

# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

## BOARD MEETING

April 27, 2023

### MINUTES

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#### **Call to Order**

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. EDT on April 27, 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, Joe McDaniel (proxy for Secretary Holly Johnson), Tucker Ballinger, Mike Cowles and Naashom Marx

**Staff Present:** Raven Aiken, Tim Back, Tim Bates, Amy Bowman, David Brock, Phyllis Bruning, Sarah Butler, Ashlee Chilton, Brandon Combs, Michael Crabtree, Stephanie Cullen, Rachael Dever, Colin Dodd, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, Krista Harrod, Kate Hill, Malcolm Jollie, Matthew Jordan, Craig Kelly, Marilyn LeBourveau, Jacob Leigh, Keaton Lowe, Brandon Mattingly, Gabrielle McGee, Conner McJunkin, Craig McKinney, Camryn McManis, Kristine McNeil, Jerod Metz, Danielle Milbern, Amy Mills, Nasim Moula, Kylee Palmer, Corky Peek, Cate Prather, Monique Quarterman, Jenny Schenkenfelder, Kristina Slattery, Katie Smith, Christopher Snyder, Beth Sturm, Maurice Walker, Connor Wall, Matthew Wingate, Dan Wood, Tori Wood, and Ashiq Zaman

**Others Present:** Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Jason Rainey, Mt. Sterling-Montgomery County Industrial Authority & Chamber of Commerce; Jenni Hampton, Office of Employer and Apprenticeship Services; Dan West, Chris Nevers and John Gerra, Rivian, LLC; Charlie Rowland, Regard Law Group PLLC; Sierra Enlow, Cornerstone Strategies; Casey Dunn, Denham-Blythe; Jason Slone, Morehead-Rowan County Chamber of Commerce and Economic Development; Ron Burse, Louisville Forward; Mike Grim, MCM CPAs & Advisors, LLP; Madison Johnson, Kinectrics AES; Joe Agostinelli, Josh Siple, Jared Lutz, Big Rapids Products, Inc.; Lisa Brin, VisitLEX; Melissa Perry, Office of Financial Management; Soozie Eastman, 502Film; Johnny Hobdy, Allen County; Casey Bolton, Commonwealth Economics; Jody Waford, Audrey Hacker, Jeremy Worley, and Hannah Saad

#### **Approval of Minutes**

Chairman Hale entertained a motion to approve the minutes from the March 30, 2023 regular KEDFA board meeting and executive session.

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

## **Approved/Undisbursed Report**

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

## **Financial Statements and Monitoring Reports**

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

## **Kentucky Product Development Initiative (KPDI-EDF)**

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

### **Allen County-Scottsville Industrial Development Authority, Inc. Allen County**

**Ashlee Chilton  
Brandon Combs**

Ashlee Chilton stated this project will construct a 100,000 square foot building pad in the Allen Springs Industrial Park, increasing the marketability of the park for future investments. Allen County-Scottsville Industrial Development Authority, Inc. will provide the matching funds. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Brandon Combs stated the Allen County Fiscal Court requested the use of \$250,000 in KPDI-EDF program funds for the benefit of Allen County-Scottsville Industrial Development Authority, Inc. The project investment is \$500,000, 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.

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

### **Franklin-Simpson Industrial Authority Simpson County**

**Ashlee Chilton  
Brandon Combs**

Ashlee Chilton stated the Simpson County Fiscal Court, in partnership with the Franklin-Simpson Industrial Authority, is building a 50,000 square foot build ready pad to attract new business to its community. The Franklin-Simpson Industrial Authority 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.

Brandon Combs stated the Simpson County Fiscal Court requested the use of \$252,500 in KPDI-EDF program funds for the benefit of the Franklin-Simpson Industrial Authority. The project investment is \$505,000 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.

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

**Breckinridge County United Incorporated  
Breckinridge County**

**Malcolm Jollie  
Brandon Combs**

Malcolm Jollie stated that this project will invest in the acquisition of land in order to create a new industrial site in Breckinridge County. Breckinridge County United Incorporated will secure a bank loan to fund the match. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Brandon Combs stated the Breckinridge County Fiscal Court requested the use of \$496,603 in KPDI-EDF program funds for the benefit of the Breckinridge County United Incorporated. The project investment is \$1,400,000 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; Naashom Marx seconded the motion. Motion passed; unanimous.

**Columbia-Adair County Economic Development Authority  
Adair County**

**Malcolm Jollie  
Brandon Combs**

Malcolm Jollie stated the Adair County Fiscal Court, in partnership with the Columbia-Adair County Economic Development Authority and the City of Columbia, is building a 150,000 square foot certified build ready pad to attract new business to its community. Adair County Fiscal Court, City of Columbia, and the Columbia-Adair County Economic Development Authority 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.

Brandon Combs stated the Adair County Fiscal Court requested the use of \$459,441 in KPDI-EDF program funds for the benefit of the Columbia-Adair County Economic Development Authority. The project investment is \$918,882 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.

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

**Johnson County Fiscal Court  
Johnson County**

**Malcolm Jollie  
Brandon Combs**

Malcolm Jollie stated One East Kentucky in partnership with the Johnson County Fiscal Court is seeking to expand their existing Kentucky Build-Ready Certified industrial park in Hager Hill. Johnson County Fiscal Court 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.

Brandon Combs stated the One East Kentucky requested the use of \$217,500 in KPDI-EDF program funds for the benefit of the Johnson County Fiscal Court. The project investment is \$435,000 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.

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

**Southeast Kentucky Industrial Development Authority, Inc.  
Knox County**

**Malcolm Jollie  
Michelle Elder**

Malcolm Jollie stated the City of Corbin in partnership with Bell, Knox and Whitley Counties have submitted a regional project to construct a 105,000 square foot speculative building on Lot #7 in the Southern Kentucky Business Park, which will be designated Speculative Building #5. Southeast Kentucky Industrial Development Authority, Inc. 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.

Michelle Elder stated the City of Corbin requested the use of \$1,892,000 in KPDI-EDF program funds for the benefit of the Southeast Kentucky Industrial Development Authority, Inc. The project investment is \$3,784,000 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. Michelle Elder 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.

**Russell County Industrial Development Authority  
Russell County**

**Malcolm Jollie  
Joseph Gearon**

Malcolm Jollie stated the Russell County Industrial Development Authority in partnership with the Russell County Fiscal Court is extending a road through the Lake Cumberland Regional Industrial Park. Russell County Industrial Development Authority 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 the Russell County Fiscal Court requested the use of \$437,274 in KPDI-EDF program funds for the benefit of the Russell County Industrial Development Authority. The project investment is \$974,500 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. 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.

**Morehead-Rowan County Economic Development Council  
Rowan County**

**Jerod Metz  
Joseph Gearon**

Jerod Metz stated the Rowan County Fiscal Court in partnership with the Morehead-Rowan County Economic Development Council is purchasing 238 acres located on Rodney Hitch Boulevard in Morehead, KY for future industrial use. Morehead-Rowan County Economic Development Council 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 the Rowan County Fiscal Court requested the use of \$599,414 in KPDI-EDF program funds for the benefit of the Morehead-Rowan County Economic Development Council. The project investment is \$2,300,000 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.

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

**KEDFA Industrial Revenue Bond (IRB) Project (Amendment)**

Chairman Hale called on Sarah Butler to present the KEDFA IRB project amendment to the Authority.

**Baptist Healthcare Systems, Inc.  
Hopkins County**

**Sarah Butler**

Sarah Butler stated during 2015, KEDFA approved and issued Hospital Revenue Refunding Bonds, Series 2015A on behalf of Baptist Healthcare System, Inc. in a principal amount not to exceed \$18,682,500. The interest rate currently applicable to the 2015A Bonds is based upon the one-month London Interbank Offered Rate ("LIBOR"), which will cease to be published after June 30, 2023. The purchaser of the 2015A Bonds has agreed to replace the LIBOR-based interest rate with an interest rate based on the Secured Overnight Funding

Rate ("SOFR"), which requires amendments to certain documents entered into in connection with the issuance of the 2015A Bonds.

The amended resolution authorizes (i) the replacement of the LIBOR-based interest rate for the 2015A Bonds with the SOFR-based interest rate, (ii) the execution and delivery of corresponding amendments to the 2015 LIBOR Documents to which KEDFA is a party; and (iii) the execution and delivery of such other documents, certificates, undertakings or instruments by KEDFA as shall be necessary or appropriate to effectuate the same.

KEDFA is a conduit issuer in the transaction and will not have a general obligation or be held liable for the bonds.

Staff recommended approval of the KEDFA amended bond resolution.

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

### **Kentucky Reinvestment Act (KRA) Project (Preliminary) and KEIA Project**

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

#### **Domtar Paper Company. LLC Hancock**

#### **Corky Peek Michelle Elder**

Corky Peek stated Domtar Paper Company, LLC's Hawesville mill is over 50 years old and is considering upgrading its current EPO pulper with a modern pulper in order to gain additional machine capabilities as well to maintain a high utilization rate of assets as the production output increases. The company hopes to have the project complete and fully operational by end of 2025.

The company states the proposed investment in the facility will enhance and expand the output and allow continued growth by increasing the capacity, efficiency and productivity and retain the existing full-time jobs. The company states the reinvestment would not be economically feasible, if not for the KRA incentives.

Michelle Elder stated the project investment is \$51,000,000 of which \$25,500,000 qualifies as KRA eligible costs and \$6,500,000 qualifies as KEIA eligible costs. The job retention requirement over the term of the agreement is 90% of the number of full-time jobs at the project location as of preliminary approval.

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

The company will be required to withdraw from its previously approved KRA project prior to final approval of this project.

Don Goodin moved to approve the staff recommendation, as presented; Naashom Marx 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 9 companies requested additional time to complete the projects and asked that all 9 be presented as one motion.

<b>Company</b>	<b>County</b>	<b>Extension</b>
Mountain & River City LLC	Jefferson	3 Month
Ale-8-One Bottling Company	Clark	12 Month
Flex Films USA Inc.	Hardin	12 Month
Hera Testing Laboratories, Inc.	Fayette	12 Month
Kinectrics AES	Jefferson	12 Month
Post Glover Resistors Inc.	Boone	12 Month
RB Seelbach, LLC	Jefferson	12 Month
Water Tower Place, LLC	Jefferson	12 Month
White Rock Pigments, Inc.	Hancock	12 Month

Staff recommended approval of the KEIA extension requests.

Naashom Marx moved to approve the staff recommendation, as presented; Don Goodin 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.

#### **Castellini Company LLC Campbell County**

**Colin Dodd  
Michelle Elder**

Colin Dodd stated Castellini Company LLC, founded in 1896, has a long tradition of innovation and excellence in the fresh produce and perishable distribution industries. The company has an opportunity to significantly increase its volume which requires Castellini to add additional square footage to its existing location to meet the needs of the increased workload.

Michelle Elder stated the project investment is \$16,596,043 of which \$16,223,062 qualifies as KBI eligible costs and \$1,779,508 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 128 with an average hourly wage of \$27.50 including benefits. The state wage assessment participation is 3.0% and the City of Wilder 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 \$2,050,000 and the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

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

#### **Rivian, LLC Bullitt County**

**Malcolm Jollie  
Michelle Elder**

Malcolm Jollie stated Rivian, LLC designs, develops, manufactures and supports electric trucks. As Rivian's customer base continues to grow, it is critical to establish a remanufacturing center to support its warranty, repair and service footprint. The company is considering Shepherdsville for this location.

Michelle Elder stated the project investment is \$10,000,000 of which \$4,500,000 qualifies as KBI eligible costs and \$2,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 218 with an average hourly wage of \$36.40 including benefits. The state wage assessment participation is 3.0% and the City of Shepherdsville 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 \$4,100,000 and the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

**Circusil LLC  
Bourbon County**

**Jerod Metz  
Michelle Elder**

Jerod Metz stated Circusil LLC is considering building its first integrated silicone re-processing facility in North America. The company hopes to locate close to other silicone manufacturing units and silicone oil units for ease of transport.

Michelle Elder stated the project investment is \$13,999,950 of which \$9,499,950 qualifies as KBI eligible costs and \$1,800,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 40 with an average hourly wage of \$41.05 including benefits. The state wage assessment participation is 3.0% and the City of Paris and the Bourbon County Fiscal Court will participate at .50% for a combined 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,250,000 and the KEIA approved recovery amount of \$50,000 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.

**Halton Company  
Allen County**

**Corky Peek  
Michelle Elder**

Corky Peek stated the Halton Company is a leading manufacturer of commercial kitchen ventilation and air distribution systems. The company is considering expanding its manufacturing facility in Scottsville to add a research and development lab specifically for the air moving products line. Halton will also add additional manufacturing space in order to allow the company to manufacture new products line and support the overall growth of the business.

Michelle Elder stated the project investment is \$7,450,000 of which \$6,750,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 60 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 3.0% and the City of Scottsville and Allen County will participate at 0.50% 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 \$600,000.

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

**Fordsville Pellet Company, LLC**  
**Ohio County**

**Corky Peek**  
**Michelle Elder**

Corky Peek stated Fordsville Pellet Co., LLC is considering construction of a 70,000 ton per year high retention, steam conditioned hardwood pellet mill. The pellet mill will provide opportunities to utilize undervalued wood on forested property, creating land and a valuable wood pellet for residential heating, cooking/grilling and energy production.

Michelle Elder stated the project investment is \$9,983,325, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$24.00 including benefits. The state wage assessment participation is 4.5%.

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

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

**Big Rapids Products, Inc.**  
**Montgomery County**

**Malcolm Jollie**  
**Michelle Elder**

Malcolm Jollie stated Big Rapids Products, Inc., incorporated in 1977, is a supplier of metal stamping and assemblies. The company produces components for the automotive industry, the appliance manufacturing sector, as well as solar, aerospace, agricultural and food service sectors. Big Rapids is considering expanding its Montgomery County location to help meet the needs of its customers.

Michelle Elder stated the project investment is \$4,500,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 44 with an average hourly wage of \$27.28 including benefits. The state wage assessment participation is 4.5%. 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 Mt. Sterling/Montgomery County. Only investment costs incurred at 310 Flint Drive 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 \$1,200,000.

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

**Congo, LLC**  
**Jefferson County**

**Colin Dodd**  
**Michelle Elder**

Colin Dodd stated Congo, LLC is a management service company that operates CPG brands Alani Nu, Prime Hydration and 3D Energy. The high growth of the companies has given rise to the need to a corporate office to service the future corporate growth. The company is considering a location in Jefferson County to expand and grow its current headquarters location.

Michelle Elder stated the project investment is \$8,250,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 500 with an average hourly wage of \$49.80 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 \$7,500,000.

Naashom Marx moved to approve the staff recommendation, as presented; Mike Cowles 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 6 companies requested additional time to complete the projects and asked that all 6 be presented as one motion.

<b>Company</b>	<b>County</b>	<b>Extension</b>
3M Company	Harrison	12 Month
Bendix Spicer Foundation Brake LLC	Warren	12 Month
Greenfield World Trade, Inc.	Bourbon	12 Month
House Foods America Corporation	Jefferson	12 Month
Metalsa Structural Products, Inc.	Hardin	12 Month
PRCO America, Inc.	Graves	12 Month

Staff recommended approval of the KBI extension requests.

Tucker Ballinger moved to approve the staff recommendation, as presented; Don Goodin 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 4 companies requested KBI final approval, all of which have modifications since preliminary approval. Mr. Combs asked that all 4 be presented as one motion.

**Modifications:**

**Mayfield Consumer Products, LLC**

**Graves**

**Manufacturing**

Total investment and eligible costs have been updated based on the current projections. Jobs increased from 35 to 500. Removal of county-wide requirement. No longer multiple

locations in Graves County. Total negotiated tax incentive amount to be increased from \$700,000 to \$6,500,000. All other aspects of the project remain the same.

**Michter’s Distillery, LLC**

**Jefferson Manufacturing**

Total investment costs have been updated based on the current projections. The affiliate has been removed from the project. Any gift shop, tasting and tour employees working at the project are not treated as project employees. All other aspects remain the same.

**PACCAR Inc.**

**Jefferson**

**Service or Technology**

Total investment and eligible costs have been updated based on current projections. Total negotiated tax incentive amount to be increased from \$500,000 to \$700,000. All other aspects of the project remain the same.

**Protective Life Insurance Company**

**Kenton**

**Service or Technology**

The company name has changed from Protective Life Insurance Corporation to Protective Life Insurance Company. The project converted from a headquarters project to a non-retail service and technology project. 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; 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.

**Aframemovie LLC**

**Joseph Gearon**

**The A-Frame**

Joseph Gearon stated that Aframemovie LLC plans to produce a Feature-Length Film, The A-Frame, in Boone, Campbell and Kenton Counties. Production is set to begin as early as May 1, 2023 and is anticipated to end by July 21, 2023. The Company anticipates \$750,932 in qualifying payroll expenditures and \$200,572 in qualifying non-payroll expenditures for a total of \$951,504. The company also anticipates employing 204 Kentucky resident crew members and 12 Non-Kentucky resident crew members for a total production crew of 216.

Staff recommended a total negotiated tax incentive amount of \$297,284.

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

**Bruised Orange LLC**

**Joseph Gearon**

**Spiz**

Joseph Gearon stated that Bruised Orange LLC plans to produce a Documentary, Spiz, in Boone, Campbell, Johnson, Kenton and Rowan Counties. Production is set to begin as early as April 27, 2023 and is anticipated to end by December 31, 2024. The Company anticipates \$200,000 in qualifying payroll expenditures and \$63,500 in qualifying non-payroll expenditures for a total of \$263,500. The company also anticipates employing 15 Kentucky

resident crew members and 9 Non-Kentucky resident crew members for a total production crew of 24.

Staff recommended a total negotiated tax incentive amount of \$88,975.

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

**Chosen Family LLC  
Bob Trevino Likes It**

**Joseph Gearon**

Joseph Gearon stated that Chosen Family LLC plans to produce a Feature-Length Film, Bob Trevino Likes It, in Bullitt, Franklin, Hardin, Henry, Jefferson, Oldham, Shelby, and Spencer Counties. Production is set to begin as early as May 1, 2023 and is anticipated to end by September 1, 2023. The Company anticipates \$419,764 in qualifying payroll expenditures and \$401,675 in qualifying non-payroll expenditures for a total of \$821,439. The company also anticipates employing 125 Kentucky resident crew members and 10 Non-Kentucky resident crew members for a total production crew of 135.

Staff recommended a total negotiated tax incentive amount of \$260,882.

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

**Initiation Movie 23, LLC  
Initiation Nightmare**

**Tim Bates**

Tim Bates stated that Initiation Movie 23, LLC plans to produce a Feature-Length Film, Initiation Nightmare, in Pulaski County. Production is set to begin as early as May 23, 2023 and is anticipated to end by June 8, 2023. The Company anticipates \$187,934 in qualifying payroll expenditures and \$135,738 in qualifying non-payroll expenditures for a total of \$323,672. The company also anticipates employing 22 Kentucky resident crew members and 6 Non-Kentucky resident crew members for a total production crew of 28.

Staff recommended a total negotiated tax incentive amount of \$113,285.

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

**Marshmallow Film LLC  
Marshmallow**

**Tim Bates**

Tim Bates stated that Marshmallow Film LLC plans to produce a Feature-Length Film, Marshmallow, in Carroll County. Production is set to begin as early as May 1, 2023 and is anticipated to end by July 30, 2023. The Company anticipates \$834,024 in qualifying payroll expenditures and \$334,137 in qualifying non-payroll expenditures for a total of \$1,168,161. The company also anticipates employing 29 Kentucky resident crew members and 24 Non-Kentucky resident crew members for a total production crew of 53.

Staff recommended a total negotiated tax incentive amount of \$370,495.

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

**Mistake Film LLC  
Mistake**

**Tim Bates**

Tim Bates stated that Mistake Film LLC plans to produce a Feature-Length Film, Mistake, in Anderson, Bullitt, Fayette, Hart, Jefferson, Nelson, Spencer, and Washington Counties. Production is set to begin as early as July 1, 2023 and is anticipated to end by September 30, 2023. The Company anticipates \$320,491 in qualifying payroll expenditures and \$273,150 in qualifying non-payroll expenditures for a total of \$593,641. The company also anticipates employing 27 Kentucky resident crew members and 13 Non-Kentucky resident crew members for a total production crew of 40.

Staff recommended a total negotiated tax incentive amount of \$188,179.

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

**Secret Foodie Movie 23 LLC  
The Secret Foodie**

**Tim Bates**

Tim Bates stated that Secret Foodie Movie 23 LLC plans to produce a Feature-Length Film, The Secret Foodie, in Pulaski County. Production is set to begin as early as June 5, 2023 and is anticipated to end by June 21, 2023. The Company anticipates \$187,934 in qualifying payroll expenditures and \$135,738 in qualifying non-payroll expenditures for a total of \$323,672. The company also anticipates employing 22 Kentucky resident crew members and 6 Non-Kentucky resident crew members for a total production crew of 28.

Staff recommended a total negotiated tax incentive amount of \$113,285.

Tucker Ballinger moved to approve the staff recommendation, as presented. Naashom Marx 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 6 Kentucky small businesses, from 6 counties with qualifying tax credits of \$62,100. The 6 businesses created 20 jobs and invested \$445,736 in qualifying equipment and/or technology.

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

<b>Small Business</b>	<b>County</b>	<b>Beginning Employment</b>	<b>Eligible Positions</b>	<b>Average Hourly Wage</b>	<b>Qualifying Equipment/Technology</b>	<b>Tax Credit Amount</b>
863 Wilkinson, LLC	Franklin	1	5	\$15.00	\$21,386	\$17,500
Carbide Products, Inc.	Scott	26	1	\$18.50	\$186,134	\$3,500
Cunningham Machine, LLC	Calloway	3	1	\$23.00	\$85,100	\$3,500
D-Crane Rental, LLC	Boone	9	3	\$35.06	\$80,000	\$10,500

Legion Logistics, LLC	Campbell	17	5	\$27.17	\$9,616	\$9,600
XploreKy, LLC	Jefferson	16	5	\$18.00	\$63,500	\$17,500

Staff recommended approval of the tax credits.

Don Goodin moved to approve the staff recommendation, as presented; Tucker Ballinger 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 9 Kentucky Angel Investment Act projects representing 4 Kentucky businesses and 9 investors for a total projected investment of \$1,430,123 with eligible tax credits of \$357,529. 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
Herbert W. Perkins, III	GoWild Alpha Inc.	Jefferson	\$50,000	\$12,500
William B. Yarmuth	Gun Media Holdings, Inc.	Fayette	\$800,000	\$200,000
Susan A. Yarmuth	Gun Media Holdings, Inc.	Fayette	\$200,000	\$50,000
Linda T. Hollembaek	Thynk Health, LLC	Fayette	\$25,000	\$6,250
J. Miller Hoffman	Thynk Health, LLC	Fayette	\$25,000	\$6,250
Kelly Beth Emerine	Wendal Inc	Kenton	\$10,043	\$2,510
Matthew Michael Ford	Wendal Inc	Kenton	\$40,023	\$10,005
Gregory Lee Schroeder	Wendal Inc	Kenton	\$200,012	\$50,003
Scott R. Bray	Wendal Inc	Kenton	\$80,045	\$20,011

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), Chairman Hale entertained a motion to go into closed session to discuss proposed or pending litigation against or on behalf of the public agency.

Don Goodin moved to enter into closed session; Mike Cowles seconded the motion. Motion passed; unanimous.

The board entered into executive session at 11:12 a.m.

## **Regular Session**

Chairman Hale entertained a motion to return to Regular Session.

Don Goodin moved to return to regular session; Naashom Marx seconded the motion. Motion passed; unanimous.

The board returned to regular session at 11:21 a.m.

## **KEDFA Loan**

### **The Thompson Group**

#### **Henderson County**

Chairman Hale entertained a motion to extend the Thompson Group loan to May 31, 2024 increasing the principal payment from \$1,000 to \$1,500 plus interest, retroactive to March 29, 2023. All other aspects of the loan remain the same.

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

## **Other Business**

### **Quarterly Report - Kentucky Small Business Credit Initiative (KSBCI)**

Chairman Hale called on Kylee Palmer to review the KSBCI Quarterly Funding Report for the period ending March 31, 2023. After review, the Authority accepted the report as presented.

### **Authorized Signatories**

Ms. Smith presented a memorandum updating the signatory authorizations for The Bank of New York Mellon regarding disbursements on behalf of KEDFA.

Don Goodin moved to approve the memorandum for authorized signatories as presented; Tucker Ballinger seconded the motion. Motion passed; unanimous.

### **Quarterly Amendments**

Chairman Hale called on Matthew Wingate to review the Quarterly Amendment Report ending April 27, 2023.

Matthew Wingate stated the Bylaws of the Board of Directors of KEDFA grant authority to the Commissioner of the Department of Financial Services to effectuate minor changes or modifications to existing agreements with approved companies that do not substantively modify contract terms.

Matthew Wingate noted the following amendments have been executed.

#### **KBI**

Anixter Inc.

Letter Amendment to KBI agreement for Company Federal Employer Identification Number Correction

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

## **Adjournment**

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

Joe McDaniel moved to adjourn the April KEDFA board meeting; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:26 a.m.

**APPROVED  
PRESIDING OFFICER:**

A handwritten signature in blue ink that reads "Jean R. Hale". The signature is written in a cursive style and is positioned above a horizontal line.

Jean R. Hale, Chairman