



Matthew G. Bevin  
Governor

**CABINET FOR ECONOMIC DEVELOPMENT**

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

**MEMORANDUM**

**TO:** KEDFA Members

**FROM:** Katie Smith, Executive Director *KS*  
Office of Financial Services

**DATE:** November 30, 2016

**SUBJECT: KEDFA Board Meeting**

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The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, December 8, 2016** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EST) in the Board of Directors Conference Room.

If you have any questions, please feel free to contact our office at any time.



# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

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

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## AGENDA December 8, 2016

### Call to Order

Notification of Press  
Roll Call

### Approval of Minutes

1. Minutes from October 27, 2016 Regular Session
2. Minutes from October 27, 2016 Executive Session

### Reports

- 
- |  |             |
|--|-------------|
| 3. Approved / Undisbursed Loan Report          | Don Goodin  |
| 4. Financial Statements and Monitoring Reports | Katie Smith |

### TIF Project (Final)

- 
- |  |         |                                |
|--|---------|--------------------------------|
| 5. Department of Finance – City of Owensboro<br>Downtown Owensboro Riverfront Revitalization | Daviess | Kimberly Gester / Kylee Palmer |
|--|---------|--------------------------------|

### High-Tech Pool Projects (Grant)

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- |  |           |                         |
|--|-----------|-------------------------|
| 6. Awesome Center for Entrepreneurship | Fayette   | Chad Eames / Don Goodin |
| 7. XlerateHealth (Non-Profit), Inc.    | Jefferson |                         |

### KREDA (Title Transfer)

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- |                                  |        |                |
|----------------------------------|--------|----------------|
| ■ Heaven Hill Distilleries, Inc. | Nelson | Bobby Aldridge |
|----------------------------------|--------|----------------|

### KREDA Project (Amendment)

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- |                       |        |                |
|-----------------------|--------|----------------|
| 8. Letica Corporation | Fulton | Bobby Aldridge |
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### KEIA Projects (Extension)

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- |   |           |                |
|---|-----------|----------------|
| 9. Aleris Rolled Products Manufacturing, Inc. | Hancock   | Bobby Aldridge |
| Precision Strip, Inc.                         | Warren    |                |
| Ingram's Water & Air Equipment LLC            | Graves    |                |
| 3M Company                                    | Harrison  |                |
| Amazon.com.kydc LLC                           | Taylor    |                |
| Archer-Daniels-Midland Company                | Jefferson |                |
| DHL Express (USA), Inc.                       | Boone     |                |
| Dr. Schneider Automotive Systems, Inc.        | Russell   |                |

Koch Filter Corporation  
QSR Automations, Inc.  
TransNav Technologies, Inc.

Jefferson  
Jefferson  
Boyle

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**KEIA Projects**

10. Demipac Inc.	Nelson	Anna Beth Bobbitt / Lynda Cunningham
11. Bilstein Cold Rolled Steel LP	Warren	Frank Tate / Michelle Elder

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**KBI Projects (Preliminary) & KEIA Projects**

12. Performance Feeds, LLC	Warren	Frank Tate / Michelle Elder
13. Performance Feeds, LLC	Warren	
14. MobileMedTek Holdings, Inc.	Jefferson	Lindsey Ransdell / Michelle Elder
15. MobileMedTek Holdings, Inc.	Jefferson	
16. LINAK U.S. Inc.	Jefferson	Anna Beth Bobbitt / Lynda Cunningham
17. LINAK U.S. Inc.	Jefferson	
18. Mubea Tailor Rolled Blanks, LLC	Boone	Anna Beth Bobbitt / Lynda Cunningham
19. Mubea Tailor Rolled Blanks, LLC	Boone	
20. WITHDRAWN		
21. WITHDRAWN		
22. Kentucky Green Harvest LLC	Lincoln	Joan Ward / Debbie Phillips
23. Kentucky Green Harvest LLC	Lincoln	

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**KBI Projects (Preliminary)**

24. WITHDRAWN		
25. Precision Tooling Products, LLC	Graves	Frank Tate / Michelle Elder
26. Nishida Art Specialty Composite America Inc.	Franklin	Anna Beth Bobbitt / Lynda Cunningham
27. Sonic Electronix, Inc.	Jefferson	Kristina Slattery / Lynda Cunningham

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**KBI Projects (Extension)**

28. Advanced Green Components, LLC	Clark	Michelle Elder
Bonfiglioli USA	Boone	
First State Investments International, Inc.	Jefferson	
Bilstein Cold Rolled Steel, LP	Warren	
Bluegrass Supply Chain Services, LLC	Warren	
Corrosion Resistant Reinforcing	Boone	
FreshChoice Complete Diet Products, LLC	Gallatin	
Koogee LLC dba The Comfy Cow	Jefferson	

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**KBI Projects (Final)**

29. Hayashi Telempu North America Corporation	Franklin	Debbie Phillips
30. Integrated Metal Solutions, LLC	Hopkins	
31. Omnicare, Inc.	Barren	
32. Specialty Foods Group, Inc.	Daviess	
33. WITHDRAWN		
34. WITHDRAWN		
35. Innovative Manufacturing Services, Inc.	Barren	
36. WITHDRAWN		
37. WITHDRAWN		
38. WITHDRAWN		

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39. 3 Ten Enterprises, LLC	Jefferson
Abbie Jones Consulting, PSC	Fayette
Accuserve Equipment & Supply, L.L.C.	Jefferson
Against the Grain LLC	Jefferson
Allstate Heating and Cooling, Incorporated	Fayette
Allstate Ready Mix, Inc.	Oldham
Atlas Metal Products Co.	Jefferson
Automated Cutting Technologies, Inc.	Jessamine
Babcon Inc.	Madison
Baldwin CPAs, PLLC	Madison
Billings Law Firm, PLLC	Fayette
Body Shapes Medical Management, LLC	Jefferson
Bootleg Bar-B-Q Co.	Jefferson
Bourbon on Main, LLC	Franklin
Brass Reminders Company, Inc.	Jessamine
Braxton Brewing Company, LLC	Kenton
Brett Construction Co.	Fayette
Brown & Kubican, P.S.C.	Fayette
C2 Strategic Communications LLC	Jefferson
Candyrific, LLC	Jefferson
Central Forms Solutions, LLC	Jessamine
Central Kentucky Sprinkler, Inc.	Jessamine
Chase Motorsports, Inc.	McCracken
Commonwealth Eye Clinic, Inc.	Fayette
Consultant Solutions, Incorporated	Fayette
Cornerstone Engineering, Inc.	Jefferson
Danville Eye Center, PLLC	Boyle
DC Electric of Benton, Inc.	Marshall
Diade USA, Inc.	Anderson
Don Franklin Ford, Inc.	Adair
Equine Diagnostic Solutions, LLC	Fayette
Equus Run Vineyards, LLC	Woodford
Forest Giant, Inc.	Jefferson
Franklin Nissan, LTD. Co.	Adair
Globesil Inc.	Fayette
GTB Holdings, Inc.	Boone
Halleywood Farm LLC	Fayette
Hera Testing Laboratories, Inc.	Fayette
Higdon Outdoors LLC	McCracken
Hinkle Environmental Services, LLC	Bourbon
Howard W. Pence, Inc.	Hardin
Interior Design & Architecture, Inc.	Jefferson
Jacobs Group, Inc.	Jefferson
Jason Tanner Design, LLC	Daviess
Johnson Plaster & Vinyl, Inc.	McCracken
Kentucky Machinery Company, LLC	Madison
Kertis Creative, LLC	Jefferson
KyFab, LLC	Graves
L.A. Miller, CPA, P.S.C.	McCracken

Lance S. Ferguson, M.D., P.S.C.	Fayette
Legacy Financial, LLC	Fayette
LoVo Systems, Inc.	Fayette
Machmer Hall Thoroughbreds, LLC	Bourbon
MakeTime, Inc.	Fayette
Marrillia Interests, LLC	Fayette
Michael L. Bobo, D.D.S., M.D., P.S.C.	Calloway
MILA International, Inc.	Boone
Miller, Griffin and Marks, P.S.C.	Fayette
Morgan Smith Industries, LLC	Adair
Natalie H. Daniels, M.D., PLLC	Jefferson
Owensboro RV Incorporated	Daviess
Paladin, Inc.	Fayette
Patterson and Company CPAs PLLC	Jefferson
Payroll Solutions, Inc.	Fayette
Petro Towery, Inc.	Madison
Pinnacle, Inc.	Marshall
PowerTech Water, LLC	Fayette
Quantum Enterprises, Inc.	Jefferson
Renaissance Holdings, LLC	Jefferson
Ribolt Fabrication, LLC	Lewis
Rivercrest Engineering, Inc.	McCracken
Ronald Kinman	Grant
Schipper Enterprises, LLC	Jefferson
SDGblue, LLC	Fayette
Socially Present, LLC	McCracken
Stradegy, LLC	Jefferson
Strong's Pizza, LLC	Boone
SWS Enterprises, Inc.	Fayette
Tellennium, Inc.	Bullitt
The 10 <sup>th</sup> Planet, LLC	Boyle
The Installation Source, Inc.	Fayette
The Weekly Juicery, LLC	Fayette
Thermal Equipment Service, Inc.	Fayette
Three Rivers Hardwood, Inc.	Laurel
Tommy Bramer & Son, General Contractors, LLC	Jefferson
TransNav Technologies, Inc.:	Boyle
Tree Top Landscaping, Inc.	Fayette
Tri Five, LLC	Fayette
Tri-State Cold-Formed Steel Components, LLC	Bullitt
Twin States Utilities & Excavation, Inc.	Monroe
Visual Image Systems Company, LLC	Jefferson
VND Restoration, LLC	Jessamine
Willie's Commercial Printing, LLC	Pulaski
Xploreky, LLC	Jefferson

**Kentucky Angel Investment Act Program**

Tim Back

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40. Picoro, Jr., John Joseph	Kenton	Urban Technology Inc.
Stegman, Brian J.	Kenton	Urban Technology Inc.

**IEIA Projects (Extension)**

Don Goodin

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- |   |                               |
|---|-------------------------------|
| 41. Delta Natural Gas Company, Inc.<br>ecoPower Generation, LLC<br>Jefferson, AD, LLC | Madison<br>Perry<br>Jefferson |
|---|-------------------------------|

**KEDFA Loan**

Don Goodin

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- |   |         |
|---|---------|
| 42. Franklin Simpson Industrial Authority | Simpson |
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**Closed Session**

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- 43.

**Other Business**

- 
44. Election of Officers  
45. 2017 KEDFA Board Meeting Dates

**Adjournment**



# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

## BOARD MEETING October 27, 2016

### MINUTES

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#### **Call to Order**

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EST on October 27, 2016, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

#### **Notification of Press**

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

#### **Roll Call**

**Members Present:** Jean Hale, Aubrey Hayden, Edwin King, Proxy for Secretary William M. Landrum, III, Tucker Ballinger, Dorsey Hall, Joe Kelly and Mike Vogt

**Staff Present:** Bobby Aldridge, Tim Back, Caroline Baesler, John Bevington, Lynda Cunningham, Marlene Duffy, Chad Eames, Michelle Elder, John Enochs, Phil Flynn, Alec Germond, Kimberly Gester, Don Goodin, Robyn Lee, Brandon Mattingly, Kylee Palmer, Debbie Phillips, Lindsey Ransdell, Tess Simon, Katie Smith, Frank Tate and Joan Ward

**Others Present:** Mike Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky and Mark Franklin, Stoll Keenon Ogden; Chris Brewer, AECOM; James Glass, American Metal Works, LLC; Steve Skannel, Baptist Healthcare; Elizabeth Walker, Bond Counsel for Baptist Healthcare; Ed Ray, City of Owensboro; Casey Bolton, John Farris and Tom Howard, Commonwealth Economics; Eric Friggle, Computershare; Denny Rohrer, Crossrock Drilling, LLC; Liz Columbia, Finance & Administration Cabinet, Office of Financial Management; James Cox and Malcolm Thomas, Harlan Wood Products LLC; Ken Ronald and John Wehrle, Kentucky Science and Technology Corporation; Scott Bachert, Kerrick Bachert PSC; Rebecca Fleishaker, Louisville Metro; Todd Hamilton, Mountjoy Chilton Medley LLP, Doug Gorman, Warren County Downtown Economic Development Authority; and Mike Nickels, Legislative Research Commission

#### **Approval of Minutes**

Chairman Hale entertained a motion to approve the minutes from the September 29, 2016 Regular KEDFA Board Meeting and Executive Session.

Joe Kelly moved to approve the minutes, as presented; Dorsey Hall seconded the motion. Motion passed; unanimous.

#### **Approved / Undisbursed Loan Report**

Chairman Hale called on Don Goodin to review the approved/undisbursed loan report. After review, the Authority accepted the report as presented.

**Financial Statements, Monitoring Reports and Annual Audit Report**

Chairman Hale called on Katie Smith to review the financial statements and monthly monitoring reports as of September 30, 2016. After review, the Authority accepted the statements and reports as presented.

Ms. Smith introduced Todd Hamilton, Mountjoy Chilton Medley LLP, and invited him to review with the Authority the audited Financial Statements (June 30, 2016 & 2015) and Auditor's Communication (June 30, 2016). Mr. Hamilton stated the audit disclosed no instances of noncompliance and no findings which are required to be reported in accordance with Government Auditing Standards with regard to KEDFA's financial statements for the year ended June 30, 2016.

Upon conclusion of the review, Chairman Hale entertained a motion to accept the report.

Mr. Hayden moved to accept the Audit Report, Tucker Ballinger seconded the motion. Motion passed; unanimous.

**Tax Increment Financing (TIF) Project (Final)**

Chairman Hale called on staff to present the TIF final project to the Authority.

**Department of Finance, City of Owensboro**  
**Gateway Commons**  
**Daviess County**

**Kimberly Gester**  
**Kylee Palmer**

Kimberly Gester stated Gateway Commons is a mixed use redevelopment/blighted urban area TIF project. The development is expected to include space for retail, restaurant uses, movie theater with a bowling alley, leasable offices, 2 hotels, residential units and may include a community center. The construction is estimated to take place over the next nine years.

The project was reviewed by an independent consultant and determined to create a net new positive impact on the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with their statutorily-required Certification of Net Positive Impact to the Commonwealth.

Kylee Palmer stated the applicant, Department of Finance of the City of Owensboro, requested approval of the Gateway Commons Mixed-Use TIF project. The total estimated cost of the project is \$198,857,200 of which \$62,100,000 is estimated for public infrastructure. Gateway Commons would be eligible to recover a negotiated tax incentive amount of \$20,571,000 for public infrastructure through an 80% recovery on withholding, sales and property taxes. Only amounts deemed as public infrastructure are eligible for recovery through increments. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (but not to exceed \$200,000,000) has been verified as being invested in the development area.

Staff recommended final approval of the TIF project.

Mr. Kelly moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; Dorsey Hall abstained.

**TIF Project (Amendment)**

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

**Warren County Downtown Economic Development Authority  
WKU Gateway to Downtown Bowling Green**

Mr. Aldridge stated the Warren County Downtown Economic Development Authority requested an amendment to the WKU Gateway to Downtown Bowling Green Signature TIF project to modify the description of the project, reallocate the approved signature costs and change the distribution of approved incentives without adjusting the total amount. Details of the requested amendment include:

**Approved Incentives** - Reduce the financing costs by \$3,000,000 and allocate the \$3,000,000 to sales tax on construction.

**Approved Signature Costs** - Remove the Mixed-Use with Garage and the Medical Center Expansion with Parking, which will allow for \$3,142,720 to be reallocated by increasing the Ballpark by \$559,140, adding SKyPAC, Hotel and Market of \$500,000 and adding a Mixed-Use with Garage and Alumni Center of \$2,083,580.

**Modification of the Project Description** – Additional hotels with 108 rooms, 3 additional parking garages, a WKU Alumni conference center, 10,000 new square feet of public use space and reduce the square footage of office space by 83,000, retail space by 200,000 and restaurant space by 11,700.

Staff recommended approval of the amendment request.

Mr. Aldridge introduced Doug Gorman and Scott Bachert and invited them to address any questions the board may have regarding the project.

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

**KEDFA Industrial Revenue Bond (IRB) Project (Amending Inducement and Final)**

Chairman Hale called on Mr. Goodin to present the requests for an amending inducement resolution and final bond resolution to the Authority.

**Baptist Healthcare System, Inc.**

**Don Goodin**

Mr. Goodin referenced in the board material a New Bond Issue Report relating to the proposed issuance of hospital revenue and refunding bonds (Series 2016C) in an amount not to exceed \$445,000,000 on behalf of Baptist Healthcare System, Inc. The bond proceeds will be used to finance various Baptist Healthcare System, Inc. projects throughout Kentucky and to partially refund the KEDFA Hospital Revenue Bonds, Series 2009A.

The project changed since the inducement resolution, therefore an amending inducement resolution is requested with the following changes:

- Increase the maximum authorized par amount of the bonds from \$325,000,000 to \$445,000,000 to provide for additional portions of the new projects and refunding of additional maturities of the prior bonds, and
- Increase the maximum term of the bonds from 30 years to 35 years

The local jurisdictions of St. Matthews, Lexington-Fayette Urban County Government, Paducah, Corbin, Berea, Richmond and LaGrange adopted resolutions requesting KEDFA issue the bonds.

A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue was conducted at 9:00 a.m., October 27, 2016 at the Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, with the only comment from bond counsel clarifying the maximum bond issue size will be \$445 million instead of the \$459 million that was included in the public hearing notice.

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

Staff recommended approval of the amending bond inducement resolution and final bond resolution.

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

### **High Tech Pool Project (Grant)**

Chairman Hale called on staff to present a High-Tech Pool project to the Authority.

#### **Kentucky Science and Technology Corporation Fayette County**

**Chad Eames  
Don Goodin**

Mr. Eames stated the Kentucky Science and Technology Corporation administers the Cabinet for Economic Development's Kentucky Small Business Innovation Research (SBIR) and Kentucky Small Business Technology matching funds programs. The statewide program helps Kentucky's small, innovative, technology-based companies become more competitive and successfully grow their enterprises. The proposed project will provide additional financial resources for equipment/fixed assets purchased by SBIR and STTR matching fund recipients.

Mr. Eames introduced John Wehrle and Ken Ronald and invited them to address the board regarding the grant request and any questions the board may have.

After discussion, Mr. Goodin stated the corporation requested \$500,000 to support the SBIR/STTR matching funds programs which will provide additional financial resources for equipment/fixed assets purchased by SBIR and STTR matching funds recipients.

Staff and the Acting Executive Director, Office of Entrepreneurship recommended approval of the grant request.

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

### **Economic Development Bond (EDB) Project (Grant)**

Chairman Hale called on Michelle Elder to present a proposed EDB project grant to the Authority.

#### **City of Midway Lakeshore Equipment Company dba Lakeshore Learning Materials Woodford County**

**Michelle Elder**

Ms. Elder stated the City of Midway requested the use of \$1,350,000 in EDB funds for the benefit of Lakeshore Equipment Company dba Lakeshore Learning Materials. The company has selected Midway for its new assembly, distribution and storage facility. The proposed

EDB grant funds will be used to extend gas service to the company and any current or future tenants of the industrial park.

The company will be required to make investment and create new, permanent, full-time, Kentucky resident jobs paying an average hourly wage of \$19.00, including benefits as per the table below:

<b>Compliance Date</b>	<b>Full-Time KY Resident Jobs Required</b>	<b>Job Type</b>	<b>Annual Average Hourly Wage Required</b>	<b>Average Wage Type</b>
December 31, 2017	Investment of \$28,500,000 required to be completed. Hiring to begin in 2018			
December 31, 2018	125	Create	\$19.00	Total Hourly Compensation (includes benefits)
December 31, 2019	160	Create	\$19.00	Total Hourly Compensation (includes benefits)
December 31, 2020	175	Create	\$19.00	Total Hourly Compensation (includes benefits)
December 31, 2021	262	Create	\$19.00	Total Hourly Compensation (includes benefits)

Disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of disbursements will be based on the performance requirements achieved. Payment reduction provisions will be included in the grant agreement and will apply if the company fails to make the required investment and create and maintain the jobs and wages by the required timeframes.

In accordance with KRS 154.12-100, KEDFA's approval of this EDB grant is subject to the Cabinet for Economic Development's (CED) receipt of the Secretary of the Kentucky Finance & Administration Cabinet's concurrence to CED's use of the EDB funds for this project. Ms. Elder stated the Secretary's concurrence had been received.

Staff recommended approval of the grant request.

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

**Local (IRB) Project (Final)**

Chairman Hale called on Ms. Elder to present a Local IRB project to the Authority.

**City of Midway**

**Lakeshore Equipment Company dba Lakeshore Learning Materials  
Woodford County**

**Michelle Elder**

Ms. Elder stated in accordance with KRS 103.210, the City of Midway requested KEDFA review and approve a one hundred percent (100%) reduction in the state ad valorem tax rate on the industrial building and equipment which Lakeshore proposes to be financed through the issuance of industrial revenue bonds by the City of Midway. The company has selected

Midway for its second US assembly, distribution and storage facility. The principal amount of the IRB authorization is up to \$50,000,000 for a term of 30 years. A Payment in Lieu of Tax Agreement will be required with the school district.

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

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

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

**Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)**

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

Mr. Aldridge stated 10 companies requested additional time to complete the projects and asked that all 10 be presented as one motion.

<b>Company</b>	<b>County</b>	<b>Extension</b>
Tower Automotive	Nelson	2 Month
Fuel Total Systems Kentucky Corporation	Marion	3 Month
Bonfiglioli USA	Boone	6 Month
Heaven Hill Distilleries, Inc.	Nelson	6 Month
L'Oreal USA Products, Inc.	Kenton	6 Month
Peristyle, LLC	Woodford	6 Month
Peristyle, LLC	Woodford	6 Month
Brown-Forman Corporation	Jefferson	12 Month
Brown-Forman Corporation	Jefferson	12 Month
Corning Incorporated	Boyle	12 Month

Staff recommended approval of extension requests.

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

**KEIA Project**

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

**James C. Burris Architects LLC**  
**Madison County**

**Alec Germond**  
**Lynda Cunningham**

Alec Germond stated James C. Burris Architects LLC is planning to open a new operation, Blueframe Design + Build, LLC, in Kentucky. The company will utilize advanced pre-fabrication technologies and proven, elegant design solutions to provide affordable, healthy, low maintenance, energy efficient buildings in an environmentally responsible manner. The new operation will primarily manufacture pre-fab homes for elderly housing developments, multi-family housing developments, single family residential homes and light commercial projects in Kentucky, Tennessee, Ohio, Indiana and Georgia.

Lynda Cunningham stated the project investment is \$1,215,000 of which \$350,000 qualifies as KEIA eligible costs.

Staff recommended approval of the KEIA approved recovery amount of \$20,000 for construction materials and building fixtures.

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

### **KBI Projects (Preliminary) and KEIA Projects**

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

#### **Greenwood Marketing, LLC dba Restorative Medical Meade County**

**Frank Tate  
Michelle Elder**

Frank Tate stated Greenwood Marketing, LLC dba Restorative Medical is a medical device manufacturer in Brandenburg. The company has outgrown its current footprint and is considering moving the operation to a new site where it can continue to grow the business and purchase updated equipment.

Ms. Elder stated the project investment is \$1,105,000 all of which qualifies as KBI eligible costs and \$400,000 qualifies as KEIA eligible costs. The highest jobs target over the term of the agreement is 30 with average hourly wages of \$18.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$600,000 and approval of the KEIA approved recovery amount of \$24,000 for construction materials and building fixtures.

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

#### **Templar Manufacturing, LLC Logan County**

**Frank Tate  
Michelle Elder**

Mr. Tate stated Templar Manufacturing, LLC is a start-up entity focused on the development of emergency shelters and safe rooms and has received early contract fulfillment due to their patented technology. The company is considering the purchase of a facility in Auburn to manufacture emergency shelters to assist in the aid of areas around the world that have been devastated by natural disasters.

Ms. Elder stated the project investment is \$6,350,000 all of which qualifies as KBI eligible costs and \$3,000,000 qualifies as KEIA eligible costs. The highest jobs target over the term of the agreement is 140 with average hourly wages of \$32.50 including benefits. The state wage assessment participation is 3.0% and City of Auburn will participate at 0.67% with Logan County participating at 0.33%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,400,000 and approval of the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

**MACA Plastics, Inc.  
Mason County**

**Frank Tate  
Debbie Phillips**

Mr. Tate stated MACA Plastics, Inc. is a Tier II supplier within the Honda Automotive supply chain. The company is considering the purchase and renovation of a facility in Maysville to focus on injection molding and assembly of automotive components.

Debbie Phillips stated the project investment is \$7,900,000 all of which qualifies as KBI eligible costs and \$550,000 qualifies as KEIA eligible costs. The highest jobs target over the term of the agreement is 156 with average hourly wages of \$14.00 including benefits. The state wage assessment participation is 5.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,500,000 and approval of the KEIA approved recovery amount of \$33,000 for construction materials and building fixtures.

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

**KBI Projects (Preliminary)**

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

**American Metal Works, LLC  
Johnson County**

**Robyn Lee  
Debbie Phillips**

Robyn Lee stated American Metal Works, LLC is a start-up company that will manufacture a variety of products for clients using state of the art Computer Numerical Control (CNC) equipment in a modern, climate controlled environment conducive to high tolerance manufacturing requirements. The company is considering partnering with the local school to hire well-trained operators who hold eight NIMS Certifications. The primary target markets will focus on aerospace manufacturing, automotive manufacturing, medical devices and general manufacturing to start its operation in Paintsville.

Ms. Lee introduced Denny Rohrer and James Glass and invited them to address the board regarding the project and any questions the board may have.

After discussion, Ms. Phillips stated the project investment is \$652,950 of which \$517,950 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 15 with average hourly wages of \$15.00 including benefits. The state wage assessment participation is 5.0%.

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

Mr. Vogt moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; Jean Hale abstained.

**Harlan Wood Products LLC  
Harlan County**

**Joan Ward  
Debbie Phillips**

Joan Ward stated Harlan Wood Products LLC is a newly formed start-up company which is considering the construction of a manufacturing facility to produce wood pellets. The pellets

would be shipped and marketed in Europe as residential/commercial bagged pellets to be used in pellet stoves with a small amount marketed locally.

Ms. Ward introduced Malcolm Thomas and Jim Cox and invited them to address the board regarding the project and any questions the board may have.

After discussion, Ms. Phillips stated the project investment is \$10,910,000 of which \$10,347,500 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 32 with average hourly wages of \$15.00 including benefits. The state wage assessment participation is 5.0%.

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

Mr. Ballinger moved to approve the staff recommendation, as presented; Mr. Hayden seconded the motion. Motion passed; Jean Hale abstained.

**Wink Equipment, Inc.  
Hopkins County**

**Frank Tate  
Michelle Elder**

Mr. Tate stated Wink Equipment, Inc. is a newly formed company that plans to manufacture aluminum hauling and dump trailers. The company is considering a facility in Hopkins County to locate its first operation.

Ms. Elder stated the project investment is \$1,550,000 all of which qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 50 with average hourly wages of \$14.00 including benefits. The state wage assessment participation is 3.0% and the City of Dawson Springs will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$480,000.

Mr. Hayden moved to approve the staff recommendation, as presented; Mr. Hall 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 10 companies requested additional time to complete the projects and asked that all 10 be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Harry Gordon Steel Company	Clark	6 Month
Industrial Automation, LLC	Simpson	6 Month
International Crankshaft, Inc.	Scott	6 Month
iwis Engine Systems, LP	Calloway	6 Month
Omnicare, Inc.	Barren	6 Month
Best Sanitizers, Inc.	Boone	12 Month
RxC Acquisition Company dba RxCrossroads	Jefferson	12 Month
Sumitomo Electric Wiring Systems, Inc.	Fayette	12 Month
Ticona Polymers, Inc.	Boone	12 Month
YH America, Inc. (Sealant Division)	Woodford	12 Month

Staff recommended approval of the KBI extension requests.



**Champion Petfoods USA, Inc.**

Logan

Manufacturing

The company investment increased from \$85,287,000 to \$178,255,541, eligible costs decreased from \$50,128,000 to \$42,641,613; the number of jobs to be created increased from 147 to 200; average hourly wage targets increased from \$20.00 to \$27.00 and the total negotiated tax incentive amount increased from \$8,700,000 to \$12,000,000. All other aspects of the project remain the same.

**Computershare, Inc.**

Jefferson

Service & Technology

The company investment increased from \$12,062,000 to \$32,000,000; eligible costs increased from \$7,862,000 to \$26,000,000; jobs increased from 250 to 1,100; the average hourly wage increased from \$20.00 to \$30.00 and the total negotiated tax incentive amount increased from \$2,500,000 to \$13,200,000. 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.

Lindsey Ransdell introduced Eric Friggle and Rebecca Fleishaker invited him to address the board regarding Computershare, Inc. and it's expected job creation.

Mr. Hall moved to approve the staff recommendation, as presented; Mr. Vogt 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 9 Kentucky small businesses, from 6 counties with qualifying tax credits of \$96,500. The 9 businesses created 28 jobs and invested \$304,713 in qualifying equipment or technology. Mr. Back requested the following tax credits be presented as one motion:

<u>Qualified Small Business</u>	<u>County</u>	<u>Beg. Emp.</u>	<u>Elig. Pos.</u>	<u>Average Hourly Wage</u>	<u>Qualifying Equipment or Technology</u>	<u>Tax Credit</u>
Anglers Outpost, LLC	Garrard	7	3	\$ 28.92	\$ 9,016	\$ 9,000
Dukes A&W Enterprises, LLC	Jefferson	10	3	\$ 13.76	\$ 13,001	\$ 10,500
Forty4, LLC	Fayette	0	2	\$ 24.40	\$ 19,179	\$ 7,000
Information Capture Solutions LLC	Laurel	17	4	\$ 20.79	\$ 95,179	\$ 14,000
Integrated Engineering, PLLC	Fayette	14	6	\$ 34.67	\$ 55,246	\$ 21,000
Mr. C Refrigeration, Inc.	Jefferson	12	4	\$ 19.25	\$ 73,784	\$ 14,000
Sizemore & Sizemore, PLLC	Marion	2	2	\$ 17.81	\$ 9,308	\$ 7,000
TSC, LLC	Rowan	5	1	\$ 11.29	\$ 5,000	\$ 3,500
West Sixth Brewing Company, LLC	Fayette	19	3	\$ 18.65	\$ 25,000	\$ 10,500

Staff recommended approval of the tax credits.

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

**Kentucky Angel Investment Act Program Project**

Chairman Hale called on Mr. Back to present a Kentucky Angel Investment Act Program project to the Authority.

Mr. Back stated there is 1 Kentucky Angel Investment Act Program project. The investor will have 60 calendar days in which to make the planned investment and 20 calendar days from the investment date in which to submit proof of the investment before receiving the tax credit.

<b>Qualified Small Business Qualified Investor(s)</b>	<b>County</b>	<b>Projected Investment</b>	<b>Tax Credit</b>
<b>Double Double D, LLC James Michael Ferguson</b>	Boone	\$ 50,000	\$ 20,000

Staff recommended approval of the proposed tax credit.

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

### **Kentucky Collateral Support Program (KYCSP)**

Chairman Hale called on Mr. Goodin to present a KYCSP loan request to the Authority.

#### **Kentucky River Community Care, Inc. Perry County**

Mr. Goodin stated Kentucky River Community Care, Inc. (KRCC) is a non-profit mental health organization that serves Eastern Kentucky and has a number of offices throughout the region.

Citizens Bank of Kentucky (formerly Citizens National Bank of Paintsville) has submitted a request for collateral support for a \$1,000,000 loan to KRCC to finance the acquisition and related improvement costs to real property that will be used for a new child services specialty clinic in Hazard. The bank has requested 20% in support on the loan.

Under the guidelines for the Kentucky Collateral Support Program that were approved by KEDFA, an eligible borrower, including its affiliates and subsidiaries, must have 500 or fewer employees at the time the loan is enrolled into this program. However, this is less than the federal guidelines under which credit cannot be extended to a borrower with more than 750 employees.

According to information provided by the bank, KRCC currently has 648 full-time equivalent employees and anticipates that it will create 27 new jobs at the Hazard facility. The new jobs added to the current employment would still keep the borrower eligible under Treasury guidelines.

Staff recommended an exception to policy to allow the loan to be enrolled in the KYCSP.

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

### **Executive Session**

Pursuant to KRS Section 61.810 (1) (C) and (G), Chairman Hale entertained a motion to enter into executive session to discuss a specific business proposal, the open discussion of which would jeopardize the siting, retention, expansion or upgrading of the business and also to discuss proposed or pending litigation against or on behalf of the public agency.

Mr. Hayden moved to enter into executive session; Mr. Hall seconded the motion. Motion passed; unanimous. The board entered into executive session at 11:20 a.m.

## **Open Session**

Chairman Hale entertained a motion to return to open session. Mr. Hayden moved to return to the regular monthly KEDFA board meeting; Mr. Ballinger seconded the motion. Motion passed; unanimous. The board returned to open session 12:00 p.m.

## **Other Business**

### **Quarterly Kentucky Small Business Credit Initiative (KSBCI) Report**

Chairman Hale called Mr. Goodin to review the Quarterly KSBCI Report ending September 30, 2016.

After review, the Authority accepted the report as presented.

### **Quarterly Amendment Report / Resolution**

Chairman Hale called on Caroline Baesler to review the Quarterly Amendment Report ending September 30, 2016.

Ms. Baesler stated the Bylaws of the Board of Directors of KEDFA grant authority to the Executive Director of the Office of Financial Services to effectuate minor changes or modifications to existing agreements with approved companies that do not substantively modify contract terms.

Ms. Baesler noted the following amendment has been executed:

#### **EDB**

#### **Constellium-UACJ ABS LLC**

Letter Amendment to EDB dated June 25, 2015, for Constellium-UACJ ABS LLC, due to a company name change from Quiver Ventures LLC, effective as of March 8, 2016, and dated for convenience July 22, 2016.

The Authority accepted the Amendment Report, as presented.

## **Adjournment**

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

Mr. Hayden moved to adjourn the October 27, 2016 KEDFA board meeting; Mr. Ballinger seconded the motion. Motion passed; unanimous.

The meeting adjourned at 12:04 p.m.

**PRESIDING OFFICER:**



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Jean Hale, Chairman



**Approved Undisbursed List**  
Oct-16

**KEDFA LOANS**

	Applicant	Form #	County	Date Approved	Commitment Expires	Amount	Jobs
1	City of Shepherdsville	21008	Bullitt	Apr-16	Apr-17	3,500,000	
2	Southeast KY Industrial Dev. Authority, Inc.	21185	Knox	Jul-16	Jul-17	2,000,000	

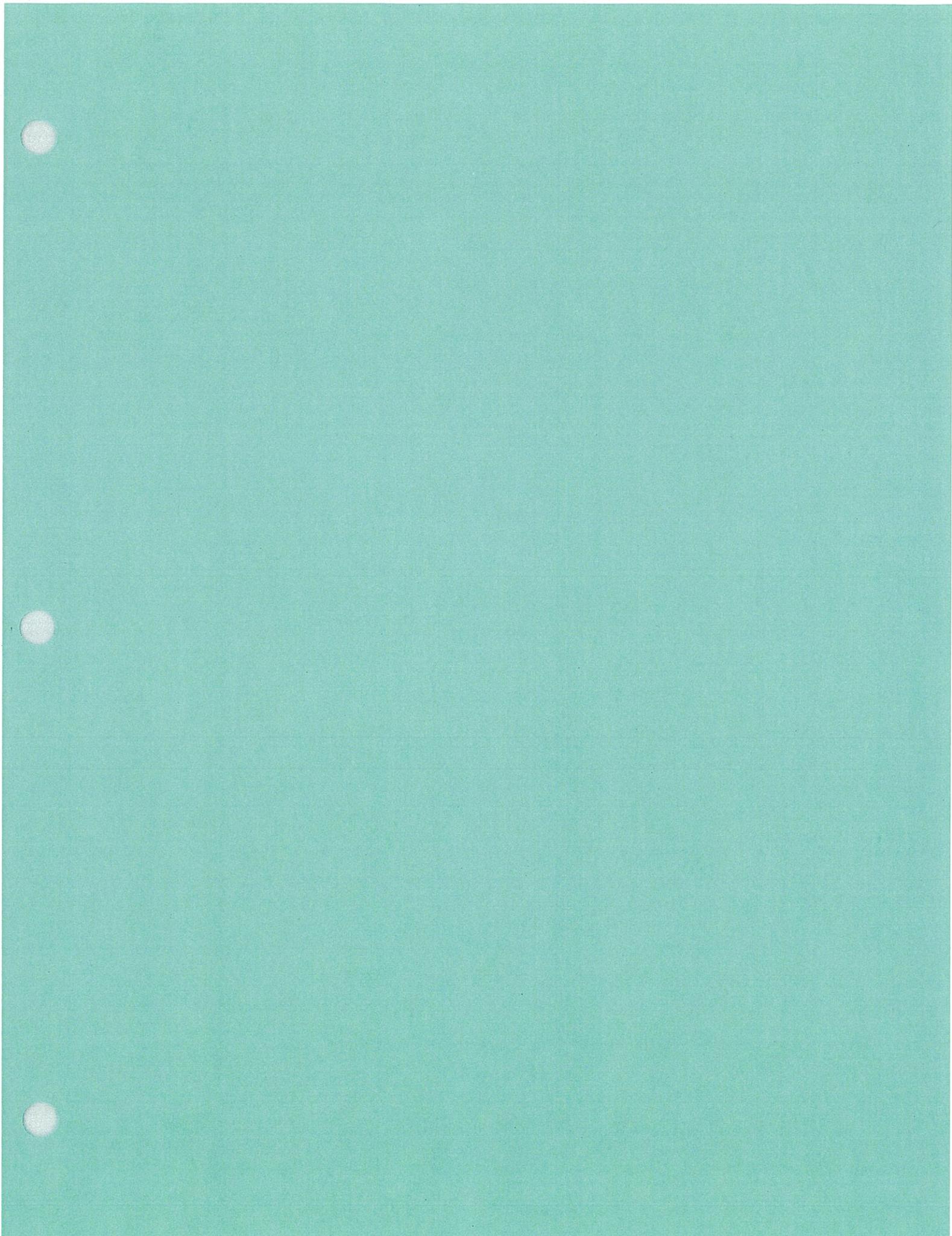
**SMALL BUSINESS LOANS**

	Applicant	Form #	County	Date Approved	Commitment Expires	Amount	Jobs
	None						

**TOTAL COMMITMENTS 2** **5,500,000**

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1	Logan Corporation - Closed	21152	Magoffin	Jun-16	Jun-17	1,100,000	
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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**10/31/2016**

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 10/31/16	OOE 10/31/16	COMBINED 10/31/16
<b><u>ASSETS</u></b>						
<b>Cash &amp; Accounts Receivable</b>						
Operating Account	107,832.87			107,832.87	0.00	107,832.87
Cash	2,231,710.25	14,283,009.38	395,961.20	16,910,680.83	0.00	16,910,680.83
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	3,223,155.72	3,223,155.72
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	6,600,000.00	0.00	0.00	6,600,000.00	1,230,370.00	7,830,370.00
<b>Total Cash &amp; Accounts Receivable</b>	<b>8,939,543.12</b>	<b>14,283,009.38</b>	<b>395,961.20</b>	<b>23,618,513.70</b>	<b>4,595,069.60</b>	<b>28,213,583.30</b>
<b>Accrued Interest Receivable</b>						
Loans	16,604.52	6,788.03	3.23	23,395.78	2,011.81	25,407.59
Investments	33.84	207.17	5.78	246.79	0.00	246.79
<b>Total Accrued Interest Receivable</b>	<b>16,638.36</b>	<b>6,995.20</b>	<b>9.01</b>	<b>23,642.57</b>	<b>2,011.81</b>	<b>25,654.38</b>
<b>Notes Receivable</b>						
Loans Receivable	18,899,818.62	1,599,899.41	646.52	20,500,364.55	86,143.00	20,586,507.55
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,159,163.61)	(5,000.00)	(1,164,163.61)
<b>Total Notes Receivable</b>	<b>18,899,818.62</b>	<b>1,599,899.41</b>	<b>646.52</b>	<b>19,341,200.94</b>	<b>81,143.00</b>	<b>19,422,343.94</b>
<b>TOTAL ASSETS</b>	<b>27,856,000.10</b>	<b>15,889,903.99</b>	<b>396,616.73</b>	<b>42,983,357.21</b>	<b>4,678,224.41</b>	<b>47,661,581.62</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				<b>443,000.00</b>	<b>0.00</b>	<b>443,000.00</b>
<b><u>LIABILITIES</u></b>						
<b>Accrued Salaries &amp; Compensated Absences</b>				<b>355,518.86</b>	<b>0.00</b>	<b>355,518.86</b>
<b>Accounts Payable</b>						<b>0.00</b>
<b>Intergovernment Payable</b>				<b>0.00</b>	<b>166,861.79</b>	<b>166,861.79</b>
<b>Grants Payable</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Pension Liability</b>				<b>7,492,000.00</b>	<b>0.00</b>	<b>7,492,000.00</b>
<b>TOTAL LIABILITIES</b>				<b>7,847,518.86</b>	<b>166,861.79</b>	<b>8,014,380.65</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b><u>NET POSITION</u></b>						
<b>Beginning Balance</b>				<b>34,062,296.85</b>	<b>4,395,900.70</b>	<b>38,458,197.55</b>
<b>Current Year Undivided Profits</b>				<b>1,516,541.50</b>	<b>115,461.92</b>	<b>1,632,003.42</b>
<b>TOTAL NET POSITION</b>				<b>35,578,838.35</b>	<b>4,511,362.62</b>	<b>40,090,200.97</b>

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 October 31, 2016**

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2016-2017 YEAR TO DATE	FY 2015-2016 YEAR TO DATE
<b>Operating Revenues - KEDFA</b>						
Interest Income/Loans	16,781.05	2,513.55	2.03	0.00	71,694.60	75,082.84
Interest Income/ Investments	33.84	207.17	5.78	0.00	841.70	609.28
Late Fees	0.00	0.00	0.00	0.00	0.00	154.02
Application Fees	72,207.50	0.00	0.00	0.00	153,928.54	109,432.83
Miscellaneous Income	0.00	0.00	0.00	0.00	35.10	54.61
<b>Total Operating Revenues - KEDFA</b>	<b>89,022.39</b>	<b>2,720.72</b>	<b>7.81</b>	<b>0.00</b>	<b>226,499.94</b>	<b>185,333.58</b>
<b>Operating Expenses - KEDFA</b>						
Salaries	89,347.36				402,713.12	424,685.99
Employee benefits	60,730.83				272,372.24	257,613.15
Pension Liability Adjustment	0.00				0.00	0.00
Other Personnel Costs	0.00				0.00	0.00
Contracted Personal Services	23,437.50				32,836.90	36,993.69
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	2.63				6.15	6.90
Telecommunications	0.00				0.00	0.00
Computer Services	0.00				0.00	0.00
Supplies	0.00				0.00	0.00
Miscellaneous Services	721.14				721.14	0.00
Travel	255.43				913.89	1,020.80
Miscellaneous Commodities	0.00				395.00	295.00
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
<b>Total Operating Expenses - KEDFA</b>	<b>174,494.89</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>709,958.44</b>	<b>720,615.53</b>
<b>Income (Loss) from Operations - KEDFA</b>	<b>(85,472.50)</b>	<b>2,720.72</b>	<b>7.81</b>	<b>0.00</b>	<b>(483,458.50)</b>	<b>(535,281.95)</b>
<b>Non-Operating Revenues (Expenses) - KEDFA</b>						
Operating Transfer Out - General Fund	0.00				0.00	0.00
Transfer Due from Bonds	0.00				2,000,000.00	0.00
Grants Disbursed	0.00				0.00	0.00
Operating Transfer In - Economic Dev	0.00				0.00	0.00
Unrealized Gains/(Losses) on Investment	0.00				0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
<b>Total Non-Operating Revenues (Expense)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,000,000.00</b>	<b>0.00</b>
<b>CHANGE IN NET POSITION - KEDFA</b>	<b>(85,472.50)</b>	<b>2,720.72</b>	<b>7.81</b>	<b>0.00</b>	<b>1,516,541.50</b>	<b>(535,281.95)</b>
<b>Operating Revenues (Expenses) - OOE</b>						
Interest Income - Loans				127.88	557.47	566.36
Misc Income				0.00	0.00	0.00
Disbursements: Projects (Note 1)				(25,000.00)	(75,000.00)	(563,462.00)
Repayments received from Projects					159,807.10	201,552.00
						0.00
<b>Non-Operating Revenues (Expenses) - OOE</b>						0.00
Operating Transfer in - OOE				0.00	0.00	0.00
Transfer Due from Bonds				0.00	200,000.00	(500,000.00)
Operating Transfer Out - OOE				(2,006.56)	(169,903.35)	(150,063.47)
<b>CHANGE IN NET POSITION - OOE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(26,878.68)</b>	<b>115,461.22</b>	<b>(1,011,407.11)</b>
<b>CHANGE IN NET POSITION - COMBINED</b>	<b>(85,472.50)</b>	<b>2,720.72</b>	<b>7.81</b>	<b>(26,878.68)</b>	<b>1,632,002.72</b>	<b>(1,546,689.06)</b>

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**  
**10/31/2016**

	<b>10/31/2015</b>	<b>10/31/2016</b>
<b>Fund A Cash Balance</b>	\$3,577,883.91	\$2,231,710.25
Less: Loans Closed This Month	<i>INCLUDED IN BAL</i>	<i>INCLUDED IN BAL</i>
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	<b>\$3,577,883.91</b>	<b>\$2,231,710.25</b>
<b>2003 Bond Fund Cash Balance</b>	\$13,961,058.56	\$14,283,009.38
Less: Loans Closed This Month	0.00	
Less: Approved/Undisbursed	0.00	(5,500,000.00)
Total Unobligated Balance	<b>\$13,961,058.56</b>	<b>\$8,783,009.38</b>
<b>Small Business Loan Fund Cash Balance</b>	\$388,783.89	\$395,961.20
Less: Loans Closed This Month	0.00	
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	<b>\$388,783.89</b>	<b>\$395,961.20</b>
<b>Bond Funds to be Provided for Loans</b>	\$0.00	
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	<b>\$0.00</b>	<b>\$0.00</b>
Budget: Cash to be Transferred to Other CED Programs for	\$0.00	\$0.00
<b>CASH AVAILABLE</b>	<b>\$17,927,726.36</b>	<b>\$11,410,680.83</b>
<b>OCI Fund Cash Balance</b>		
High Tech Construction Pool	\$137,500.00	\$137,500.00
Less: Approved/Undisbursed	\$0.00	\$0.00
High Tech Investment Pool	\$3,309,898.93	\$3,051,293.93
Less: Approved/Undisbursed	(\$1,053,977.00)	(\$1,795,372.00)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$880,370.00	\$1,230,370.00
Bond Funds Available for Projects	\$0.00	\$0.00
Total Unobligated Balance	<b>\$3,277,835.81</b>	<b>\$2,627,835.81</b>
<b>TOTAL ALL FUNDS</b>	<b>\$21,205,562.17</b>	<b>\$14,038,516.64</b>

**Kentucky Enterprise Initiative Act (KEIA) Projects  
Fiscal 2017**

KEDFA Meeting date	12/8/2016
Total Projects Approved Fiscal Year-to-Date	22
Number of Proposed Projects for Current Month	7

**Construction Materials and Building Fixtures**

Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$3,973,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$16,027,000
Proposed Approval for Current Month	<u>\$1,315,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$14,712,000</u></u>

**Research & Development and Electronic Processing Equipment**

Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$269,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$4,731,000
Proposed Approval for Current Month	<u>\$30,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$4,701,000</u></u>

Office of Compliance, Financial and Administrative Services  
 Monthly Monitoring Report as of October 31, 2016

**Financial Incentives Programs**

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
KBI	47	46	0	0	6
IELA	0	0	0	0	0
KEIA	9	1	0	0	1
KIDA	9	0	0	0	0
KJDA	1	2	0	0	2
KREDA	6	19	0	0	1
KIRA	0	0	0	0	0
KJRA	0	0	0	0	0
KIFA	1	4	0	0	0
KESA	0	0	0	0	0
KRA	0	2	0	0	0
KALA	1	5	0	0	0
TIF	8	11	0	0	0
<b>Totals</b>	<b>82</b>	<b>90</b>	<b>0</b>	<b>0</b>	<b>10</b>

**Cash Based Programs**

Program	Projects Contacted	Projects Monitored	Defaults	Repayments	Completed Exhibits
HTP	6	1	0	0	0
Direct Loans	0	0	0	0	0
EDB	19	2	0	0	0
<b>Totals</b>	<b>25</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Projects Contacted** - This category reflects phone calls, e-mails, or other less involved questions.

**Projects Monitored** - This category includes review of specific aspects of a project which requires research of a file or a more in-depth examination.

**Completed Exhibits** - Project's Fiscal Year End exhibits have been monitored for the year.

## Project Update Report

Project	County	Approval Date	Exit Date	Program
<u>Plastisud, Inc.</u>	<u>Rockcastle</u>	<u>12/12/2013</u>	<u>10/05/2016</u>	<u>KBI</u>
<u>Explanation: Company decided not to move forward with KBI Incentives due to reduction plan that resulted in a cut back to 10 Employees.</u>				
<hr/>				
<u>FIVES Machining Systems, Inc.</u>	<u>Boone</u>	<u>12/10/2015</u>	<u>10/01/2016</u>	<u>KBI</u>
<u>Explanation: Company withdrew from KBI Program per email dated 10/1/2016.</u>				
<hr/>				
<u>Consultant Solutions Inc.</u>	<u>Scott</u>	<u>02/25/2016</u>	<u>10/31/2016</u>	<u>KBI</u>
<u>Explanation: Company withdrew from KBI Program per email dated 10/31/2016.</u>				
<hr/>				
<u>Daicel Safety Tube Processing</u>	<u>Ohio</u>	<u>10/27/2011</u>	<u>10/31/2016</u>	<u>KBI</u>
<u>Explanation: Several attempts to contact Company with no response. Project expired on 10/31/2016.</u>				
<hr/>				

## Project Update Report

Grupo Antolin Kentucky, Inc.      Christian      12/13/12      11/09/16      KBI

Explanation: Company withdrew from KBI program per email dated 11/9/16.

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

**Date:** December 8, 2016  
**Preliminary Approval:** January 28, 2016  
**Applicant:** Department of Finance of the City of Owensboro  
**Project Name:** Downtown Owensboro Riverfront Revitalization Project  
**City:** Owensboro **County:** Daviess  
**Program Type:** Mixed-Use Redevelopment in Blighted Urban Areas  
**TIF Term:** 20 years **OFS Staff:** Kylee Palmer  
**ORPA Staff:** Kimberly Gester

**Project Description:** Development is expected to include retail, restaurant, office, entertainment, educational and residential uses as well as a hotel and an RV park. The project is located on approximately 392 acres downtown and along the riverfront in Owensboro, Kentucky (development area). The land is currently developed and requires a significant amount of public infrastructure improvements be made throughout the site and in the area to attract investment.

The proposed development is expected to include approximately:

- 24,660 square feet of retail space
- 40,750 square feet for restaurant uses
- 57,000 square feet for entertainment/museum uses
- 84,110 square feet of leasable office space
- 84,380 square feet for higher education
- 797,720 square feet for residential units
- Hotel with 155,000 square feet
- Urban RV park with 40,424 square feet

The construction is estimated to take place over the next seven years.

**Infrastructure:** Infrastructure costs total approx. \$47.3 million:

- Land preparation
- Public buildings/structures
- Curbs, sidewalks, promenades and pedways
- Roads
- Provision of utilities
- Environmental remediation
- Public space or parks
- Parking
- Public landings
- Amenities such as fountains, benches and sculptures
- River bank modifications and improvements

**Consultant Report:** The project was reviewed by our independent consultant and determined to create a net new positive impact on the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with their statutorily-required Certification of Net Positive Impact to the Commonwealth. The applicant has also reviewed the report and agrees with the findings and the amount eligible for recovery.

**Total Capital Investment:** \$153,898,990

**Type of Eligible Cost:** Public Infrastructure

**Increment Recovery:**

The following taxes are available for recovery from the footprint over the TIF term through an 80% recovery, as based on the independent consultant analysis:

Withholding Tax	\$54,247,000
Sales Tax	\$89,455,000
Real Estate Property Tax	\$6,071,000
Estimated Baseline Revenues	<u>-\$74,357,000</u>
Total Taxes Eligible	\$75,417,000
Allowed Recovery Percentage	x 80%
Potential Increment Stream	<u>\$60,333,600</u>
<b>Approved Cost:</b>	<b>\$24,500,000</b>

Potential Increment Stream to Approved Cost: \$2.46

Please note only amounts deemed as public infrastructure that occur within the state footprint are eligible for recovery through increments as outlined above. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (but not to exceed \$200,000,000) has been verified as being invested in the development area.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
HIGH-TECH POOL (HTP) PROJECT REPORT**

**Date:** December 8, 2016  
**Company:** Awesome Center for Entrepreneurship  
**City:** Lexington **County:** Fayette  
**Activity:** Information Technology & Communications  
**New/Existing:** Existing  
**Bus. Dev. Contact:** Chad Eames **OFS Staff:** J. Don Goodin

**Project Description:** The mission of the Awesome Center for Entrepreneurship, the non-profit arm of Awesome, Inc., is to build and support the entrepreneurial and high-tech community in Kentucky. This is accomplished through a variety of initiatives, including an educational program for new entrepreneurs called the Awesome Fellowship Program, a computer coding school known as Awesome Inc. U, and an internship program for high school and college students known as Team Alpha. Additionally, Awesome Inc. provides co-working space in downtown Lexington, and it organizes and hosts events for the community such as the 5 Across pitch competition and the Kentucky Entrepreneur Hall of Fame induction ceremony.

The Awesome Fellowship Program (an initiative of the Awesome Center for Entrepreneurship) is designed to accelerate the growth of early stage startups with high growth potential. Teams that are accepted into the program receive a continuum of resources, including free use of Awesome Inc.'s co-working space, access to a network of over 60 experienced mentors, regular accountability coaching from the directors of Awesome Inc., access to an in-house developer and designer and videographer, as well as professional legal and accounting advice. The program also works closely with the Lexington office of the Kentucky Innovation Network. Over the first three years, the program accepted 22 startups. To date, those 22 startups have created 95 jobs and raised over \$4.5 million in investment capital. The upcoming fourth and fifth years of the program will accept a minimum of 8 teams into the program each year.

Funding Source	Status	Use of Proceeds	Amount
Grants/Sponsorships	Requested	Operational expenses	\$100,000
Office of Entrepreneurship	Requested	Operational expenses	\$100,000
<b>TOTAL</b>			<b>\$200,000</b>

**Other Terms:** At a minimum, a dollar-for-dollar match will be required

**Disbursement:** Funds will be disbursed on a reimbursement basis and the company will report on the use of funds every six months, and a final report at the end of the project term. The grant term will cover two years, with a maximum of \$50,000 each year.

**RECOMMENDED HIGH-TECH POOL FUNDING AMOUNT:**

<b>\$100,000</b>
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Source of Funds: Cash Pool

Financing Type: Grant

**Recommendation:**

This project was recommended by the Executive Director, Office of Entrepreneurship



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
HIGH-TECH POOL (HTP) PROJECT REPORT**

**Date:** December 8, 2016  
**Company:** XlerateHealth (Non-Profit), Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Health & Human Development  
**New/Existing:** Existing  
**Bus. Dev. Contact:** Chad Eames **OFS Staff:** J. Don Goodin

**Project Description:** XlerateHealth (Non-Profit), Inc. (XlerateHealth) has a mission of supporting the commercialization of healthcare startups in Kentucky. XlerateHealth helps Kentucky companies and recruits companies from out-of-state to participate with a goal of locating their businesses in Kentucky. Companies that have been assisted are developing businesses in medical devices, diagnostics, drug development, healthcare IT, and health services.

XlerateHealth uses the "Lean Startup" approach to help early stage companies refine their business models faster, verify that they are answering a significant customer need, and build a viable business model. The program provides a network of over 125 mentors and holds regular accountability session with each participating company. XlerateHealth also guides companies as they develop a strategy to secure resources in order to build and protect their IP portfolios, including patents, software copyrights, and other valuable IP content. In the first three classes, participating companies have raised over \$6.6 million, created 62 jobs, more than one-third of the companies are generating revenues, and six companies are developing innovations to address the needs of historically underserved communities.

Funding Source	Status	Use of Proceeds	Amount
Grants/Sponsorships	Requested	Operational expenses	\$100,000
Office of Entrepreneurship	Requested	Operational expenses	\$100,000
<b>TOTAL</b>			<b>\$200,000</b>

**Other Terms:** At a minimum, a dollar-for-dollar match will be required

**Disbursement:** Funds will be disbursed on a reimbursement basis and the company will report on the use of funds every six months, and a final report at the end of the project term. The grant term will cover two years, with a maximum of \$50,000 each year.

**RECOMMENDED HIGH-TECH POOL FUNDING AMOUNT:**

**\$100,000**

Source of Funds: Cash Pool

Financing Type: Grant

**Recommendation:**

This project was recommended by the Executive Director, Office of Entrepreneurship



## **MEMORANDUM**

**TO:** KEDFA Board Members

**FROM:** Robert Aldridge, Assistant Director   
Compliance Division

**DATE:** December 8, 2016

**SUBJECT:** KREDA Title Transfer  
Heaven Hill Distilleries, Inc. (Nelson County)  
KREDA Project # 3863

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On November 25, 1991, KREDA issued its \$2,800,000 Variable Rate Demand Economic Development Project Revenue Bonds to finance the acquisition, construction, renovation, equipping and installation of a facility located in Nelson County, Kentucky for the manufacture of distilled spirits and related products (the "Project"). In addition, KREDA took title to the financed property and leased the property back to Heaven Hill Distilleries, Inc. pursuant to a Lease Agreement dated November 1, 1991.

As KREDA's statutory successor, KEDFA owns the property that has been the subject of the lease. The lease requires KEDFA to transfer title of the leased property to Heaven Hill Distilleries, Inc. once the bonds have been fully paid and discharged. Bank of New York Mellon Trust Company, N.A. (the "Trustee") has advised KEDFA staff that the bond was paid in full on June 1, 2016. Heaven Hill Distilleries, Inc. desires to have the property subject to the Lease conveyed to it from KEDFA.

Therefore, KEDFA staff requests that the board approve the proposed Resolution approving the transfer of the title to Heaven Hill Distilleries, Inc., the termination of the lease and the execution of any documents necessary to effect the transfer and comply with the requirements of the Lease and the applicable Indenture.

Staff recommends approval.



## MEMORANDUM

**TO:** KEDFA Board Members

**FROM:** Robert Aldridge, Assistant Director  
Compliance Division 

**DATE:** December 8, 2016

**SUBJECT:** KREDA Amendment  
Letica Corporation (Fulton County)  
KREDA Project # 10584

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Letica Corporation is requesting a First Amendment to Financing Agreement to reflect an extension of their existing KREDA debt obligation retroactive to September 1, 2016 to extend the terms of the KREDA incentives until September 27, 2016 (the maximum allowable term of the Agreement)

Staff recommends approval.



## MEMORANDUM

**TO:** KEDFA Board Members

**FROM:** Robert Aldridge, Assistant Director  
Compliance Division

**DATE:** December 8, 2016

**SUBJECT:** KEIA Extensions



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

<b>Company</b>	<b>County</b>	<b>Extension</b>
Aleris Rolled Products Manufacturing, Inc.	Hancock	3 Months
Precision Strip, Inc.	Warren	3 Months
Ingram's Water & Air Equipment LLC	Graves	6 Months
3M Company	Harrison	12 Months
Amazon.com.kydc LLC	Taylor	12 Months
Archer-Daniels-Midland Company	Jefferson	12 Months
DHL Express (USA), Inc.	Boone	12 Months
Dr. Schneider Automotive Systems, Inc.	Russell	12 Months
Koch Filter Corporation	Jefferson	12 Months
QSR Automations, Inc.	Jefferson	12 Months
TransNav Technologies, Inc.	Boyle	12 Months

Staff recommends approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** Demipac Inc.  
**City:** Bardstown **County:** Nelson  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21381  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** Demipac Inc. was formed in 2012 and specializes in the manufacturing of polythene packing materials. The company produces a product called Pillow Film that is widely used by internet retailers. Due to its success, the company is considering building a new facility to accommodate for the increased volumes.

**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	\$121,000
\$1,500,000	\$3,000,000
\$0	\$0
\$0	\$0
\$0	\$2,000,000
\$0	\$100,000
<b>\$1,500,000</b>	<b>\$5,221,000</b>

**Ownership (20% or more):**

David Cooper - Bardstown, KY  
 Catherine Cooper - Bardstown, KY

**Other State Participation:** None

**Unemployment Rate:**

County: 4.3%

Kentucky: 4.8%

**Existing Presence in Kentucky:** Nelson County

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$90,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$90,000</b>
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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** Bilstein Cold Rolled Steel LP  
**City:** Bowling Green **County:** Warren  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21345  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** M. Elder

**Project Description:** Bilstein Cold Rolled Steel LP is a newly organized limited partnership related to the Bilstein family of businesses (collectively "Bilstein"). Bilstein was founded in 1911 in Hagen, Germany and has grown to be one of the most important cold-rolled steel strip producers in the world. The company is in the process of establishing its first U.S. manufacturing location in Bowling Green, Kentucky to serve the automotive industry. This project is to build an administration building to serve this manufacturing facility.

**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	\$0
\$1,650,000	\$2,400,000
\$0	\$0
\$0	\$0
\$0	\$100,000
\$0	\$0
<b>\$1,650,000</b>	<b>\$2,500,000</b>

**Ownership (20% or more):**

Bilstein CRS Management Corporation Atlanta, GA  
 Vogelsang Industriebeteiligungen KG Hagen, Germany  
 Marc T. Oehler Dortmund, Germany

**Other State Participation:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Oct 02, 2013	KBI	Approve-Prelim	\$3,500,000
Oct 02, 2013	KEIA	Approve-Final	\$1,400,000

**Unemployment Rate**

County: 3.5%

Kentucky: 4.8%

**Existing Presence in Kentucky:**

Warren County

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$75,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$75,000**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** Performance Feeds, LLC  
**City:** Bowling Green **County:** Warren  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21387  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Performance Feeds, LLC, organized in 2012 in Tennessee, is a manufacturer of nutritional feed products for cattle. The company is considering relocating its primary production/manufacturing facility to Bowling Green to help reduce transportation costs.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

	<b>Eligible Costs</b>	<b>Total Investment</b>
Land	\$0	\$0
Building/Improvements	\$1,400,000	\$1,400,000
Equipment	\$600,000	\$800,000
Other Start-up Costs	\$92,000	\$92,000
<b>TOTAL</b>	<b>\$2,092,000</b>	<b>\$2,292,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

<b>Year</b>	<b>Job Target</b>	<b>Average Hourly Wage Target (Including Employee Benefits)</b>	<b>Annual Approved Cost Limitation</b>
As of Activation Date	30	\$16.00	
1	30	\$16.00	\$30,000
2	30	\$16.00	\$30,000
3	30	\$16.00	\$30,000
4	30	\$16.00	\$30,000
5	30	\$16.00	\$30,000
6	30	\$16.00	\$30,000
7	30	\$16.00	\$30,000
8	30	\$16.00	\$30,000
9	30	\$16.00	\$30,000
10	30	\$16.00	\$30,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$300,000</b>
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**County Type:**

Other

**Statutory Minimum Wage Requirements:**

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

**Ownership (20% or more):**

Tony B. Ferguson Red Boiling Springs, TN

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% City of Bowling Green

**Unemployment Rate**

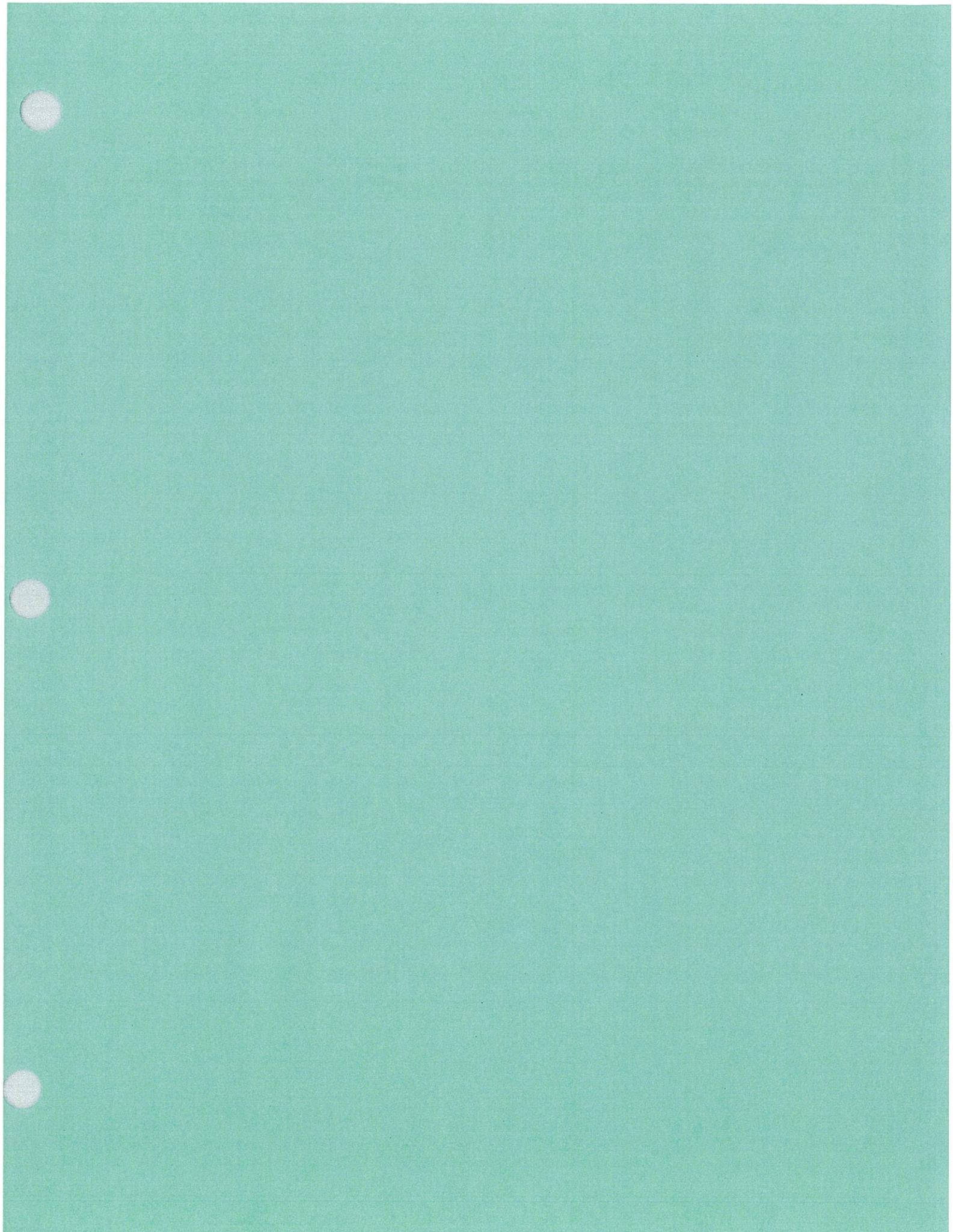
County: 3.5%

Kentucky: 4.8%

**Existing Presence in Kentucky:**

Garrard, Grayson and Wayne Counties

**Special Conditions:** None



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** Performance Feeds, LLC  
**City:** Bowling Green **County:** Warren  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21388  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Performance Feeds, LLC, organized in 2012 in Tennessee, is a manufacturer of nutritional feed products for cattle. The company is considering relocating its primary production/manufacturing facility to Bowling Green to help reduce transportation costs.

**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	\$0
\$1,000,000	\$1,400,000
\$0	\$0
\$0	\$0
\$0	\$800,000
\$0	\$92,000
<b>\$1,000,000</b>	<b>\$2,292,000</b>

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$40,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$40,000</b>
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See KBI file (KBI-I-16-21387) for Ownership, Other State Participation and Unemployment Rate.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** MobileMedTek Holdings, Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21368  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** MobileMedTek is an ISO certified medical device company focused on developing new tools for the neurodiagnostic industry. The company is a fully-staffed researched and development company dedicated to designing and manufacturing its high-quality products to improve patient care and medical provider efficiency. MobileMedTek proposes to repair, renovate and engineer a facility that can serve as a manufacturing facility to help serve new innovators and entrepreneurs.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

Land  
 Building/Improvements  
 Equipment  
 Other Start-up Costs  
**TOTAL**

Eligible Costs	Total Investment
\$1,700,000	\$1,700,000
\$3,110,000	\$3,110,000
\$300,000	\$510,000
\$275,000	\$275,000
<b>\$5,385,000</b>	<b>\$5,595,000</b>

**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	18	\$27.00	\$55,000
2	25	\$27.00	\$55,000
3	28	\$27.00	\$55,000
4	35	\$27.00	\$55,000
5	44	\$27.00	\$55,000
6	44	\$27.00	\$55,000
7	50	\$27.00	\$55,000
8	50	\$27.00	\$55,000
9	50	\$27.00	\$55,000
10	50	\$27.00	\$55,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$550,000**

**County Type:**  
Other

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

**Ownership (20% or more):**  
SIDIS Corp. Fort Collins, Colorado

**Active State Participation at the project site:** None

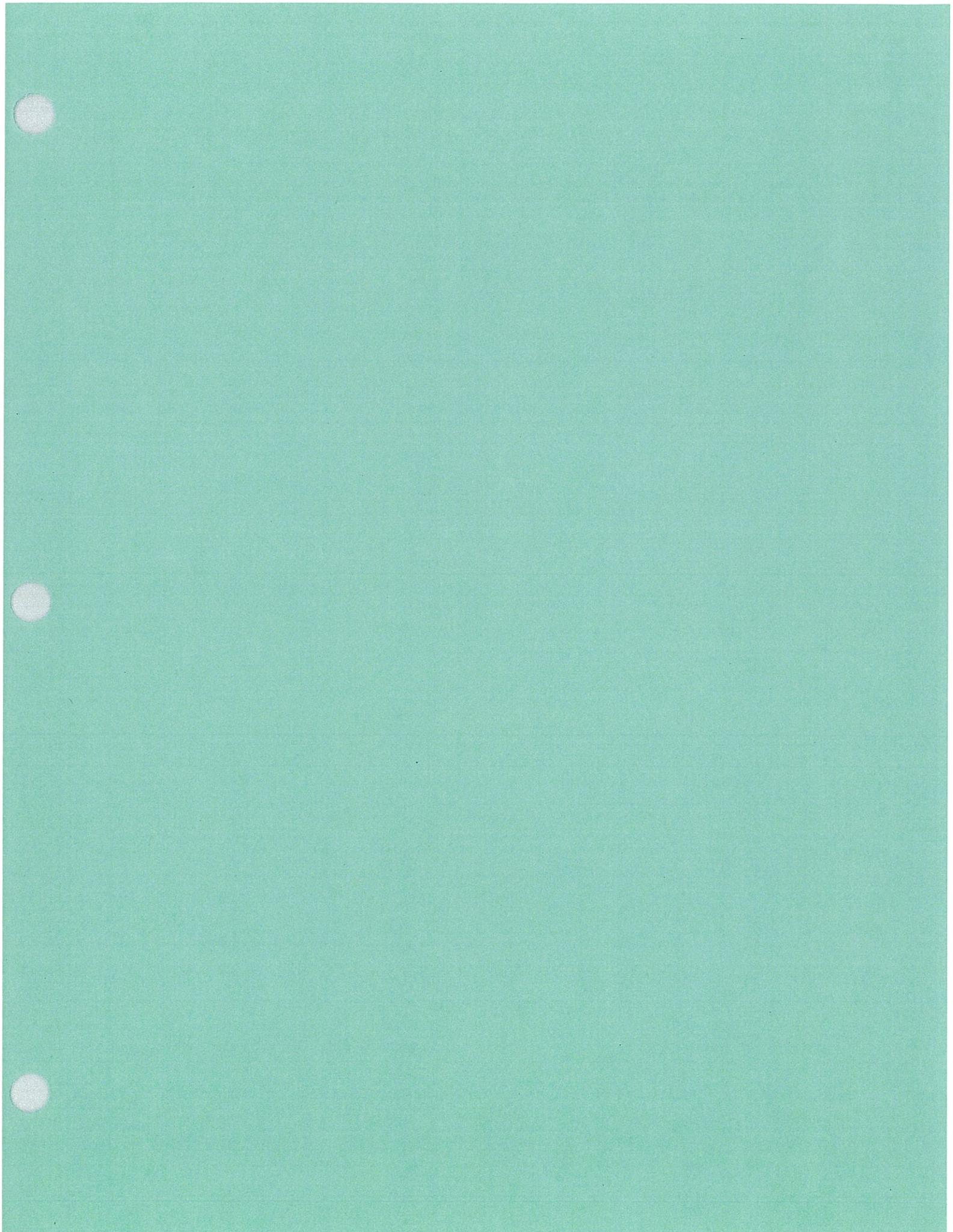
**Requested Wage Assessment / Local Participation:**  
State: 1.5%  
Local: .50% Louisville-Jefferson County Metro Government

**Unemployment Rate**  
County: 4.2% Kentucky: 4.8%

**Existing Presence in Kentucky:**  
Jefferson County

**Special Conditions:**

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 7 full-time, Kentucky resident employees as of the application date.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** MobileMedTek Holdings, Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21369  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** MobileMedTek is an ISO certified medical device company focused on developing new tools for the neurodiagnostic industry. The company is a fully-staffed researched and development company dedicated to designing and manufacturing its high-quality products to improve patient care and medical provider efficiency. MobileMedTek proposes to repair, renovate and engineer a facility that can serve as a manufacturing facility to help serve new innovators and entrepreneurs.

**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	\$1,700,000
\$1,600,000	\$3,110,000
\$0	\$0
\$500,000	\$510,000
\$0	\$0
\$0	\$275,000
<b>\$2,100,000</b>	<b>\$5,595,000</b>

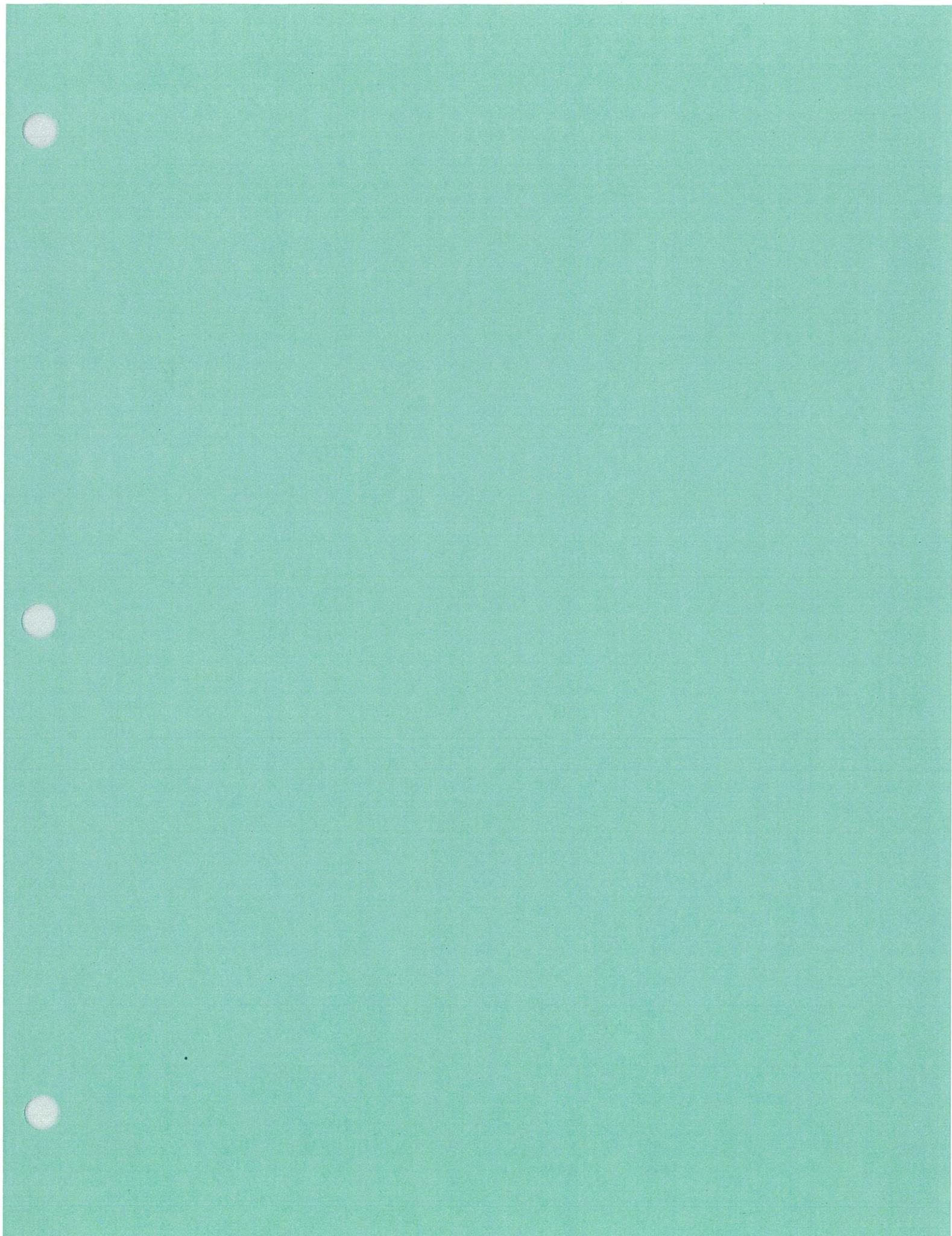
**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$70,000  
 R&D and/or Electronic Processing Equipment: \$30,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$100,000</b>
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See KBI file (KBI-I-16-21368) for Ownership, Other State Participation and Unemployment Rate.



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

**Date:** December 8, 2016  
**Approved Company:** LINAK U.S. Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21401  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** LINAK U.S. is the global leader in manufacturing of electric linear actuators which are used in hospital beds, adjustable workstations, agricultural appliances and many other applications. LINAK has been located in Louisville since 1994 and expects to double sales and output in the U.S. over the next five years. They are considering expanding the facility in Louisville to accommodate for its future growth.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

	<b>Eligible Costs</b>	<b>Total Investment</b>
Land	\$3,042,000	\$3,042,000
Building/Improvements	\$14,285,000	\$14,285,000
Equipment	\$800,000	\$14,000,000
Other Start-up Costs	\$1,400,000	\$1,400,000
<b>TOTAL</b>	<b>\$19,527,000</b>	<b>\$32,727,000</b>

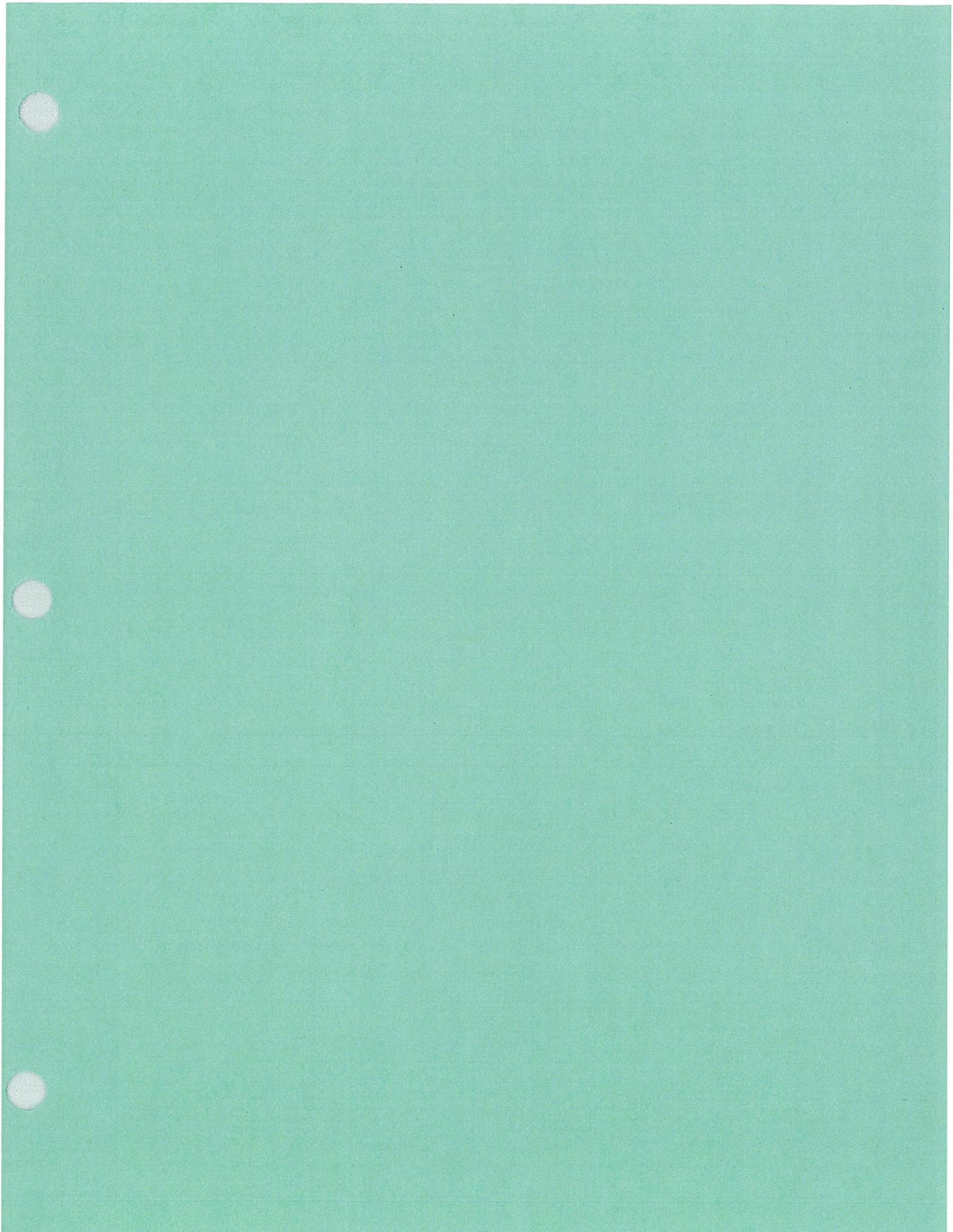
**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

<b>Year</b>	<b>Job Target</b>	<b>Average Hourly Wage Target (Including Employee Benefits)</b>	<b>Annual Approved Cost Limitation</b>
As of Activation Date	40	\$25.00	
1	100	\$25.00	\$350,000
2	180	\$25.00	\$350,000
3	260	\$25.00	\$350,000
4	340	\$25.00	\$350,000
5	413	\$25.00	\$350,000
6	413	\$25.00	\$350,000
7	413	\$25.00	\$350,000
8	413	\$25.00	\$350,000
9	413	\$25.00	\$350,000
10	413	\$25.00	\$350,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$3,500,000</b>
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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** LINAK U.S. Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21402  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** LINAK U.S. is the global leader in manufacturing of electric linear actuators which are used in hospital beds, adjustable workstations, agricultural appliances and many other applications. LINAK has been located in Louisville since 1994 and expects to double sales and output in the U.S. over the next five years. They are considering expanding the facility in Louisville to accommodate for its future growth.

**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	\$3,042,000
\$6,100,000	\$14,285,000
\$0	\$0
\$0	\$0
\$0	\$14,000,000
\$0	\$1,400,000
<b>\$6,100,000</b>	<b>\$32,727,000</b>

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$350,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$350,000**

See KBI file (KBI-I-16-21401) for Ownership, Other State Participation and Unemployment Rate.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** Mubea Tailor Rolled Blanks, LLC  
**Approved Affiliate(s):** Mubea North-American Shared Services, Inc.  
**City:** Florence **County:** Boone  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21435  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** Mubea is a leading supplier of highly technical components to the automotive industry and opened operations in Northern Kentucky in 1982. The company specializes in suspension springs, stabilizer bars, transmission springs, spring band hose clamps, and Tailor Rolled Blanks (TRB). TRB opened its doors in 2013 and the facility remains the only flexible cold rolling mill of its kind in North America. The company is considering expanding its footprint and installing a second rolling mill and additional presses which will allow TRB to meet the growing product demands and business in the U.S., Mexico, and Japan markets.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

Land

Building/Improvements

Equipment

Other Start-up Costs

**TOTAL**

Eligible Costs	Total Investment
\$0	\$0
\$16,500,000	\$16,500,000
\$880,000	\$56,534,500
\$300,000	\$300,000
<b>\$17,680,000</b>	<b>\$73,334,500</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	44	\$30.00	
1	66	\$30.00	\$200,000
2	102	\$30.00	\$200,000
3	118	\$30.00	\$200,000
4	118	\$30.00	\$200,000
5	118	\$30.00	\$200,000
6	118	\$30.00	\$200,000
7	118	\$30.00	\$200,000
8	118	\$30.00	\$200,000
9	118	\$30.00	\$200,000
10	118	\$30.00	\$200,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$2,000,000</b>
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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** Mubea Tailor Rolled Blanks, LLC  
**City:** Florence **County:** Boone  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21436  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** Mubea is a leading supplier of highly technical components to the automotive industry and opened operations in Northern Kentucky in 1982. The company specializes in suspension springs, stabilizer bars, transmission springs, spring band hose clamps, and Tailor Rolled Blanks (TRB). TRB opened its doors in 2013 and the facility remains the only flexible cold rolling mill of its kind in North America. The company is considering expanding its footprint and installing a second rolling mill and additional presses which will allow TRB to meet the growing product demands and business in the U.S., Mexico, and Japan markets.

**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	\$0
\$10,800,000	\$16,500,000
\$0	\$0
\$0	\$0
\$0	\$56,534,500
\$0	\$300,000
<b>\$10,800,000</b>	<b>\$73,334,500</b>

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$500,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$500,000</b>
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See KBI file (KBI-I-16-21435) for Ownership, Other State Participation and Unemployment Rate.



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

**Date:** December 8, 2016  
**Approved Company:** Kentucky Green Harvest LLC  
**City:** Stanford **County:** Lincoln  
**Activity:** Service & Technology **Prelim Resolution #:** KBI-I-16-21346  
**Bus. Dev. Contact:** J. Ward **OFS Staff:** D. Phillips

**Project Description:** Kentucky Green Harvest LLC is a corporation recently organized by Kentucky Hi Tech Greenhouses, LLC to produce high tech greenhouses. The project would include the acquisition and construction of its operation to grow and sell green peppers to out-of-state national wholesalers.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment - Owned**

	<b>Eligible Costs</b>	<b>Total Investment</b>
Land	\$601,391	\$601,391
Building/Improvements	\$5,575,000	\$5,575,000
Equipment	\$2,810,000	\$2,810,000
Other Start-up Costs	\$1,723,609	\$1,723,609
<b>TOTAL</b>	<b>\$10,710,000</b>	<b>\$10,710,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

<b>Year</b>	<b>Job Target</b>	<b>Average Hourly Wage Target (Including Employee Benefits)</b>	<b>Annual Approved Cost Limitation</b>
As of Activation Date	75	\$12.50	
1	75	\$12.50	\$100,000
2	75	\$12.50	\$100,000
3	75	\$12.50	\$100,000
4	75	\$12.50	\$100,000
5	75	\$12.50	\$100,000
6	75	\$12.50	\$100,000
7	75	\$12.50	\$100,000
8	75	\$12.50	\$100,000
9	75	\$12.50	\$100,000
10	75	\$12.50	\$100,000
11	75	\$12.50	\$100,000
12	75	\$12.50	\$100,000
13	75	\$12.50	\$100,000
14	75	\$12.50	\$100,000
15	75	\$12.50	\$100,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$1,500,000**

**County Type:**  
Enhanced

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

**Ownership (20% or more):**  
Kentucky Hi Tech Greenhouses, LLC Stanford, KY

**Active State Participation at the project site:** None

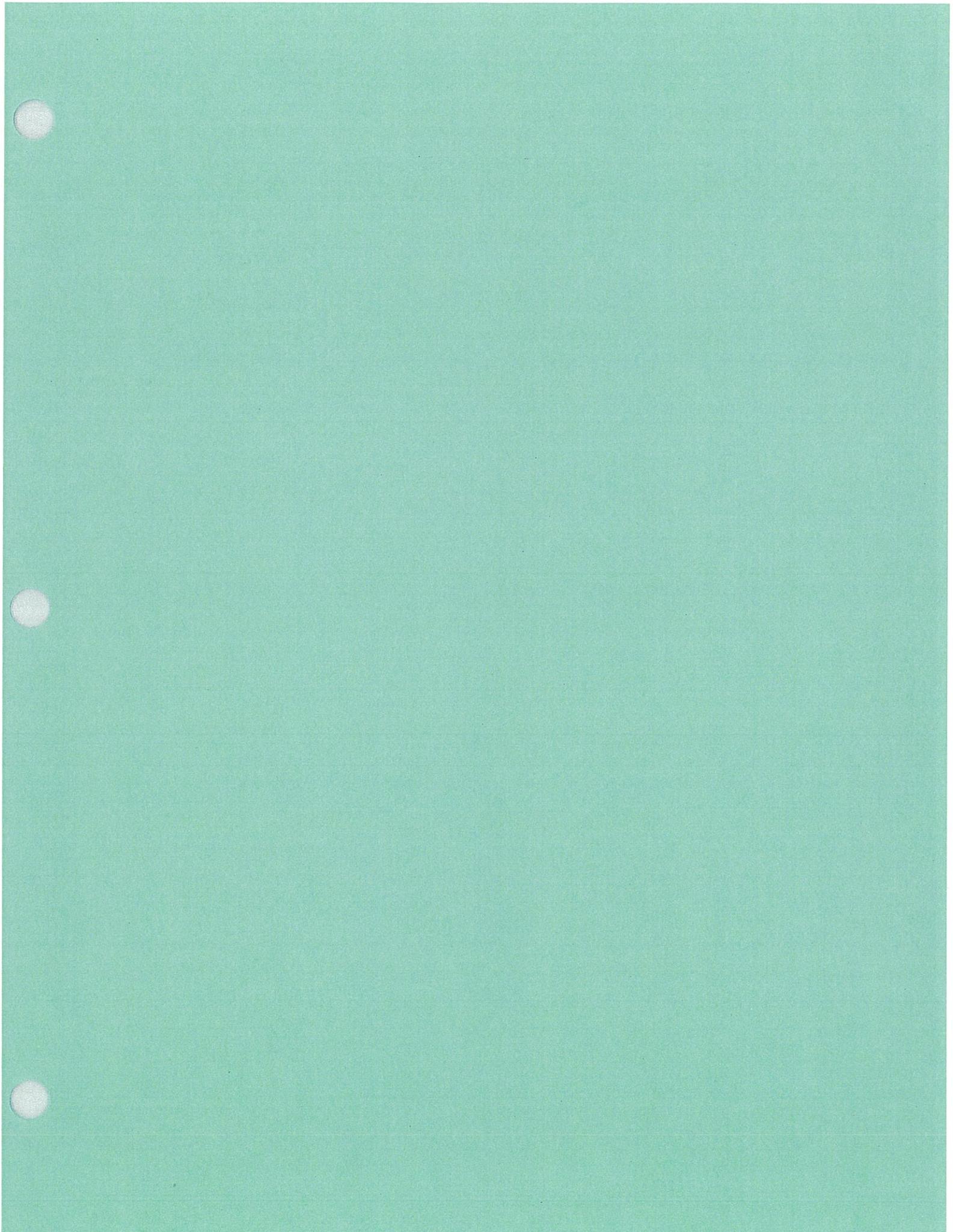
**Requested Wage Assessment / Local Participation:**  
State: 5.0%

**Unemployment Rate**  
County: 5.5% Kentucky: 4.8%

**Existing Presence in Kentucky:** None

**Special Conditions:**

The company's affiliate Kentucky Fresh Harvest, LLC will be required to maintain 100% of the total statewide full-time, Kentucky resident employees at all affiliate locations within Stanford, Lincoln County, excluding the site of the project, as of the date of preliminary approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** December 8, 2016  
**Approved Company:** Kentucky Green Harvest LLC  
**City:** Stanford **County:** Lincoln  
**Activity:** Service & Technology **Resolution #:** KEIA-17-21347  
**Bus. Dev. Contact:** J. Ward **OFS Staff:** D. Phillips

**Project Description:** Kentucky Green Harvest LLC is a corporation recently organized by Kentucky Hi Tech Greenhouses, LLC to produce high tech greenhouses. The project would include the acquisition and construction of its operation to grow and sell green peppers to out-of-state national wholesalers.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment**

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

Eligible Costs	Total Investment
\$0	\$601,391
\$3,646,000	\$5,575,000
\$0	\$0
\$0	\$0
\$0	\$2,810,000
\$0	\$1,723,609
<b>\$3,646,000</b>	<b>\$10,710,000</b>

**Existing Presence in Kentucky:** None

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$190,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$190,000</b>
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See KBI file (KBI-I-16-21346) for Ownership, Other State Participation and Unemployment Rate.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** Precision Tooling Products, LLC  
**City:** Mayfield **County:** Graves  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21395  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Precision Tooling Products, LLC started in 2006 as a contract tooling/machine shop. In 2013 the company shifted its focus to producing its own products and in 2014 branded PTP Tactical with tactical and accessory market in the gun industry. Precision is considering purchasing new equipment as well as doing some facility updates to handle its new growth.

**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
\$200,000	\$300,000
\$50,000	\$50,000
<b>\$350,000</b>	<b>\$450,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$21.00	
1	10	\$21.00	\$20,000
2	10	\$21.00	\$20,000
3	10	\$21.00	\$20,000
4	10	\$21.00	\$20,000
5	10	\$21.00	\$20,000
6	10	\$21.00	\$20,000
7	10	\$21.00	\$20,000
8	10	\$21.00	\$20,000
9	10	\$21.00	\$20,000
10	10	\$21.00	\$20,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$200,000</b>
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**County Type:**  
Other

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

**Ownership (20% or more):**

Timothy C. Fulton Mayfield, KY  
Lori J. Fulton Mayfield, KY

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 3.0%  
Local: 1.0% Graves County

**Unemployment Rate**

County: 6.3% Kentucky: 4.8%

**Existing Presence in Kentucky:**

Graves 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 6 full-time, Kentucky resident employees as of the application date.



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

**Date:** December 8, 2016  
**Approved Company:** Nishida Art Specialty Composite America Inc.  
**City:** Frankfort **County:** Franklin  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-IL-16-21400  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** L. Cunningham

**Project Description:** Nishida Art Specialty Composite America Inc. is a manufacturer of a highly functional composite material, FULXUS®. This thermoplastic elastomer is widely used across industries including the automotive sector. The company is considering establishing its first U.S. location in Kentucky to serve the automotive industry.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment - Leased**

Rent  
 Building/Improvements  
 Equipment  
 Other Start-up Costs  
**TOTAL**

Eligible Costs	Total Investment
\$690,000	\$1,380,000
\$400,000	\$400,000
\$200,000	\$450,000
\$100,000	\$100,000
<b>\$1,390,000</b>	<b>\$2,330,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$19.00	
1	10	\$19.00	\$50,000
2	15	\$19.00	\$50,000
3	20	\$19.00	\$50,000
4	25	\$19.00	\$50,000
5	30	\$19.00	\$50,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$250,000**





**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** Sonic Electronix, Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Headquarters **Prelim Resolution #:** KBI-I-16-21405  
**Bus. Dev. Contact:** K. Slattery **OFS Staff:** L. Cunningham

**Project Description:** Sonic Electronix, Inc. is an online retailer of consumer electronics, founded in 2000 in Chatsworth, California. The company is considering the relocation of its headquarters to Louisville, to be closer to its current distribution facility.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

Land  
 Building/Improvements  
 Equipment  
 Other Start-up Costs  
**TOTAL**

Eligible Costs	Total Investment
\$0	\$0
\$683,000	\$683,000
\$0	\$0
\$100,000	\$100,000
<b>\$783,000</b>	<b>\$783,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	35	\$27.50	
1	50	\$27.50	\$65,000
2	60	\$27.50	\$65,000
3	60	\$27.50	\$65,000
4	60	\$27.50	\$65,000
5	60	\$27.50	\$65,000
6	60	\$27.50	\$65,000
7	60	\$27.50	\$65,000
8	60	\$27.50	\$65,000
9	60	\$27.50	\$65,000
10	60	\$27.50	\$65,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$650,000</b>
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## MEMORANDUM

**TO:** KEDFA Board Members  
**FROM:** Michelle Elder   
Incentive Assistance Division  
**DATE:** December 8, 2016  
**SUBJECT:** KBI Extensions

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

<b>Company</b>	<b>County</b>	<b>Extension</b>
Advanced Green Components, LLC	Clark	6 month
Bonfiglioli USA	Boone	6 month
First State Investments International, Inc.	Jefferson	6 month
Bilstein Cold Rolled Steel, LP	Warren	12 month
Bluegrass Supply Chain Services, LLC	Warren	12 month
Corrosion Resistant Reinforcing	Boone	12 month
FreshChoice Complete Diet Products, LLC	Gallatin	12 month
Koogee LLC dba The Comfy Cow	Jefferson	12 month

Staff recommends approval.



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

**Date:** December 8, 2016  
**Preliminary Approval:** December 13, 2012  
**Approved Company:** Hayashi Telempu North America Corporation  
**City:** Frankfort **County:** Franklin  
**Activity:** Manufacturing **Final Resolution #:** KBI-FL-16-19368  
**Bus. Dev. Contact:** M. Duffy **OFS Staff:** D. Phillips

**Project Description:** Hayashi Telempu North America Corporation is a wholly owned subsidiary of Hayashi Telempu Co., Ltd., a Japanese company, manufacturing automotive interior parts. The project included an expansion of its North American presence by leasing a new manufacturing operation in Frankfort to satisfy customer demand.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$3,006,000	\$10,724,250

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	35	\$16.00	
1	75	\$16.00	\$186,000
2	103	\$16.00	\$186,000
3	103	\$16.00	\$186,000
4	103	\$16.00	\$186,000
5	103	\$16.00	\$186,000
6	103	\$16.00	\$186,000
7	103	\$16.00	\$184,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$1,300,000**

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

**Special Conditions:** None

**Modifications since preliminary approval?** No



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

**Date:** December 8, 2016  
**Preliminary Approval:** August 28, 2014  
**Approved Company:** Integrated Metal Solutions, LLC  
**City:** Madisonville **County:** Hopkins  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-20064  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** L. Cunningham

**Project Description:** Integrated Metal Solutions, LLC manufactures component parts for the appliance, commercial refrigeration, cooking and other industries. This project included facility upgrades to support the purchase of new equipment and expand capacity to meet customer demands.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$220,000	\$220,000

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	11	\$15.00	
1	11	\$15.00	\$10,000
2	11	\$15.00	\$10,000
3	11	\$15.00	\$10,000
4	11	\$15.00	\$10,000
5	11	\$15.00	\$10,000
6	11	\$15.00	\$10,000
7	11	\$15.00	\$10,000
8	11	\$15.00	\$10,000
9	11	\$15.00	\$10,000
10	11	\$15.00	\$10,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$100,000**

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

**Special Conditions:**  
Maintain Base Employment: 47

**Modifications since preliminary approval?** No



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

**Date:** December 8, 2016

**Preliminary Approval:** May 31, 2012

**Approved Company:** Omnicare, Inc.

**City:** Glasgow

**Activity:** Manufacturing

**Bus. Dev. Contact:** C. Peek

**County:** Barren

**Final Resolution #:** KBI-F-16-19054

**OFS Staff:** L. Cunningham

**Project Description:** Omnicare, Inc. provides pharmacy-related services to long term care facilities. The company has a distribution facility located in Glasgow, Kentucky and has constructed an additional, approximate 83,000 s/f distribution and repackaging facility for the pharmaceutical industry.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$15,080,000	\$15,700,000

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	34	\$18.00	
1	42	\$18.00	\$30,000
2	42	\$18.00	\$30,000
3	42	\$18.00	\$30,000
4	42	\$18.00	\$30,000
5	42	\$18.00	\$30,000
6	42	\$18.00	\$30,000
7	42	\$18.00	\$30,000
8	42	\$18.00	\$30,000
9	42	\$18.00	\$30,000
10	42	\$18.00	\$30,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

<b>\$300,000</b>
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**County Type:**

Other

**Statutory Minimum Wage Requirements:**

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

**Special Conditions:**

Maintain Base Employment: 84

**Modifications since preliminary approval?** No



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

**Date:** December 8, 2016  
**Preliminary Approval:** October 30, 2014  
**Approved Company:** Specialty Foods Group, Inc.  
**City:** Owensboro **County:** Daviess  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-20178  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Specialty Foods Group, Inc. is a meat packaging company with a portfolio of brands, including Field, Fischer's, and Kentucky Legend. The company purchased a new High Pressure Processing system which utilizes a cold pasteurization technique to improve product quality, food safety, and increase product shelf life. The project also included the purchase of additional processing and packaging equipment to increase ham production capacity.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$3,211,000	\$6,095,000

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	95	\$24.00	
1	95	\$24.00	\$175,000
2	95	\$24.00	\$235,000
3	95	\$24.00	\$230,000
4	95	\$24.00	\$230,000
5	95	\$24.00	\$230,000
6	95	\$24.00	\$230,000
7	95	\$24.00	\$230,000
8	95	\$24.00	\$230,000
9	95	\$24.00	\$230,000
10	95	\$24.00	\$230,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$2,250,000**

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

**Special Conditions:** Maintain Base Employment: 457

**Modifications since preliminary approval?** No



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

**Date:** December 8, 2016  
**Preliminary Approval:** September 29, 2011  
**Approved Company:** Innovative Manufacturing Services, Inc.  
**City:** Glasgow **County:** Barren  
**Activity:** Manufacturing **Final Resolution #:** KBI-FL-16-18736  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** L. Cunningham

**Project Description:** Innovative Manufacturing Services, Inc. (IMS) relocated to a new 20,000 sq. ft. facility in Glasgow. The company makes industrial controls and conveyors for a variety of industries. The expansion allowed IMS to create a national network for its products.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$710,000	\$710,000

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	\$25.00	
1	25	\$25.00	\$50,000
2	25	\$25.00	\$50,000
3	25	\$25.00	\$50,000
4	25	\$25.00	\$50,000
5	25	\$25.00	\$50,000
6	25	\$25.00	\$50,000
7	25	\$25.00	\$50,000
8	25	\$25.00	\$50,000
9	25	\$25.00	\$50,000
10	25	\$25.00	\$50,000

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

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

**Special Conditions:**  
 Maintain Base Employment: 3

**Modifications since preliminary approval?** Yes  
 Project changed from an owned project to a leased project. All other aspects of the project remain the same.



# Kentucky Small Business Tax Credit Projects

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
3 Ten Enterprises, LLC	21358	JEFFERSON	0	7	\$34.16	\$41,580	\$24,500	12/8/2016	PENDING
Abbie Jones Consulting, PSC	21386	FAYETTE	2	1	\$36.00	\$11,997	\$3,500	12/8/2016	PENDING
Accuserve Equipment & Supply, L.L.C.	21350	JEFFERSON	35	1	\$36.06	\$6,496	\$3,500	12/8/2016	PENDING
Against the Grain LLC	21432	JEFFERSON	7	3	\$11.58	\$66,010	\$10,500	12/8/2016	PENDING
Allstate Heating and Cooling, Incorporated	21413	FAYETTE	25	7	\$24.61	\$70,808	\$24,500	12/8/2016	PENDING
Allstate Ready Mix, Inc.	21371	OLDHAM	16	3	\$19.51	\$294,601	\$10,500	12/8/2016	PENDING
Atlas Metal Products Co.	21323	JEFFERSON	41	5	\$15.67	\$28,371	\$17,500	12/8/2016	PENDING
Automated Cutting Technologies, Inc.	21380	JESSAMINE	16	3	\$20.73	\$10,961	\$10,500	12/8/2016	PENDING
Babcon Inc.	21336	MADISON	23	2	\$14.80	\$38,769	\$7,000	12/8/2016	PENDING
Baldwin CPAs, PLLC	21327	MADISON	25	6	\$19.87	\$34,488	\$21,000	12/8/2016	PENDING
Billings Law Firm, PLLC	21330	FAYETTE	6	1	\$31.25	\$11,110	\$3,500	12/8/2016	PENDING

December 2016

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. Current fiscal year allocations total \$1,255,000.

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Body Shapes Medical Management, LLC	21393	JEFFERSON	12	7	\$23.06	\$25,108	\$24,500	12/8/2016	PENDING
Bootleg Bar-B-Q Co.	21341	JEFFERSON	9	2	\$17.43	\$10,269	\$7,000	12/8/2016	PENDING
Bourbon on Main, LLC	21367	FRANKLIN	0	3	\$17.84	\$12,800	\$10,500	12/8/2016	PENDING
Brass Reminders Company, Inc.	21418	JESSAMINE	14	1	\$13.00	\$12,375	\$3,500	12/8/2016	PENDING
Braxton Brewing Company, LLC	21344	KENTON	1	4	\$22.96	\$68,000	\$14,000	12/8/2016	PENDING
Brett Construction Co.	21329	FAYETTE	35	5	\$29.92	\$29,898	\$17,500	12/8/2016	PENDING
Brown & Kubican, P.S.C.	21343	FAYETTE	15	4	\$31.60	\$14,250	\$14,000	12/8/2016	PENDING
C2 Strategic Communications LLC	21340	JEFFERSON	4	1	\$51.44	\$5,249	\$3,500	12/8/2016	PENDING
Candyrific, LLC	21365	JEFFERSON	8	2	\$23.62	\$7,181	\$7,000	12/8/2016	PENDING
Central Forms Solutions, LLC	21408	JESSAMINE	0	4	\$14.63	\$42,553	\$14,000	12/8/2016	PENDING
Central Kentucky Sprinkler, Inc.	21322	JESSAMINE	17	3	\$17.19	\$35,500	\$10,500	12/8/2016	PENDING
Chase Motorsports, Inc.	21407	MCCRACKEN	9	2	\$12.50	\$10,800	\$7,000	12/8/2016	PENDING

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. Current fiscal year allocations total \$1,255,000.

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Commonwealth Eye Clinic, Inc.	21370	FAYETTE	3	2	\$22.63	\$10,000	\$7,000	12/8/2016	PENDING
Consultant Solutions, Incorporated	21351	FAYETTE	11	2	\$24.50	\$6,107	\$6,100	12/8/2016	PENDING
Cornerstone Engineering, Inc.	21319	JEFFERSON	6	2	\$24.04	\$7,275	\$7,000	12/8/2016	PENDING
Danville Eye Center, PLLC	21352	BOYLE	17	2	\$51.58	\$9,300	\$7,000	12/8/2016	PENDING
DC Electric of Benton, Inc.	21410	MARSHALL	24	2	\$21.90	\$8,000	\$7,000	12/8/2016	PENDING
Diade USA, Inc.	21361	ANDERSON	27	2	\$11.95	\$29,440	\$7,000	12/8/2016	PENDING
Don Franklin Ford, Inc.	21338	ADAIR	25	5	\$15.81	\$18,399	\$17,500	12/8/2016	PENDING
Equine Diagnostic Solutions, LLC	21425	FAYETTE	3	1	\$22.00	\$5,006	\$3,500	12/8/2016	PENDING
Equus Run Vineyards, LLC	21349	WOODFORD	2	3	\$13.87	\$15,424	\$10,500	12/8/2016	PENDING
Forest Giant, Inc.	21334	JEFFERSON	16	3	\$28.93	\$15,299	\$10,500	12/8/2016	PENDING
Franklin Nissan, LTD. Co.	21342	ADAIR	6	1	\$13.50	\$7,945	\$3,500	12/8/2016	PENDING
Globesil Inc.	21356	FAYETTE	0	1	\$26.44	\$16,198	\$3,500	12/8/2016	PENDING

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. Current fiscal year allocations total \$1,255,000.

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
GTB Holdings, Inc.	21318	BOONE	15	3	\$15.08	\$14,130	\$10,500	12/8/2016	PENDING
Halleywood Farm LLC	21366	FAYETTE	2	1	\$17.00	\$6,000	\$3,500	12/8/2016	PENDING
Hera Testing Laboratories, Inc.	21372	FAYETTE	0	5	\$34.76	\$18,263	\$17,500	12/8/2016	PENDING
Higdon Outdoors LLC	21420	MCCRACKEN	6	3	\$21.32	\$17,016	\$10,500	12/8/2016	PENDING
Hinkle Environmental Services, LLC	21359	BOURBON	11	8	\$16.16	\$97,603	\$25,000	12/8/2016	PENDING
Howard W. Pence, Inc.	21424	HARDIN	6	8	\$26.00	\$41,675	\$25,000	12/8/2016	PENDING
Interior Design & Architecture, Inc.	21374	JEFFERSON	31	2	\$19.63	\$8,887	\$7,000	12/8/2016	PENDING
Jacobs Group, Inc.	21423	JEFFERSON	0	2	\$21.47	\$79,102	\$7,000	12/8/2016	PENDING
Jason Tanner Design, LLC	21390	DAVISS	6	1	\$24.04	\$5,987	\$3,500	12/8/2016	PENDING
Johnson Plaster & Vinyl, Inc.	21331	MCCRACKEN	7	4	\$19.84	\$29,934	\$14,000	12/8/2016	PENDING
Kentucky Machinery Company, LLC	21360	MADISON	3	1	\$28.85	\$36,610	\$3,500	12/8/2016	PENDING
Kertis Creative, LLC	21321	JEFFERSON	10	1	\$19.23	\$6,081	\$3,500	12/8/2016	PENDING

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Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
KyFab, LLC	21406	GRAVES	14	8	\$15.81	\$43,550	\$25,000	12/8/2016	PENDING
L.A. Miller, CPA, P.S.C.	21414	MCCRACKEN	8	1	\$12.50	\$7,995	\$3,500	12/8/2016	PENDING
Lance S. Ferguson, M.D., P.S.C.	21375	FAYETTE	18	1	\$14.04	\$6,681	\$3,500	12/8/2016	PENDING
Legacy Financial, LLC	21325	FAYETTE	5	2	\$41.25	\$7,791	\$7,000	12/8/2016	PENDING
LoVo Systems, Inc.	21326	FAYETTE	11	4	\$16.38	\$25,692	\$14,000	12/8/2016	PENDING
Machmer Hall Thoroughbreds, LLC	21378	BOURBON	18	2	\$14.96	\$7,250	\$7,000	12/8/2016	PENDING
MakeTime Inc.	21317	FAYETTE	2	8	\$40.26	\$29,234	\$25,000	12/8/2016	PENDING
Marrillia Interests, LLC	21333	FAYETTE	10	4	\$29.54	\$36,257	\$14,000	12/8/2016	PENDING
Michael L. Bobo, D.D.S., M.D., P.S.C.	21353	CALLOWAY	6	1	\$21.50	\$6,267	\$3,500	12/8/2016	PENDING
MILA International, Inc.	21385	BOONE	13	1	\$12.30	\$16,800	\$3,500	12/8/2016	PENDING
Miller, Griffin and Marks, P.S.C.	21379	FAYETTE	23	2	\$22.39	\$8,810	\$7,000	12/8/2016	PENDING
Morgan Smith Industries, LLC	21335	ADAIR	32	2	\$15.63	\$13,990	\$7,000	12/8/2016	PENDING

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Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Natalie H. Daniels, M.D., PLLC	21411	JEFFERSON	2	2	\$17.00	\$15,490	\$7,000	12/8/2016	PENDING
Owensboro RV Incorporated	21373	DAVISS	7	8	\$22.59	\$36,770	\$25,000	12/8/2016	PENDING
Paladin, Inc.	21433	FAYETTE	11	3	\$24.64	\$20,331	\$10,500	12/8/2016	PENDING
Patterson and Company CPAs PLLC	21416	JEFFERSON	5	2	\$25.08	\$15,112	\$7,000	12/8/2016	PENDING
Payroll Solutions, Inc.	21324	FAYETTE	16	3	\$16.61	\$18,000	\$10,500	12/8/2016	PENDING
Petro Towerly, Inc.	21320	MADISON	29	5	\$19.10	\$35,235	\$17,500	12/8/2016	PENDING
Pinnacle, Inc.	21417	MARSHALL	31	3	\$15.33	\$34,032	\$10,500	12/8/2016	PENDING
PowerTech Water, LLC	21337	FAYETTE	0	1	\$33.61	\$5,380	\$3,500	12/8/2016	PENDING
Quantum Enterprises, Inc.	21362	JEFFERSON	33	5	\$16.30	\$118,379	\$17,500	12/8/2016	PENDING
Renaissance Holdings, LLC	21430	JEFFERSON	22	3	\$17.78	\$63,412	\$10,500	12/8/2016	PENDING
Ribolt Fabrication, LLC	21332	LEWIS	6	1	\$11.00	\$11,500	\$3,500	12/8/2016	PENDING
Rivercrest Engineering, Inc.	21409	MCCRACKEN	1	2	\$25.00	\$7,174	\$7,000	12/8/2016	PENDING

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Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Ronald Kinman	21422	GRANT	4	1	\$35.00	\$8,052	\$3,500	12/8/2016	PENDING
Schipper Enterprises, LLC	21377	JEFFERSON	25	6	\$13.96	\$32,430	\$21,000	12/8/2016	PENDING
SDGblue, LLC	21389	FAYETTE	26	7	\$37.41	\$25,670	\$24,500	12/8/2016	PENDING
Socially Present, LLC	21419	MCCRACKEN	6	6	\$14.96	\$29,166	\$21,000	12/8/2016	PENDING
Stradey, LLC	21348	JEFFERSON	10	8	\$20.76	\$14,016	\$14,000	12/8/2016	PENDING
Strong's Pizza, LLC	21384	BOONE	0	2	\$13.50	\$7,455	\$7,000	12/8/2016	PENDING
SWS Enterprises, Inc.	21394	FAYETTE	13	1	\$14.07	\$8,810	\$3,500	12/8/2016	PENDING
Tellennium, Inc.	21382	BULLITT	23	5	\$15.67	\$16,180	\$16,100	12/8/2016	PENDING
The 10th Planet, LLC	21363	BOYLE	19	3	\$11.74	\$27,650	\$10,500	12/8/2016	PENDING
The Installation Source, Inc.	21415	FAYETTE	3	1	\$43.00	\$6,011	\$3,500	12/8/2016	PENDING
The Weekly Juicery, LLC	21383	FAYETTE	7	2	\$12.29	\$7,754	\$7,000	12/8/2016	PENDING
Thermal Equipment Service, Inc.	21357	FAYETTE	37	7	\$31.07	\$36,483	\$24,500	12/8/2016	PENDING

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. Current fiscal year allocations total \$1,255,000.

Project Name	Form #	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit Amount	Date to KEDFA	Status
Three Rivers Hardwood, Inc.	21364	LAUREL	35	5	\$11.26	\$22,000	\$17,500	12/8/2016	PENDING
Tommy Bramer & Son, General Contractors, LLC	21328	JEFFERSON	13	1	\$30.00	\$569,400	\$3,500	12/8/2016	PENDING
TransNav Technologies, Inc.	21355	BOYLE	48	1	\$30.45	\$19,488	\$3,500	12/8/2016	PENDING
Tree Top Landscaping, Inc.	21427	FAYETTE	10	2	\$14.50	\$9,600	\$7,000	12/8/2016	PENDING
Tri Five, LLC	21426	FAYETTE	4	7	\$14.98	\$21,684	\$21,600	12/8/2016	PENDING
Tri-State Cold-Formed Steel Components, LLC	21421	BULLITT	10	8	\$14.31	\$17,361	\$17,300	12/8/2016	PENDING
Twin States Utilities & Excavation, Inc.	21339	MONROE	13	3	\$33.19	\$10,975	\$10,500	12/8/2016	PENDING
Visual Image Systems Company, LLC	21376	JEFFERSON	41	3	\$12.83	\$28,500	\$10,500	12/8/2016	PENDING
VND Restoration, LLC	21412	JESSAMINE	5	2	\$14.00	\$7,002	\$7,000	12/8/2016	PENDING
Willie's Commercial Printing, LLC	21354	PULASKI	2	1	\$12.85	\$79,802	\$3,500	12/8/2016	PENDING
Xploreky, LLC	21428	JEFFERSON	7	1	\$25.00	\$89,537	\$3,500	12/8/2016	PENDING
<b>TOTALS</b>							<b>\$1,001,600</b>		

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. Current fiscal year allocations total \$1,255,000.



**Kentucky Angel Investment Tax Credit Projects**  
**December 2016**

<b>Qualified Investor</b>	<b>Qualified Small Business</b>	<b>County</b>	<b>Qualified Activity</b>	<b>Projected Investment</b>	<b>Tax Credit Amount</b>
Piecoro, Jr., John Joseph	Urban Technology Inc.	Kenton	Information Technology & Communications	\$10,000	\$4,000
Stegman, Brian J.	Urban Technology Inc.	Kenton	Information Technology & Communications	\$10,000	\$4,000
<b>Total</b>	<b>2</b>			<b>\$20,000</b>	<b>\$8,000</b>
<hr/>					
Projected Credits - To Date					(\$3,595,420)
Reclaimed Credits					\$596,736
Current Projected/Approved Credits					(\$2,998,684)
<hr/>					
Credit Limit					\$3,000,000
Current Projected/Approved Credits					(\$2,998,684)
<b>Remaining Credits</b>					<b>\$1,316</b>

Note: For each calendar year, the total amount of tax credits available for the Kentucky Angel Investment Act program shall not exceed \$3,000,000. The total amount of tax credits approved to a Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.



## MEMORANDUM

**TO:** KEDFA Board Members  
**FROM:** J. Don Goodin   
Incentive Assistance Division  
**DATE:** December 8, 2016  
**SUBJECT:** IEIA Extension

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

<b>Company</b>	<b>County</b>	<b>Extension</b>
Delta Natural Gas Company, Inc.	Madison	12 month
ecoPower Generation, LLC	Perry	12 month
Jefferson, AD, LLC	Jefferson	12 month

Staff recommends approval to December 31, 2017.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEDFA LOAN REPORT**

**Date:** December 8, 2016  
**Approved Company:** Franklin Simpson Industrial Authority  
**County:** Simpson **Form #: 21396**  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** D. Goodin

**Project Description:** Franklin Simpson Industrial Authority was organized in 1999 pursuant to KRS statute 154.50-301. Since that time, the Authority has developed over 1,000 acres of industrial property in Simpson County. In addition, the Industrial Authority owns six buildings that are leased to industrial clients in order to create jobs in the Franklin area.

The industrial authority is negotiating with Taeyang Metals to construct an 85,000 square foot facility at an estimated construction cost of \$5,500,000. Once the facility is completed, Taeyang Metals will occupy the space through a capitalized lease.

The industrial authority has requested a loan for the construction of the building, and has permanent financing secured upon the completion of the project. The KEDFA loan will be secured with a letter of credit from the local banks.

**Facility Details:** Locating in a new facility

**Proposed Project Investment and Financing:**

Total Investment		Proposed Financing	
Land:	\$0	KEDFA:	\$5,500,000
Building (construction):	\$5,500,000	Bank:	\$0
Equipment:	\$0	Equity:	\$0
Other:	\$0	Other:	\$0
<b>TOTAL:</b>	<b>\$5,500,000</b>	<b>TOTAL:</b>	<b>\$5,500,000</b>

**Job and Wage Requirement:** Included in KBI Project #21266

**Requested Funding:** \$5,500,000 **Security:** Letter of Credit

**Loan Terms:**

Interest Rate: 1.0% **Term:** 1 yr.  
 Loan Payments: Interest only payments due monthly.  
 Job Penalty: N/A

**Additional Notes:** The loan amount exceeds the maximum KEDFA guideline of \$500,000. Staff recommends an exception to policy for the loan amount.

**Unemployment Rate**

County: 4.5% **Kentucky:** 4.8%

**Special Conditions:** None

