


MEMORANDUM

TO: KEDFA Board Members
FROM: Jean Hale, Chairman 
Kentucky Economic Development Finance Authority
DATE: November 8, 2017
SUBJECT: **KEDFA Special Board Meeting**

A special meeting of the Kentucky Economic Development Finance Authority is called for **10:00 a.m. (EST) on Thursday, November 16, 2017**. The meeting will be held in Frankfort at the Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Board of Directors Conference Room.

The purpose of the meeting is to consider a Kentucky Business Investment (KBI) project in Bullitt County. See attached agenda.

Attachment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

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

SPECIAL BOARD MEETING

AGENDA
November 16, 2017

Call to Order
Notification of Press
Roll Call

KBI (Preliminary) – Bullitt County
Presented by Lindsey Ransdell and Michelle Elder

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: November 16, 2017
Approved Company: New Flyer of America Inc.
City: Shepherdsville **County:** Bullitt
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-17-21849
Bus. Dev. Contact: L. Ransdell **OFS Staff:** M. Elder

Project Description: New Flyer of America Inc. ("New Flyer") is the U.S. subsidiary of New Flyer Industries Inc. ("NFI Group"). NFI Group is the largest transit bus and motor coach manufacturer and parts distributor in North America with 31 fabrication, manufacturing, distribution and service centers in Canada and the United States employing over 5,800 team members. NFI Group was founded in 1930, and has since become a publicly traded entity with a market cap of \$2 billion. NFI Group proudly employs more American workers than any other bus manufacturer in North America. The company is considering the lease and subsequent construction of a facility that would allow additional space for insourcing and manufacturing of new products. It is intended that parts produced in the facility will support the New Flyer, Motor Coach Industries, and NFI Parts business units within the NFI Group. This will improve the company's competitiveness through reduced product turnaround time, and more sustainable and reliable manufacturing and operations processes.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$6,000,000	\$12,000,000
\$3,000,000	\$3,000,000
\$11,000,000	\$25,000,000
\$0	\$0
\$20,000,000	\$40,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	550	\$23.00	
1	550	\$23.00	\$850,000
2	550	\$23.00	\$850,000
3	550	\$23.00	\$850,000
4	550	\$23.00	\$850,000
5	550	\$23.00	\$850,000
6	550	\$23.00	\$850,000
7	550	\$23.00	\$850,000
8	550	\$23.00	\$850,000
9	550	\$23.00	\$850,000
10	550	\$23.00	\$850,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$8,500,000

County Type:
Other

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

Ownership (20% or more): Publicly Traded

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% City of Shepherdsville

Unemployment Rate:

County: 3.7%

Kentucky: 4.3%

Existing Presence in Kentucky: None

Special Conditions: None