other

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

Ownership (20% or more):

Matthew Hayden	Owensboro, KY
Fahr Jeneja	Louisville, KY
Jack Wells	Owensboro, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% Hancock County Fiscal Court

Unemployment Rate:
County: 3.2%
Kentucky: 3.9%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 27, 2020
Approved Company: ViWinTech Window & Door, Inc.
City: Paducah
County: McCracken
Activity: Manufacturing
Prelim Resolution #: KBI-I-20-22916
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: ViWinTech Window & Door, Inc. is a manufacturer specializing in the production of high quality, energy efficient vinyl windows and doors. The company is considering constructing an additional building to accommodate its increased output as the company continues to grow and gain additional customers.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$8,000,000	$8,000,000
Equipment	$2,000,000	$2,000,000
Other Start-up Costs	$0	$0
TOTAL	**$10,000,000**	**$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	10	$16.00	
1	20	$16.00	$30,000
2	25	$16.00	$40,000
3	30	$16.00	$40,000
4	35	$16.00	$40,000
5	40	$16.00	$40,000
6	40	$16.00	$40,000
7	40	$16.00	$30,000
8	40	$16.00	$30,000
9	40	$16.00	$30,000
10	40	$16.00	$30,000
11	40	$16.00	$30,000
12	40	$16.00	$30,000
13	40	$16.00	$30,000
14	40	$16.00	$30,000
15	40	$16.00	$30,000

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):

Ronnie Brown	Paducah, KY
Gloria Bugg	Benton, KY
Jennifer Flanary	Benton, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 4.5% Kentucky: 3.9%

Existing Presence in Kentucky:
McCracken 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 288 full-time, Kentucky resident employees as of the application date.

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder
Incentive Administration Division

DATE: February 27, 2020

SUBJECT: KBI Extensions

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

Company	County	Extension
Duro Hilex Poly LLC	Boone	3 Month
Whitworth Tool, Inc.	Breckinridge	6 Month
Alltech, Inc.	Jessamine	12 Month
Cuddle Clones LLC	Jefferson	12 Month
Information Capture Solutions LLC	Laurel	12 Month
PharmaCord LLC	Jefferson	12 Month
Vita-Stat LLC	Jefferson	12 Month

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: August 31, 2017
Approved Company: Denyo Manufacturing Corporation
City: Danville **County:** Boyle
Activity: Manufacturing **Final Resolution #:** KBI-FD-20-21743
Bus. Dev. Contact: B. Cox **DFS Staff:** K. McCane

Project Description: Denyo Manufacturing Corporation's Danville facility assembles engine-driven generators that are designed for continuous, long-term service and are widely used in rental, construction, telecommunications, and special events applications as well as by the U.S. military and FEMA. The expansion consisted of a 63,000 SF building for fabrication of sheet metal components used in generator and compression assembly and state-of-the-art equipment for cutting, bending and welding of steel for complex structural components on-site.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$8,676,000	$8,676,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	17	$21.00	
1	21	$21.00	$60,000
2	25	$21.00	$60,000
3	29	$21.00	$60,000
4	33	$21.00	$60,000
5	37	$21.00	$60,000
6	41	$21.00	$60,000
7	45	$21.00	$60,000
8	45	$21.00	$60,000
9	45	$21.00	$60,000
10	45	$21.00	$60,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$600,000**

County Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: $9.06
Total hourly compensation: $10.42

Special Conditions:
Maintain Base Employment: 139

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: December 13, 2018
Approved Company: Frost-Arnett Company
City: Campbellsville
Activity: Service & Technology
Bus. Dev. Contact: C. Peek

County: Taylor
Final Resolution #: KBI-F-20-22318
DFS Staff: M. Elder

Project Description: Frost-Arnett Company, founded in 1893, is an accounts receivable management company specializing in business office solutions for healthcare organizations across the country. The company ran out of space in its previous location so Frost-Arnett purchased land to house additional staff as well as room to upgrade its working environment.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$2,840,000	$2,840,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	115	$16.00	
1	127	$16.00	$100,000
2	135	$16.00	$100,000
3	135	$16.00	$100,000
4	135	$16.00	$100,000
5	135	$16.00	$100,000
6	135	$16.00	$100,000
7	135	$16.00	$100,000
8	135	$16.00	$100,000
9	135	$16.00	$100,000
10	135	$16.00	$100,000
11	135	$16.00	$100,000
12	135	$16.00	$100,000
13	135	$16.00	$100,000
14	135	$16.00	$100,000
15	135	$16.00	$100,000

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

County Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: $9.06
Total hourly compensation: $10.42

Special Conditions:
Maintain Base Employment: 191

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: February 22, 2018
Approved Company: TTA, LLC
City: Louisville
County: Jefferson
Activity: Headquarters
Final Resolution #: KBI-FL-20-22007
Bus. Dev. Contact: M. David-Jacobs
DFS Staff: D. Phillips

Project Description: TTA, LLC, now doing business as ALTOUR, opened for business in December of 1971 as a full-service travel agency. The project included the relocation of its regional headquarters to Louisville. This facility includes accounting, human resources, technology professionals, and travel agent support.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	$2,303,550	$4,357,100

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	$36.00	
1	20	$36.00	$35,000
2	20	$36.00	$35,000
3	20	$36.00	$35,000
4	20	$36.00	$35,000
5	20	$36.00	$35,000
6	20	$36.00	$35,000
7	20	$36.00	$35,000
8	20	$36.00	$35,000
9	20	$36.00	$35,000
10	20	$36.00	$35,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$350,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 31

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: February 25, 2016
Approved Company: Mobile Marketing Solutions, Inc. dba Brewco Marketing Group
City: Central City **County:** Muhlenberg
Activity: Service & Technology **Final Resolution #:** KBI-F-20-20913
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Mobile Marketing Solutions, Inc. dba Brewco Marketing Group is a marketing agency based on the manufacturing and service development of mobile media platforms. The company expanded its current facility to develop and fulfill customer requests.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	$600,000	$600,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	18	$22.00	
1	18	$22.00	$32,000
2	18	$22.00	$32,000
3	18	$22.00	$32,000
4	18	$22.00	$32,000
5	18	$22.00	$32,000
6	18	$22.00	$32,000
7	18	$22.00	$32,000
8	18	$22.00	$32,000
9	18	$22.00	$32,000
10	18	$22.00	$32,000
11	18	$22.00	$32,000
12	18	$22.00	$32,000
13	18	$22.00	$32,000
14	18	$22.00	$32,000
15	18	$22.00	$32,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$480,000**

County Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: $9.06
Total hourly compensation: $10.42

Special Conditions:
Maintain Base Employment: 23

Modifications since preliminary approval? Yes
The project changed from an owned to a leased project. No rent is eligible. All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: April 28, 2016
Approved Company: RxC Acquisition Company dba RxCrossroads
Approved Affiliate(s): RxCrossroads 3PL, LLC
City: Louisville **County:** Jefferson
Activity: Service & Technology **Final Resolution #:** KBI-FL-20-21025
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** M. Elder

Project Description: RxCrossroads was formed in 2001 as a specialty distribution, pharmacy, and patient support services provider. The company offers a comprehensive portfolio of custom services tailored to the biotechnology and pharmaceutical industries as well as supporting patients and providers through continuum of care. The company expanded its distribution center in Louisville to meet future customer demands and to fulfill its commitment to connect patients to therapy.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	$17,930,000	$24,960,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	200	$30.00	
1	400	$30.00	$400,000
2	400	$30.00	$400,000
3	400	$30.00	$400,000
4	400	$30.00	$400,000
5	400	$30.00	$400,000
6	400	$30.00	$400,000
7	400	$30.00	$400,000
8	400	$30.00	$400,000
9	400	$30.00	$400,000
10	400	$30.00	$400,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$4,000,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 833

Modifications since preliminary approval? Yes
The addition of an affiliate, RxCrossroads 3PL, LLC. Two additional addresses have been added to campus location definition. All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 27, 2020
Preliminary Approval: February 23, 2017
Approved Company: The Webstaurant Store, Inc.
Approved Affiliate(s): Calumet Enterprises, LLC
City: Madisonville
County: Hopkins
Activity: Service & Technology
Final Resolution #: KBI-F-20-21519
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: The Webstaurant Store, Inc., a restaurant supply company, fills the needs of a large number of restaurants. The company expanded its footprint in Madisonville with a distribution center that supports a stronger regional distribution of select larger inventory items.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$4,800,000	$8,500,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	100	$16.00	
1	120	$16.00	$150,000
2	140	$16.00	$150,000
3	160	$16.00	$150,000
4	180	$16.00	$150,000
5	200	$16.00	$150,000
6	200	$16.00	$150,000
7	200	$16.00	$150,000
8	200	$16.00	$150,000
9	200	$16.00	$150,000
10	200	$16.00	$150,000

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

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 119

Modifications since preliminary approval? Yes
The addition of an affiliate, Calumet Enterprises, LLC. Investment increased from $3,500,000 to $8,500,000. Eligible costs increased from $2,800,000 to $4,800,000. Jobs increased from 30 to 200. Total negotiated tax incentive increased from $350,000 to $1,500,000. All other aspects of the project remain the same.

Kentucky Small Business Tax Credit Projects
February 2020

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
B & C Industries, Inc.	Pulaski	24	4	$11.75	$28,000	$14,000
Consultant Solutions, Incorporated	Fayette	31	7	$34.66	$37,650	$24,500
First Saturday Real Estate LLC	Jefferson	3	1	$20.00	$5,641	$3,500
Hometown Concrete, LLC	Boone	0	5	$21.30	$42,715	$17,500
Hummingbird Nano, Inc.	Jessamine	3	2	$17.19	$9,295	$7,000
Key Source Properties LLC	Jefferson	0	4	$19.38	$18,500	$14,000
MosquitoMate, Inc.	Fayette	5	5	$19.61	$22,908	$17,500
Volta Inc.	Franklin	22	2	$33.42	$7,664	$7,000
8	**6**		**30**	**Total**	**$172,373**	**$105,000**

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	$1,165,300
FYTD KSFTC Approvals	$0
Current KSBTC Request	$105,000
Current KSFTC Request	$0
Remaining FY Credits	**$1,729,700**