CABINET FOR ECONOMIC DEVELOPMENT

Matthew G. Bevin
Governor

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

Terry R. Gill, Jr.
Secretary

Vivek K. Sarin
Executive Officer

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Commissioner
Department for Financial Services

DATE: February 22, 2019

SUBJECT: **KEDFA Board Meeting**

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, February 28, 2019** 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 28, 2019

Call to Order
Notification of Press
Roll Call

Minutes

Minutes from February 7, 2019 KEDFA Board Meeting

Reports

Approved/Undisbursed Report		Kylee Palmer
Financial Statements and Monitoring Reports		Bobby Aldridge

KBI Project (Amendment)

Appriss Inc.	Jefferson	Bobby Aldridge
Phoenix Products, Inc.	Jackson	

KREDA Project (Amendment) — Bobby Aldridge

Phoenix Products, Inc.	Jackson

KEIA Projects (Extension) — Bobby Aldridge

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

KBI Project (Modification)

KMG Fabrication, Inc.	Bullitt	Michelle Elder

KBI Projects (Preliminary) & KEIA Projects

Kentucky Industrial Hemp, LLC dba Ecofibre Kentucky	Scott	Andy Luttner / Kate Greenwell

KBI Projects (Preliminary)

GossHall Systems, LLC	Hardin	Corky Peek / Michelle Elder
Goose Creek Candles, LLC L.L.C.	Casey	Annie Franklin / Michelle Elder
Meyer Tool, Inc.	Boone	Annie Franklin / Michelle Elder
C&C Industrial, LLC	Montgomery	Andy Luttner / Debbie Phillips

Atalo Holdings, Inc.	Clark	Annie Franklin / Kate Greenwell
Fibonacci, LLC	Calloway	Andy Luttner / Kate Greenwell
Tower Automotive Operations USA I, LLC	Bullitt	Annie Franklin / Kate Greenwell
LHC Group, Inc.	Jefferson	Andy Luttner / Kate Greenwell

KBI Projects (Extension)		Michelle Elder
More Than A Bakery, LLC	Woodford	
Bluegrass Stockyards, LLC	Fayette	
Ernst & Young U.S. LLP	Jefferson	
Hafendorfer Machine, Inc.	Jefferson	
Inplast Industries USA, LLC dba Plastikon Industries	Grayson	
Integrity Express Logistics, LLC	Kenton	
Shoemagoo LLC	Jefferson	
Mobile Marketing Solutions, Inc. dba Brewco Marketing Group	Muhlenberg	
PharmaCord LLC	Jefferson	
Whitworth Tool, Inc.	Breckinridge	

KBI Projects (Final)		Debbie Phillips
Cabaxis, Inc.	Daviess	

KSBTC		Tim Back
AMC Manufacturing Co., L.L.C.	Jefferson	
Cincy Gutter Boys LLC	Kenton	
Industrial Park Distributors LLC	Boyle	
Integrated Medical Solutions, LLC	Jefferson	
Jason Tanner Design, LLC	Daviess	
Lockshield Partners, Inc.	Barren	
MedIQ Learning, LLC	Hardin	
Russell Alzheimer's Investors, LLC	Greenup	

Other Business

Closed Session

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING
February 7, 2019

MINUTES

Call to Order
Due to adverse weather conditions on January 31, 2019, the regular board meeting was cancelled. Therefore, the Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EST on February 7, 2019, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

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

Roll Call
Members Present: Jean R. Hale, J. Don Goodin, Ryan Barrow, proxy for Secretary William M. Landrum, III, Tucker Ballinger, Joe Kelly and Chad Miller

Staff Present: Bobby Aldridge, Tim Back, Jessica Burke, Sarah Butler, Kimberly Crace, Michelle Elder, Annie Franklin, Kate Greenwell, David Hamilton, Krista Harrod, Brooklyn Leep, Brandon Mattingly, Kylee Palmer, Corky Peek, Debbie Phillips, Vivek Sarin, Taylor Sears, Katie Smith, and Lucas Witt

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Mark Franklin, Stoll Keenon Ogden; Heather Pierce, Paducah Economic Development; Matt Zoellner, Scott, Murphy & Daniel; Alex Mercer, Louisville Forward; Billy Aldridge, Kentucky Finance and Administration Cabinet, Office of Financial Management; Richie Sanders, Capital Link Consultants; Casey Dunn, Denham-Blythe Company; Deborah Pape, AeroSource H, LLC

Approval of Minutes
Chairman Hale entertained a motion to approve the minutes from the December 13, 2018 regular KEDFA board meeting.

Joe Kelly moved to approve the minutes, as presented; Tucker Ballinger 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.

Local Industrial Revenue Bond (IRB) Project

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

Aptitude 4th Street, LLC
Jefferson

Ms. Phillips stated in accordance with KRS 103.210, Louisville/Jefferson County Metro Government requested KEDFA review and approve a one hundred percent (100%) reduction in the state ad valorem tax rate on the residential complex which Aptitude 4th Street, LLC proposes to be financed through the issuance of industrial revenue bonds by the Louisville/Jefferson County Metro Government. The company proposed a 10-story residential rental complex, parking garage and related tenant amenities primarily for students attending the University of Louisville and other local post-secondary educational institutions. The principal amount of the IRB authorization is up to $43,000,000 for a term of 30 years. A Payment in Lieu of Tax Agreement will be required with the Jefferson County School District.

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

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

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

Kentucky Business Investment (KBI) Projects (Amendment)

Chairman Hale called on Bobby Aldridge to present the KBI project amendments to the Authority.

Funai Lexington Technology Corporation
Fayette County

Mr. Aldridge stated Funai Lexington Technology Corporation received final approval on December 10, 2015 to establish a research and development center in Lexington, and activated the project on December 10, 2017. The company's payroll and employees are managed through a co-employment relationship with a professional employer organization, which was in place at the time of final approval but inadvertently omitted from the terms of the original agreement. The company is requesting an amendment to the agreement to ratify its co-employment relationship with the professional employer organization. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Hayashi Telempu North America Corporation
Franklin County

Mr. Aldridge stated Hayashi Telempu North America Corporation received final approval on December 8, 2016 for a KBI project to establish a leased manufacturing facility at 110 Fortune Drive in Frankfort. Subsequent to the execution of the original agreement, the company purchased the site of the project, along with certain adjacent buildings and parcels, and consolidated the land and buildings into a single address known as 116 Lane View Drive. The company has requested that the location of the economic development project be modified to

reflect the consolidation of the addresses and to recognize the termination of the lease agreement. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

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

Company	County	Extension
Macro Plastics Inc.	Shelby	4 Month
Catalent Pharma Solutions, LLC	Clark	6 Month
Consolidated Grain and Barge Co.	Jefferson	6 Month
Four Roses Distillery LLC	Anderson	6 Month
Emerge Technologies, LLC	Boone	12 Month
Hollison LLC	Daviess	12 Month
Kentucky Green Harvest LLC	Lincoln	12 Month

Staff recommended approval of the KEIA extension requests retroactive to January 31, 2019.

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

Kentucky Business Investment (KBI) Project (Preliminary) and KEIA Project

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

Ale-8-One Bottling Company **Taylor Sears**
Clark County **Kate Greenwell**

Taylor Sears stated Ale-8-One Bottling Company was founded in 1902 by G.L. Wainscott in Winchester and remains the oldest, privately held bottler in the United States still owned and operated by the founding family. The company is considering an expansion of its facility due to an opportunity to co-pack a potential customer's product.

Kate Greenwell stated the project investment is $19,400,000 of which $9,700,000 qualifies as KBI eligible costs and $4,075,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 40 with an average hourly wage of $23.75 including benefits. The state wage assessment participation is 3.0% and the City of Winchester will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $685,000 and the KEIA approved recovery amount of $65,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

AeroSource H, LLC **Corky Peek**
Ballard County **Michelle Elder**

Corky Peek stated AeroSource H, LLC is an industrial hemp processing company formed in April 2018. The company is considering an expansion of its production facility in Ballard County. AeroSource needs to purchase new equipment to be able to acquire new business.

Mr. Peek introduced Deborah Pape and invited her to address the board regarding the project.

Michelle Elder stated the project investment is $2,833,450, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 14 with an average hourly wage of $18.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

Blackbird Manufacturing, LLC **Corky Peek**
Daviess County **Michelle Elder**

Mr. Peek stated Blackbird Manufacturing, LLC is a manufacturer of stone countertops, primarily granite and quartz, for the commercial construction industry. The company is in a growth mode and needs to expand. Blackbird is considering adding square footage to its facility, making improvements and purchasing new equipment to meet demand.

Ms. Elder stated the project investment is $780,000 of which $380,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 20 with an average hourly wage of $17.00 including benefits. The state wage assessment participation is 3.0% and the City of Owensboro will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

Columbia Brands USA, LLC **Corky Peek**
Henderson County **Michelle Elder**

Mr. Peek stated Columbia Brands USA, LLC, a U.S. subsidiary of Columbia Sportswear Company, was incorporated in 2003 in Oregon. The company sells and distributes Columbia, Sorel, Montrail, PrAna and Mountain Hardwear branded apparel and footwear products throughout the United States. The company has many retail locations and owns two distribution centers, one of which is in Kentucky. Columbia Brands USA, LLC is considering purchasing new racking equipment and electronic processing equipment at its Henderson location to meet customer demand.

Ms. Elder stated the project investment is $700,000 of which $500,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of $17.00 including benefits. The state wage assessment participation is 3.0% and Henderson County will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The project will include multiple locations within Henderson County. Only investment costs incurred at 2001 Northern Star Way will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

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

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

OFS Brands Holdings Inc. **Corky Peek**
Grayson County **Michelle Elder**

Mr. Peek stated OFS Brands Holdings Inc. manufactures and distributes furniture in the office, healthcare, education and hospitality sectors. The company is considering adding a new production line, making facility improvements and purchasing new equipment at its Leitchfield facility.

Ms. Elder stated the project investment is $1,000,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 105 with an average hourly wage of $17.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

Fives Intralogistics Corp. **Lucas Witt**
Jefferson County **Michelle Elder**

Lucas Witt stated Fives Intralogistics business unit designs and supplies world-class material handling, sorting equipment and systems and complete warehouse automation solutions for customers in the intralogistics sector. Fives Intralogistics Corp., headquartered in Louisville, is the North American arm of the intralogistics business unit. The company is considering purchasing additional office and manufacturing space to meet customer demand.

Ms. Elder stated the project investment is $15,050,000 of which $7,230,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 370 with an average hourly wage of $48.00 including benefits. The state wage assessment participation is 3.0% and Louisville/Jefferson County Metro Government will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

LORD Corporation **Lucas Witt**
Warren County **Michelle Elder**

Mr. Witt stated LORD Corporation is a diversified technology and manufacturing company developing highly reliable adhesives, coatings, motion management devices, and sensing technologies that significantly reduce risk and improve product performance. For more than 90 years, LORD has worked in collaboration with its customers to provide innovative oil and gas, aerospace, defense, automotive and industrial solutions. The company is out of space at its existing facility and is considering an expansion for new and existing employees and new equipment in order to keep up with market demands.

Ms. Elder stated the project investment is $4,000,000 of which $3,097,948 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of $31.00 including benefits. The state wage assessment participation is 3.0% and the City of Bowling Green will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

Joe Kelly moved to approve the staff recommendation, as presented; Don Goodin 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 12 companies requested additional time to complete the projects and asked that all12 be presented as one motion.

Company	County	Extension
CabKey, LLC	Daviess	6 Month
Kentucky Building Systems, LLC	Daviess	6 Month
Builders FirstSource, Inc.	Warren	12 Month
Coldstream Laboratories, Inc.	Fayette	12 Month
Core-Mark International, Inc.	Grayson	12 Month
Custom Resins, Inc.	Henderson	12 Month
Evolent Health LLC	Jefferson	12 Month
KapStone Container Corporation	Warren	12 Month
Messier-Bugatti USA, LLC	Boone	12 Month
OG&A BioSpecialties LLC	Daviess	12 Month
Precision Strip, Inc.	Warren	12 Month
Stark Truss Company, Inc.	Simpson	12 Month

Staff recommended approval of the KBI extension requests retroactive to January 31, 2019.

Jean Hale moved to approve the staff recommendation, as presented; Chad Miller seconded the motion. Motion passed; unanimous.

KBI Projects (Final)

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

Ms. Phillips stated 11 companies requested KBI final approval, one of which has a modification since preliminary approval. Ms. Phillips asked that all 11 be presented as one motion.

No Modifications:

Project Name	County	Type Project
Creform Corporation	Scott	Manufacturing
Emerson Electric Co.	Logan	Manufacturing
Frost-Arnett Company	Taylor	Service & Technology
GreenTree Forest Products, Inc.	Fleming	Manufacturing
PARx Solutions Inc.	Jefferson	Service & Technology
Senture, LLC	Jackson	Service & Technology
Senture, LLC	Whitley	Service & Technology
Stoody Company	Warren	Manufacturing
TMM (USA), Inc.	Simpson	Manufacturing
Toyo Automotive Parts (USA), Inc.	Simpson	Manufacturing

Modifications:

Bluth Company, LLC Warren Manufacturing

The company name changed from BlueCotton, Inc. to Bluth Company, LLC. The affiliate changed from Bluth Company, LLC to BlueCotton, Inc. All other aspects of the project remain the same.

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

Chad Miller moved to approve the staff recommendation, as presented; Tucker Ballinger 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 were four Kentucky small businesses from four counties with qualifying tax credits of $24,500. The four businesses created 7 jobs and invested $86,590 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 and/or Technology	Tax Credit
Inside Out Design, LLC	Franklin	4	1	$ 14.00	$ 25,669	$ 3,500
Laswell Electric Company, Inc.	Jefferson	7	1	$ 34.51	$ 18,417	$ 3,500
Mt. Sterling Pediatrics, P.S.C.	Montgomery	16	2	$ 24.03	$ 13,651	$ 7,000
Wilder Iron Works LLC	Campbell	0	3	$ 23.31	$ 28,853	$ 10,500

Staff recommended approval of the tax credits.

Don Goodin moved to approve the staff recommendation, as presented; Chad Miller 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, 2018. After review, the Authority accepted the report as presented.

Quarterly Report – Letter Amendment / Resolution

Chairman Hale called on Jessica Burke to review the Quarterly Amendment Report ending January 31, 2019

Kentucky Jobs Development Act (KJDA)
Metal Sales Manufacturing Corporation
Letter Amendment to KJDA Service & Technology Agreement dated December 13, 2007, for Metal Sales Manufacturing Corporation, due to the company converting from a C Corporation to an S Corporation and changing its Fiscal Year from April 1st to March 31st to commencing January 1st and ending December 31st, effective April 1, 2017.

Staff recommended the Authority accept the Amendment Report and adopt the resolution to ratify the amendments.

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

Closed Session

Pursuant to KRS Section 61.810 (1) (c), Chairman Hale entertained a motion to enter into executive session to discuss proposed or pending litigation against or on behalf of the public agency.

Don Goodin moved to enter into executive session; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The board entered into executive session at 10:31 a.m.

Regular Session

Chairman Hale entertained a motion to return to regular session.

Joe Kelly moved to return to regular session; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The board returned to regular session 10:36 a.m.

Adjournment

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

Chad Miller moved to adjourn the February 7th KEDFA board meeting; Don Goodin seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:36 a.m.

APPROVED
PRESIDING OFFICER:

Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

1/31/2019

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
Louisville/Jefferson County Metro Government *(Louisville Regional Airlift Development, Inc.)*	21730	Jefferson	Jul-17	Dec-21	$1,330,000
Louisville/Jefferson County Metro Government *(Res-Care, Inc.)*	21990	Jefferson	Jan-18	Dec-22	$500,000
SMALL BUSINESS LOANS					
None					
TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)					**$2,211,774**

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	($250,000)	$250,000
TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)							**$250,000**

TOTAL KEDFA APPROVED AND NOT DISBURSED	**$2,461,774**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

STATEMENT OF NET POSITION

1/31/2019

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 1/31/19	OOE 1/31/19	COMBINED 1/31/19
ASSETS						
Cash & Accounts Receivable						
Operating Account	130,732.60	0.00	0.00	130,732.60	0.00	*130,732.60*
Cash	1,591,189.97	16,870,573.20	404,468.40	18,866,231.57	0.00	*18,866,231.57*
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	2,902,326.80	*2,902,326.80*
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	2,461,774.00	0.00	0.00	2,461,774.00	250,000.00	*2,711,774.00*
Total Cash & Accounts Receivable	**4,183,696.57**	**16,870,573.20**	**404,468.40**	**21,458,738.17**	**3,293,870.68**	***24,752,608.85***
Accrued Interest Receivable						
Loans	25,393.25	2,735.20	0.00	28,128.45	0.00	*28,128.45*
Investments	2,988.57	29,025.99	696.02	32,710.58	0.00	*32,710.58*
Total Accrued Interest Receivable	**28,381.82**	**31,761.19**	**696.02**	**60,839.03**	**0.00**	***60,839.03***
Notes Receivable						
Loans Receivable	18,466,547.70	1,452,865.66	0.00	19,919,413.36	0.00	*19,919,413.36*
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,684,722.61)	0.00	*(1,684,722.61)*
Total Notes Receivable	**18,466,547.70**	**1,452,865.66**	**0.00**	**18,234,690.75**	**0.00**	***18,234,690.75***
TOTAL ASSETS	***22,678,626.09***	***18,355,200.05***	***405,164.42***	***39,754,267.95***	***3,293,870.68***	***43,048,138.63***
DEFERRED OUTFLOWS OF RESOURCES:						
Deffered Outflows Pension				***1,730,000.00***	***0.00***	***1,730,000.00***
Deffered Outflows OPEB				***324,000.00***	***0.00***	***324,000.00***
LIABILITIES						
Accrued Salaries & Compensated Absences				**293,609.88**	**0.00**	***293,609.88***
Accounts Payable				**0.00**	**0.00**	***0.00***
Intergovernment Payable				**0.00**		***0.00***
Grants Payable				**0.00**	**0.00**	***0.00***
Pension Liability				**8,914,000.00**	**0.00**	***8,914,000.00***
OPEB Liability				**1,688,000.00**	**0.00**	***1,688,000.00***
TOTAL LIABILITIES				***10,895,609.88***	***0.00***	***10,895,609.88***
DEFERRED INFLOWS OF RESOURCES						
Deffered Inflows Pension				***234,000.00***	***0.00***	***234,000.00***
Deffered Inflows OPEB				***36,000.00***	***0.00***	***36,000.00***
NET POSITION						
Beginning Balance				**31,214,789.98**	**3,382,281.07**	***34,597,071.05***
Current Year Undivided Profits				(572,131.91)	(88,410.39)	(660,542.30)
TOTAL NET POSITION				***30,642,658.07***	***3,293,870.68***	***33,936,528.75***

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, 2019

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2018-2019 YEAR TO DATE	*FY 2017-2018 YEAR TO DATE*
Operating Revenues - KEDFA						
Interest Income/Loans	15,591.55	2,345.30	0.00	0.00	130,984.81	*166,063.55*
Interest Income/ Investments	2,988.57	29,025.99	696.02	0.00	196,129.43	*75,203.05*
Late Fees	0.00	0.00	0.00	0.00	0.00	*0.00*
Application Fees	9,780.00	0.00	0.00	0.00	265,545.05	*267,733.75*
Miscellaneous Income	472.51	0.00	0.00	0.00	2,919.07	*2,717.57*
Total Operating Revenues - KEDFA	**28,832.63**	**31,371.29**	**696.02**	**0.00**	**595,578.36**	***511,717.92***
Operating Expenses - KEDFA						
Salaries	88,611.07				645,362.22	*631,227.15*
Employee benefits	94,021.53				662,557.46	*448,950.33*
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	7,908.83				103,315.23	*84,934.30*
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	0.50				9.21	*9.45*
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				32.00	*16.00*
Travel	0.00				3,064.36	*1,590.20*
Miscellaneous Commodities	0.00				335.00	*199.00*
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	**190,541.93**	**0.00**	**0.00**	**0.00**	**1,414,675.48**	***1,166,926.43***
Income (Loss) from Operations - KEDFA	(161,709.30)	**31,371.29**	**696.02**	**0.00**	(819,097.12)	*(655,208.51)*
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					381,774.00	*500,000.00*
Transfer Due from KSBCI	0.00				0.00	*0.00*
Grants Disbursed	0.00				(134,808.79)	*(892,025.69)*
Operating Transfer In - Economic Dev	0.00				0.00	*0.00*
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**	**246,965.21**	*(392,025.69)*
CHANGE IN NET POSITION - KEDFA	(161,709.30)	**31,371.29**	**696.02**	**0.00**	(572,131.91)	*(1,047,234.20)*
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				0.00	0.00	*86.90*
Misc Income				0.00	0.00	*0.00*
Disbursements: Projects (Note 1)				0.00	(88,410.39)	*(1,375,088.84)*
Repayments received from Projects				0.00	0.00	*94,953.60*
						0.00
Non-Operating Revenues (Expenses) - OOE						*0.00*
Operating Transfer in - OOE					0.00	*0.00*
Transfer Due from Bonds					0.00	*(23,244.49)*
Operating Transfer Out - OOE					0.00	*(55,089.60)*
CHANGE IN NET POSITION - OOE	**0.00**	**0.00**	**0.00**	**0.00**	(88,410.39)	*(1,358,382.43)*
CHANGE IN NET POSITION - COMBINED	(161,709.30)	**31,371.29**	**696.02**	**0.00**	(660,542.30)	*(2,405,616.63)*

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

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

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CASH POSITION STATEMENT
1/31/2019

	1/31/2018	1/31/2019
Fund A Cash Balance	$2,830,504.01	$1,591,189.97
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	**$2,830,504.01**	**$1,591,189.97**
2003 Bond Fund Cash Balance	$14,832,467.54	$16,870,573.20
Less: Approved/Undisbursed	(3,746,207.00)	(2,461,774.00)
Total Unobligated Balance	**$11,086,260.54**	**$14,408,799.20**
Small Business Loan Fund Cash Balance	$398,620.76	$404,468.40
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	**$398,620.76**	**$404,468.40**
Bond Funds to be Provided for Loans	$0.00	
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	**$0.00**	**$0.00**
Budget: Cash to be Transferred to Other CED Programs for		**$0.00**
CASH AVAILABLE	**$14,315,385.31**	**$16,404,457.57**
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	**$2,865,123.47**	$2,902,326.80
Less: Approved/Undisbursed	**($518,034.00)**	($654,624.00)
LGEDF Pool	**$4,043.88**	$4,043.88
Less: Approved/Undisbursed	**$0.00**	$0.00
Bond Funds to be Provided for Approved Projects	**$0.00**	$250,000.00
Bond Funds Available for Projects		
Total Unobligated Balance	**$2,488,633.35**	**$2,639,247**
TOTAL ALL FUNDS	**$16,804,018.66**	**$19,043,704.25**

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2018

KEDFA Meeting date	2/28/2019
Total Projects Approved Fiscal Year-to-Date	23
Number of Proposed Projects for Current Month	1

Construction Materials and Building Fixtures

Fiscal Year Cap	$20,000,000
Approved Fiscal Year-to-Date	$6,928,000
Committed Amount	$0
Balance Available for Current Month	$13,072,000
Proposed Approval for Current Month	$50,000
Balance Available for Remainder of Fiscal Year	$13,022,000

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap	$5,000,000
Approved Fiscal Year-to-Date	$375,000
Committed Amount	$0
Balance Available for Current Month	$4,625,000
Proposed Approval for Current Month	$0
Balance Available for Remainder of Fiscal Year	$4,625,000

KBI Summary

Updated February 20, 2019

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	141	14,572	13,103	111%	$25.41	$22.38	114%
2016	190	20,976	18,423	114%	$24.91	$21.64	115%
2017	211	24,103	20,352	118%	$26.40	$21.87	121%
2018	75	7,803	5,855	133%	$23.39	$20.10	116%

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	$39,267,700	$18,084,965	46%
2016	$40,029,248	$35,186,477	$19,923,814	57%
2017	$42,971,201	$37,282,731	N/A	N/A
2018	$44,278,518	$37,974,365	N/A	N/A
Grand Total	$221,376,526	$192,378,449	$59,845,588	31%

- The Commonwealth provided $2,483 of incentives per new job reported based on total actual incentives claimed through 2016 and actual jobs reported in 2017.
- Based on actual jobs and wages reported in 2017 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is approximately $1.3 billion. This equated to $22.11 for every $1 of claimed incentives.

***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 2019

Project	County	Approval Date	Exit Date	Program
Jabil, Inc.	Boone	12/13/2018	12/19/2018	KBI

Explanation: Company withdrew from the KBI Program per an eamil dated 12/19/2018.

Protech Industries, Inc.	Breckenridge	1/28/2016	12/31/2018	KBI

Explanation: Several attempts to contact the Company with no response. The project expired on 12/31/2018.

Quad / Graphics, Inc.	Woodford	12/10/2015	12/31/2018	KBI

Explanation: Several attempts to contact the Company with no response. The project expired on 12/31/2018.

Dant Clayton Corporation	Jefferson	12/10/2015	12/31/2018	KBI

Explanation: Several attempts to contact the Company with no response. The project expired on 12/31/2018.

Quad / Graphics	Simpson	12/10/2015	12/31/2018	KBI

Explanation: Several attempts to contact the Company with no response. The project expired on 12/31/2018.

MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 28, 2019

SUBJECT: KBI Amendment
Appriss Inc. (Jefferson County)
KBI Project #18895

Appriss Inc. received Final Approval on January 30, 2014 for a KBI project to expand its Louisville business providing information services to federal, state and local law enforcement and other government agencies. The project activated January 30, 2016. As the business has continued to grow, the company has relocated to a larger leased facility at 9901 Linn Station Road, while maintaining an additional campus location at Nelson Miller Parkway.

This amendment documents the change of the project site and recognizes the new lease. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director RA
Compliance Division

DATE: February 28, 2019

SUBJECT: KBI Amendment
Phoenix Products, Inc. (Jackson County)
KBI Project # 18633

Company is requesting an Amended and Restated Tax Incentive Agreement to reflect a co-employment relationship and use of a PEO (Professional Employer Organization) specifically, ADP TotalSource, Inc. retroactive to the activation date of June 25, 2017.

All other aspects remain the same.

Staff recommends approval

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 28, 2019

SUBJECT: KREDA Amendment
Phoenix Products, Inc. (Jackson County)
KREDA Project # 16799

Company is requesting approval of an Amended and Restated KREDA Tax Incentive Agreement to reflect a co-employment relationship and use of a PEO (Professional Employer Organization) specifically, ADP TotalSource, Inc. retroactive to October 10, 2011.

All other aspects remain the same.

Staff recommends approval

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: February 28, 2019

SUBJECT: KEIA Extensions

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

Company	County	Extension
Kobe Aluminum Automotive Products, LLC	Warren	6 Months
Hansens Aluminum Extrusion LLC	Henderson	12 Months
Vanderbilt Chemicals, LLC	Calloway	12 Months

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder ME
Incentives Administration Division

DATE: February 28, 2019

SUBJECT: KMG Fabrication, Inc. – Bullitt County
KBI Modification – KBI-IL-17-21849

New Flyer of America Inc. was given preliminary approval on November 16, 2017 for a project consisting of an approximate 300,000 square foot manufacturing facility in Shepherdsville, Bullitt County to manufacture parts for the transit bus and motor coach industries. The project was approved for $8,500,000.

Subsequent to this approval, New Flyer of America Inc. will enter into an Assignment and Assumption Agreement, selling, transferring and assigning all of its interests in its business to KMG Fabrication, Inc. to operate the new facility.

Staff recommends a modification of the project consisting of the amendment of the preliminary approval of New Flyer of America Inc. to KMG Fabrication, Inc. as the approved company.

All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: Kentucky Industrial Hemp, LLC dba Ecofibre Kentucky
City: Georgetown **County:** Scott
Activity: Manufacturing **Prelim Resolution #:** KBI-I-19-22462
Bus. Dev. Contact: T. Sears **DFS Staff:** K. Greenwell

Project Description: Ecofibre is an Australian company incorporated in 2009 and participates in the industrial hemp industry in Australia and the United States. The company is considering constructing a 40,000 sq ft facility to house new processing technology for Hemp Black, expand capacity for Ananda Hemp and establish a formal US headquarters.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$160,000	$160,000
Building/Improvements	$4,500,000	$4,500,000
Equipment	$200,000	$500,000
Other Start-up Costs	$500,000	$500,000
TOTAL	**$5,360,000**	**$5,660,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$30.00	
1	10	$30.00	$25,000
2	10	$30.00	$25,000
3	11	$30.00	$25,000
4	14	$30.00	$25,000
5	17	$30.00	$25,000
6	20	$30.00	$25,000
7	23	$30.00	$25,000
8	26	$30.00	$25,000
9	28	$30.00	$25,000
10	30	$30.00	$25,000

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

County Type:
Other

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

Ownership (20% or more):
Ecofibre Ltd - Australia

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: .5% City of Georgetown
.5% Scott County

Unemployment Rate:
County: 3.0%
Kentucky: 3.8%

Existing Presence in Kentucky:
Harrison and Jefferson County

Special Conditions:

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 28, 2019		
Approved Company:	Kentucky Industrial Hemp, LLC dba Ecofibre Kentucky		
City:	Georgetown	**County:**	Scott
Activity:	Manufacturing	**Resolution #:**	KEIA-19-22463
Bus. Dev. Contact:	T. Sears	**DFS Staff:**	K. Greenwell

Project Description: Ecofibre is an Australian company incorporated in 2009 and participates in the industrial hemp industry in Australia and the United States. The company is considering constructing a 40,000 sq ft facility to house new processing technology for Hemp Black, expand capacity for Ananda Hemp and establish a formal US headquarters.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$160,000
Building Construction	$2,500,000	$4,500,000
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$500,000
Other Start-up Costs	$0	$500,000
TOTAL	**$2,500,000**	**$5,660,000**

Approved Recovery Amount:

Construction Materials and Building Fixtures: $50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$50,000**

See KBI file (KBI-I-19-22462) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: GossHall Systems, LLC
City: Elizabethtown **County:** Hardin
Activity: Headquarters **Prelim Resolution #:** KBI-I-19-22440
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: GossHall Systems, LLC is a delivery service provider for one of the worlds premier distribution companies, aiding in its home delivery service. The company is considering locating its headquarters for the Kentucky, Tennessee and Florida operations in Elizabethtown.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$200,000	$200,000
Building/Improvements	$500,000	$500,000
Equipment	$50,000	$50,000
Other Start-up Costs	$25,000	$25,000
TOTAL	**$775,000**	**$775,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	12	$22.00	
1	15	$22.00	$30,000
2	18	$22.00	$30,000
3	20	$22.00	$30,000
4	20	$22.00	$30,000
5	20	$22.00	$30,000
6	20	$22.00	$30,000
7	20	$22.00	$30,000
8	20	$22.00	$30,000
9	20	$22.00	$30,000
10	20	$22.00	$30,000

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

County Type:
Other

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

Ownership (20% or more):

Anita Hall	Elizabethtown, KY
Michael R. Hall	Elizabethtown, KY
Deborah Gosser	Parrish, FL

Active State Participation at the project site: None

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

Unemployment Rate:
County: 3.6%
Kentucky: 3.8%

Existing Presence in Kentucky:
Fayette and Jefferson Counties

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	February 28, 2019		
Approved Company:	Goose Creek Candles, LLC L.L.C.		
City:	Liberty	**County:**	Casey
Activity:	Service & Technology	**Prelim Resolution #:**	KBI-I-19-22470
Bus. Dev. Contact:	A. Franklin	**DFS Staff:**	M. Elder

Project Description: Goose Creek Candles, LLC L.L.C. opened for business in 1998 as a candle manufacturer. The company is considering expanding its current business model to include the distribution of its product which is currently outsourced to a third party located in Tennessee. Goose Creek hopes to increase productivity, shipping times and customer relations by being in control of the distribution aspect of the business.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$1,530,000	$1,530,000
Equipment	$125,000	$125,000
Other Start-up Costs	$165,000	$165,000
TOTAL	**$1,820,000**	**$1,820,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	18	$14.00	
1	18	$14.00	$20,000
2	23	$14.00	$20,000
3	28	$14.00	$20,000
4	33	$14.00	$20,000
5	38	$14.00	$20,000
6	43	$14.00	$20,000
7	48	$14.00	$20,000
8	50	$14.00	$20,000
9	55	$14.00	$20,000
10	60	$14.00	$20,000
11	60	$14.00	$20,000
12	60	$14.00	$20,000
13	60	$14.00	$20,000
14	60	$14.00	$20,000
15	60	$14.00	$20,000

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

County Type:
Enhanced

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

Ownership (20% or more):
Chuck Meece Casey, KY
Tamara Meece Casey, KY
MVP Group Int. Charleston, SC

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 3.6% Kentucky: 3.8%

Existing Presence in Kentucky:
Casey 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 15 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	February 28, 2019		
Approved Company:	Meyer Tool, Inc.		
City:	Erlanger	**County:**	Boone
Activity:	Manufacturing	**Prelim Resolution #:**	KBI-IL-19-22469
Bus. Dev. Contact:	A. Franklin	**DFS Staff:**	M. Elder

Project Description: Meyer Tool, Inc. supplies a variety of precision components to the aerospace and gas turbine engine industries. The company is recognized as a world leader in both electrical discharge machining and waterjet manufacturing processes. Meyer Tool is considering expanding its footprint in the aerospace industry and is looking at Kentucky for this project.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$1,175,000	$2,350,000
Building/Improvements	$1,250,000	$1,250,000
Equipment	$960,000	$12,000,000
Other Start-up Costs	$300,000	$300,000
TOTAL	**$3,685,000**	**$15,900,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	48	$35.00	
1	48	$35.00	$125,000
2	55	$35.00	$125,000
3	65	$35.00	$125,000
4	82	$35.00	$125,000
5	85	$35.00	$125,000
6	85	$35.00	$125,000
7	90	$35.00	$125,000
8	100	$35.00	$125,000
9	100	$35.00	$125,000
10	100	$35.00	$125,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$1,250,000**

County Type:
Other

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

Ownership (20% or more):
Arlyn T. Easton Trust

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: .8% Boone County

Unemployment Rate:
County: 3.0%
Kentucky: 3.8%

Existing Presence in Kentucky:
Boone and Kenton Counties

Special Conditions:
The company will be required to maintain 90% of the total countywide and 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

KBI REPORT - PRELIMINARY APPROVAL

Date:	February 28, 2019		
Approved Company:	C&C Industrial, LLC		
City:	Mt. Sterling	**County:**	Montgomery
Activity:	Service & Technology	**Prelim Resolution #:**	KBI-I-19-22457
Bus. Dev. Contact:	A. Luttner	**DFS Staff:**	D. Phillips

Project Description: C&C Industrial, LLC specializes in industrial maintenance, food-grade and pharmaceutical-grade piping, boilers and hi-pressure systems, and ammonia-refrigerant and glycol systems. The company also offers commercial services for HVAC, plumbing and electrical trades. The proposed project consists of the construction of a new facility to meet its growing needs.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$130,000	$130,000
Building/Improvements	$2,500,000	$2,500,000
Equipment	$1,000,000	$1,000,000
Other Start-up Costs	$200,000	$200,000
TOTAL	**$3,830,000**	**$3,830,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	$31.00	
1	15	$31.00	$40,000
2	15	$31.00	$40,000
3	15	$31.00	$40,000
4	15	$31.00	$40,000
5	15	$31.00	$40,000
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$200,000**

County Type:
Enhanced

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

Ownership (20% or more):
Corey Rankin - Sharpsburg, KY
Willard Rankin - Sharpsburg, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 5.1%
Kentucky: 3.8%

Existing Presence in Kentucky:
Montgomery 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 20 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: Atalo Holdings, Inc.
City: Winchester
County: Clark
Activity: Manufacturing
Prelim Resolution #: KBI-IL-19-22468
Bus. Dev. Contact: T. Sears
DFS Staff: K. Greenwell

Project Description: Atalo Holdings, Inc. opened in September 2014 as a vertically integrated industrial hemp company. The company is considering an additional hemp processing facility to include warehousing and processing space to support growth and product demand.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$825,000	$1,650,000
Building/Improvements	$200,000	$200,000
Equipment	$280,000	$280,000
Other Start-up Costs	$0	$0
TOTAL	**$1,305,000**	**$2,130,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	14	$27.30	
1	24	$27.30	$48,000
2	36	$27.30	$48,000
3	52	$27.30	$48,000
4	60	$27.30	$48,000
5	75	$27.30	$48,000
6	85	$27.30	$48,000
7	100	$27.30	$48,000
8	110	$27.30	$48,000
9	125	$27.30	$48,000
10	130	$27.30	$48,000

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

County Type:
Other

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

Ownership (20% or more):
Bill Hilliard - Lexington, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% Clark County

Unemployment Rate:
County: 3.4%
Kentucky: 3.8%

Existing Presence in Kentucky:
Clark 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 24 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Winchester/Clark County. Only investment costs incurred at 5855 Rockwell Road will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: Fibonacci, LLC
City: Murray **County:** Calloway
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-19-22340
Bus. Dev. Contact: T. Sears **DFS Staff:** K. Greenwell

Project Description: Fibonacci, LLC will be a manufacturer of HempWood based on 13 years of experience, research, and development stemming from the founders bamboo and Smartoak operations. Fibonacci, LLC is considering leasing a 11,230 sf building for its pilot plant facility to establish a world class, automated HempWood operation to support growth and market demand.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$270,000	$540,000
Building/Improvements	$1,284,244	$1,284,244
Equipment	$500,000	$2,269,828
Other Start-up Costs	$1,715,644	$1,715,644
TOTAL	**$3,769,888**	**$5,809,716**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	$20.00	
1	25	$20.00	$30,000
2	25	$20.00	$30,000
3	25	$20.00	$30,000
4	25	$20.00	$30,000
5	25	$20.00	$30,000
6	25	$20.00	$30,000
7	25	$20.00	$30,000
8	25	$20.00	$30,000
9	25	$20.00	$30,000
10	25	$20.00	$30,000

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

County Type:
Other

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

Ownership (20% or more):
Gregory Andrew Wilson - Edgewater, MD

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: $500 per job created up to a maximum of $12,500; local incentives to be awarded upon the creation of 25 permanent full time jobs but no later than 2 years from the start of operations

Unemployment Rate:
County: 3.5%
Kentucky: 3.8%

Existing Presence in Kentucky: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: Tower Automotive Operations USA I, LLC
City: Shepherdsville **County:** Bullitt
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-19-22465
Bus. Dev. Contact: T. Sears **DFS Staff:** K. Greenwell

Project Description: Tower International is a leading integrated global manufacturer of engineered structural metal components and assemblies. Tower Automotive Operations USA I, LLC is a wholly owned subsidiary of Tower International and supplies the automotive industry with body-structure stampings, frames, and other complex welded assemblies for automobiles. The company has been awarded a new program to manufacture automotive structural components for sport utility vehicles and is considering expanding its facility in Shepherdsville to accommodate for the growth.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$1,512,000	$3,024,000
Building/Improvements	$1,400,000	$1,400,000
Equipment	$1,000,000	$12,600,000
Other Start-up Costs	$4,000,000	$4,000,000
TOTAL	**$7,912,000**	**$21,024,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	$22.00	
1	50	$22.00	$75,000
2	50	$22.00	$75,000
3	50	$22.00	$75,000
4	50	$22.00	$75,000
5	50	$22.00	$75,000
6	50	$22.00	$75,000
7	50	$22.00	$75,000
8	50	$22.00	$75,000
9	50	$22.00	$75,000
10	50	$22.00	$75,000

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

County Type:
Other

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

Ownership (20% or more):
Publicaly Traded

Active State Participation at the project site:

Date	Program	Status	Amount
Dec 11, 2014	KBI	Monitor	$2,000,000
Apr 26, 2018	KBI	Monitor	$600,000

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

Unemployment Rate:
County: 3.5% Kentucky: 3.8%

Existing Presence in Kentucky:
Bullitt and Nelson Counties

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 181 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

KBI REPORT - PRELIMINARY APPROVAL

Date: February 28, 2019
Approved Company: LHC Group, Inc.
City: Louisville
County: Jefferson
Activity: Headquarters
Prelim Resolution #: KBI-IL-19-22461
Bus. Dev. Contact: B. Leep
DFS Staff: K. Greenwell

Project Description: LHC Group, Inc. was founded in 1994 in Louisiana and is the preferred in-home healthcare partner for 330 leading hospitals around the country. With the recent merger of LHC Group, Inc. and Kentucky based company Almost Family, Inc., the company is looking to establish its regional headquarters, emergency command center and call center in Louisville.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$0	$0
Building/Improvements	$200,000	$200,000
Equipment	$250,000	$250,000
Other Start-up Costs	$150,000	$150,000
TOTAL	**$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	31	$19.50	
1	31	$19.50	$40,000
2	31	$19.50	$40,000
3	31	$19.50	$40,000
4	31	$19.50	$40,000
5	31	$19.50	$40,000
6	31	$19.50	$40,000
7	31	$19.50	$40,000
8	31	$19.50	$40,000
9	31	$19.50	$40,000
10	31	$19.50	$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$400,000**

County Type:
Other

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

Ownership (20% or more):
Publicaly Traded

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 1.5%
Local: .5% Louisville/Jefferson County Metro Government

Unemployment Rate:
County: 3.6%
Kentucky: 3.8%

Existing Presence in Kentucky:
Jefferson County

Special Conditions:
The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval and a base payroll equal to the total amount of payroll paid to the full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 129 full-time, Kentucky resident employees with a total payroll of $8,435,000 as of the application date.

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder
Incentive Administration Division

DATE: February 28, 2019

SUBJECT: KBI Extensions

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

Company	County	Extension
More Than A Bakery, LLC	Woodford	6 Month
Bluegrass Stockyards, LLC	Fayette	6 Month
Ernst & Young U.S. LLP	Jefferson	6 Month
Hafendorfer Machine, Inc.	Jefferson	12 Month
Inplast Industries USA, LLC dba Plastikon Industries (Retroactive to September 30, 2018)	Grayson	12 Month
Integrity Express Logistics, LLC	Kenton	12 Month
Shoemagoo LLC	Jefferson	12 Month
Mobile Marketing Solutions, Inc. dba Brewco Marketing Group	Muhlenberg	12 Month
PharmaCord LLC	Jefferson	12 Month
Whitworth Tool, Inc.	Breckinridge	12 Month

Staff recommends approval.

Extension Chart - KBI Prelim

Generated By:
Michelle Elder
Kentucky Cabinet for Economic Development
2/13/2019 11:59 AM

Program: Program Name	FI County	Location Type	New Jobs Projected	Preliminary Approval Date	Prelim Incentive Amount	Prelim Total Estimated Costs
Whitworth Tool, Inc.	Breckinridge	Existing	50	2/26/2015	$750,000.00	$3,580,000.00
Bluegrass Stockyards, LLC	Fayette	New	20	2/25/2016	$300,000.00	$11,900,000.00
Hafendorfer Machine, Inc.	Jefferson	Existing	29	2/26/2015	$275,000.00	$5,900,000.00
PharmaCord LLC	Jefferson	New	300	2/23/2017	$4,000,000.00	$7,329,660.00
Shoemagoo LLC	Jefferson	New	50	2/23/2017	$375,000.00	$3,470,000.00
Ernst & Young U.S. LLP	Jefferson	Existing	125	2/23/2017	$1,000,000.00	$4,350,000.00
Integrity Express Logistics, LLC	Kenton	New	30	2/25/2016	$200,000.00	$820,000.00
Mobile Marketing Solutions, Inc. dba Brewco Marketing Group	Muhlenberg	Existing	18	2/25/2016	$480,000.00	$600,000.00
Inplast Industries USA, LLC dba Plastikon Industries	Grayson	Existing	65	9/25/2014	$1,050,000.00	$10,300,000.00
More Than A Bakery, LLC	Woodford	New	310	2/25/2016	$8,000,000.00	$57,100,000.00
Grand Totals (10 records)						

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: February 28, 2019
Preliminary Approval: January 29, 2015
Approved Company: Cabaxis, Inc.
City: Owensboro
County: Daviess
Activity: Manufacturing
Final Resolution #: KBI-F-19-20284
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: Cabaxis, Inc. has developed a new dowel locking system which increases the speed of assembly for cabinets and furniture. The company located a new manufacturing facility in Owensboro.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$870,000	$1,020,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

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

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

County Type:
Other

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

Special Conditions: None

Modifications since preliminary approval? Yes
The company name changed from CabKey, LLC to Cabaxis, Inc. All other aspects of the project remain the same.

Kentucky Small Business Tax Credit Projects
February 2019

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
AMC Manufacturing Co., L.L.C.	Jefferson	4	8	$16.51	$29,500	$25,000
Cincy Gutter Boys LLC	Kenton	7	3	$16.67	$10,527	$10,500
Industrial Park Distributors LLC	Boyle	6	1	$11.83	$8,985	$3,500
Integrated Medical Solutions, LLC	Jefferson	14	8	$18.83	$31,551	$25,000
Jason Tanner Design, LLC	Daviess	7	1	$21.63	$7,499	$3,500
Lockshield Partners, Inc.	Barren	3	1	$15.00	$5,208	$3,500
MedIQ Learning, LLC	Hardin	6	2	$32.69	$8,437	$7,000
Russell Alzheimer's Investors, LLC	Greenup	0	8	$23.51	$47,237	$25,000
8	**7**		**32**	**Total**	**$148,944**	**$103,000**

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

Credit Limit	$3,000,000
Current FY Projected/ Approved Credits	$1,310,900
Remaining Credits	**$1,689,100**