



Kentucky Product Development Initiative

Governor Beshear on KPDI





WEBINAR AGENDA



Message from the *KCED* and *KAED*



Site Selection Group Introduction



The Statewide KPDI Program



Summary of “*Just the Facts*”



Program Process & Timeline



Contact Information

Message from KCED and KAED



Jeff Noel
Secretary



Bob Helton
Chair of Board for KAED



SSG Introduction

Site Selection Group

Core Services



**Location Advisory
Services**



**Real Estate
Services**



**Economic Incentive
Services**



**Economic Development
Consulting**

40+

Employees

largest independent site
selection firm in the U.S.

50+

**Full-Service
Projects**

completed each year

\$283M

Real Estate

transaction value in 2021

4.3M

Square Feet

real estate transactions
completed in 2021

30+

**Fortune 100
Companies**

represented

\$550M+

**Discretionary
Incentives**

negotiated for our clients

SSG's PURPOSE

*Enable our clients to make a positive impact in
their communities*

SSG's MISSION

*Connecting companies to the optimal locations
through integrated service offerings*



SSG's KPDI Team

Applicant's Point of Contact



Labor & Target Industry Analysis

Chris Schwinden
Senior Vice President



Account Manager

Josh Bays
Partner



Site Readiness Assessment

Beth H. Land
Senior Vice President

Support As Needed

Michaela Martin
Director

Dewey Evans
Senior Associate

Ceci Grover
Associate



2022 Statewide KPDI Program Overview

The Statewide Kentucky PDI Program

Why?

Stimulate transformational economic development projects that create quality jobs across the Commonwealth.

How?

Through KRS 154.21, appropriate an unprecedented amount of \$100,000,000 for the enhanced Kentucky Product Development Initiative.

Program Core Project Values

- **HOLISTIC APPROACH** - Taking a holistic approach to economic development, incorporating labor, target industry, infrastructure, operating environment, etc. into consideration when making grant recommendations.
- **RETURN ON INVESTMENT** – Recommendations for PDI funds and local matches will be based on expected return on investment, measured in jobs and capital investment.
- **RELATIVE IMPACT** – ROI metrics are relatively adjusted to ensure the entirety of Kentucky is fairly represented.





Quick Summary of *'Just the Facts'*

Key Program Definitions

| | |
|-------------------------------------|---|
| Economic Development Project | <p>Site and infrastructure improvements that could result in opportunity for any of the following:</p> <ul style="list-style-type: none">▪ Manufacturing▪ Agribusiness▪ Headquarters Operations▪ Nonretail Service or Technology Activities▪ Coal Severing & Processing▪ Hospital Operations▪ Alternative Fuel, Gasification, Energy-Efficient Alternative Fuels, or Renewable Energy Production▪ Carbon Dioxide Transmission Pipeline |
| Eligible Grant Recipient | Local government or economic development authority |
| Eligible Project | <ul style="list-style-type: none">▪ Publicly owned property, or▪ Either of the following only if the Eligible Use includes property acquisition or diligence studies:<ul style="list-style-type: none">▪ Property with legally binding LOI or option agreement to Eligible Grant Recipient▪ Property with a sale agreement to Eligible Grant Recipient <p>* Program requires a dollar-for-dollar match (<i>due diligence can be used as match for property acquisition</i>)</p> |
| Eligible Uses | <ul style="list-style-type: none">▪ Due Diligence Studies▪ Property Acquisition▪ Infrastructure Extensions and Improvements▪ Site Preparation Work▪ Building Construction or Renovation▪ Road Improvements |

* Complete list of Key Program Definitions can be found in the “*Just the Facts: KPDI*” recently published by the Cabinet.

Basic Program Mechanics



Evaluation Criteria

- **Property Availability**
 - Publicly-controlled
- **Property Development Ability**
 - Developable & free of impediments
- **Zoning Availability**
 - Zoned to intended use within 90 days
- **Transportation Accessibility**
 - Served adequately for intended use
- **Utility Adequacy**
 - Electric, natural gas, water, wastewater, telecom



Scoring Criteria

- **Return on Investment Focused**
 - Likelihood of project success
 - Economic impact
 - Job creation
- **Key Workforce Characteristics**
 - Objective workforce data
 - On-site workforce due diligence
- **Relative Positive Impact**
 - Adjusted based on community size, characteristics, and history

Program Funding Details



Total Maximum Funding

- \$100,000,000 total funds statewide
- Can be awarded over 2 rounds
- Each project is eligible to receive the lesser of (i) county maximum funding amount, or (ii) \$2,000,000.

Competitive Process

The KPDI program is a competitive process. Meeting evaluation criteria or being the sole applicant in a county does not guarantee funding.

Funding for Round 1

Maximum funding available by county is based on county population relative to state population (*exception for Jefferson County reduced to 50%*). Please see 'Just the Facts' for maximum funding by county.

Funding for Round 2

If any funds remain after Round 1, a second round will be initiated, and remaining funds will be pooled and available through the same process and program requirements.



Program Process & Timeline

Overall KPDI Program Process



Application: Grant Application Materials

The collage displays three key documents for the grant application process:

- PROPERTY INFORMATION Form:** A form with sections for 'PROPERTY INFORMATION', 'APPLICANT INFORMATION', 'PROPERTY AVAILABILITY', and 'PROPERTY DEVELOPABILITY'. It includes fields for Name, Title, Organization, Address, City, County, State, Zip, Office Number, Mobile Number, and Email Address. It also has checkboxes for 'Is the property in an existing industrial park?' and 'Are there any covenants, conditions, or restrictions on the property?'. The 'PROPERTY DEVELOPABILITY' section includes fields for 'Total Acres', 'Available Acres (greenfield)', 'Developable Acres', and 'Contiguous, developable acres for a single use'.
- GRANT APPLICATION Form:** A form titled 'GRANT APPLICATION' with a 'Kentucky 2020' logo. It includes a 'Tax Parcel' section and a 'Question' section with a dropdown menu for 'What is the preferred type of transaction?'. It also has a 'Please place letter on letterhead of the entity which owns the property' instruction.
- Letter of Intent Template:** A letter template addressed to 'Dear Mr. Tackett,'. It includes a 'Please place letter on letterhead of the entity which owns the property' instruction and a 'Please feel free to include brief description or background on the property' instruction. It also includes a 'Sincerely,' signature line and a 'cc: Josh Bays, Partner – Site Selection Group' footer.

Participants will receive the following documents by July 21st:

- **Program Literature** – detailing program process and instructions for submission and requested attachments (maps, visuals, due diligence reports completed, zoning description, etc.)
- **Request for Information** – Excel spreadsheet requesting property information and grant funding requests
 - Property/Community Information
 - Grant Request
- **Letter of Intent Template** – to be submitted by community by August 5th indicating participation in the program

**If selected to move forward with site visits, an Acknowledgement Letter will be required from the applicant, which guarantees (from the appropriate granting authority) the availability of 50/50 local matching funds.*

Site Visits



SSG will work with all levels of economic development and stakeholders to coordinate site visits, targeted for middle November (before Thanksgiving).

Please keep in mind that SSG is coordinating site visits with several communities. Please ensure someone will be available to accommodate a site visit during these dates.

Site Visit agendas can include:

- Meetings with:
 - Economic development
 - Utility providers
 - *Community stakeholders (opportunity to showcase site selection process to local team)*
- Property tour & windshield tour of community
- Workforce stakeholders:
 - Training
 - Education
 - Employers



Program Contact Information

Key KPDI Contacts



Applicant's Point of Contact



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Questions & Answers

Website for More Information:
<https://ced.ky.gov/kpdi>

Follow up Webinar on Thursday, July 21