



CABINET FOR ECONOMIC DEVELOPMENT

Matthew G. Bevin
Governor

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

Terry R. Gill, Jr.
Secretary

MEMORANDUM

TO: KEDFA Members

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

DATE: August 24, 2018

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, August 30, 2018** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EDT) 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
August 30, 2018

Call to Order
Notification of Press
Roll Call

Minutes

Minutes from July 26, 2018 Regular KEDFA Board Meeting
Minutes from August 16, 2018 Special KEDFA Board Meeting

Reports

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

TIF Project (Preliminary) Kylee Palmer

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

KEIA Projects (Extension) Bobby Aldridge

AAK USA K2, LLC	Jefferson
Greif Packaging, LLC	Jefferson
Wilderness Trace Distillery LLC	Boyle
Distilled Spirits Epicenter, LLC	Jefferson

KEIA Projects

Heaven Hill Distilleries, Inc.	Nelson	Anna Beth Bobbitt / Debbie Phillips
Jim Beam Brands Co.	Bullitt	Anna Beth Bobbitt / Debbie Phillips
Jim Beam Brands Co.	Nelson	Anna Beth Bobbitt / Debbie Phillips

KBI Projects (Preliminary) & KEIA Projects

Danimer Scientific Kentucky, Inc.	Clark	Anna Beth Bobbitt / Debbie Phillips
Danimer Scientific Kentucky, Inc.	Clark	
Sister Schubert's Homemade Rolls, Inc.	Hart	Lindsey Ransdell / Kate Greenwell
Sister Schubert's Homemade Rolls, Inc.	Hart	
Brad Ragan Recycling, Inc.	Barren	Corky Peek / Michelle Elder
Brad Ragan Recycling, Inc.	Barren	

KBI Projects (Preliminary)

Webasto Roof Systems, Inc.	Fayette	Taylor Sears / Kate Greenwell
Truck Racks by Rack-it, Inc.	Clinton	Taylor Sears / Kate Greenwell
Prolocity Technology Solutions LLC	Kenton	Lindsey Ransdell / Michelle Elder
TGW International, Inc.	Campbell	Lindsey Ransdell / Michelle Elder
Jet.com, Inc.	Bullitt	Lucas Witt / Michelle Elder
Zoeller Company	Jefferson	Lucas Witt / Michelle Elder
Joe Leasure & Sons, Inc.	Hopkins	Corky Peek / Michelle Elder
PBR Inc. dba SKAPS Industries	Henderson	Corky Peek / Michelle Elder
Chewy, Inc.	Jefferson	Lauren Osborne / Debbie Phillips
Tractor Supply Company	Simpson	Lauren Osborne / Debbie Phillips
Prairie Farms Dairy, Inc.	Pulaski	Joan Ward / Debbie Phillips
MIG Services Inc.	Carter	Anna Beth Bobbitt / Debbie Phillips
Zivo Inc. dba Zelios	Fayette	Taylor Sears / Debbie Phillips

KBI Projects (Extension)

Michelle Elder

Bendix Spicer Foundation Brake LLC	Warren
Carl Zeiss Vision Inc.	Boone
EZ Portable Buildings, Inc.	McCracken
V-Soft Consulting Group, Inc.	Jefferson
CTI - Clinical Trial Services, Inc.	Kenton
Duro Hilex Poly LLC	Boone
Prime Tech Manufacturing, LLC	Graves
SMC, LLC	Jessamine
TMS Automotive, LLC	Warren

KBI Projects (Final)

Debbie Phillips

A. O. Smith Corporation	Kenton
Consolo Services Group, Inc.	Fayette
Country Boy Brewing, L.L.C.	Scott
Hollison, LLC	Daviess
Printograph, Inc. dba Gotprint.com	Boone
Brown & Brown of Kentucky, Inc.	Adair
Kayser Automotive Systems USA, LP	Fulton

IEIA Projects (Extension)

Kylee Palmer

Lock 14 Hydro Partners, LLC	Lee
RCC Big Shoal, LLC	Pike

KSBTC

Tim Back

Guardian Owl LLC	Jefferson
Ingenium Solutions, LLC	Jefferson
Mike Clark Heating, Cooling & Refrigeration Inc.	Bullitt

Motus Freight, LLC
Pleasant Meadow II, LLC
Prosper Media Group, Inc.
Service Specialties, LLC

Campbell
Franklin
Fayette
Clark

Closed Session

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

July 26, 2018

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EDT on July 26, 2018, 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 Hale, Don Goodin, Joe Kelly and Chad Miller

Staff Present: Bobby Aldridge, Tim Back, Anna Beth Bobbitt, Jessica Burke, Sarah Butler, Michelle Elder, Alec Germond, Kate Greenwell, Krista Harrod, Adam Houk, Jared Hudson, Brandon Mattingly, Kylee Palmer, Corky Peek, Debbie Phillips, Lindsey Ransdell, Ben Reynolds, Vivek Sarin, Katie Smith, Teresa Spreitzer, Joan Ward, Christy Wingate and Lucas Witt

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; John Brady, Kentucky Finance & Administration Cabinet, Office of Financial Management; Jeff Hodges, Gray Construction; Barry Lendrum, Paladin; and Matt Zoellner, Scott, Murphy & Daniel

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the June 28, 2018 regular KEDFA board meeting.

Chad Miller moved to approve the minutes, as presented; Don Goodin 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 as of June 30, 2018 and the July 2018 monitoring reports. After discussion, the Authority accepted the statements and reports as presented.

Kentucky Business Investment (KBI) Project (Modification)

Chairman Hale called on Michelle Elder to present a KBI modification request to the Authority.

**Ernst & Young U.S. LLP
Jefferson County**

Ms. Elder stated Ernst & Young LLP received KBI preliminary approval on February 23, 2017 for an expansion of the Louisville facility. As a result of further discussions, staff is requesting a modification to the previously approved project. The approved company will now be Ernst & Young U.S. LLP.

Staff recommended approval of the KBI modification request.

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

KBI Project (Amendment)

Chairman Hale called on Bobby Aldridge to present a KBI project amendment request to the Authority.

**Royal Flush Leasing Company, Inc.
Carroll County**

Mr. Aldridge stated D.R.C. Industries, Inc. is requesting the Tax Incentive Agreement dated May 28, 2015 be amended for a company name change and assignment of all incentives to Royal Flush Leasing Company, Inc. as a result of its merger with Royal Flush Leasing Company, Inc.

Staff recommended approval of the KBI amendment request.

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

Kentucky Enterprise Initiative Act (KEIA) Project (Amendment)

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

**Lux Row Distillers, LLC
Nelson County**

Mr. Aldridge stated Luxco Inc. is requesting the KEIA Agreement dated December 10, 2015, be amended for a company name change and assignment of all incentives to its affiliate, Lux Row Distillers, LLC due to a company reorganization.

Staff recommended approval of the KEIA amendment request.

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

KEIA Projects (Extension)

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

Mr. Aldridge stated 4 companies requested additional time to complete the projects and asked that all 4 be presented as one motion.

Company	County	Extension
Rabbit Hole Spirits, LLC	Jefferson	3 Month
Custom Resins, Inc.	Henderson	12 Month
Jim Beam Brands Co.	Bullitt	12 Month
Kentucky Building Systems, LLC	Daviess	12 Month

Staff recommended approval of the KEIA extension requests.

Mr. Kelly 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.

International Crankshaft Inc. Scott County

**Alec Germond
Kate Greenwell**

Alec Germond stated International Crankshaft Inc. (ICI), a forged steel crankshaft manufacturer for passenger cars and light trucks, opened its first production line in 1992. There has been an increase in demand for forged crankshafts due to a shift from imports to local production of finished cars and engines. In order to meet the demand, ICI is considering constructing a 25,000 sf building to store the additional crankshafts.

Kate Greenwell stated the project investment is \$2,446,637 of which \$1,654,992 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$75,000 for construction materials and building fixtures.

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

Fisher Auto Parts, Inc. Boone County

**Lindsey Ransdell
Michelle Elder**

Lindsey Ransdell stated Fisher Auto Parts, Inc.'s focus is to offer its customers name brand parts at competitive prices and the fastest, most accurate delivery service available. The company has relocated its parts distribution warehouse to Kentucky in order to improve efficiency and add a more productive storage space.

Ms. Elder stated the project investment is \$15,437,887 of which \$1,284,137 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$60,000 for construction materials and building fixtures.

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

HBC Radiomatic, Inc. Boone County

**Anna Beth Bobbitt
Debbie Phillips**

Anna Beth Bobbitt stated HBC Radiomatic, Inc. is a global leader in the development and production of radio control systems for industrial and mobile hydraulic applications. The company produces products for markets including overhead cranes, logistics and automation,

construction, mining, oil and gas, amusement and utilities among others. Due to increased production needs, the company will be adding additional space to the existing building to expand its headquarters operation.

Debbie Phillips stated the project investment is \$2,200,000 of which \$1,050,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$60,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

Alpla, Inc. Warren County

**Corky Peek
Michelle Elder**

Corky Peek stated Alpla, Inc. is a world leader in the development and production of plastic packaging solutions. The company produces bottles, closures and injection molded parts for a wide range of customers. The Bowling Green location is at capacity and the company is considering constructing additional space to meet customer demand.

Ms. Elder stated the project investment is \$6,900,000 of which \$6,480,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 24 with an average hourly wage of \$18.00 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 greater of the number of full-time, Kentucky resident employees as of the date of preliminary approval or 72 (base employment number required by previous project) full-time, Kentucky resident employees. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

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

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

Givaudan Flavors Corporation Boone County

**Lucas Witt
Michelle Elder**

Lucas Witt stated Givaudan is a global leader in the creation of flavors and fragrances. Givaudan develops tastes and scents in close collaboration with food, beverage, consumer products and fragrance partners. The company is considering an expansion at the current facility to increase the capacity and efficiency of its production process.

Ms. Elder stated the project investment is \$20,800,000 of which \$12,700,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 20 with an average hourly wage of \$37.50 including benefits. The state wage assessment participation is 2.25% and Boone County will participate at 0.6%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$200,000.

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

**Sunstrand, LLC
Carroll County**

**Lindsey Ransdell
Michelle Elder**

Ms. Ransdell stated Sunstrand, LLC is a manufacturer of eco-friendly bio-industrial material for the plastic and polymer composite industries. Sunstrand now works with a variety of feedstocks including bamboo, hemp, kenaf, flax, and jute. The company's production processes ensure product consistency and is compatible with the most major resin and manufacturing techniques. The company is considering locating a new facility in Carroll County to add processing and production capacity.

Ms. Elder stated the project investment is \$4,700,000 of which \$3,800,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 60 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$900,000.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Mr. 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 6 companies requested additional time to complete the projects and asked that all 6 be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
A. Kayser Automotive Systems USA, LP	Fulton	3 Month
Country Boy Brewing, LLC	Scott	3 Month
Kentucky Building Systems, LLC	Daviess	6 Month
Structures USA, LLC (SUSA)	Hardin	6 Month
Jacobs & Thompson Ltd.	Greenup	12 Month
Thorntons Inc.	Jefferson	12 Month

Staff recommended approval of the KBI extension requests.

After discussion, Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Goodin 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 6 companies requested KBI final approval, 4 of which have modifications since preliminary approval. Ms. Phillips asked that all 6 be presented as one motion.

No Modifications:

Project Name	County	Type Project
PMC Organometallic, Inc.	Carroll	Manufacturing
UniFirst Corporation	Daviess	Service & Technology

Modifications:

3 Ten Enterprises, LLC dba 310 Tempering Jefferson Manufacturing
 The company name changed from 3 Ten Enterprises, LLC to 3 Ten Enterprises, LLC dba 310 Tempering. All other aspects of the project remain the same.

Leggett & Platt, Incorporated Scott Manufacturing
 The project changed from leased to owned; the total investment and eligible costs increased from \$1,850,000 to \$8,505,801; the job target increased from 64 to 125; the average hourly wage target increased from \$18.00 to \$21.00 and the total negotiated tax incentive increased from \$800,000 to \$1,500,000. All other aspects of the project remain the same.

Traughber Mechanical Services, Inc. Simpson Manufacturing
 The local participation changed from 1.0% from the City of Franklin to 0.75% from Simpson County and the state participation changed from 3.0% to 2.25%. All other aspects of the project remain the same.

Zotefoams Inc. Kenton Manufacturing
 The local participation was incorrect on the preliminary board summary. The local participation should state Kenton County will support 50% of its local occupational tax which is less than 1%. The state participation has not changed. 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.

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

Kentucky Small Business Tax Credit (KSBTC) Projects

Chairman Hale called on Tim Back to present the KSBTC projects to the Authority.

Mr. Back stated there are 10 Kentucky small businesses from 7 counties with qualifying tax credits of \$122,500. The 10 businesses created 35 jobs and invested \$241,823 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
B & C Industries, Inc.	Pulaski	23	1	\$ 13.00	\$ 10,900	\$ 3,500
Babcon Inc.	Madison	27	5	\$ 13.20	\$ 24,988	\$ 17,500
Bluegrass Book Buyers LLC	Fayette	2	6	\$ 12.25	\$ 48,511	\$ 21,000
Cuddle Clones LLC	Jefferson	4	2	\$ 24.64	\$ 7,414	\$ 7,000
Franklin Management, Inc.	Adair	8	2	\$ 38.22	\$ 10,500	\$ 7,000

Louisville Alzheimer's Investors, LLC	Jefferson	7	7	\$ 23.05	\$ 26,687	\$ 24,500
Pinnacle, Inc.	Marshall	39	1	\$ 20.00	\$ 27,077	\$ 3,500
Renaissance Holdings, LLC	Jefferson	25	3	\$ 18.50	\$ 38,778	\$ 10,500
Southern Kentucky Industrial Equipment LLC	Pulaski	2	1	\$ 18.00	\$ 8,000	\$ 3,500
United Installs LLC	Kenton	7	7	\$ 16.43	\$ 38,968	\$ 24,500

Staff recommended approval of the tax credits.

Mr. Miller moved to approve the staff recommendation, as presented; Mr. Kelly 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 June 30, 2018. After review, the board accepted the report as presented.

Quarterly Report – Letter Amendments / Resolution

Chairman Hale called on Jessica Burke to review the Quarterly Amendment Report ending June 30, 2018.

Ms. Burke stated the Bylaws of the Board of Directors of KEDFA grant authority to the Commissioner of the Department for Financial Services to effectuate minor changes or modifications to existing agreements with approved companies that do not substantively modify contract terms.

Ms. Burke noted the following amendments have been executed:

Kentucky Angel Investment Act EdjAnalytics, LLC

Letter Amendment to Kentucky Angel Investment Act Qualified Small Business Agreement dated February 18, 2016 due to a company name change from Edj Analytics, LLC to EdjAnalytics, LLC effective May 1, 2018.

Kentucky Reinvestment Act Agreement Kellogg USA, LLC

Letter Amendment to Kentucky Reinvestment Act Agreement, identified as KRA Project #20013 in Kimper, Pike County, Kentucky, dated June 29, 2017 due to a company name change from Kellogg USA, Inc. to Kellogg USA, LLC effective April 2, 2018.

Staff recommended the Authority accept the amendment report and adopt the resolution to ratify the amendments.

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

Adjournment

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

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

The meeting adjourned at 10:32 a.m.

PRESIDING OFFICER:

A handwritten signature in blue ink, appearing to read "Jean R. Hale", written over a horizontal line.

Jean R. Hale, Chairman

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL MEETING

August 16, 2018

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority convened at 9:30 a.m. EDT, August 16, 2018, at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Board of Directors Conference Room, 1st Floor, in Frankfort, Kentucky, for a special meeting to consider a Kentucky Business Investment (KBI) project in Ballard County. Other sites, via video conference, were Community Trust Bank, 346 North Mayo Trail, 5th Floor Conference Room in Pikeville, Kentucky and LockNet, LLC, 800 John C. Watts Drive, Bay 3 Conference Room in Nicholasville, Kentucky.

Notification of Press

Jean R. Hale, Chairman, received verification that the media had been notified of the KEDFA Special Board Meeting.

Roll Call

Members Present: Jean Hale, Don Goodin, Melinda Hill, proxy for Secretary William M. Landrum, III, Tucker Ballinger, Joe Kelly and Chad Miller

Staff Present: Sarah Butler, Kate Greenwell, Jack Mazurak, Katie Smith and Teresa Spreitzer

Others Present: None

Kentucky Business Investment (KBI) Project (Preliminary)

Chairman Hale called on staff to present the KBI project to the Authority.

Global Win Wickliffe, LLC Ballard County

Ms. Smith stated Global Win Wickliffe, LLC is a wholly owned subsidiary of Shanying International, a publicly traded company on the Shanghai Stock Exchange and headquartered in Shanghai, China. The company is considering restarting a mill in Wickliffe and converting it to a pulp and brown paper packaging facility.

Katie Smith
Kate Greenwell

Kate Greenwell stated the project investment is \$150,000,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 500 with an average hourly wage of \$33.00 including benefits. The state wage assessment participation is 5.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$25,000,000.

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

Adjournment

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

Joe Kelly moved to adjourn the KEDFA Special Board Meeting; Ms. Hill seconded the motion. Motion passed; unanimous.

The meeting adjourned at 9:37 a.m.

PRESIDING OFFICER:



Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

7/31/2018

Approved and Undisbursed KEDFA Projects

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

None

KEDFA GRANTS

Louisville/Jefferson County Metro Government <i>(Louisville Regional Airlift Development, Inc.)</i>	21730	Jefferson	Jul-17	Jan-20	\$1,330,000
Louisville/Jefferson County Metro Government <i>(Res-Care, Inc.)</i>	21990	Jefferson	Jan-18	Dec-22	\$500,000

SMALL BUSINESS LOANS

None

TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)**\$1,830,000****Approved and Partially Disbursed KEDFA Projects**

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

Louisville/Jefferson County Metro Government <i>(Louisville Waterfront Park)</i>	21597	Jefferson	Apr-17	Sep-18	\$376,073	(\$373,024)	\$3,049
Louisville/Jefferson County Metro Government <i>(Restaurant Supply Chain Solutions)</i>	21636	Jefferson	May-17	Jun-20	\$500,000	(\$125,000)	\$375,000

TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)**\$378,049****TOTAL KEDFA APPROVED AND NOT DISBURSED****\$2,208,049**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF NET POSITION
7/31/2018

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 7/31/18	OOE 7/31/18	COMBINED 7/31/18
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	58,236.25	0.00	0.00	58,236.25	0.00	58,236.25
Cash	2,306,772.10	16,514,727.82	400,997.45	19,222,497.37	0.00	19,222,497.37
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	2,990,737.19	2,990,737.19
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	2,208,048.79	0.00	0.00	2,208,048.79	250,000.00	2,458,048.79
Total Cash & Accounts Receivable	4,573,057.14	16,514,727.82	400,997.45	21,488,782.41	3,382,281.07	24,871,063.48
Accrued Interest Receivable						
Loans	27,713.46	3,324.94	0.00	31,038.40	0.00	31,038.40
Investments	3,012.87	20,191.59	526.01	23,730.47	0.00	23,730.47
Total Accrued Interest Receivable	30,726.33	23,516.53	526.01	54,768.87	0.00	54,768.87
Notes Receivable						
Loans Receivable	18,635,700.42	1,650,488.35	0.00	20,286,188.77	0.00	20,286,188.77
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,684,722.61)	0.00	(1,684,722.61)
Total Notes Receivable	18,635,700.42	1,650,488.35	0.00	18,601,466.16	0.00	18,601,466.16
TOTAL ASSETS	23,239,483.89	18,188,732.70	401,523.46	40,145,017.44	3,382,281.07	43,527,298.51
DEFERRED OUTFLOWS OF RESOURCES:						
<i>Deferred Outflows Pension</i>				1,561,000.00	0.00	1,561,000.00
<i>Deferred Outflows OPEB</i>				219,000.00	0.00	219,000.00
<u>LIABILITIES</u>						
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						
				10,763,000.00	0.00	10,763,000.00
OPEB Liability						
				1,670,000.00	0.00	1,670,000.00
TOTAL LIABILITIES				12,726,609.88	0.00	12,726,609.88
DEFERRED INFLOWS OF RESOURCES						
<i>Deferred Inflows Pension</i>				282,000.00	0.00	282,000.00
<i>Deferred Inflows OPEB</i>				36,000.00	0.00	36,000.00
<u>NET POSITION</u>						
Beginning Balance				29,061,789.98	3,382,281.07	32,444,071.05
Current Year Undivided Profits				(181,382.42)	0.00	(181,382.42)
TOTAL NET POSITION				28,880,407.56	3,382,281.07	32,262,688.63

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 July 31, 2018

	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	15,664.68	4,690.14	0.00	0.00	20,354.82	22,651.26
Interest Income/ Investments	3,012.87	20,191.59	526.01	0.00	23,730.47	9,039.83
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	28,453.55	0.00	0.00	0.00	28,453.55	12,477.25
Miscellaneous Income	370.58	0.00	0.00	0.00	370.58	132.09
Total Operating Revenues - KEDFA	47,501.68	24,881.73	526.01	0.00	72,909.42	44,300.43
Operating Expenses - KEDFA						
Salaries	126,595.85				126,595.85	122,832.65
Employee benefits	112,477.43				112,477.43	90,566.73
Pension Liability Adjustment	0.00				0.00	0.00
OPEB Liability Adjustment	0.00				0.00	0.00
Other Personnel Costs	0.00				0.00	0.00
Contracted Personal Services	8,009.89				8,009.89	7,977.65
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	2.30				2.30	1.54
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	0.00
Travel	446.37				446.37	0.00
Miscellaneous Commodities	0.00				0.00	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	247,531.84	0.00	0.00	0.00	247,531.84	221,378.57
Income (Loss) from Operations - KEDFA	(200,030.16)	24,881.73	526.01	0.00	(174,622.42)	(177,078.14)
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund					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
Transfer Due from Bonds					0.00	0.00
Transfer Due from KSBCI					0.00	0.00
Grants Disbursed	(6,760.00)				(6,760.00)	(212,920.34)
Operating Transfer In - Economic Dev					0.00	0.00
Unrealized Gains/(Losses) on Investment					0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
Total Non-Operating Revenues (Expenses) -	(6,760.00)	0.00	0.00	0.00	(6,760.00)	(212,920.34)
CHANGE IN NET POSITION - KEDFA	(206,790.16)	24,881.73	526.01	0.00	(181,382.42)	(389,998.48)
Operating revenues (expenses) - OOE						
Interest Income - Loans				0.00	0.00	30.80
Misc Income				0.00	0.00	0.00
Disbursements: Projects (Note 1)					0.00	(25,000.00)
Repayments received from Projects					0.00	0.00
Non-Operating Revenues (Expenses) - OOE						
Operating Transfer in - OOE					0.00	0.00
Transfer Due from Bonds					0.00	0.00
Operating Transfer Out - OOE					0.00	0.00
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	0.00	0.00	(24,969.20)
CHANGE IN NET POSITION - COMBINED	(206,790.16)	24,881.73	526.01	0.00	(181,382.42)	(414,967.68)

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
7/31/2018

	<u>7/31/2017</u>	<u>7/31/2018</u>
Fund A Cash Balance	\$2,878,542.09	\$2,306,772.10
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	\$2,878,542.09	\$2,306,772.10
2003 Bond Fund Cash Balance	\$14,293,315.67	\$16,514,727.82
Less: Approved/Undisbursed	(3,925,313.00)	(2,208,049.00)
Total Unobligated Balance	\$10,368,002.67	\$14,306,678.82
Small Business Loan Fund Cash Balance	\$397,258.09	\$400,997.45
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	\$397,258.09	\$400,997.45
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	\$0.00
CASH AVAILABLE	\$13,643,802.85	\$17,014,448.37
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	\$2,926,293.87	\$2,990,737.19
Less: Approved/Undisbursed	(\$1,891,367.00)	(\$743,034.00)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$1,251,365.69	\$250,000.00
Bond Funds Available for Projects	\$0.00	
Total Unobligated Balance	\$2,427,836	\$2,639,247.07
TOTAL ALL FUNDS	\$16,071,639.29	\$19,653,695.44

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

KEDFA Meeting date	8/30/2018
Total Projects Approved Fiscal Year-to-Date	3
Number of Proposed Projects for Current Month	6

Construction Materials and Building Fixtures

Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$195,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$19,805,000
Proposed Approval for Current Month	<u>\$2,600,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$17,205,000</u></u>

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$0
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$5,000,000
Proposed Approval for Current Month	<u>\$225,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$4,775,000</u></u>

KBI Summary

Updated August 16, 2018

Fiscal Year End Reporting

Year	Number of Projects	Jobs			Wages		
		Jobs Reported	Job Target	% Achieved	Average Wage Reported	Wage Target	% Achieved
2010	1	40	51	78%	\$11.42	\$11.00	104%
2011	5	269	257	105%	\$35.00	\$28.90	121%
2012	18	1,264	1,154	110%	\$25.30	\$23.23	109%
2013	58	5,882	5,395	109%	\$24.88	\$23.35	107%
2014	94	10,019	9,552	105%	\$24.87	\$22.99	108%
2015	139	14,303	12,842	111%	\$25.33	\$22.30	114%
2016	187	20,814	18,045	115%	\$24.90	\$21.61	115%
2017	183	19,075	15,382	124%	\$25.72	\$21.36	120%

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	\$15,799,451	\$14,088,639	\$6,601,085	47%
2014	\$27,770,169	\$24,112,127	\$13,131,631	54%
2015	\$46,169,440	\$40,389,848	\$18,084,965	45%
2016	\$40,500,648	\$35,834,783	\$19,923,814	56%
2017	\$40,313,767	\$34,139,353	N/A	N/A
Grand Total	\$175,736,307	\$153,479,412	\$59,845,588	39%

- The Commonwealth provided \$2,875 of incentives per new job reported based on total actual incentives claimed to date and actual jobs reported in 2016.
- Based on actual jobs and wages reported in 2016 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is approximately \$1 billion. This equated to \$18.01 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

<u>Project</u>	<u>County</u>	<u>Approval Date</u>	<u>Exit Date</u>	<u>Program</u>
Reinhart Food Service, LLC Company withdrew from the KBI Program per email dated 7/25/2018.	Warren	06/28/2018	07/25/2018	KBI
Total Cart Management USA Inc. Several attempts to contact the company with no response. Project expired 7/31/2018.	Boyle	07/28/2016	7/31/2018	KBI
PDCI Automotive, LLC On 6/08/2018 the company withdrew from KBI Program due to not being able to meet the job and wage targets.	Marion	07/31/2014	06/08/2018	KBI
Angell-Demmel North America Company withdrew from the KBI Program per email dated 07/24/2018.	Marion	07/31/2014	07/24/2018	KBI
Bel USA, Inc. Company has been suspended for failure to meet the minimum employment requirements. On 8/15/2018 KEDFA received an email from the Company wishing to withdraw the project from the KBI program.	Grayson	05/31/2012	12/31/2014	KBI

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

Date: August 30, 2018
Applicant: Administration Department of the City of Highland Heights, Kentucky
Project Name: Northern Kentucky University Campus Gateway
City: Highland Heights **County:** Campbell
Program Type: Mixed-Use Redevelopment in Blighted Urban Areas
TIF Term: 20 years **DFS Staff:** Kylee Palmer

Project Description: Northern Kentucky University (NKU) plans to redevelop the 19-acre gateway to the campus located at the intersection of US-27 and Nunn Drive in Highland Heights. A primary goal of this project is to capitalize and build upon the experiences and views at NKU and focus on connecting campus with the community. The Project will be characterized by high quality land use types, architecture, landscaping and signage. It will be pedestrian friendly and sustainable, with a quality which will endure over time. Additional goals for the Project include connectivity, office space, greenspace/sustainability, parking, retail, hotel, and conference space.

The proposed development is expected to include:

- +/- 65,000 sq. ft. medical office building
- +/- 30,000 sq. ft. retail and restaurant
- +/- 225,000 sq. ft. multi-family residential
- Hotel ~ 115 rooms with meeting space
- Public infrastructure improvements
- Garage and surface lot parking
- Transit, bike and pedestrian connectivity
- Greenspace and public amenities

Total estimated cost of the project is approximately \$112.6 million, excluding financing.

Construction is expected to begin in 2018 with completion in 2021.

Certification: Greg Meyers, Mayor of the City of Highland Heights and Steve Pendery, County Judge Executive, have both certified that the Northern Kentucky University Campus Gateway Project Mixed-Use Redevelopment Project is not reasonably expected to be developed without public assistance, including but not limited to tax increment financing.

Impact: This Project could generate significant new economic impact to the area and the Commonwealth. The applicant estimates that during construction, the Project will have an effect of \$190.4 million and support an estimated 1,331 jobs. After the Project is complete, the applicant estimates that over 20 years, it will support a total economic impact of \$1.9 billion, 360 direct jobs, and hundreds of additional indirect and induced jobs. The Project could generate a total impact occurring within the anticipated development of \$44.1 million of state tax revenues and \$11.8 million of local tax revenues.

Public Infrastructure: Infrastructure costs total approximately \$23.1 million:

- Land preparation
- Sewers/storm drainage
- Curbs, sidewalks, promenades and pedways
- Roads
- Street lighting
- Provision of utilities
- Public space or parks
- Parking
- Transportation facilities
- Fountains, benches and sculptures

Preliminary Approval: By granting preliminary approval, KEDFA would enable staff to begin working with the Office of State Budget Director and the Office of Financial Management to create criteria for which a consultant would review the project feasibility including financing, appropriateness for the use of the TIF program and potential increments, and whether the project represents a net positive impact to the Commonwealth.

MEMORANDUM

TO: KEDFA Board Members
FROM: Robert Aldridge, Assistant Director
Compliance Division
DATE: August 30, 2018
SUBJECT: KEIA Extensions

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



Company	County	Extension
AAK USA K2, LLC	Jefferson	3 Months
Greif Packaging, LLC	Jefferson	3 Months
Wilderness Trace Distillery LLC	Boyle	6 Months
Distilled Spirits Epicenter, LLC	Jefferson	12 Months

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: August 30, 2018
Approved Company: Heaven Hill Distilleries, Inc.
City: Cox's Creek **County:** Nelson
Activity: Manufacturing **Resolution #:** KEIA-19-22222
Bus. Dev. Contact: A. Bobbitt **DFS Staff:** D. Phillips

Project Description: Heaven Hill Distilleries, Inc. is the nation's second largest family owned producer and marketer of distilled spirits. The company is considering the expansion of its barrel storage and aging operations to meet increasing demands.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$3,253,098	\$5,914,724
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$3,253,098	\$5,914,724

Ownership (20% or more):

Ellen S. Miller, Adam R. Shapira Bardstown, KY

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Jun 28, 2018	KEIA	Approve-Final	\$150,000

Unemployment Rate:

County: 4.4% Kentucky: 5.0%

Existing Presence in Kentucky:

Jefferson and Nelson Counties

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: August 30, 2018
Approved Company: Jim Beam Brands Co.
City: Boston **County:** Nelson
Activity: Manufacturing **Resolution #:** KEIA-19-22137
Bus. Dev. Contact: A. Bobbitt **DFS Staff:** D. Phillips

Project Description: Jim Beam Brands Co. has been producing bourbon for more than 200 years in Kentucky and is the global leader in premium spirits. The company is considering steadily increasing capacity over the next five years at its largest distillery in Boston to meet customer demand.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$5,000,000
\$17,400,000	\$17,400,000
\$0	\$10,000,000
\$0	\$0
\$0	\$28,200,000
\$0	\$2,500,000
\$17,400,000	\$63,100,000

Ownership (20% or more):
 Beam Suntory Inc. - Chicago, IL

Other State Participation: None

Unemployment Rate:
 County: 4.4% Kentucky: 5.0%

Existing Presence in Kentucky:
 Bullitt, Franklin, Hardin, Jefferson and Nelson Counties

Approved Recovery Amount:
 Construction Materials and Building Fixtures: \$600,000

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Danimer Scientific Kentucky, Inc.
City: Winchester **County:** Clark
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22220
Bus. Dev. Contact: A. Bobbitt **DFS Staff:** D. Phillips

Project Description: Danimer Scientific Kentucky, Inc. is a pioneer in creating more sustainable, more natural ways to produce biodegradable and compostable plastic products. The proposed project would include a new facility in Winchester.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$700,000	\$700,000
Building/Improvements	\$4,726,700	\$4,726,700
Equipment	\$480,000	\$26,589,862
Other Start-up Costs	\$4,227,605	\$4,227,605
TOTAL	\$10,134,305	\$36,244,167

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	24	\$28.00	
1	24	\$28.00	\$150,000
2	37	\$28.00	\$150,000
3	37	\$28.00	\$150,000
4	37	\$28.00	\$150,000
5	37	\$28.00	\$150,000
6	37	\$28.00	\$150,000
7	37	\$28.00	\$150,000
8	37	\$28.00	\$150,000
9	37	\$28.00	\$150,000
10	37	\$28.00	\$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,500,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: August 30, 2018
Approved Company: Danimer Scientific Kentucky, Inc.
City: Winchester **County:** Clark
Activity: Manufacturing **Resolution #:** KEIA-19-22221
Bus. Dev. Contact: A. Bobbitt **DFS Staff:** D. Phillips

Project Description: Danimer Scientific Kentucky, Inc. is a pioneer in creating more sustainable, more natural ways to produce biodegradable and compostable plastic products. The proposed project would include a new facility in Winchester.

Facility Details: Locating in a new facility

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$700,000
\$2,850,000	\$4,726,700
\$0	\$0
\$500,000	\$500,000
\$0	\$0
\$0	\$26,089,862
\$0	\$4,227,605
\$3,350,000	\$36,244,167

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$150,000
 R&D and/or Electronic Processing Equipment: \$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$175,000

See KBI file (KBI-I-18-22220) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Sister Schubert's Homemade Rolls, Inc.
City: Horse Cave **County:** Hart
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22212
Bus. Dev. Contact: L. Ransdell **DFS Staff:** K. Greenwell

Project Description: Sister Schubert's Homemade Rolls, Inc. offers the top-selling lineup of dinner yeast rolls in the supermarket frozen section. The company is considering expanding its current bakery as well as installing a new baking line to support future growth.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$0	\$0
Building/Improvements	\$26,000,000	\$26,000,000
Equipment	\$820,000	\$40,000,000
Other Start-up Costs	\$8,000,000	\$8,000,000
TOTAL	\$34,820,000	\$74,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	41	\$23.00	
1	41	\$23.00	\$260,000
2	72	\$23.00	\$260,000
3	72	\$23.00	\$260,000
4	72	\$23.00	\$260,000
5	134	\$23.00	\$260,000
6	134	\$23.00	\$260,000
7	134	\$23.00	\$260,000
8	134	\$23.00	\$260,000
9	134	\$23.00	\$260,000
10	134	\$23.00	\$260,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,600,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: August 30, 2018
Approved Company: Sister Schubert's Homemade Rolls, Inc.
City: Horse Cave **County:** Hart
Activity: Manufacturing **Resolution #:** KEIA-19-22214
Bus. Dev. Contact: L. Ransdell **DFS Staff:** K. Greenwell

Project Description: Sister Schubert's Homemade Rolls, Inc. offers the top-selling lineup of dinner yeast rolls in the supermarket frozen section. The company is considering expanding its current bakery as well as installing a new baking line to support future growth.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$13,000,000	\$26,000,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$40,000,000
\$0	\$8,000,000
\$13,000,000	\$74,000,000

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$650,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$650,000

See KBI file (KBI-I-18-22212) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Brad Ragan Recycling, Inc.
City: Glasgow **County:** Barren
Activity: Service & Technology **Prelim Resolution #:** KBI-I-18-22206
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Brad Ragan Recycling, Inc. is a tire remanufacturing/retreading facility that has products for the mining, agricultural, and construction industry as well as any other industry that utilizes off-road tires and equipment. The company needs to add capacity to capture new business and is considering constructing and equipping a facility in Glasgow to meet this need.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$600,000	\$600,000
Building/Improvements	\$2,500,000	\$2,500,000
Equipment	\$300,000	\$2,500,000
Other Start-up Costs	\$1,000,000	\$1,000,000
TOTAL	\$4,400,000	\$6,600,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$19.00	
1	25	\$19.00	\$30,000
2	35	\$19.00	\$40,000
3	40	\$19.00	\$50,000
4	45	\$19.00	\$50,000
5	50	\$19.00	\$50,000
6	55	\$19.00	\$50,000
7	60	\$19.00	\$50,000
8	65	\$19.00	\$50,000
9	70	\$19.00	\$60,000
10	75	\$19.00	\$70,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: August 30, 2018
Approved Company: Brad Ragan Recycling, Inc.
City: Glasgow **County:** Barren
Activity: Service & Technology **Resolution #:** KEIA-19-22207
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Brad Ragan Recycling, Inc. is a tire remanufacturing/retreading facility that has products for the mining, agricultural, and construction industry as well as any other industry that utilizes off-road tires and equipment. The company needs to add capacity to capture new business and is considering constructing and equipping a facility in Glasgow to meet this need.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$600,000
\$1,500,000	\$2,500,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$2,500,000
\$0	\$1,000,000
\$1,500,000	\$6,600,000

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

See KBI file (KBI-I-18-22206) for Ownership, Other State Participation and Unemployment Rate.

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

Date: August 30, 2018
Approved Company: Webasto Roof Systems, Inc.
City: Lexington **County:** Fayette
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22210
Bus. Dev. Contact: T. Sears **DFS Staff:** K. Greenwell

Project Description: Webasto Roof Systems, Inc. opened its first plant in Kentucky twenty years ago offering a range of sunroofs. The company is considering an expansion of its facility to launch three completely new sunroofs that will further grow its business.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$0	\$0
\$3,660,000	\$15,000,000
\$200,000	\$200,000
\$3,860,000	\$15,200,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	183	\$26.50	
1	183	\$26.50	\$200,000
2	183	\$26.50	\$200,000
3	183	\$26.50	\$200,000
4	183	\$26.50	\$200,000
5	183	\$26.50	\$200,000
6	183	\$26.50	\$200,000
7	183	\$26.50	\$200,000
8	183	\$26.50	\$200,000
9	183	\$26.50	\$200,000
10	183	\$26.50	\$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,000,000

County Type:
Other

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

Ownership (20% or more):

Webasto Roof Systems, Inc. Rochester Hills, MI

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Lexington-Fayette Urban County Government

Unemployment Rate:

County: 4.0%

Kentucky: 5.0%

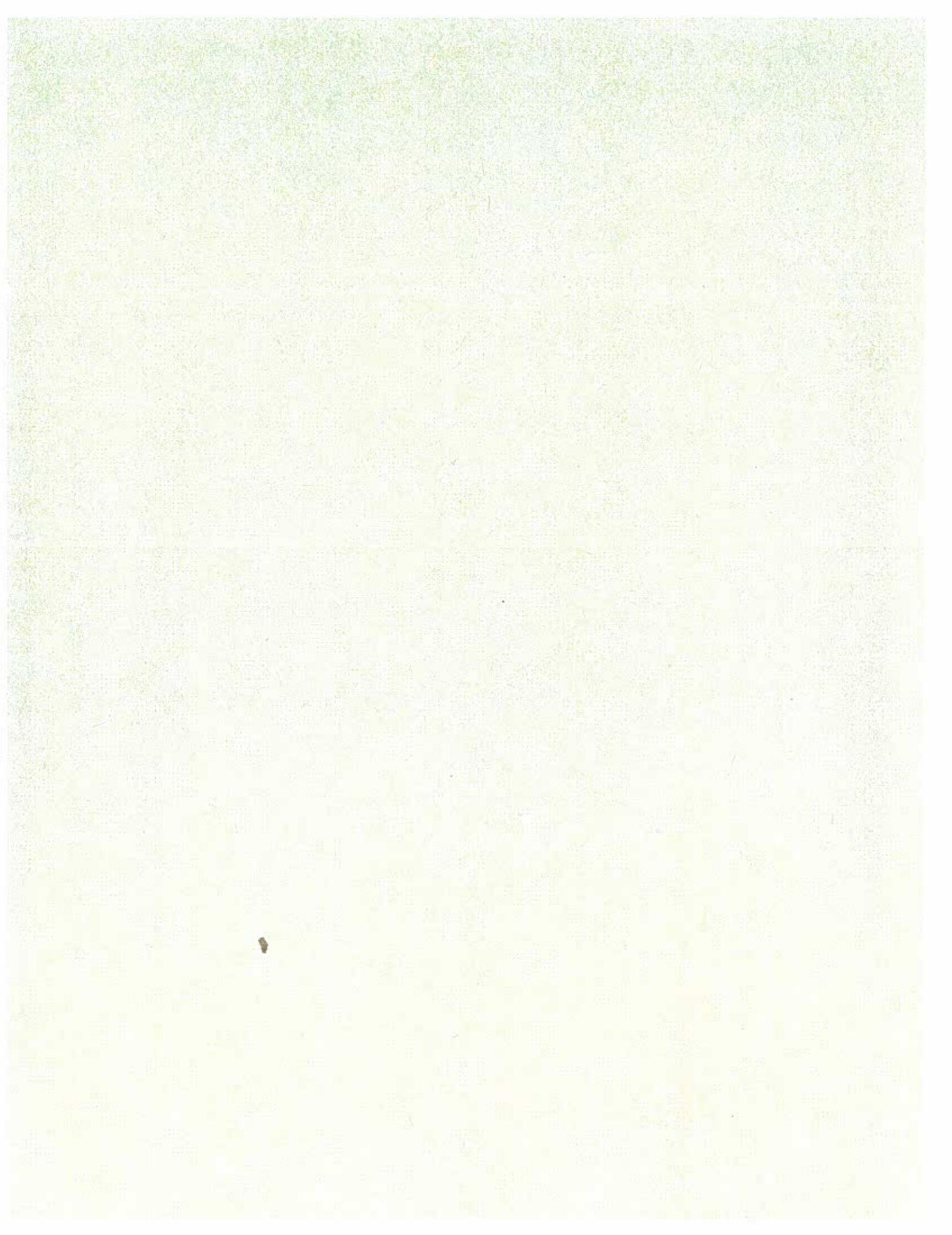
Existing Presence in Kentucky:

Fayette 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 572 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Fayette County. Only investment costs incurred at 2200 Innovation Drive 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: August 30, 2018
Approved Company: Truck Racks by Rack-it, Inc.
City: Albany **County:** Clinton
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22201
Bus. Dev. Contact: T. Sears **DFS Staff:** K. Greenwell

Project Description: Truck Racks by Rack-it, Inc. opened for business in July of 1982 as a manufacturer of steel material racks for pickup trucks, service bodies and flatbeds. The company is considering establishing a facility in Albany to better serve its existing customers in the Midwest and Southern regions.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$125,000	\$125,000
\$355,000	\$355,000
\$842,075	\$842,075
\$30,000	\$30,000
\$1,352,075	\$1,352,075

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$15.50	
1	15	\$15.50	\$25,000
2	15	\$15.50	\$25,000
3	17	\$15.50	\$25,000
4	19	\$15.50	\$25,000
5	25	\$15.50	\$25,000
6	25	\$15.50	\$25,000
7	25	\$15.50	\$25,000
8	25	\$15.50	\$25,000
9	25	\$15.50	\$25,000
10	25	\$15.50	\$25,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

County Type:
Enhanced

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

Ownership (20% or more):

Nicole Kank - South Lake Tahoe, CA
Travis Thompson - Placerville, CA

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 5.9%

Kentucky: 5.0%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Prolocity Technology Solutions LLC
City: Covington **County:** Kenton
Activity: Headquarters **Prelim Resolution #:** KBI-IL-18-22223
Bus. Dev. Contact: L. Ransdell **DFS Staff:** M. Elder

Project Description: Prolocity Technology Solutions LLC is a highly regarded enterprise software consulting practice headquartered in Covington. Due to the tremendous growth Prolocity has experienced over the last couple of years the company is out of room at its current location. The company is considering a location in Kenton County to expand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$357,145	\$714,290
\$30,000	\$30,000
\$50,000	\$50,000
\$0	\$0
\$437,145	\$794,290

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	30	\$55.00	
1	30	\$55.00	\$50,000
2	30	\$55.00	\$50,000
3	30	\$55.00	\$50,000
4	30	\$55.00	\$50,000
5			
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:
Other

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

Ownership (20% or more):
John McKenzie 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: 3.9% Kentucky: 5.0%

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: TGW International, Inc.
City: Wilder **County:** Campbell
Activity: Headquarters **Prelim Resolution #:** KBI-IL-18-22209
Bus. Dev. Contact: L. Ransdell **DFS Staff:** M. Elder

Project Description: TGW International, Inc. is an over 100-year old company that manufactures industrial machine knives and machine blades for the printing, paper, packaging, and processing industries. The company is considering relocating its headquarters to the United States and is evaluating its current facility in Wilder for this possible expansion. If this location is chosen the company will expand and improve the building and parking lots to accommodate new employees and invest in new engineering capabilities.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$400,000	\$400,000
\$150,000	\$150,000
\$450,000	\$450,000
\$1,000,000	\$1,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	11	\$30.00	
1	13	\$30.00	\$40,000
2	13	\$30.00	\$40,000
3	13	\$30.00	\$40,000
4	13	\$30.00	\$40,000
5	13	\$30.00	\$40,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:
Other

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

Ownership (20% or more):

TG Wolstenholme Sheffield, United Kingdom

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Campbell County

Unemployment Rate:

County: 3.9%

Kentucky: 5.0%

Existing Presence in Kentucky:

Campbell 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.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Jet.com, Inc.
City: Shepherdsville **County:** Bullitt
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-18-22208
Bus. Dev. Contact: L. Witt **DFS Staff:** M. Elder

Project Description: Jet.com, Inc. founded in 2014, is based in New Jersey. The company operates a smart shopping platform that allows its members to shop online from various retailers. As of September 2016, Jet.com, Inc. operates as a subsidiary of Walmart, Inc. The company is considering expanding its e-commerce operations into the state of Kentucky.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$13,900,000	\$27,800,000
\$0	\$0
\$6,000,000	\$12,200,000
\$1,300,000	\$1,300,000
\$21,200,000	\$41,300,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	300	\$16.25	
1	300	\$16.25	\$300,000
2	400	\$16.25	\$300,000
3	400	\$16.25	\$300,000
4	400	\$16.25	\$300,000
5	400	\$16.25	\$300,000
6	400	\$16.25	\$300,000
7	400	\$16.25	\$300,000
8	400	\$16.25	\$300,000
9	400	\$16.25	\$300,000
10	400	\$16.25	\$300,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,000,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Zoeller Company
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22195
Bus. Dev. Contact: L. Witt **DFS Staff:** M. Elder

Project Description: Zoeller Company, a family-owned operation, founded in 1939, manufactures a variety of products, including the dependable column sump pump that is sold throughout North America. The company is considering an expansion of its existing facility in Louisville in order to help meet customer demand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$0	\$0
Building/Improvements	\$5,000,000	\$5,000,000
Equipment	\$200,000	\$500,000
Other Start-up Costs	\$0	\$0
TOTAL	\$5,200,000	\$5,500,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$27.50	
1	10	\$27.50	\$65,000
2	24	\$27.50	\$65,000
3	45	\$27.50	\$65,000
4	45	\$27.50	\$65,000
5	45	\$27.50	\$65,000
6	45	\$27.50	\$65,000
7	45	\$27.50	\$65,000
8	45	\$27.50	\$65,000
9	45	\$27.50	\$65,000
10	45	\$27.50	\$65,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$650,000**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Joe Leasure & Sons, Inc.
City: Madisonville **County:** Hopkins
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22149
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Joe Leasure & Sons, Inc., founded in 1935, is a machine shop specializing in steel fabrication and CNC technology that serves clients in the Southeast and the Midwest. The company is out of space at its current location and is considering expanding in Madisonville as well as purchasing some new fabrication equipment.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$350,000	\$350,000
\$200,000	\$200,000
\$10,000	\$10,000
\$560,000	\$560,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$27.00	
1	10	\$27.00	\$17,500
2	10	\$27.00	\$17,500
3	10	\$27.00	\$17,500
4	10	\$27.00	\$17,500
5	10	\$27.00	\$17,500
6	10	\$27.00	\$17,500
7	10	\$27.00	\$17,500
8	10	\$27.00	\$17,500
9	10	\$27.00	\$17,500
10	10	\$27.00	\$17,500

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$175,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: PBR Inc. dba SKAPS Industries
City: Henderson **County:** Henderson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22186
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: PBR Inc. dba SKAPS Industries produces woven fiberglass rolled good products for a variety of industries. The company is considering the purchase of equipment and improvements to its facility in Henderson to provide additional production to allow the company to grow.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$1,500,000	\$1,500,000
\$200,000	\$3,500,000
\$0	\$0
\$1,700,000	\$5,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$17.00	
1	15	\$17.00	\$25,000
2	20	\$17.00	\$25,000
3	20	\$17.00	\$25,000
4	20	\$17.00	\$25,000
5	20	\$17.00	\$25,000
6	20	\$17.00	\$25,000
7	20	\$17.00	\$25,000
8	20	\$17.00	\$25,000
9	20	\$17.00	\$25,000
10	20	\$17.00	\$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

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

Date: August 30, 2018
Approved Company: Chewy, Inc.
City: Louisville **County:** Jefferson
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-18-22224
Bus. Dev. Contact: L. Osborne **DFS Staff:** D. Phillips

Project Description: Chewy, Inc. is an e-commerce retailer for the pet industry offering a convenient way to shop for pet supplies. The company is considering locating to a facility in Louisville to meet growing demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$2,179,885	\$4,359,770
\$2,650,000	\$2,650,000
\$200,000	\$200,000
\$0	\$0
\$5,029,885	\$7,209,770

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	153	\$39.00	
1	153	\$39.00	\$125,000
2	300	\$39.00	\$125,000
3	300	\$39.00	\$125,000
4	300	\$39.00	\$125,000
5	300	\$39.00	\$125,000
6	300	\$39.00	\$125,000
7	300	\$39.00	\$125,000
8	300	\$39.00	\$125,000
9	300	\$39.00	\$125,000
10	300	\$39.00	\$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):

PetSmart, Inc. - Phoenix, AZ
Buddy Holdings Corp. - Phoenix, AZ

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: 4.6%

Kentucky: 5.0%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Tractor Supply Company
City: Franklin **County:** Simpson
Activity: Service & Technology **Prelim Resolution #:** KBI-I-18-22205
Bus. Dev. Contact: L. Osborne **DFS Staff:** D. Phillips

Project Description: Tractor Supply Company, headquartered in Brentwood, Tennessee, is the largest operator of rural lifestyle retail stores in America. The company is considering upgrading its distribution facility in Franklin to meet customer demand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$1,541,604	\$1,541,604
\$2,040,000	\$5,978,396
\$980,000	\$980,000
\$4,561,604	\$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	102	\$21.00	
1	120	\$21.00	\$180,000
2	138	\$21.00	\$180,000
3	156	\$21.00	\$180,000
4	156	\$21.00	\$180,000
5	156	\$21.00	\$180,000
6	156	\$21.00	\$180,000
7	156	\$21.00	\$180,000
8	156	\$21.00	\$180,000
9	156	\$21.00	\$180,000
10	156	\$21.00	\$180,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$1,800,000**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Prairie Farms Dairy, Inc.
City: Somerset **County:** Pulaski
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22187
Bus. Dev. Contact: J. Ward **DFS Staff:** D. Phillips

Project Description: Prairie Farms Dairy, Inc. is a manufacturer and distributor of fluid milk, orange juice and drinks in several different sizes. The company is considering an expansion to its Somerset facility which would increase capacity and volume to meet product demand.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$3,305,000	\$3,305,000
\$344,621	\$344,621
\$0	\$0
\$3,649,621	\$3,649,621

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$24.00	
1	10	\$24.00	\$15,000
2	10	\$24.00	\$15,000
3	10	\$24.00	\$15,000
4	10	\$24.00	\$15,000
5	10	\$24.00	\$15,000
6	10	\$24.00	\$15,000
7	10	\$24.00	\$15,000
8	10	\$24.00	\$15,000
9	10	\$24.00	\$15,000
10	10	\$24.00	\$15,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000

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

Date: August 30, 2018
Approved Company: MIG Services Inc.
City: Hitchins **County:** Carter
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-18-22213
Bus. Dev. Contact: T. Fay **DFS Staff:** D. Phillips

Project Description: MIG Services Inc. is a subsidiary of McKeown International, Inc. and is the manufacturer of products for the domestic steel industry. The company is considering the rehabilitation of equipment and purchase of new modern equipment for the manufacturing of refractory products, such as Mag Carbon brick, at the Hitchins facility.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$300,000	\$300,000
\$300,000	\$300,000
\$150,000	\$150,000
\$750,000	\$750,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$13.00	
1	10	\$13.00	\$31,000
2	20	\$13.00	\$31,000
3	30	\$13.00	\$31,000
4	40	\$13.00	\$31,000
5	50	\$13.00	\$31,000
6	50	\$13.00	\$31,000
7	50	\$13.00	\$31,000
8	50	\$13.00	\$31,000
9	50	\$13.00	\$31,000
10	50	\$13.00	\$31,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$310,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 30, 2018
Approved Company: Zivo Inc. dba Zeliös
City: Lexington **County:** Fayette
Activity: Manufacturing **Prelim Resolution #:** KBI-I-18-22200
Bus. Dev. Contact: T. Fay **DFS Staff:** D. Phillips

Project Description: Zivo Inc. dba Zeliös is a manufacturer of natural, hemp derived cannabinoid-rich products. The company is a large-scale extractor of hemp oil. The proposed project would consist of an expansion of its Lexington facility by adding additional equipment.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$100,000	\$100,000
\$320,000	\$2,000,000
\$0	\$0
\$420,000	\$2,100,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	16	\$25.00	
1	16	\$25.00	\$24,000
2	35	\$25.00	\$24,000
3	44	\$25.00	\$24,000
4	44	\$25.00	\$24,000
5	44	\$25.00	\$24,000
6	44	\$25.00	\$24,000
7	44	\$25.00	\$24,000
8	44	\$25.00	\$24,000
9	44	\$25.00	\$24,000
10	44	\$25.00	\$24,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$240,000

MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder *ME*
Incentive Administration Division
DATE: August 30, 2018
SUBJECT: KBI Extensions

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

Company	County	Extension
Bendix Spicer Foundation Brake LLC	Warren	3 Month
Carl Zeiss Vision Inc.	Boone	3 Month
EZ Portable Buildings, Inc.	McCracken	3 Month
V-Soft Consulting Group, Inc.	Jefferson	3 Month
CTI- Clinical Trial Services, Inc.	Kenton	12 Month
Duro Hilex Poly LLC	Boone	12 Month
Prime Tech Manufacturing, LLC	Graves	12 Month
SMC, LLC	Jessamine	12 Month
TMS Automotive, LLC	Warren	12 Month

Staff recommends approval.

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

Date: August 30, 2018
Preliminary Approval: August 28, 2014
Approved Company: A. O. Smith Corporation
City: Florence
Activity: Manufacturing
Bus. Dev. Contact: R. Lee

County: Kenton
Final Resolution #: KBI-F-18-20075
DFS Staff: M. Elder

Project Description: A. O. Smith Corporation is a leading manufacturer of residential and commercial water heating equipment, offering a comprehensive product line. The Florence facility expanded to increase production and allow for new products lines.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$2,485,000	\$3,285,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	12	\$25.00	
1	12	\$25.00	\$10,000
2	12	\$25.00	\$10,000
3	12	\$25.00	\$10,000
4	12	\$25.00	\$10,000
5	12	\$25.00	\$10,000
6	12	\$25.00	\$10,000
7	12	\$25.00	\$10,000
8	12	\$25.00	\$15,000
9	12	\$25.00	\$20,000
10	12	\$25.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$125,000**

County Type:
Other

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

Special Conditions:
 Maintain Base Employment: 40

Modifications since preliminary approval? No

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

Date: August 30, 2018
Preliminary Approval: August 27, 2015
Approved Company: Consolo Services Group, Inc.
City: Lexington **County:** Fayette
Activity: Service & Technology **Final Resolution #:** KBI-FL-18-20598
Bus. Dev. Contact: L. Ransdell **DFS Staff:** D. Phillips

Project Description: Consolo Services Group, Inc. is a software company that specializes in hospice software and offers billing services to clients all across the United States. The project included the expansion of its existing operations in Fayette County due to growing demands.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$505,700	\$730,700

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$27.00	
1	15	\$27.00	\$40,000
2	30	\$27.00	\$40,000
3	30	\$27.00	\$40,000
4	30	\$27.00	\$40,000
5	30	\$27.00	\$40,000
6	30	\$27.00	\$40,000
7	30	\$27.00	\$40,000
8	30	\$27.00	\$40,000
9	30	\$27.00	\$40,000
10	30	\$27.00	\$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

Special Conditions:
 Maintain Base Employment: 27
 Maintain Base Payroll: \$1,466,813

Modifications since preliminary approval? No

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

Date: August 30, 2018
Preliminary Approval: July 30, 2015
Approved Company: Country Boy Brewing, L.L.C.
City: Georgetown
Activity: Manufacturing
Bus. Dev. Contact: A. Bobbitt

County: Scott
Final Resolution #: KBI-F-18-20439
DFS Staff: M. Elder

Project Description: Country Boy Brewing, L.L.C., is a Lexington based company that produces a variety of high quality craft beers that are regionally distributed. This new facility allowed the company to increase their production capacity to meet overwhelming demand, as well as to build new executive office space and a first rate taproom to accommodate for a positive visitor experience.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$2,690,000	\$4,350,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	12	\$13.50	
1	13	\$13.50	\$20,000
2	14	\$13.50	\$20,000
3	15	\$13.50	\$20,000
4	16	\$13.50	\$20,000
5	17	\$13.50	\$20,000
6	18	\$13.50	\$20,000
7	19	\$13.50	\$20,000
8	20	\$13.50	\$20,000
9	20	\$13.50	\$20,000
10	20	\$13.50	\$20,000

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

County Type:
Other

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

Special Conditions: None

Modifications since preliminary approval? No

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

Date: August 30, 2018
Preliminary Approval: August 27, 2015
Approved Company: Hollison, LLC
City: Owensboro **County:** Daviess
Activity: Manufacturing **Final Resolution #:** KBI-FL-18-20615
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Hollison, LLC started out 11 years ago with an idea developing patents in a center for business and research and is now ready to move into manufacturing. The company provides products and services for food protection and the detection of contaminants in the food supply chain. Hollison is moving into a larger space and purchasing new equipment.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$798,840	\$1,177,680

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	28	\$38.00	
1	34	\$38.00	\$70,000
2	34	\$38.00	\$70,000
3	34	\$38.00	\$70,000
4	34	\$38.00	\$70,000
5	34	\$38.00	\$70,000
6	34	\$38.00	\$70,000
7	34	\$38.00	\$70,000
8	34	\$38.00	\$70,000
9	34	\$38.00	\$70,000
10	34	\$38.00	\$70,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$700,000**

County Type: Other **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 2

Modifications since preliminary approval? No

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

Date: August 30, 2018
Preliminary Approval: August 27, 2015
Approved Company: Printograph, Inc. dba Gotprint.com
City: Hebron **County:** Boone
Activity: Manufacturing **Final Resolution #:** KBI-F-18-20617
Bus. Dev. Contact: J. Bevington **DFS Staff:** D. Phillips

Project Description: Printograph, Inc. dba Gotprint.com is an online printing company based in California providing services to clients located in North America and Europe. The project included the expansion of its operation in Hebron to create adequate space for an additional printing press needed to meet customer demands.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$2,350,000	\$6,150,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$20.00	
1	10	\$20.00	\$20,000
2	10	\$20.00	\$20,000
3	10	\$20.00	\$20,000
4	10	\$20.00	\$20,000
5	10	\$20.00	\$20,000
6	10	\$20.00	\$20,000
7	10	\$20.00	\$20,000
8	10	\$20.00	\$20,000
9	10	\$20.00	\$20,000
10	10	\$20.00	\$20,000

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

County Type: Other **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 66

Modifications since preliminary approval? No

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

Date: August 30, 2018
Preliminary Approval: August 25, 2016
Approved Company: Brown & Brown of Kentucky, Inc.
Approved Affiliate(s): Brown & Brown Inc.
City: Columbia **County:** Adair
Activity: Service & Technology **Final Resolution #:** KBI-FL-18-21221
Bus. Dev. Contact: M. Pierstorff **DFS Staff:** K. Greenwell

Project Description: Brown & Brown is a provider of insurance and reinsurance products and services to general business, corporate, governmental, and individual clients. The project consisted of expanding its Columbia, KY profit centers personal lines business with the addition of a national service center.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$937,500	\$1,500,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	\$15.38	
1	25	\$15.38	\$40,000
2	25	\$15.38	\$40,000
3	25	\$15.38	\$40,000
4	25	\$15.38	\$40,000
5	25	\$15.38	\$40,000
6	25	\$15.38	\$40,000
7	25	\$15.38	\$40,000
8	25	\$15.38	\$40,000
9	25	\$15.38	\$40,000
10	25	\$15.38	\$40,000
11			
12			
13			
14			
15			

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

County Type: Enhanced **Statutory Minimum Wage Requirements:**
 Base hourly wage: \$9.06
 Total hourly compensation: \$10.42

Special Conditions:
 Maintain Base Employment: 18

Modifications since preliminary approval? Yes
 The affiliate Brown & Brown Inc. has been added to the project. All other aspects of the project remain the same.

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

Date: August 30, 2018
Preliminary Approval: July 25, 2013
Approved Company: Kayser Automotive Systems USA, LP
City: Fulton **County:** Fulton
Activity: Manufacturing **Final Resolution #:** KBI-F-18-19616
Bus. Dev. Contact: C. Peek **DFS Staff:** D. Phillips

Project Description: Kayser Automotive Systems USA, LP is a subsidiary of German-based A. Kayser Automotive Systems GmbH, which has been manufacturing automotive parts in Germany for over 50 years. The company established this facility, its first manufacturing plant in the United States, to manufacture automotive parts.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$24,000,000	\$24,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	85	\$20.00	
1	121	\$20.00	\$300,000
2	121	\$20.00	\$300,000
3	121	\$20.00	\$300,000
4	121	\$20.00	\$300,000
5	121	\$20.00	\$300,000
6	121	\$20.00	\$350,000
7	121	\$20.00	\$350,000
8	121	\$20.00	\$350,000
9	121	\$20.00	\$350,000
10	121	\$20.00	\$350,000
11	121	\$20.00	\$350,000
12	121	\$20.00	\$350,000
13	121	\$20.00	\$350,000
14	121	\$20.00	\$350,000
15	121	\$20.00	\$350,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$5,000,000**

County Type:
Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06
 Total hourly compensation: \$10.42

Special Conditions: None

Modifications since preliminary approval? Yes

The company is requesting the approved company name be changed from A. Kayser Automotive Systems USA, LP to Kayser Automotive Systems USA, LP. The total investment and eligible cost increased from \$17,527,000 to \$24,000,000 and the square footage of the facility increased from 50,000 sf to 60,000 sf. The total negotiated incentive amount increased from \$3,000,000 to \$5,000,000. All other aspects of the project remain the same.

MEMORANDUM

TO: KEDFA Board Members
FROM: Kylee Palmer *KP*
Department for Financial Services
DATE: August 30, 2018
SUBJECT: IEIA Extensions

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

Company	County	Extension
Lock 14 Hydro Partners, LLC	Lee	12-month
RCC Big Shoal, LLC	Pike	12-month

Staff recommends approval.

**Kentucky Small Business Tax Credit Projects
August 2018**

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
Guardian Owl LLC	Jefferson	1	2	\$29.76	\$7,109	\$7,000
Ingenium Solutions, LLC	Jefferson	4	2	\$29.00	\$19,689	\$7,000
Mike Clark Heating, Cooling & Refrigeration Inc.	Bullitt	6	3	\$19.33	\$13,110	\$10,500
Motus Freight, LLC	Campbell	4	4	\$21.23	\$14,632	\$14,000
Pleasant Meadow II, LLC	Franklin	0	4	\$11.44	\$14,198	\$14,000
Prosper Media Group, Inc.	Fayette	1	1	\$14.00	\$7,561	\$3,500
Service Specialties, LLC	Clark	9	1	\$18.00	\$6,450	\$3,500
7	6		17	Total	\$82,749	\$59,500

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	\$182,000
Remaining Credits	\$2,818,000