

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

February 29, 2024

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. on February 29, 2024, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway 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, Secretary Holly Johnson, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Raven Aiken, Tim Back, Tim Bates, Sarah Butler, Ashlee Chilton, Brandon Combs, Michael Crabtree, Jeanne Darby, Rachael Dever, Colin Dodd, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, Gage Greer, Krista Harrod, Malcolm Jollie, Matt Jordan, Craig Kelly, Molly Lancaster, Marilyn Lebourveau, Jacob Leigh, Shannon MacDonald, Brandon Mattingly, Gabrielle McGee, Amy Mills, Nasim Moula, Jeff Noel, Andrew Osborne, Kylee Palmer, Corky Peek, Cate Prather, Jennifer Schenkenfelder, Kristina Slattery, Katie Smith, Christopher Snyder, Connor Wall, Matthew Wingate, Dan Wood, Colin Wright and Ashiq Zaman

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Matt Zoellner, Scott, Murphy and Daniel; Jason Rainey, Montgomery County Industrial Authority; Jeffrey Vanhook, RGL Regional Industrial Development Authority, Inc.; Howell Holbrook, Rockcastle County Fiscal Court; Mary Hopkins and Woods Adams, Lincoln County Fiscal Court; Tammy Costellow, Logan Economic Alliance for Development; Dennis McKenna, Washington Penn Plastic Co., Inc.; Brad Thomas and Brittany Cox, Kentucky's Touchstone Energy Cooperative; Mark Green, The Lane Report; Casey Bolton, Commonwealth Economics; Erica Hodge, Kevin Cogan and Danny O'Driscoll, Jefferson Development Group; Greg Klemenswicz, Tru-Tone Finishing Inc; Frank V. Phillips, Phillips & Phillips Attorneys, PSC.; Brad Sowden, Winchester-Clark County Industrial Development Authority; David Stipes, City of Richmond; Sierra Enlow, Cornerstone Strategies; Jeff O'Brien, Louisville Metro Government; Jason Lemle and Garrett Clark, Graves County Economic Development; Niki Goldey and Cheryl Klever, Commerce Lexington; Abigail Fletcher and Emily Drexler, Greater Louisville Inc.; Paula Thompson, London-Laurel County Industrial Development Authority; Amy Matheny, Green River Area Development District; Leslie Lester, City of Monticello & Monticello Wayne County Industrial Development Authority; Lyndsey Brown, Lake Cumberland Area Development District; Scott Gehring, Wayne County Industrial Authority; Riley McLaren and Kimberly Rossetti, BE NKY; Jody Wafford, Kentucky Community and Technical College; Soozie Eastman, 502 Film; Will McDowell, LG&E and KU Energy; Anne-Taylor Morgan, McBrayer PLLC; Sarah Crider, Education and Labor Cabinet; Chris Elleman, Garrard County Fiscal Court; Derek Sepe, IATSE Union of Louisville; Spencer Stewart, Janet Patton, Wendy Neal, Jeff Hodges and Kay Hensley

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the January 25, 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 Krista Harrod 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 Joseph Gearon to present the TIF project for preliminary approval to the Authority.

Metro Development Authority, Inc. One Park Development Project Jefferson County

Joseph Gearon

Joseph Gearon stated One Park Development Project is a Signature TIF project. The project consists of 239,536 total square feet of commercial office space, 60,500 total square feet of retail/restaurant space, 200 room hotel, 49,197 square foot grocery store, 600-700 apartments and public infrastructure improvements in Jefferson County. The construction is estimated to take place over the next 3 years.

The public infrastructure costs total approximately \$165 million and includes land preparation, sewers/storm drainage, curbs, sidewalks, promenades, pedways, roads, provision of utilities, environmental remediation, and parking. The applicant, Metro Development Authority, Inc., estimates the project will support 2,392 direct and indirect permanent jobs, 5,448 direct and indirect jobs from construction activity, and have a combined economic impact to the area of \$17.4 billion over a 30-year period.

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

Staff recommended preliminary approval of the TIF project.

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

Kentucky Product Development Initiative (KPDI-EDF)

Chairman Hale called on staff to present the KPDI-EDF projects to the Authority.

**Graves County Economic Development, Inc.
Graves County**

**Corky Peek
Michelle Elder**

Corky Peek stated the Graves County Fiscal Court on behalf of the Graves County Economic Development, Inc. will assist in the acquisition and development of a site in Graves County. The site development will provide Graves County with new business opportunities and provide impact for future construction of industries. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Michelle Elder stated the Graves County Fiscal Court requested the use of \$1,623,750 in KPDI-EDF program funds for the benefit of the Graves County Economic Development, Inc. The project investment is \$3,247,500 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

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

Staff recommended approval of the KPDI-EDF request.

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

**Wayne County Industrial Authority
Wayne County**

**Ashlee Chilton
Raven Aiken**

Ashlee Chilton stated the Wayne County Fiscal Court on behalf of the Wayne County Industrial Authority is seeking to acquire additional acreage to expand the Monticello Wayne County Business Park. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Raven Aiken stated the Wayne County Fiscal Court requested the use of \$493,643 in KPDI-EDF program funds for the benefit of the Wayne County Industrial Authority. The project investment is \$987,286 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Raven Aiken stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Webster County Industrial Development Authority
Webster County**

**Ashlee Chilton
Raven Aiken**

Ashlee Chilton stated the Webster County Fiscal Court on behalf of the Webster County Industrial Development Authority is seeking to complete due diligence, site preparation, and road improvements to provide Webster County with new business opportunities and provide impact for future construction of industries. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Raven Aiken stated the Webster County Fiscal Court requested the use of \$529,065 in KPDI-EDF program funds for the benefit of the Webster County Industrial Development Authority. The project investment is \$1,058,130 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Raven Aiken stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Winchester/Clark County Industrial Development Authority
Clark County**

**Ashlee Chilton
Raven Aiken**

Ashlee Chilton stated the City of Winchester on behalf of the Winchester/Clark County Industrial Development Authority is seeking to complete site preparation and infrastructure improvements to provide Clark County with new business opportunity and provide impact for future construction of industries. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Raven Aiken stated the City of Winchester requested the use of \$2,000,000 in KPDI-EDF program funds for the benefit of the Winchester/Clark County Industrial Development Authority. The project investment is \$5,600,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Raven Aiken stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**City of Georgetown
Scott County**

**Colin Dodd
Raven Aiken**

Colin Dodd stated the Scott County Fiscal Court on behalf of the City of Georgetown is seeking to complete road and infrastructure improvements, due diligence, and site preparation work in the Lanes Run Business Park. The site development will provide Scott County with new business opportunities and provide impact for future construction of industries. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Raven Aiken stated the Scott County Fiscal Court requested the use of \$1,500,000 in KPDI-EDF program funds for the benefit of the City of Georgetown. The project investment is \$3,000,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Raven Aiken stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Nelson County Fiscal Court
Nelson County**

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated the City of Bardstown on behalf of the Nelson County Fiscal Court is seeking to extend utilities and the existing roadway in the Nelson County Industrial Park. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Brandon Combs stated the City of Bardstown requested the use of \$631,510 in KPDI-EDF program funds for the benefit of the Nelson County Fiscal Court. The project investment is \$1,263,020 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Brandon Combs stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Logan Industrial Development Authority, Inc.
Logan County**

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated the Logan County Fiscal Court on behalf of the Logan Industrial Development, Inc. is seeking to construct a speculative building with an expansion pad at the Shelton Lane Industrial Park. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Brandon Combs stated the Logan County Fiscal Court requested the use of \$2,000,000 in KPDI-EDF program funds for the benefit of the Logan Industrial Development Authority, Inc. The project investment is \$7,744,620 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Brandon Combs stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**LaRue County Fiscal Court
LaRue County**

**Cate Prather
Brandon Combs**

Cate Prather stated the City of Hodgenville on behalf of the LaRue County Fiscal Court is seeking to install sanitary sewer forced main to land set aside for industrial development in Upton. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Brandon Combs stated the LaRue County Fiscal Court requested the use of \$600,000 in KPDI-EDF program funds for the benefit of the LaRue County Fiscal Court. The project investment is \$1,200,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Brandon Combs stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**London-Laurel County Economic Development Authority
Laurel County**

**Ashlee Chilton
Matt Jordan**

Ashlee Chilton stated the Laurel County Fiscal Court on behalf of the London-Laurel County Economic Development Authority (LLCEDA) is seeking to acquire a 170-acre property and complete infrastructure extensions. LLCEDA has already performed due diligence studies to ensure the property is a viable investment and will be providing the match to the KPDI funds. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Matt Jordan stated the Laurel County Fiscal Court requested the use of \$1,978,262 in KPDI-EDF program funds for the benefit of the London-Laurel County Economic Development Authority. The project investment is \$3,956,523 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Matt Jordan stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Somerset Pulaski Economic Development Authority, Inc.
Pulaski County**

**Cate Prather
Matt Jordan**

Cate Prather stated the City of Somerset on behalf of the Somerset Pulaski Economic Development Authority, Inc. (SPEDA) is seeking to complete phased work at an intersection into a 142-acre site, known as the SPEDA Commerce Park. The park has been annexed into the City of Somerset, and as part of the annexation the city will assist in installing city-owned water, sewer, and natural gas. The project was identified by an independent site selection consultant as having

the potential for future investment/location of an economic development project.

Matt Jordan stated the City of Somerset requested the use of \$500,000 in KPDI-EDF program funds for the benefit of the Somerset Pulaski Economic Development Authority, Inc. The project investment is \$1,052,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Matt Jordan stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Green Economic Team, Inc.
Green County**

**Cate Prather
Matt Jordan**

Cate Prather stated the Green County Fiscal Court on behalf of the Green Economic Team, Inc. is seeking to complete site preparation and construct a 20,000 square foot building at the Greensburg Industrial Park. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Matt Jordan stated the Green County Fiscal Court requested the use of \$1,000,000 in KPDI-EDF program funds for the benefit of the Green Economic Team, Inc. The project investment is \$2,000,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Matt Jordan stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Mt. Sterling - Montgomery County Industrial Authority
Montgomery County**

**Malcolm Jollie
Joseph Gearon**

Malcolm Jollie stated the Montgomery County Fiscal Court on behalf of the Mt. Sterling - Montgomery County Industrial Authority is purchasing property on Owingsville Road and conducting related site engineering and development. The match funds are being met by the discounted sales price on land to be acquired and are based on the appraised value of the land as verified by an independent appraisal. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Joseph Gearon stated the Montgomery County Fiscal Court requested the use of \$2,000,000 in KPDI-EDF program funds for the benefit of the Mt. Sterling-Montgomery County Industrial Authority. The project investment is \$4,350,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of

the funds for this project. Joseph Gearon stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

**Clinton County Industrial Development Authority
Clinton County**

**Ashlee Chilton
Joseph Gearon**

Ashlee Chilton stated the Clinton County Fiscal Court on behalf of the Clinton County Industrial Development Authority is extending water and sewer lines to the Clinton County Industrial Park. The Clinton County Fiscal Court and the Clinton County Industrial Development Authority will provide the match funds. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Joseph Gearon stated the Clinton County Fiscal Court requested the use of \$164,613 in KPDI-EDF program funds for the benefit of the Clinton County Industrial Development Authority. The project investment is \$329,226 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

In accordance with KRS 154.12-100, KEDFA's approval of this grant is subject to CED's receipt of the Secretary of the Kentucky Finance and Administration Cabinet's concurrence to CED's use of the funds for this project. Joseph Gearon stated the Secretary's concurrence had been received.

Staff recommended approval of the KPDI-EDF request.

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

KEDFA Grants

Chairman Hale called on staff to present the KEDFA Grants request to the Authority.

**RGL Regional Industrial Development Authority, Inc.
Rockcastle County**

Brandon Combs

Joseph Gearon stated RGL Regional Industrial Development Authority, comprised of Rockcastle, Garrard, and Lincoln Counties, currently has 1,491 acres under assignable option. Prior to property acquisition, due diligence studies are being requested for funding assistance.

Disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, etc. and a progress report will be required to be submitted with each request. Funds will be disbursed upon staff review and approval of all documentation. All due diligence results are required to be provided to the Cabinet.

Staff recommended approval of the \$250,000 KEDFA grant subject to the terms set forth in the board report.

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

**City of Richmond
Madison County**

Raven Aiken

Raven Aiken stated the City of Richmond has entered into a letter of intent for the purchase of

approximately 1,000 acres in Madison County. With the demand for large mega-sites ready for industrial development, it is important for the community to have a new park for recruiting business and industry to the region. Prior to property acquisition, due diligence studies are being requested for funding assistance.

Disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, etc. and a progress report will be required to be submitted with each request. Funds will be disbursed upon staff review and approval of all documentation. All due diligence results are required to be provided to the Cabinet.

Staff recommend approval of the \$200,000 KEDFA grant subject to the terms set forth in the board report.

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

Local Industrial Revenue Bond (IRB) Project

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

Washington Penn Plastic Co., Inc. Clark County

Brandon Combs

Brandon Combs stated in accordance with KRS 103.210, the City of Winchester requested KEDFA review to approve a one hundred percent (100%) reduction in the state ad valorem tax rate. The principal amount of the IRB authorization is up to \$115,000,000 for a term of 20 years. A 100% Payment in Lieu of Tax Agreement will be required with Clark County School District.

The KEDFA board did not make any type of determination as to the legality of the bonds to be issued by the city of Winchester, 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; Chad Miller seconded the motion. Motion passed; unanimous.

Kentucky Business Investment (KBI) Project (Amendment)

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

Welch Packaging Group, Inc. Barren County

Craig Kelly stated On May 27, 2021, AtCorr Packaging Products, LLC received Final approval under the Kentucky Business Investment (KBI) program. Subsequent to their Activation of January 31, 2022, AtCorr Packaging Products, LLC sold to Welch Packaging Group, Inc. its Acquired Assets pursuant to the Asset Purchase Agreement effective as of September 5, 2023. As a result of the Amendment the Name of the Company has changed to Welch Packaging Group, Inc. and the Federal Identification Number has changed to reflect the change in ownership. All other aspects of the project will remain the same.

Staff recommended approval of the KBI amendment request.

Mike Cowles moved to approve the staff recommendation, as presented; Chad Miller 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>
Distilled Spirits Epicenter, LLC	Jefferson	4 months
Buffalo Trace Distillery	Franklin	6 months
Universal Piping Industries, Inc.	Scott	6 months
Kentucky Cooperage LP, Ltd	Marion	12 months
Meggitt Aircraft Braking Systems Kentucky Corporation	Boyle	12 months

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

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

Blue Moon Energy LLC Harrison County

**Colin Dodd
Raven Aiken**

Colin Dodd stated Blue Moon Energy LLC is a wholly owned, indirect subsidiary of Recurrent Energy, LLC, which is one of the world's largest and most geographically diversified utility-scale solar and energy storage project development, ownership, and operations platforms. The company is considering creating an electric generation facility in Harrison County.

Raven Aiken stated the project investment is \$128,751,711 of which \$75,283,502 qualifies as KEIA eligible costs. The approved recovery amount is \$300,000 for R&D and/or electronic processing equipment.

Staff recommended the KEIA approved recovery amount of \$300,000.

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

Tru-Tone Finishing Inc. Fayette County

**Colin Dodd
Raven Aiken**

Colin Dodd stated Tru-Tone Finishing Inc. is a full-service e-coat powder coating company that has provided services since 1974. The company opened its latest facility to accommodate multiple E-Coat lines and to allow for further ability to service high volume customers while retaining the highest standards of quality.

Raven Aiken stated the project investment is \$13,636,828 of which \$3,356,300 qualifies as KEIA eligible costs. The approved recovery amount is \$100,000 for R&D and/or electronic processing equipment.

Staff recommended the KEIA approved recovery amount of \$100,000.

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 the Authority.

Niagara Bottling, LLC Boone County

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated Niagara Bottling, LLC is a family-owned business, established in 1963, with headquarters in California. Niagara produces a large variety of beverages and is considering opening a manufacturing operation in Boone County.

Brandon Combs stated the project investment is \$114,319,862 of which \$52,210,147 qualifies as KBI eligible costs and \$46,610,147 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 60 with an average hourly wage of \$45.17 including benefits. The state wage assessment participation is 1.2% and Boone County will participate at 0.4%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,100,000 and the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

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

KBI Project (Preliminary)

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

Franklin Precision Industry Incorporated Simpson County

**Corky Peek
Michelle Elder**

Corky Peek stated Franklin Precision Industry Incorporated is in the consideration stage for a new product that would supply an electric vehicle battery production company with components to complete the assembly of an electric vehicle battery. The new product will bring the need for capital investment in equipment, and a need for higher skilled labor.

Michelle Elder stated the project investment is \$1,656,733 of which \$326,733 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 13 with an average hourly wage of \$35.00 including benefits. The state wage assessment participation is 2.4% and Simpson County Fiscal Court 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 \$150,000.

Don Goodin moved to approve the staff recommendation, as presented; Naashom Marx 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 8 companies requested additional time to complete the projects and asked

\$1,644,000 in qualifying payroll expenditures and \$876,000 in qualifying non-payroll expenditures for a total of \$2,520,000. The company also anticipates employing 105 Kentucky resident crew members and 2 Non-Kentucky resident crew members for a total production crew of 107.

Staff recommended a total negotiated tax incentive amount of \$837,200.

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

Him & Her Productions LLC
Dead Man's Wire

Tim Bates

Tim Bates stated that Him & Her Productions LLC plans to produce a Feature-Length Film, Dead Man's Wire, in Jefferson County. Production is set to begin as early as February 29, 2024 and is anticipated to end by April 26, 2024. The Company anticipates \$10,295,598 in qualifying payroll expenditures and \$2,744,000 in qualifying non-payroll expenditures for a total of \$13,039,598. The company also anticipates employing 420 Kentucky resident crew members and 55 Non-Kentucky resident crew members for a total production crew of 475.

Staff recommended a total negotiated tax incentive amount of \$3,984,214.

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

The Spotter LLC
The Spotter

Raven Aiken

Raven Aiken stated that The Spotter LLC plans to produce a Feature-length Film, The Spotter, in Jefferson County. Production is set to begin as early as March 4, 2024 and is anticipated to end by April 9, 2024. The Company anticipates \$241,747 in qualifying payroll expenditures and \$104,890 in qualifying non-payroll expenditures for a total of \$346,637. The company also anticipates employing 30 Kentucky resident crew members and 14 Non-Kentucky resident crew members for a total production crew of 44.

Staff recommended a total negotiated tax incentive amount of \$109,842.

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

Invasion Movie LLC
Venus Invasion

Raven Aiken

Raven Aiken stated that Invasion Movie LLC plans to produce a Feature-length Film, Venus Invasion, in Powell and Shelby County. Production is set to begin as early as April 1, 2024 and is anticipated to end by April 20, 2024. The Company anticipates \$1,014,072 in qualifying payroll expenditures and \$960,070 in qualifying non-payroll expenditures for a total of \$1,974,142. The company also anticipates employing 14 Kentucky resident crew members and 11 Non-Kentucky resident crew members for a total production crew of 25.

Staff recommended a total negotiated tax incentive amount of \$690,950.

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

**Flesh and Bone Production LLC
Flesh & Bone**

Matt Jordan

Matt Jordan stated that Flesh and Bone Production LLC plans to produce a Feature-length Film, Flesh & Bone, in Jefferson County. Production is set to begin as early as March 25, 2024 and is anticipated to end by April 26, 2024. The Company anticipates \$1,574,438 in qualifying payroll expenditures and \$1,410,602 in qualifying non-payroll expenditures for a total of \$2,985,040. The company also anticipates employing 66 Kentucky resident crew members and 31 Non-Kentucky resident crew members for a total production crew of 97.

Staff recommended a total negotiated tax incentive amount of \$933,909.

Mike Cowles moved to approve the staff recommendation, as presented. Don Goodin 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 13 Kentucky small businesses, from 9 counties with qualifying tax credits of \$136,500. The 13 businesses created 39 jobs and invested \$280,480 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 Amount
Complete Automotive Repair, Inc.	Fayette	2	2	\$25.00	\$11,500	\$7,000
Cornbread CBD, PBC	Jefferson	5	5	\$30.64	\$43,667	\$17,500
Hensley & Throneberry, PLLC	Warren	14	2	\$17.29	\$8,082	\$7,000
Hometown Pharmacy of Campbellsville, PLLC	Taylor	4	3	\$15.83	\$24,300	\$10,500
IMPCO, Inc.	Hopkins	11	3	\$17.17	\$11,776	\$10,500
Jeffrey L. Ashley & Associates, LLC	Jefferson	4	1	\$88.54	\$5,935	\$3,500
Kentucky Veterinary Surgery PLLC	Oldham	0	1	\$84.13	\$10,586	\$3,500
On Target Cleaning and Restoration LLC	Warren	3	7	\$20.99	\$54,975	\$24,500
Owensboro Industrial Company LLC	Daviess	0	1	\$28.84	\$5,338	\$3,500
Penn and Son Sheet Metal, Inc.	Marshall	6	2	\$18.00	\$48,275	\$7,000

Prather Landscaping and Tree Service Inc	Garrard	2	3	\$13.33	\$24,000	\$10,500
Western Kentucky Industrial Contracting, LLC	Marshall	6	6	\$28.61	\$21,500	\$21,000
Young & Wadlington PLLC	Fayette	2	3	\$30.20	\$10,546	\$10,500

Staff recommended approval of the tax credits.

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

Kentucky Small Business Credit Initiative

Chairman Hale called on Matt Jordan to present the Kentucky Small Business Credit Initiative Proposed Guideline Changes to the Authority.

The Kentucky Small Business Credit Initiative (KSBCI) continues to be a successful program for the Cabinet, being used as a tool to help induce lenders to make loans to Kentucky small businesses that may otherwise not have been made without the program. The Cabinet entered into an allocation agreement with Treasury in February 2023 to deploy the KSBCI 2.0 program. To date, the KEDFA Board and staff have approved over \$2.4 million in credit support to help leverage over \$11.8 million in small business loans in Kentucky. All funds have been in the Kentucky Collateral Support Program (KYCSP).

Staff has been marketing both the KYCSP and the Kentucky Loan Participation Program (KYLPP) across the state to eligible lenders, which includes federally insured financial institution, minority-serving institutions, as well as federally insured credit unions and Community Development Financial Institutions (CDFIs). We currently have 54 participating lenders enrolled in the KSBCI program.

To assist in the continued efforts of implementing the KSBCI 2.0, staff requests approval to waive the closing fees associated with the KYCSP and KYLPP programs through December 31, 2024. This would assist in the promotion of the program by getting new banks enrolled in the program, as well as the positive support from banks already enrolled in the program.

The structure of the closing fees for the KYCSP and KYLPP programs are tied to the amount of the support and the term in which the support is provided:

- 1 % of the initial deposit into the cash collateral account for a support of less than 3 years;
- 2% for a support from 3 years to less than 5 years;
- 3% for a support of 5 years or greater, with maximum support of 10 years.

Staff recommended approval of the fee waiver through December 31, 2024.

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

Other Business

IRB Operating Procedures

Chairman Hale called on Katie Smith to present the IRB Operating Procedures to the Authority.

Kentucky Revised Statute (KRS) 103.210 requires the Kentucky Economic Development Finance Authority (KEDFA) to evaluate and give its prior approval of the reduction of the state ad valorem tax rate on property being financed through the issuance of industrial revenue bonds by a local tax-exempt governmental unit or statutory authority. KEDFA has adopted and periodically updates the Operating Procedures for the evaluation and approval of the reduced ad-valorem taxes.

The attached red line version of the Operating Procedures includes minor edits and incorporates language clarifying the state participation match to the local participation.

Staff recommended approval of the revised Operating Procedures.

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

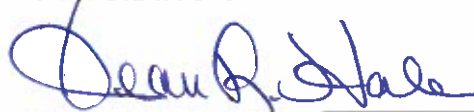
Adjournment

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

Naashom Marx moved to adjourn the February KEDFA board meeting; Don Goodin seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:13 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman