

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

March 30, 2023

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. EDT on March 30, 2023 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, Tucker Ballinger, Mike Cowles and Naashom Marx

Staff Present: Raven Aiken, Tim Back, Tim Bates, David Brock, Phyllis Bruning, Sarah Butler, Ashlee Chilton, Michael Crabtree, Brandon Combs, Rachael Dever, Colin Dodd, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, Krista Harrod, Malcolm Jollie, Matthew Jordan, Craig Kelly, Jacob Leigh, Andy Luttner, Brandon Mattingly, Gabrielle McGee, Craig McKinney, Camryn McManis, Jerod Metz, Danielle Milbern, Amy Mills, Nasim Moula, Jeff Noel, Kylee Palmer, Corky Peek, Cate Prather, Katie Smith, Beth Sturm, Connor Wall, Matthew Wingate, Dan Wood, and Ashiq Zaman

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Jay Hall, Wrigley Media Group; Bryan Yonemoto, Shane Smith and Lang Wiseman, Microvast Advanced Membrane, Inc.; Charlie Rowland, Regard Law Group; Jeff Sloan and Bart Kempers, Wila USA LLC; Tammy Costellow, Logan Economic Alliance for Development, Inc.; Ron Burse, Louisville Forward; Janet Patton, Lexington Herald Leader; Carter Hendricks and Tony Prim, South Western Kentucky Economic Development Council; Katie Vandergrift and Cheryl Klever, Commerce Lexington; Brian Corde, Atlas Insight Consulting; Melissa Perry, Office of Financial Management; Dan Kanabroski, Warren Technology; Tim Gibbs Ashland Alliance; Amanda Clark, KY Power; Mark Sommer and Jennifer Barber, Frost Brown Todd; Matt Zoellner, Scott, Murphy & Daniel; Jeff Hodges, Gray Construction; Tom Schmiedeler, Chris Otts, and Susan Emry

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the February 23, 2023 regular KEDFA board meeting and executive session.

Mike Cowles moved to approve the minutes, as presented; Naashom Marx 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.

Kentucky Product Development Initiative (KPDI-EDF)

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

London-Laurel County Economic Development Authority Laurel County

**Andy Luttner
Joseph Gearon**

Andy Luttner stated the Laurel County Fiscal Court in partnership with the London-Laurel County Economic Development Authority (LLCEDA) is building a 105,000 square foot spec building to attract new business to its community. Laurel County Fiscal Court and LLCEDA will provide 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.

Joseph Gearon stated Laurel County Fiscal Court requested the use of \$1,521,819 in KPDI-EDF program funds for the benefit of London-Laurel County Economic Development Authority. The project investment is \$3,839,000, and the proposed KPDI-EDF funds will be used to offset the cost 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; Tucker Ballinger seconded the motion. Motion passed; unanimous.

Northeast Kentucky Regional Industrial Authority, Inc. Boyd/Greenup County

**Andy Luttner
Joseph Gearon**

Andy Luttner stated the Greenup County Fiscal Court in partnership with Boyd, Carter, Elliott and Lawrence Counties, have submitted a regional project for the site acquisition of over 240 acres in the EastPark 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.

Joseph Gearon stated Greenup County Fiscal Court requested the use of \$750,000 in KPDI-EDF program funds for the benefit of Northeast Kentucky Regional Industrial Authority, Inc. The project investment is \$1,500,000, and the proposed KPDI-EDF funds will be used to offset the cost 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.

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

**Richmond Industrial Development Corporation (RIDC)
Madison County**

**Andy Luttner
Joseph Gearon**

Andy Luttner stated the KPDI project area consists of 46.74 acres on land owned by the RIDC and located in the Richmond Industrial Park South III of Bill Robertson Way, Richmond, KY 40475. This Industrial Park property was purchased in 2006 and 2008 for Industrial Development purposes by the RIDC. The intended scope of the project is to develop and implement a land grading plan to better prepare the topography for Industrial Site Development. 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 City of Richmond, Kentucky requested the use of \$500,000 in KPDI-EDF program funds for the benefit of Richmond Industrial Development Corporation (RIDC). The project investment is \$1,000,000, and the proposed KPDI-EDF funds will be used to offset the cost 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; Tucker Ballinger seconded the motion. Motion passed; unanimous.

Kentucky Investment Fund Act (KIFA) Project Amendment

Chairman Hale called on Danielle Dunmire to present a KIFA project to the Authority.

**NKY Growth Fund I, LLC
Kenton County**

Danielle Dunmire

Danielle Dunmire stated NKY Growth Fund I, LLC was formed to provide Kentucky individual investors with an opportunity to invest in Kentucky small businesses as well as generating attractive returns on their capital. The investment fund was approved for a Kentucky Investment Fund Act (KIFA) project on March 26, 2011 providing \$612,000 in allocable tax credits to individual investors based on evidence that the Fund has made eligible investments as defined by statute.

Danielle Dunmire stated due to the high cost of a financial statement audit, a request was made to amend the Investment Fund Agreement that adopts the statutory changes allowing for Annual Financial Statements in lieu of a Financial Audit as referenced in KRS 154.20-277. In addition to the above-mentioned statutory change, revised language describing when an investor may claim the credit granted has been incorporated into the Amended and Restated Investment Fund Agreement in accordance with the statutory revisions made to KRS 154.20-258, along with alignment of miscellaneous provisions to conform with the current template used for such agreements. All other aspects of the program remain the same.

Staff recommended approval of KIFA amendment request.

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

Kentucky Business Investment (KBI) Projects (Amendment)

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

**Whitehorse Freight, LLC
Kenton County**

Michelle Elder

Michelle Elder stated on December 8, 2022, Whitehorse Freight, LLC received final approval for a service and technology project in Crestview Hills, Kenton County under the Kentucky Business Investment (KBI) program. The proposed project included the purchase of a 51,353 square foot building to increase company's office space due to the company growth. Subsequent to final approval the local support offered from Kenton County changed from 50% of 0.7097% to 50% of 0.9097%. Crestview Hills local support remains unchanged at 50% of 1.15%. The support from the state changed from 2.7% to 3%. All other aspects of the project will remain the same.

Staff recommended approval of the KBI amendment request.

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

**Quantix SCS, LLC
Jefferson County**

Beth Sturm

Beth Sturm stated A & R Logistics, Inc. received final approval on March 26, 2015 for a KBI project to relocate its national headquarters for transportation and logistics operations to Louisville. The project was approved as a campus, consisting of two leased sites in Jefferson County. In October 2021, the company signed a lease for new project space at 9900 Corporate Campus Drive, subsequently terminating the two existing leases and consolidating its operations into the new Corporate Campus facility. Effective January 1, 2022, A&R Logistics, Inc. converted to an LLC and changed its name to Quantix SCS, LLC. Also as of this effective date, the company wishes to adopt the revised definition of "Full-time job" as approved by KEDFA Resolution 2021-0624. These changes have been incorporated into the Amended and Restated Tax Incentive Agreement. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Kentucky Business Investment (KBI) Projects (Modification)

Chairman Hale called on Michelle Elder to present the KBI project modification to the Authority.

**LioChem e-Materials
Simpson County**

Michelle Elder

Michelle Elder stated LioChem e-Materials LLC received preliminary approval on January 26, 2023 for a project consisting of an approximate 210,000 square foot manufacturing facility in Franklin, Simpson County to produce and distribute a liquid dispersion of carbon nanotubes that contributes to the production of EV batteries. The project was approved for up to \$4,000,000 in KBI incentives. Due to incorrect information provided on the application, the wage target requirements have been updated to \$25.07. All other aspects of the project remain the same.

Staff recommended approval of the KBI modification request.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

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

Company	County	Extension
Perfetti Van Melle USA, Inc.	Boone	6 months
Bitiki Blockchain, LLC	Union	12 months
Diageo Americas Supply, Inc.	Marion	12 months
Ethos Holding Corporation	Campbell	12 months
Eurofins Genomics LLC	Jefferson	12 months
G.J. Burkhart, Inc. dba Fry Fastening Systems	Boone	12 months
Kloeckner Metals Corporation	Meade	12 months
Lexmark International, Inc.	Fayette	12 months
Neogen Corporation	Montgomery	12 months
Worldwide Technologies, LLC	Green	12 months

Staff recommended approval of the KEIA extension requests.

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

KBI (Preliminary) and KEIA Projects

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

Microvast Advanced Membrane, Inc. Christian County

**Corky Peek
Michelle Elder**

Corky Peek stated Microvast Advanced Membrane, Inc. is a US majority owned battery solutions provider, headquartered in Stafford, Texas, producing materials, individual battery cells and vehicle systems. The company has built its reputation on the development and sale of safe, long life, fast charging batteries to commercial vehicle markets like buses, port vehicles, or construction trucks. Microvast is considering building the world's first mass production facility of its cutting edge polyaramid separator technology.

Michelle Elder stated the project investment is \$504,540,145, all of which qualifies as KBI eligible costs and \$238,820,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 562 with an average hourly wage of \$25.00 including benefits. The state wage assessment participation is 4.5%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$18,000,000 and the KEIA approved recovery amount of \$3,000,000 for construction materials and building fixtures.

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

UniFirst Corporation Jefferson County

**Colin Dodd
Michelle Elder**

Colin Dodd stated UniFirst Corporation, one of North America's largest uniform and textile service companies, has locations across the continent. The company provides uniforms for over two million workers everyday while also playing a role in keeping businesses clean and

safe through its Facility Service programs. UniFirst is considering relocating and expanding its Louisville location to help meet the rapid growth of the company.

Michelle Elder stated the project investment is \$21,250,000 of which \$17,110,000 qualifies as KBI eligible costs and \$11,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 43 with an average hourly wage of \$27.38 including benefits. The state wage assessment participation is 3.0% and Louisville Metro will participate at 1.0%.

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 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. The project will include multiple locations within Jefferson County/Louisville. Only investment costs incurred at 12400 Schutte Station Place 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 \$550,000 and the KEIA approved recovery amount of \$50,000 for research and development and/or electronic processing equipment.

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

**Sharp Carts, LLC
Barren County**

**Colin Dodd
Michelle Elder**

Colin Dodd stated Sharp Carts, LLC specializes in providing shopping cart and related products to retailers across the United States, including an array of product lines such as new carts, EcoGreen, and previous-owned carts. The company has experienced growth and is considering a new location to meet the needs of its clients.

Michelle Elder stated the project investment is \$13,180,000 of which \$8,200,000 qualifies as KBI eligible costs and \$5,180,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 97 with an average hourly wage of \$17.87 including benefits. The state wage assessment participation is 3.0% and The City of Glasgow will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$900,000 and the KEIA approved recovery amount of \$100,000 for research and development and/or electronic processing equipment.

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

**Campari America LLC
Anderson County**

**Jerod Metz
Michelle Elder**

Jerod Metz stated Campari America LLC is a distilled spirits company that is a major player in the global spirits industry whose leading brands include Wild Turkey, Russell's Reserve, American Honey, SKYY Vodka, Aperol and Grand Marnier, among many others. The company has been operating in Lawrenceburg since 2009 and is currently considering an expansion due to the need for the demand to expand its products.

Michelle Elder stated the project investment is \$161,000,000 of which \$68,220,000 qualifies as KBI eligible costs and \$37,600,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 31 with an average hourly wage of \$44.90 including benefits. The state wage assessment participation is 3.0% and Anderson County will participate by upgrading the necessary wastewater treatment facility estimated to cost \$15 million in lieu of the local occupational support.

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 \$950,000 and the KEIA approved recovery amount of \$250,000 for research and development and/or electronic processing equipment.

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

**Hitachi Astemo Americas, Inc.
Madison County**

**Jerod Metz
Michelle Elder**

Jerod Metz stated Hitachi Astemo Americas, Inc. is considering expanding its manufacturing lines at its Berea facility to meet market demand and growth of the Electric Vehicle Industry. The company hopes to renovate its existing building and add new manufacturing equipment for an EV line.

Michelle Elder stated the project investment is \$153,053,000 of which \$22,890,000 qualifies as KBI eligible costs and \$15,973,300 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 167 with an average hourly wage of \$25.71 including benefits. The state wage assessment participation is 3.0% and The City of Berea will participate at 1.0%.

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 company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax 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 \$2,400,000 and the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

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

**Toyota Boshoku America, Inc.
Christian County**

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated Toyota Boshoku America, Inc. is considering opening a new automotive parts stamping plant in Christian County. The facility being considered will be the company's first ever "Smart Plant" that will employ innovative technology to enhance and maximize efficiency and operations.

Brandon Combs stated the project investment is \$225,991,240, all of which qualifies as KBI eligible costs and \$26,064,000 qualifies as KEIA eligible costs. The highest job target over

the term of the agreement is 157 with an average hourly wage of \$40.00 including benefits. The state wage assessment participation is 4.5%.

The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax 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 \$6,000,000 and the KEIA approved recovery amount of \$500,000 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 Projects (Preliminary)

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

ViWinTech Window & Door, Inc. McCracken County

**Corky Peek
Michelle Elder**

Corky Peek stated ViWinTech Window & Door, Inc. is a manufacturer specializing in the production of high quality, energy efficient vinyl windows and doors. The company is considering constructing an additional building to accommodate its increased output as the company continues to grow and gain additional customers.

Michelle Elder stated the project investment is \$11,654,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of \$20.00 including benefits. The state wage assessment participation is 4.5%.

The Company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 286 full-time employees subject to Kentucky income tax, which number is based on the job requirement for the Company's previous KBI project #22916.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,250,000.

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

LandCal LLC Scott County

**Ashlee Chilton
Brandon Combs**

Ashlee Chilton stated LandCal LLC is a third-party logistics company that provides end-to-end supply chain logistical solutions working with shippers of all sizes. In 2023, the company placed #124 in Inc 5000's fastest growing companies in the southeast region ranking. LandCal, LLC is considering a headquarters expansion in Scott County.

Brandon Combs stated the project investment is \$600,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$30.16 including benefits. The state wage assessment participation is 3.0% and The City of Georgetown and Scott County will both participate at 0.5% for a combined 1.0%.

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 \$175,000.

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

**Wila USA LLC
Jefferson County**

**Ashlee Chilton
Brandon Combs**

Ashlee Chilton stated Wila USA LLC specializes in clamping, crowning and tooling solutions for press brakes. The company develops, manufactures, and sells to end users and OEMs worldwide. Wila USA LLC is considering expanding its North American operations in Jefferson County.

Brandon Combs stated the project investment is \$11,548,736 of which \$4,933,883 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 24 with an average hourly wage of \$42.77 including benefits. The state wage assessment participation is 3.0% and The City of Louisville will participate at 1.0%.

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 \$675,000.

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

KBI Projects (Extension)

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

Michelle Elder stated 7 companies requested additional time to complete the projects and asked that they all be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Kentucky Fresh Harvest, LLC	Lincoln	3 Month
PACCAR Inc.	Jefferson	3 Month
Armor USA Inc.	Boone	12 Month
Best Sanitizers, Inc.	Boone	12 Month
Eberspaecher North America, Inc.	Jefferson	12 Month
Hydroponic Farms USA LLC	Breathitt	12 Month
Truck Equipment & Body Company of Kentucky, Inc. dba TEBCO of Kentucky, Inc.	Powell	12 Month

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

Chairman Hale called on Brandon Combs to present the KBI final projects to the Authority.

Brandon Combs stated 2 companies requested KBI final approval, both of which have modifications since preliminary approval. Mr. Combs asked that both be presented as one motion.

Modifications:

LDG Multifamily, LLC

Jefferson

Headquarters

Total investment and eligible costs have been updated based on the current projections. All other aspects of the project remain the same.

Quality Logistics LLC dba

Fayette

Service or Technology

Longship Logistics

Total investment and eligible costs have been updated based on the current projections. 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.

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

Kentucky Entertainment Incentive (KEI) Projects (Final)

Chairman Hale called on Staff to present KEI projects to the Authority.

Blackwood Productions LLC

Tim Bates

Blackwood

Tim Bates stated that Blackwood Productions LLC plans to produce a Feature-Length Film, Blackwood, in Barren, Edmonson and Jefferson Counties. Production is set to begin as early as April 1, 2023 and is anticipated to end by March 15, 2024. The Company anticipates \$3,789,403 in qualifying payroll expenditures and \$663,600 in qualifying non-payroll expenditures for a total of \$4,453,003. The company also anticipates employing 246 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 261.

Staff recommended a total negotiated tax incentive amount of \$1,403,901.

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

Chopin Productions LLC

Tim Bates

Chopin

Tim Bates stated that Chopin Productions LLC plans to produce a Feature-Length Film, Chopin, in Bullitt, Jefferson and Oldham Counties. Production is set to begin as early as April 1, 2023 and is anticipated to end by June 15, 2023. The Company anticipates \$1,000,000 in qualifying payroll expenditures and \$800,000 in qualifying non-payroll expenditures for a total of \$1,800,000. The company also anticipates employing 35 Kentucky resident crew members and 20 Non-Kentucky resident crew members for a total production crew of 55.

Staff recommended a total negotiated tax incentive amount of \$575,000.

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

Good Friends LLC
Good Friends

Tim Bates

Tim Bates stated that Good Friends LLC plans to produce a Television Program, Good Friends, in Jefferson, Oldham and Trimble Counties. Production is set to begin as early as April 15, 2023 and is anticipated to end by October 30, 2023. The Company anticipates \$3,059,473 in qualifying payroll expenditures and \$4,216,650 in qualifying non-payroll expenditures for a total of \$7,276,123. The company also anticipates employing 38 Kentucky resident crew members and 48 Non-Kentucky resident crew members for a total production crew of 86.

Staff recommended a total negotiated tax incentive amount of \$2,528,578.

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

Rockwood Champ LLC
Just Breathe

Joseph Gearon

Joseph Gearon stated that Rockwood Champ LLC plans to produce a Feature-Length Film, Just Breathe, in Jefferson County. Production is set to begin as early as April 3, 2023 and is anticipated to end by March 31, 2024. The Company anticipates \$2,750,529 in qualifying payroll expenditures and \$550,000 in qualifying non-payroll expenditures for a total of \$3,300,529. The company also anticipates employing 246 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 261.

Staff recommended a total negotiated tax incentive amount of \$1,009,541.

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

Marsupial Kids LLC
Kangaroo Kids

Joseph Gearon

Joseph Gearon stated that Marsupial Kids LLC plans to produce a Feature-Length Film, Kangaroo Kids, in Barren, Hart and Warren Counties. Production is set to begin as early as April 6, 2023 and is anticipated to end by April 5, 2025. The Company anticipates \$272,767 in qualifying payroll expenditures and \$127,106 in qualifying non-payroll expenditures for a total of \$399,873. The company also anticipates employing 60 Kentucky resident crew members and 60 Non-Kentucky resident crew members for a total production crew of 120.

Staff recommended a total negotiated tax incentive amount of \$128,834.

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

**Ring Productions LLC
Queen of the Ring**

Joseph Gearon

Joseph Gearon stated that Ring Productions LLC plans to produce a Feature-Length Film, Queen of the Ring, in Jefferson County. Production is set to begin as early as March 30, 2023 and is anticipated to end by October 31, 2023. The Company anticipates \$5,157,333 in qualifying payroll expenditures and \$1,599,583 in qualifying non-payroll expenditures for a total of \$6,756,916. The company also anticipates employing 142 Kentucky resident crew members and 28 Non-Kentucky resident crew members for a total production crew of 170.

Staff recommended a total negotiated tax incentive amount of \$2,176,614.

Don Goodin 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 Tim Back to present the KSBTC projects to the Authority.

Tim Back stated there are 10 Kentucky small businesses, from 8 counties with qualifying tax credits of \$100,600. The 10 businesses created 33 jobs and invested \$297,063 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
Annie's Frugal Finery LLC	Letcher	1	3	\$13.00	\$5,020	\$5,000
Arthritis Center of Lexington, P.S.C.	Fayette	43	6	\$22.28	\$31,201	\$21,000
Ayoroa Simmons, LLC	Fayette	7	4	\$27.85	\$76,900	\$14,000
Bethany Hicks Agency, LLC	Fayette	6	4	\$17.25	\$20,722	\$14,000
Compass Counseling LLC	McCracken	1	1	\$14.00	\$79,185	\$3,500
Dr. Kimberly A. Buckner, PLC	Elliott	2	1	\$11.00	\$6,140	\$3,500
ISET, LLC	Jefferson	2	3	\$18.33	\$16,000	\$10,500
Jobe Publishing, Inc.	Hart	34	8	\$12.41	\$18,675	\$18,600
Lancaster Eye Center, PLLC	Garrard	3	1	\$14.00	\$5,220	\$3,500
Stang Plumbing, Inc.	Clark	5	2	\$13.75	\$38,000	\$7,000

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

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

Tim Back stated there are 8 Kentucky Angel Investment Act projects representing 5 Kentucky businesses and 8 investors for a total projected investment of \$791,100 with eligible tax credits of \$197,774. 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.

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

Qualified Investor	Qualified Small Business	County	Projected Investment	Potential Tax Credit
Jonathan F. Chait	Gun Media Holdings, Inc.	Fayette	\$100,000	\$25,000
Roy T. Toutant	Liberate Medical (DE), Inc.	Oldham	\$25,000	\$6,250
John Bishop Flynn, II	RalphVR Inc.	Fayette	\$20,000	\$5,000
George E. Meng	Thynk Health, LLC	Fayette	\$25,000	\$6,250
Paul T. Verst	Wendal Inc	Kenton	\$250,028	\$62,507
Barry G. Kienzle	Wendal Inc	Kenton	\$100,031	\$25,007
John Philip Sousa, IV	Wendal Inc	Kenton	\$250,000	\$62,500
Matthew David Watkins	Wendal Inc	Kenton	\$21,041	\$5,260

Staff recommended approval of the proposed Angel Investment tax credits.

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

Closed Session

Pursuant to KRS Section 61.810 (1) (c), Vice-Chair Goodin entertained a motion to go into closed session to discuss proposed or pending litigation against or on behalf of the public agency.

Tucker Ballinger moved to enter into closed session; Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

The board entered into executive session at 11:04 a.m.

Regular Session

Chairman Hale entertained a motion to return to Regular Session.

Mike Cowles moved to return to regular session; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The board returned to regular session at 11:24 a.m.

KEDFA Loan

The Thompson Group

Henderson County

Chairman Hale entertained a motion to extend the Thompson Group loan from March 29, 2023 to April 30, 2023.

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

Other Business

Resolution of Recognition

Chairman Hale read the Resolution of Recognition for Angelica Sanchez-Vega.

Don Goodin moved to approve the resolution as presented. Tucker Ballinger 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 March KEDFA board meeting; Don Goodin seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:29 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman