

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

January 30, 2025

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. on January 30, 2025, at the Cabinet for Economic Development, Mayo Underwood Building, 547 CE Conference Room 5th floor, 500 Mero Street in Frankfort, Kentucky.

Notification of Press

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

Roll Call

Jean R. Hale, J. Don Goodin, Executive Director Shandeep Dutta (proxy for Secretary Holly Johnson), Tucker Ballinger, Chad Miller, Mike Cowles

Staff Present: Raven Aiken, Tim Back, Tim Bates, Joie Bieger, Casadi Bramer, David Brock, Phyllis Bruning, Ashlee Chilton, Stephanie Cullen, Jeanne Darby, Rachael Dever, Colin Dodd, Breanna Dolan, Michelle Elder, Joseph Gearon, Gage Greer, Malcolm Jollie, Matt Jordan, Craig Kelly, Molly Lancaster, Marilyn Lebourveau, Jacob Leigh, Andy Luttner, Shannon MacDonald, Brandon Mattingly, Gabrielle McGee, Amy Mills, Nasim Moula, Andrew Osborne, Kylee Palmer, Cody Pennington, Brittany Petty, Dawn Powers, Cate Prather, Jennifer Schenkenfelder, Kristina Slattery, Katie Smith, Christopher Snyder, Beth Sturm, Brennan Tucker, Connor Wall, Matthew Wingate, Dan Wood, Colin Wright, Ashiq Zaman and Chad Zimlich

Others Present: Mike Kalinyak, Embry Merritt Womack Nance, PLLC; Nicholas Lococo, Stites & Harbison; Angie Miller, Murakami Manufacturing U.S.A. Inc.; Ron McMahan, Team Taylor County Economic Development; Brooklyn Legg and Ken Mosholder, Everchar, LLC; Kari Johnson, Kentucky Cabinet for Energy and Environment; Sarah Fontaine, 502 Film; Jason Slone, Morehead-Rowan County Chamber of Commerce & Economic Development; Johnny Hodby, Allen County Fiscal Court; Matt Tabb, Messer Construction Co.; Abby Fletcher and Nicole Kaforski, Greater Louisville Inc.; Mark Welch, Fulton-Hickman Counties Economic Development; Drew Jenkins and Sierra Enlow, Cornerstone Strategies; Christopher Kovalcik, Ryan, LLC; James Parsons, Keating Muething & Klekamp PLL; Matthew Way, Bricker Graydon; Bryan Houston and Kevin White

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from December 12, 2024, regular 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 Shannon MacDonald to review the approved/undisbursed report. After review, the Authority accepted the report as presented.

Financial Statements and Monitoring Reports

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

Local Industrial Revenue Bond (IRB) Project

Chairman Hale called on staff to present the Local IRB project to the Authority.

**Bright Mountain Solar, LLC
Perry County**

Michelle Elder

Michelle Elder stated in accordance with KRS 103.210, the Perry County Fiscal Court requested KEDFA review to approve a 100% reduction in the state ad valorem tax rate. The principal amount of the IRB authorization is up to \$160,000,000 for the term of 30 years. A Payment in Lieu of Tax Agreement will be required with Perry County School District.

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

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.

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

KBI Project (Amendment)

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

**Waystar, Inc.
Jefferson County**

Craig Kelly

Craig Kelly stated Zirmed Inc., a leading provider of healthcare technology and information solutions, received final approval on August 28, 2014, for a KBI expansion project located on West Market Street in Louisville. The project activated on August 28, 2016. The company's growth has required the need for more space, so the company has leased a larger facility at 9901 Linn Station Road, Louisville and relocated all operations and employees to the new site effective November 1, 2024. Additionally, the company has changed its legal name from Zirmed Inc. to Waystar, Inc. The company has requested an amendment to document the change of the project site, the new lease, and the name change into the Tax Incentive Agreement. All other aspects of the project remain the same.

Staff recommended approval.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

Craig Kelly stated 5 companies requested additional time to complete the projects and asked that all 5 be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Catalent Pharma Solutions, Inc.	Clark	12 months
Emerald Energy & Exploration Land Company	Magoffin	12 months
Legacy Spirits of Kentucky, LLC	Madison	12 months
North American Stainless, Inc.	Carroll	12 months
River View Coal, LLC	Henderson	12 months

Staff recommended approval of the KEIA extension requests.

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

KEIA Project

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

Murakami Manufacturing U.S.A. Inc. Taylor County

**Brittany Petty
Raven Aiken**

Brittany Petty stated Murakami Manufacturing U.S.A. Inc. is a Tier 1 supplier that specializes in the production of side-view exterior mirrors and automotive components. The company is considering an expansion of the Campbellsville facility.

Raven Aiken stated the project investment is \$3,414,540 of which \$1,886,600 qualifies as KEIA eligible costs. The approved recovery amount is \$75,000 for construction materials and building fixtures.

Staff recommended the KEIA approved recovery amount of \$75,000.

Mike Cowles moved to approve the staff recommendation, as presented; Chad 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 authority.

AAA Cooper Transportation, Inc. Warren County

**Colin Dodd
Breanna Dolan**

Colin Dodd stated AAA Cooper Transportation, Inc., a subsidiary of Knight-Swift, is a provider of logistic, distribution, warehousing and fulfillment services. The company is looking to develop a regional terminal in Bowling Green, Kentucky.

Breanna Dolan stated the project investment is \$13,224,000 of which \$11,924,000 qualifies as KBI eligible costs and \$5,700,000 qualifies as KEIA eligible costs. The highest job target over

the term of the agreement is 20 with an average hourly wage of \$30.00 including benefits. The state wage assessment participation is 2.4% and the City of Bowling Green will participate at 1%.

The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax 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 \$250,000 and the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

Sungdo Eng USA, Inc. Allen County

**Andy Luttner
Raven Aiken**

Andy Luttner stated Sungdo Eng USA, Inc., a subsidiary of Sungdo Engineering & Construction Co., LTD, is a global leader in the design, engineering, procurement, and construction of high-tech industrial facilities. The company is considering locating in Allen County.

Raven Aiken stated the project investment is \$7,950,000 of which \$7,650,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$60.00 including benefits. The state wage assessment participation is 2.4%, the City of Scottsville will participate at 0.5% and Allen County will participate at 0.5%.

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

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

Letica Corporation Fulton County

**Andy Luttner
Raven Aiken**

Andy Luttner stated Letica Corporation, a subsidiary of Berry Global, Inc., is a global leader in the manufacturing of plastic products and has locations worldwide. The company is considering an expansion of its Fulton County facility.

Raven Aiken stated the project investment is \$27,800,000 of which all qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$27.48 including benefits. The state wage assessment participation is 4%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$405,000.

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

**Everchar, LLC
Rowan County**

**Cate Prather
Cody Pennington**

Cate Prather stated Everchar, LLC is a transformative new business venture that transforms hardwood waste into biochar, a valuable product with approximately 80% carbon content, thus improving operational efficiency and strengthening the local wood products industry. The company is considering a new location in Rowan County.

Cody Pennington stated the project investment is \$6,139,697 of which \$5,239,697 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$26.56 including benefits. The state wage assessment participation is 4%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$225,000.

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

**Fabricated Metals, LLC
Jefferson County**

**Colin Dodd
Breanna Dolan**

Colin Dodd stated Fabricated Metals, LLC is a manufacturer of industrial storage products, outdoor lighting accessories, and railroad signal control products. The company is looking to expand their current manufacturing facility.

Breanna Dolan stated the project investment is \$25,200,000 of which \$700,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 34 with an average hourly wage of \$34.99 including benefits. The state wage assessment participation is 2.4% and the City of Louisville will participate at 1%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The project will include multiple locations within Jefferson County. Only investment costs incurred at 6333 Strawberry Lane will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$635,000.

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

**Fabricated Metals, LLC
Jefferson County**

**Colin Dodd
Breanna Dolan**

Colin Dodd stated Fabricated Metals, LLC is a manufacturer of industrial storage products, outdoor lighting accessories, and railroad signal control products. The company is looking to relocate and expand their headquarters operation to downtown Louisville.

Breanna Dolan stated the project investment is \$4,300,000 of which all qualifies as KBI eligible

costs. The highest job target over the term of the agreement is 22 with an average hourly wage of \$64.51 including benefits. The state wage assessment participation is 2.4% and the City of Louisville will participate at 1%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$600,000.

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

KBI Projects (Extension)

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

Raven Aiken stated 9 companies requested additional time to complete the projects and asked that all 9 be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Green Bomber Kentucky, LLC	Garrard	12 months
Wieland North America, Inc.	Jefferson	12 months
Kroger Fulfillment Network LLC	Jefferson	12 months
Multitech Industries Incorporated	Simpson	12 months
Novelis Corporation	Todd	12 months
Rajant Health Incorporated	Rowan	12 months
Bluegrass Roller Service, Inc.	Shelby	12 months
Ball Metal Beverage Container Corp.	Warren	12 months
Blockware Mining, LLC	McCracken	12 months

Staff recommended approval of the KBI extension requests.

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

KBI Project (Final)

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

Michelle Elder stated Southern Star Central Gas Pipeline, Inc. requested KBI final approval which has modifications since preliminary approval.

Modifications:

Company	County	Activity
Southern Star Central Gas Pipeline, Inc.	Daviess	Headquarters
Total investment and eligible costs have been updated based on the current projections. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.		

Staff recommended final approval on the KBI resolution and tax incentive agreement and the

authorization to execute and deliver the documents.

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

Kentucky Reinvestment Act (KRA) Project (Final)

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

Hill's Pet Nutrition, Inc. Warren County

Michelle Elder

Michelle Elder stated Hill's Pet Nutrition, Inc. requested final approval of its KRA project. There were no modifications to the project since preliminary approval. The company currently has 171 full-time employees and has expended approximately \$18,370,991 in equipment and related costs of which \$9,185,496 are eligible costs. Hill's Pet Nutrition, Inc. is eligible to receive the \$4,500,000 negotiated tax incentive amount as preliminarily approved.

Staff recommended final approval of the KRA resolution, revitalization agreement and the authorization to execute and deliver the documents.

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

Kentucky Entertainment Incentive (KEI) Projects (Final)

Chairman Hale called on staff to present KEI projects to the authority.

Stein Services LLC Court Jesters S6

Cody Pennington

Cody Pennington stated that Stein Services LLC plans to produce a Television Program, Court Jesters S6, in Trimble County. Production is set to begin as early as February 11, 2025 and is anticipated to end by September 23, 2025. The company anticipates \$8,213,495 in qualifying payroll expenditures and \$1,002,280 in qualifying non-payroll expenditures for a total of \$9,215,775. The company also anticipates employing 79 Kentucky resident crew members and 46 non-Kentucky resident crew members for a total production crew of 125.

Staff recommended a total eligible tax incentive amount of \$3,225,521.

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

Lanchester Services LLC Court Jesters S7

Cody Pennington

Cody Pennington stated that Lanchester Services LLC plans to produce a Television Program, Court Jesters S7, in Bullitt and Trimble Counties. Production is set to begin as early as February 18, 2025, and is anticipated to end by October 23, 2025. The company anticipates \$8,327,376 in qualifying payroll expenditures and \$1,006,601 in qualifying non-payroll expenditures for a total of \$9,333,977. The company also anticipates employing 81 Kentucky resident crew members and 47 non-Kentucky resident crew members for a total production crew of 128.

Staff recommended a total eligible tax incentive amount of \$3,266,892.

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

HD5 LLC

Breanna Dolan

Haunted Discoveries S5

Breanna Dolan stated that HD5 LLC plans to produce a Television Program, Haunted Discoveries S5, in Boyle, Trimble, Johnson, Morgan, Mason Counties. Production is set to begin as early as February 11, 2025, and is anticipated to end by October 21, 2025. The company anticipates \$8,184,739 in qualifying payroll expenditures and \$1,077,708 in qualifying non-payroll expenditures for a total of \$9,262,447. The company also anticipates employing 34 Kentucky resident crew members and 57 non-Kentucky resident crew members for a total production crew of 91.

Staff recommended a total eligible tax incentive amount of \$3,241,856.

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

Sunshine Films Florida LLC

Breanna Dolan

Throuple from Hell

Breanna Dolan stated that Sunshine Films Florida LLC plans to produce a Feature-Length Film, Throuple from Hell, in Jefferson County. Production is set to begin as early as January 31, 2025, and is anticipated to end by June 20, 2025. The company anticipates \$340,400 in qualifying payroll expenditures and \$262,000 in qualifying non-payroll expenditures for a total of \$602,400. The company also anticipates employing 22 Kentucky resident crew members and 15 non-Kentucky resident crew members for a total production crew of 37.

Staff recommended a total eligible tax incentive amount of \$187,270.

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

Martin Motion Pictures LLC

Brennan Tucker

THE ASYLUM

Brennan Tucker stated that Martin Motion Pictures LLC plans to produce a Feature-Length Film, THE ASYLUM, in Boone, Fayette, Kenton Counties. Production is set to begin as early as April 7, 2025, and is anticipated to end by May 2, 2025. The company anticipates \$677,775 in qualifying payroll expenditures and \$701,000 in qualifying non-payroll expenditures for a total of \$1,378,775. The company also anticipates employing 19 Kentucky resident crew members and 20 non-Kentucky resident crew members for a total production crew of 39.

Staff recommended a total eligible tax incentive amount of \$439,921.

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

Mystery Radio LLC

Joseph Gearon

Killer On The Air

Joseph Gearon stated that Mystery Radio LLC plans to produce a Feature-Length Film, Killer On The Air, in Fayette, Jessamine and Woodford Counties. Production is set to begin as early

as March 1, 2025, and is anticipated to end by April 30, 2025. The company anticipates \$293,931 in qualifying payroll expenditures and \$57,141 in qualifying non-payroll expenditures for a total of \$351,072. The company also anticipates employing 30 Kentucky resident crew members and 4 non-Kentucky resident crew members for a total production crew of 34.

Staff recommended a total eligible tax incentive amount of \$114,104.

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

IMASK LLC

Joseph Gearon

I Married a Serial Killer

Joseph Gearon stated that IMASK LLC plans to produce a Feature-Length Film, I Married a Serial Killer, in Fleming and Mason Counties. Production is set to begin as early as February 10, 2025, and is anticipated to end by May 5, 2025. The company anticipates \$144,287 in qualifying payroll expenditures and \$177,127 in qualifying non-payroll expenditures for a total of \$321,414. The company also anticipates employing 44 Kentucky resident crew members and 17 non-Kentucky resident crew members for a total production crew of 61.

Staff recommended a total eligible tax incentive amount of \$112,495.

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

APCH Production, LLC

Tim Bates

A Prince's Christmas Hope

Tim Bates stated that APCH Production, LLC plans to produce a Feature-Length Film, A Prince's Christmas Hope, in Jefferson County. Production is set to begin as early as February 1, 2025, and is anticipated to end by April 30, 2025. The company anticipates \$1,475,000 in qualifying payroll expenditures and \$391,500 in qualifying non-payroll expenditures for a total of \$1,866,500. The company also anticipates employing 120 Kentucky resident crew members and 25 non-Kentucky resident crew members for a total production crew of 145.

Staff recommended a total eligible tax incentive amount of \$569,450.

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

True Crime Chronicles 1, LLC

Tim Bates

True Crime Chronicles: Bad Cops

Tim Bates stated that True Crime Chronicles 1, LLC plans to produce a Television Program, True Crime Chronicles: Bad Cops, in Hopkins County. Production is set to begin as early as January 30, 2025, and is anticipated to end by March 15, 2025. The company anticipates \$949,000 in qualifying payroll expenditures with 0 qualifying non-payroll expenditures for a total of \$949,000. The company also anticipates employing 4 Kentucky resident crew members and 0 non-Kentucky resident crew members for a total production crew of 4.

Staff recommended a total eligible tax incentive amount of \$332,150.

Tucker Ballinger moved to approve the staff recommendation, as presented; Mike Cowles

seconded the motion. Motion passed, unanimous.

Kentucky Small Business Tax Credit (KSBTC) Projects

Chairman Hale called on staff to present the KSBTC projects to the Authority.

Tim Back stated there are 10 Kentucky small businesses, from 7 counties with qualifying tax credits of \$137,000. The 10 businesses created 40 jobs and invested \$207,235 in qualifying equipment and/or technology.

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

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
A&S Construction of Louisville, Inc.	Jefferson	6	4	\$24.33	\$15,600	\$14,000
Advanced Dental Center, Inc.	Jefferson	14	8	\$33.42	\$26,246	\$25,000
Brown & Kubican, P.S.C.	Fayette	27	7	\$42.84	\$30,721	\$24,500
Little Links to Learning, LLC	Kenton	32	4	\$25.40	\$16,458	\$14,000
Logan Bethel Veterinary Services, LLC	Logan	4	5	\$24.00	\$28,978	\$17,500
Northcutt & White, PLLC.	Marshall	0	1	\$27.00	\$6,018	\$3,500
Prolific Digital LLC	Jefferson	2	1	\$38.46	\$5,703	\$3,500
REW Advisors, LLC	Fayette	0	1	\$19.23	\$5,204	\$3,500
Ron & Brenda's Transportation, LLC	Warren	28	7	\$16.43	\$27,500	\$24,500
W & H Legacy LLC	Bourbon	0	2	\$22.30	\$44,807	\$7,000

Staff recommended approval of the tax credits.

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

Other Business

Quarterly Report – Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Matt Jordan to review the KSBCI Quarterly Funding Reports for the

period ending December 31, 2024. After review, the Authority accepted the reports as presented.

Biennial Election of Officers

Katie Smith stated in accordance with KRS 154.20-010(7) and Article VII of the Fifth Amended and Restated Bylaws of the Kentucky Economic Development Finance Authority, the Authority shall elect biennially from its membership a Chairman, Vice Chairman and Secretary-Treasurer. Elections are to take place at the December meeting in even numbered years.

The following members expressed willingness to serve in the designated officer positions, subject to nomination and election: Jean R. Hale, Chairman; Don Goodin, Vice Chairman; Tucker Ballinger, Secretary-Treasurer; and Chad Miller, Assistant Secretary-Treasurer.

Mike Cowles moved to approve the staff recommendation effective as of December 12, 2024, as presented; Shandeep Dutta seconded the motion. Motion passed, unanimous.

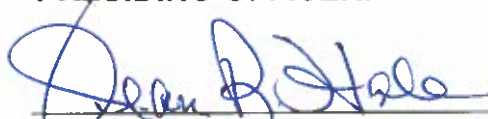
Adjournment

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

Don Goodin moved to adjourn the January KEDFA board meeting; Chad Miller seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:42 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman