

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL BOARD MEETING

January 28, 2021

MINUTES

Call to Order

Due to the state of emergency declared by Governor Beshear via Executive Order 2020-15 regarding COVID-19, all previously announced in-person meetings involving the Kentucky Cabinet for Economic Development scheduled in January were cancelled. In accordance with the provision of KRS 61.823, a special meeting of the Kentucky Economic Development Finance Authority (KEDFA) was called for 10:00 a.m. (EST) January 28, 2021 via video teleconference at the following link <https://us02web.zoom.us/j/81970700557> to consider all projects. KEDFA convened at 10:00 a.m. on January 28, 2021.

Notification of Press

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

Roll Call

Jean R. Hale, J. Don Goodin, Secretary Holly Johnson, Tucker Ballinger, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Bobby Aldridge, Tim Back, Elizabeth Bishop, Sarah Butler, Brittany Cox, Rachael Dever, Danielle Dunmire, Lisa Duvall, Michelle Elder, Ellen Felix, Annie Franklin, David Hamilton, Krista Harrod, James Johnson, Craig Kelly, Andy Luttner, Brandon Mattingly, Kate McCane, Craig McKinney, Kylee Palmer, Corky Peek, Debbie Phillips, Ellie Puckett, Charlie Rowland, Kristina Slattery, Katie Smith, Teresa Spreitzer, Jeff Taylor, Steve Vest and Matthew Wingate

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; David Goodnight, Bluegrass Angel Fund V, LLC; Matthew Valenti, Cameron Group, LLC; Ron McMahan, Campbellsville-Taylor County Economic Development Authority; JJ Duvall, City of Radcliff; Casey Bolton, Commonwealth Economics; Dennis Griffin, Franklin-Simpson Industrial Authority; Bruce Wilcox, Greater Paducah Economic Development; Alex Gardner, Jackson Kelly, PLLC; Haley McCoy, KCTCS; Billy Aldridge and Ryan Barrow, Kentucky Finance & Administration Cabinet, Office of Financial Management; Zeeshan Bhatti, Rebecca Fleischaker and Sara Bowman, Louisville Forward; Robert Roscetti, Matalco Inc.; Ben Adkins, Neil McElroy and Scott McReynolds, Material Handling Systems; Sierra Enlow, McGuire Sponsel; Jeremy Worley, Northern Kentucky Tri-ED; Jason Rainey, Rainey Construction, LLC; Matt Zoellner, Scott, Murphy & Daniel; Mark Crane and Bill Lomicka, Strike Ventures Fund I, LLC; Keith Stein, Synergy Tax Consultants LLC; and Matthew Feltner

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the December 10, 2020 Special KEDFA board meeting and Executive Session, and the January 7, 2021 Special KEDFA board meeting.

Chad Miller moved to approve the minutes, as presented; Mike Cowles seconded the motion. Motion passed; unanimous.

Approved/Undisbursed Report

Chairman Hale called on Kylee Palmer to review the approved/undisbursed report. After review, the Authority accepted the report as presented.

Financial Statements and Monitoring Reports

Chairman Hale called on Krista Harrod to review the financial statements and monitoring reports. After review, the Authority accepted the statements and reports as presented.

Tax Increment Financing (TIF) Project (Preliminary)

Chairman Hale called on Ms. Palmer to present a TIF project to the Authority.

Radcliff City Finance Office

Radcliff Mixed-Use Redevelopment Project at Fort Knox Hardin County

Ms. Palmer stated Radcliff Mixed-Use Redevelopment Project at Fort Knox is seeking preliminary approval as a Mixed-Use Redevelopment in Blighted Urban Areas TIF. The redevelopment is expected to include new office space, hotel rooms, retail and restaurant space, residential units and public infrastructure. The construction is estimated to take place over the next two years.

The public infrastructure costs total approximately \$14.1 million and include land preparation, sewers/storm drainage, curbs, sidewalks, promenades and pedways, street lighting, provision of utilities, environmental remediation, public space or parks, parking and amenities such as fountains, benches and sculptures. The applicant, Radcliff City Finance Office, estimates the project could generate \$67.4 million in total economic impact over a 20 year period.

By granting preliminary approval, KEDFA would enable staff to begin working with the Office of State Budget Director and the Finance and Administration Cabinet to create criteria for which an independent consultant would review the project's feasibility including financing, appropriateness for the use of the TIF program and potential increments and whether the project represents a net positive impact for the Commonwealth.

Staff recommended preliminary approval of the TIF project.

Ms. Palmer introduced JJ Duvall, Matthew Valenti and Casey Bolton and invited them to address the board regarding the project.

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

Kentucky Investment Fund Act (KIFA) Projects

Chairman Hale called on Bobby Aldridge to present the KIFA projects to the Authority.

Bluegrass Angel Venture Fund V, LLC Fayette County

Mr. Aldridge stated Bluegrass Angel Venture Fund V, LLC is being formed to encourage and assist in the creation, development or expansion of small businesses located in Kentucky and to earn an appropriate rate of return for fund investors through investments in early stage development companies positioned for growth and appreciation in value.

Christopher H. Young of Bluegrass Angel Venture Fund V, LLC made application on behalf of the fund and requested approval of Bluegrass Angel Venture Fund V, LLC as a participant in the KIFA program as well as approval of Christopher H. Young as Fund Manager under the KIFA program. To date, the fund manager has secured over \$750,000 in committed cash contributions from eleven investors and expects a maximum committed cash contribution of \$6,000,000. Bluegrass Angel Venture Fund V, LLC meets the minimum requirements of the KIFA program to be considered for approval by KEDFA for tax credits under the program.

Staff recommended approval of Christopher H. Young as Fund Manager and a maximum of \$1,000,000 in KIFA tax credits be allocated to the fund.

Mr. Aldridge introduced David Goodnight and invited him to address the board regarding the project.

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

Kentucky Select Fund, LLC
Jefferson County

Mr. Aldridge stated Kentucky Select Fund, LLC was formed to provide Kentucky angel investors with an opportunity to invest in Kentucky small businesses as well as generating attractive returns on their capital.

Envestor, LLC of Kentucky Select Fund, LLC made application on behalf of the fund and requested approval of Kentucky Select Fund, LLC as a participant in the KIFA program as well as approval of Envestor, LLC as Fund Manager under the KIFA program. To date, the fund manager has secured \$750,000 in committed cash contributions from four investors and expects a maximum committed cash contribution of \$9,000,000. Kentucky Select Fund, LLC meets the minimum requirements of the KIFA program to be considered for approval by KEDFA for tax credits under the program.

Staff recommended approval of Envestor, LLC as Fund Manager and a maximum of \$1,000,000 in KIFA tax credits be allocated to the fund.

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

Strike Ventures Fund I, LLC
Jefferson County

Mr. Aldridge stated Strike Ventures Fund I, LLC was formed to encourage and assist in the creation, development or expansion of small businesses located in Kentucky and to generate long term gains for fund investors through investments in such businesses.

Venture First, LLC of Strike Ventures Fund I, LLC made application on behalf of the fund and requested approval of Strike Ventures Fund I, LLC as a participant in the KIFA program as well as approval of Venture First, LLC as Fund Manager under the KIFA program. To date, the fund manager has secured \$1,400,000 in committed cash contributions from seven investors and expects a maximum committed cash contribution of \$25,000,000. Strike Ventures Fund I, LLC meets the minimum requirements of the KIFA program to be considered for approval by KEDFA for tax credits under the program.

Staff recommended approval of Venture First, LLC as Fund Manager and a maximum of \$1,000,000 in KIFA tax credits be allocated to the fund.

Mr. Aldridge introduced Mark Crane and Bill Lomicka and invited them to address the board regarding the project.

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

Kentucky Business Investment (KBI) Projects (Amendment)

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

Interapt, LLC Jefferson County

Mr. Aldridge stated Interapt, LLC is a high-technology company that develops mobile tools for HR/People, operations, healthcare enterprises and media organizations. The company received final approval on May 28, 2020 for a KBI project to establish a corporate headquarters in Louisville. At the time of final approval, the company occupied temporary leased space at 815 West Market Street, while looking for a more permanent solution. The company has now relocated to a larger leased facility at 552 East Market Street in Louisville.

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

Staff recommended approval of the KBI amendment request.

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

Total Quality Logistics, LLC Fayette County

Mr. Aldridge stated Total Quality Logistics, LLC is a freight brokerage firm specializing in arranging transportation of full truckload shipments for various industry segments. This project involved the relocation of the company's Lexington facility to expand its freight brokerage service center. The project activated May 10, 2015. In August, 2020, the company relocated the project from 2473 Fortune Drive in Lexington to a larger leased facility at 745 West New Circle Road in Lexington.

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

Staff recommended approval of the KBI amendment request.

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

KEIA Projects (Extension)

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

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

<u>Company</u>	<u>County</u>	<u>Extension</u>
Blueframe Design + Build LLC	Madison	12 Month
Heritage Millworks, LLC dba Powell Valley Millwork	Powell	12 Month

Hollison LLC	Daviess	12 Month
Kentucky Green Harvest LLC	Lincoln	12 Month
Novelis Corporation	Todd	12 Month

Staff recommended approval of the KEIA extension requests.

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

KBI (Preliminary) and KEIA Project

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

**Wholesale Hardwood Interiors, Inc.
Taylor County**

**Corky Peek
Michelle Elder**

Corky Peek stated Wholesale Hardwood Interiors, Inc., located in Campbellsville in 1985, has built its success and reputation on its high standards of quality mouldings, custom millwork, stair parts and all interior wood products. On December 2, 2020, a fire destroyed its facility. The company is considering rebuilding the facility and restoring all operations as well as adding additional space that was needed before the fire.

Michelle Elder stated the project investment is \$7,100,000, all of which qualifies as KBI eligible costs and \$3,750,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 5.00%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,800,000 and the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

**Blockware Mining, LLC
McCracken County**

**Corky Peek
Michelle Elder**

Mr. Peek stated Blockware Mining, LLC specializes in hosting and colocation services for cryptocurrency mining hardware. The company is considering leasing space in McCracken County to locate a bitcoin mining/data center operation. Blockware Mining, LLC would also need to purchase a significant amount of servers and other computer/electrical equipment for this location.

Ms. Elder stated the project investment is \$28,429,400 of which \$23,314,700 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 5.00%.

Corky Peek introduced Bruce Wilcox and invited him to address the board regarding the project.

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

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

**Matalco Kentucky LLC
Simpson County**

**Brooklyn Leep
Kate McCane**

Brooklyn Leep stated Matalco Kentucky LLC, a subsidiary of Matalco (U.S.), Inc., is a leading producer of aluminum extrusion and forging grade billet and rolling ingot slab manufactured primarily from scrap aluminum. The company is considering building a Brownfield Remelt Rolling Ingot Facility to produce alloyed ingots.

Ms. Leep introduced Robert Roscetti and Dennis Griffin and invited them to address the board regarding the project.

Kate McCane stated the project investment is \$53,500,000 of which \$23,300,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 60 with an average hourly wage of \$25.00 including benefits. The state wage assessment participation is 3.00% and the City of Franklin will participate at 1.00%.

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

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

**MHS Equipment, LLC
Warren County**

**Andy Luttner
Debbie Phillips**

Andy Luttner stated MHS Equipment, LLC (MHSE) is a manufacturer of conveyor and automated sortation equipment. MHSE fabricates and assembles equipment that is installed by its sister company Material Handling Systems, Inc., a leader in the parcel industry. The company has experienced significant growth and is considering a new facility in Bowling Green.

Mr. Luttner introduced Scott McReynolds, Neil McElroy and Ben Adkins and invited them to address the board regarding the project.

Debbie Phillips stated the project investment is \$7,628,600 of which \$4,364,300 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 200 with an average hourly wage of \$22.50 including benefits. The state wage assessment participation is 3.00% and the City of Bowling Green will participate at 1.00%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company and affiliate locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,500,000.

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

**Wieland North America, Inc.
Jefferson County**

**Brittany Cox
Debbie Phillips**

Brittany Cox stated Wieland North America, Inc. is the leading manufacturer and converter of copper and copper-alloy sheet, strip, foil, tube and fabricated components in North America. The company is considering establishing a headquarters facility in Louisville.

Ms. Cox introduced Sara Bowman and Keith Stein and invited them to address the board regarding the project.

Ms. Phillips stated the project investment is \$8,800,000 of which \$4,600,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 75 with an average hourly wage of \$93.00 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%. The company will be required to maintain a base employment equal to the greater of the number of full-time, Kentucky resident employees as of the date of preliminary approval or 39 (job requirement for previous project) full-time Kentucky resident employees. Only investment costs incurred by the approved company will be considered toward calculating eligible costs. Only the approved company may participate in the corporate income tax credit incentive (no affiliate is eligible). The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate, Wieland Rolled Products North America, LLC.

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

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

KBI Projects (Extension)

Chairman Hale called on Ms. Elder to present the KBI extension requests to the Authority.

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

Company	County	Extension
AeroSource H, LLC	Ballard	12 Month
AgTech Scientific, LLC	Bourbon	12 Month
Amazon.com Services, Inc.	Boone	12 Month
Asahi Bluegrass Forge Corporation	Madison	12 Month
Coldstream Laboratories, Inc.	Fayette	12 Month
Fives Intralogistics Corp	Jefferson	12 Month
Novelis Corporation	Todd	12 Month

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

Ms. Phillips stated six companies requested KBI final approval, four of which have modifications since preliminary approval. Ms. Phillips asked that all six be presented as one motion.

No Modifications:

Project Name	County	Type Project
Custom Resins, Inc.	Henderson	Manufacturing
Packaging Technology Group, Inc.	Jefferson	Manufacturing

Modifications:

Fischbach USA Inc. Hardin Manufacturing
 The total investment and eligible costs have been updated based on the current projections. All other aspects of the project remain the same.

Owensboro Grain Company, LLC Daviess Manufacturing
 The total investment and eligible costs have been updated based on the current projections. The company name changed from OG&A BioSpecialities LLC to Owensboro Grain Company, LLC. The project changed from a leased project to an owned project with no rent eligible. All other aspects of the project remain the same.

Owl’s Head Alloys, Inc. Warren Manufacturing
 The total investment and eligible costs have been updated based on the current projections. All other aspects of the project remain the same.

Precision Strip, Inc. Warren Manufacturing
 The total investment increased from \$15,500,000 to \$31,700,000. The eligible costs increased from \$10,535,000 to \$19,623,000. The job target increased from 15 to 31. The average hourly wage target increased from \$33.00 to \$35.00. The total negotiated tax incentive amount increased from \$300,000 to \$700,000. All other aspects of the project remain the same.

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

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

Kentucky Small Business Tax Credit (KSBTC) Projects

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

Mr. Back stated there are six Kentucky small businesses, from five counties with qualifying tax credits of \$67,000. The six businesses created 20 jobs and invested \$202,715 in qualifying equipment and/or technology.

Mr. Back requested the following tax credits be presented as one motion:

Qualified Small Business	County	Beg. Emp.	Elig. Pos.	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit
Blue Frame Technology LLC	Fayette	12	1	\$ 13.50	\$ 5,172	\$ 3,500
Bluegrass Bean Counter, PLLC	Scott	2	1	\$ 23.25	\$ 5,018	\$ 3,500

Don Franklin Glasgow LLC	Barren	34	3	\$ 15.00	\$ 10,545	\$ 10,500
Jewell Engineering and Manufacturing Company, Inc.	Jefferson	14	4	\$ 25.46	\$ 87,176	\$ 14,000
Kentucky American Seeds, LLC	Christian	10	8	\$ 39.06	\$ 79,192	\$ 25,000
Weyland Ventures Holdings, LLC	Jefferson	15	3	\$ 31.04	\$ 15,612	\$ 10,500

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

Chairman Hale called on Mr. Back to present the Kentucky Angel Investment Act projects to the Authority.

Mr. Back stated there are 35 Kentucky Angel Investment Act projects representing 9 Kentucky businesses and 28 investors for a total projected investment of \$3,660,000 with eligible tax credits of \$887,500. The investor will have 80 calendar days in which to make the planned investment and submit proof of the investment before receiving the tax credit.

Mr. Back requested the following proposed Kentucky Angel Investment tax credits be presented as one motion:

Qualified Small Business Qualified Investor(s)	County	Projected Investment	Tax Credit
<u>451 Tech L.L.C.</u> Zhang, Wenhui	Fayette	\$1,000,000	\$ 200,000
<u>CPA Innovations, LLC</u> McClelland, Martin N. Richardson, David T.	Jefferson	\$ 100,000 \$ 100,000	\$ 25,000 \$ 25,000
<u>Cuddle Clones Holdings LLC</u> McClelland, Martin N. Saunders, Robert S.	Jefferson	\$ 200,000 \$ 50,000	\$ 50,000 \$ 12,500
<u>EdjSports, LLC</u> Chapman, Gregory Lee Donnar, Timothy R. Dugan, Donald J. Haner, Scott R. Klingeman, Jeffrey R. Lapinski, Sterling A. Lunsford, William Bruce Mintman, Jennifer L. Perkins III, Herbert W. Reeves, Patrick J. Shewmaker, Carl R. Simpson, Richard O. Toutant, Roy T. Weber, Charles E.	Jefferson	\$ 25,000 \$ 100,000 \$ 50,000 \$ 125,000 \$ 25,000 \$ 250,000 \$ 500,000 \$ 25,000 \$ 50,000 \$ 50,000 \$ 100,000 \$ 50,000 \$ 50,000 \$ 50,000	\$ 6,250 \$ 25,000 \$ 12,500 \$ 31,250 \$ 6,250 \$ 62,500 \$ 125,000 \$ 6,250 \$ 12,500 \$ 12,500 \$ 25,000 \$ 12,500 \$ 12,500 \$ 12,500

<u>Hippo Manager Software, Inc.</u>	Fayette		
McClelland, Martin N.		\$ 100,000	\$ 25,000
<u>Personal Medicine Plus LLC</u>	McCracken		
Kelly, Jr. James Paul		\$ 50,000	\$ 20,000
Lundberg, Theresa M.		\$ 50,000	\$ 20,000
Workman, Mark Anthony		\$ 50,000	\$ 20,000
<u>PowerTech Water, Inc.</u>	Fayette		
Hoseus, Michael S.		\$ 25,000	\$ 6,250
Toutant, Roy T.		\$ 40,000	\$ 10,000
Wolford, George Rodney		\$ 25,000	\$ 6,250
Young, Christopher H.		\$ 100,000	\$ 25,000
<u>Pyrochem Catalyst Company</u>	Jefferson		
Hoseus, Michael S.		\$ 25,000	\$ 6,250
Streepey, Ben M.		\$ 15,000	\$ 3,750
Young, Christopher H.		\$ 100,000	\$ 25,000
<u>Vivorte (DE), Inc.</u>	Jefferson		
Chapman, Gregory Lee		\$ 30,000	\$ 7,500
Roth, John B.		\$ 25,000	\$ 6,250
Saunders, Robert S.		\$ 50,000	\$ 12,500
Stuedle, Joseph A.		\$ 25,000	\$ 6,250
Stuedle, Margaret Kristin		\$ 50,000	\$ 12,500

Staff recommended approval of the proposed Angel Investment tax credits.

Secretary Johnson moved to approve the staff recommendation, as presented; Ms. Marx seconded the motion. Motion passed; unanimous.

KEDFA Loan (Modification)

Chairman Hale called on Sarah Butler to present a KEDFA loan modification to the Authority.

The Thompson Group Henderson County

Ms. Butler stated The Thompson Group is composed of several companies that manufacture mining related equipment in Henderson, KY sold worldwide. The companies have been KEDFA borrowers since 1988. In 1998, KEDFA approved the restructuring of loans with the borrower. This consolidated several loans into a single loan for \$3,097,000 with a 7% interest rate and a maturity of September 2018. In March 2015, the mining industry began to decline and KEDFA approved the borrower's request to restructure repayments.

In March 2018, KEDFA approved an increase in monthly principal plus 4% interest for five years. The company's managing principal, Clifford Thompson, also provided an unlimited personal guarantee. The current loan balance is \$641,845. Security for the loan is a combination of mortgages and equipment liens. The current tax assessed value of the real estate is \$1,105,000.

KEDFA approved a waiver of the principal payment from March 29, 2020 until January 29, 2021 at the borrower's request due to COVID-19. The borrower is requesting a modification of the \$3,500 principal payment due January 29, 2021 to \$1,000 monthly principal plus 4%

interest through July 31, 2021. The principal payment of \$3,500 plus interest shall resume as regularly scheduled in August 2021 and shall remain until the end of the term on March 29, 2023.

Staff recommended approval of the KEDFA loan modification request.

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

Other Business

Quarterly Report - Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Ms. Palmer to review the KSBCI Quarterly Funding Report for the period ending December 31, 2020. After review, the Authority accepted the report as presented.

Resolution of Recognition

Chairman Hale read and presented a Resolution of Recognition to Brooklyn Leep for her service to the Cabinet and the Commonwealth.

Mr. Goodin moved to approve the resolution, as presented; Ms. Marx seconded the motion. Motion passed, unanimous.

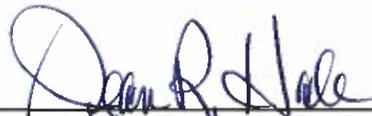
Adjournment

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

Mr. Cowles moved to adjourn the January KEDFA special board meeting; Mr. Miller seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:02 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman