


MEMORANDUM

TO: KEDFA Board Members 
FROM: Jean R. Hale, Chairman
Kentucky Economic Development Finance Authority
DATE: March 21, 2019
SUBJECT: KEDFA Special Board Meeting

A special meeting of the Kentucky Economic Development Finance Authority is called for **3:00 p.m. (EDT) on Wednesday, March 27, 2019** via video conference.

Meeting locations are as follows:

- **Frankfort**
Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway,
Board of Directors Conference Room
- **Pikeville**
Community Trust Bank, Inc. 346 North Mayo Trail, 5th Floor Conference Room

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

Attachment

the 1990s, the number of people who have been employed in the public sector has increased in all countries.

There are a number of reasons for the increase in public sector employment. One of the main reasons is the increasing demand for public services. As the population ages, there is a need for more social security, health care, and education. In addition, the demand for public services has increased in many other areas, such as transportation, housing, and environmental protection.

Another reason for the increase in public sector employment is the increasing size of the public sector. In many countries, the public sector has grown significantly in size over the past few decades.

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KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

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

SPECIAL BOARD MEETING

AGENDA
March 27, 2019

Call to Order
Notification of Press
Roll Call

KBI Project (Preliminary) and KEIA Project – Meade County

Presented by:
Katie Smith and Michelle Elder

Adjournment

Video Conference Sites:

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

Community Trust Bank, Inc.
5th Floor Conference Room
346 North Mayo Trail
Pikeville, Kentucky

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: March 27, 2019
Approved Company: Nucor Corporation
City: Brandenburg **County:** Meade
Activity: Manufacturing **Prelim Resolution #:** KBI-I-19-22495
Bus. Dev. Contact: L. Ransdell **DFS Staff:** M. Elder

Project Description: Nucor Corporation and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Nucor is considering growing its operations by constructing a new state-of-the-art plate mill facility and is considering Brandenburg for this location. The new plate mill would enhance Nucor's ability to serve its customers in the region as well as the needs of its customers around the world.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

| | Eligible Costs | Total Investment |
|-----------------------|------------------------|-------------------------|
| Land | \$12,200,000 | \$12,200,000 |
| Building/Improvements | \$177,275,000 | \$177,275,000 |
| Equipment | \$1,165,200,000 | \$1,165,200,000 |
| Other Start-up Costs | \$3,850,000 | \$3,850,000 |
| TOTAL | \$1,358,525,000 | \$1,358,525,000 |

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

| Year | Job Target | Average Hourly Wage Target (Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|-------------------|---|--|
| As of Activation Date | 400 | \$45.00 | |
| 1 | 400 | \$45.00 | \$2,000,000 |
| 2 | 400 | \$45.00 | \$2,000,000 |
| 3 | 400 | \$45.00 | \$2,000,000 |
| 4 | 400 | \$45.00 | \$2,000,000 |
| 5 | 400 | \$45.00 | \$2,000,000 |
| 6 | 400 | \$45.00 | \$2,000,000 |
| 7 | 400 | \$45.00 | \$2,000,000 |
| 8 | 400 | \$45.00 | \$2,000,000 |
| 9 | 400 | \$45.00 | \$2,000,000 |
| 10 | 400 | \$45.00 | \$2,000,000 |
| 11 | 400 | \$45.00 | \$2,000,000 |
| 12 | 400 | \$45.00 | \$2,000,000 |
| 13 | 400 | \$45.00 | \$2,000,000 |
| 14 | 400 | \$45.00 | \$2,000,000 |
| 15 | 400 | \$45.00 | \$2,000,000 |

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$30,000,000**

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: March 27, 2019
Approved Company: Nucor Corporation
City: Brandenburg **County:** Meade
Activity: Manufacturing **Resolution #:** KEIA-19-22496
Bus. Dev. Contact: L. Ransdell **DFS Staff:** M. Elder

Project Description: Nucor Corporation and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Nucor is considering growing its operations by constructing a new state-of-the-art plate mill facility and is considering Brandenburg for this location. The new plate mill would enhance Nucor's ability to serve its customers in the region as well as the needs of its customers around the world.

Facility Details: Locating in a new facility

Anticipated Project Investment

| | Eligible Costs | Total Investment |
|----------------------------------|-----------------------|-------------------------|
| Land | \$0 | \$12,200,000 |
| Building Construction | \$177,265,000 | \$177,275,000 |
| Electronic Processing Equipment | \$0 | \$0 |
| Research & Development Equipment | \$0 | \$0 |
| Flight Simulation Equipment | \$0 | \$0 |
| Other Equipment | \$0 | \$1,165,200,000 |
| Other Start-up Costs | \$0 | \$3,850,000 |
| TOTAL | \$177,265,000 | \$1,358,525,000 |

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$10,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$10,000,000**

See KBI file (KBI-I-19-22495) for Ownership, Other State Participation and Unemployment Rate.