

# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

## SPECIAL BOARD MEETING

April 29, 2021

### MINUTES

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#### Call to Order

Due to the state of emergency declared by Governor Beshear via Executive Order 2020-15 regarding COVID-19, all previously announced in-person meetings involving the Kentucky Cabinet for Economic Development scheduled in April were cancelled. In accordance with the provision of KRS 61.823, a special meeting of the Kentucky Economic Development Finance Authority (KEDFA) was called for 10:00 a.m. (EDT) April 29, 2021 via video teleconference at the following link <https://us02web.zoom.us/j/84898209288> to consider all projects. KEDFA convened at 10:00 a.m. on April 29, 2021.

#### Notification of Press

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

#### Roll Call

Jean R. Hale, J. Don Goodin, Secretary Holly Johnson, Tucker Ballinger, Mike Cowles and Naashom Marx

**Staff Present:** Bobby Aldridge, Tim Back, Sarah Butler, Martin David-Jacobs, Danielle Dunmire, Lisa Duvall, Michelle Elder, Tony Ellis, Ellen Felix, Annie Franklin, Krista Harrod, James Johnson, Malcolm Jollie, Craig Kelly, Brandon Mattingly, Kate McCane, Kylee Palmer, Corky Peek, Debbie Phillips, Jenny Schenkenfelder, Matthew Simms, Kristina Slattery, Katie Smith, Teresa Spreitzer, Jeff Taylor, Steve Vest and Matthew Wingate

**Others Present:** Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Jamie Lindermann, BDO International; Seth Martindale, CBRE; John Dadds, Christian Care Communities Inc.; Tom Demeropolis, Cincinnati Business Courier; Lelan Hancock and Angela Waninger, City of Owensboro; Casey Bolton, Commonwealth Economics; Megan Conner and Sean Conner, Conner Logistics, Inc.; Casey Dunn, Denham-Blythe; Jenni Hampton and Bill Sandell, Education and Workforce Development Cabinet, Office of Employer and Apprenticeship Services; Jeff Hodges, Gray Construction; Ed Ray, Gulfstream Commercial Services, LLC; Jeff Mosley, Hollenbach-Oakley; Masahiko Isobe and Hiromasa Takahashi, House Foods America Corp.; Mike Milliere, IceMiller; Alex Gardner, Jackson Kelly, PLLC; Tony Balach and Mike Kopp, Kentuckiana Curb Company, Inc.; Matthew Feltner, Kentucky Finance and Administration Cabinet, Office of Financial Management; Chris Milam, Logan Premium Meats & Processing LLC; Sara Bowman, Andrea Brown and Alex Mercer, Louisville Forward; Zeeshan Bhatti and Sierra Enlow, McGuire Sponsel; Jeremy Worley, Northern Kentucky Tri-ED; Gordon Wilson, Paris-Bourbon County Economic Development Authority; Matt Zoellner, Scott, Murphy & Daniel; Kim Menke, Toyota Motor North America and Chris Otts, WDRB

#### Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the March 25, 2021 special KEDFA board meeting and executive session.

Mike Cowles moved to approve the minutes, as presented; Tucker Ballinger 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.

### **KEDFA Industrial Revenue Bond (IRB) Project (Supplemental)**

Chairman Hale called on Debbie Phillips to present a KEDFA IRB supplemental project to the Authority.

#### **Christian Care Communities, Inc. Obligated Group**

Ms. Phillips stated a draft Supplemental Bond Resolution related to KEDFA's proposed issuance of healthcare facilities revenue bonds in an aggregate principal amount not to exceed \$62 million on behalf of Christian Care Communities, Inc. Obligated Group was provided in the board material. KEDFA previously adopted the bond resolution on March 26, 2020 authorizing the issuance of bonds for the project. As a result of market factors including the uncertainty surrounding the impact of the COVID-19 pandemic, the bonds have not yet been issued. The Supplemental Resolution presented for approval supplements the prior Bond Resolution to:

- i. Authorize the execution of a Memorandum of Agreement which includes an extension period of its effectiveness.
- ii. Change the designation of the Bonds to reflect a series designation of 2021 instead of 2020.
- iii. Acknowledge and affirm a duly authorized public hearing was held and conducted.

The local jurisdictions of Louisville, Warren County, Corbin, Christian County, Owensboro and Nicholasville previously adopted resolutions requesting KEDFA issue the bonds. A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue was conducted by staff on Thursday, April 29, 2021 via video conference (prior to KEDFA's adoption of the supplemental resolution) with no public comment.

KEDFA will serve as the conduit issuer of the bonds. The bonds will not constitute a general obligation of KEDFA and KEDFA will not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommended KEDFA's adoption of the supplemental bond resolution.

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

### **Tax Increment Financing (TIF) Project (Amendment)**

Chairman Hale called on Ms. Palmer to present a TIF project amendment to the Authority.

**Department of Finance & Support Services  
Gateway Commons Mixed-Use TIF Project  
Daviess County**

Ms. Palmer stated on October 27, 2016, KEDFA gave final approval for the Gateway Commons' Mixed-Use Tax Increment Financing (TIF) Tax Incentive Agreement (TIA). The development included retail, office, and residential uses as well as two hotels and a movie theater. The project is located at the intersection of Highway 54 and US-60 Bypass in Owensboro, Kentucky.

On December 13, 2018, KEDFA approved an amendment to the TIF agreement to reflect the alignment of the Development Area with the parcel numbers. All other project details as originally approved remained the same. A revised local ordinance was introduced and adopted by the Board of Commissioners of the City of Owensboro on September 18, 2018.

The Department of Finance & Support Services for the City of Owensboro is requesting another amendment to the TIA. The City of Owensboro requests to replace 300 residential units and a community center with school buildings within Zone 8. The local Development Area has been increased to include the entire property for the school investment, but the State Footprint will decrease to follow parcel lines without the school. The map in the TIA will now include a Zone 8D and 8F reflecting the changes. Capital investment costs within Zone 8D will be eligible for total project costs since they are located within the Development Area. Only approved public infrastructure costs within Zone 8F will be eligible for recovery. All other project details as originally presented/approved remain the same and there is no requested change to the approved public infrastructure costs or the approved eligible tax incentive amount.

Additionally the percentage of completion requirement will be included within the TIA. Thus, total cumulative investment of \$198,857,200, excluding financing costs, must be achieved to be eligible for the maximum total incentive of \$20,571,000. The actual project completion percentage of the investment will be applied annually to the total incentive approved of \$20,571,000 to determine the maximum total incentive available/earned for the project during the term of the agreement.

Staff recommended to approve the amended and restated Tax Incentive Agreement for the Gateway Commons' Mixed-Use Tax Increment Financing Tax Incentive Agreement to amend the project scope within Zone 8, alter the boundary lines resulting in a smaller footprint and add the percentage of completion requirement.

Ms. Palmer introduced Casey Bolton and invited him to address the board regarding the project.

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

**Kentucky Rural Economic Development Act (KREDA) Project (Amendment)**

Chairman Hale called on Bobby Aldridge to present a KREDA project amendment to the Authority.

**Daicel Safety Systems Americas, Inc.  
Ohio County**

Mr. Aldridge stated due to a restructuring, Daicel Technologies America, Inc. and its affiliate, among other entities, merged with and into, Daicel Safety Tube Processing, Inc., a Kentucky

Corporation as the surviving entity, which in turn, changed its name to Daicel Safety Systems Americas, Inc. on April 4, 2019. In connection with becoming the successor to the original company and the affiliate, for reporting purposes under the original agreement, the Federal Employer Identification Number changed.

Daicel Safety Technologies America, Inc. requested a First Amendment to the KREDA Tax Incentive Agreement to reflect any references in the original agreement to the original company or the affiliate to Daicel Safety Systems Americas, Inc. related to the above mentioned restructure retroactive to April 4, 2019 through December 16, 2020 (the end of the term of the KREDA incentives for the project).

Staff recommended approval of the KREDA amendment request.

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

### **Kentucky Business Investment (KBI) Projects (Amendment)**

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

#### **New Dairy Kentucky LLC dba Borden Dairy Laurel County**

Mr. Aldridge stated Borden Dairy Company of Kentucky, LLC (Borden Kentucky) received final approval for KBI project #19437 on March 30, 2017. The Company declared Chapter 11 bankruptcy on January 5, 2020. As part of the plan for emerging from bankruptcy, Borden Kentucky's assets, operation, and employees were transferred to New Dairy Kentucky LLC who continues to do business as Borden Dairy. The effective date of this transfer was July 20, 2020. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

#### **Omnicare, Inc. Barren County**

Mr. Aldridge stated the company received final approval for KBI project #19054 on December 8, 2016. The company is requesting an amendment effective January 1, 2019 to add CVS Pharmacy, Inc., a Rhode Island corporation (CVS), as an affiliate of the company due to both CVS and Omnicare, Inc. being wholly owned subsidiaries of CVS Health Corporation, and CVS Pharmacy has become the employer of record for the employees of Omnicare, Inc. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

### **Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)**

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

Mr. Aldridge stated four companies requested additional time to complete the projects and asked that all four be presented as one motion.

<b>Company</b>	<b>County</b>	<b>Extension</b>
<b>Bluegrass Roller Service</b>	Shelby	6 Month
<b>Ale-8-One Bottling Company</b>	Clark	12 Month
<b>Post Glover Resistors Inc.</b>	Boone	12 Month
<b>Water Tower Place, LLC</b>	Jefferson	12 Month

Staff recommended approval of the KEIA extension requests.

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

## **KEIA Projects**

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

### **Bilstein Cold Rolled Steel LP Warren County**

**Corky Peek  
Michelle Elder**

Corky Peek stated Bilstein is a high-tech company in the business of manufacturing highly specialized steel products predominantly for the automotive industry. The company is considering expanding its existing location by adding a new building, adding additional equipment and making necessary adjustments to existing equipment.

Michelle Elder stated the project investment is \$17,820,000 of which \$3,953,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

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

### **Buffalo Trace Distillery, Inc. Franklin County**

**Annie Franklin  
Michelle Elder**

Annie Franklin stated Buffalo Trace Distillery, Inc. has been making bourbon whiskey for more than 200 years. The company is considering adding additional buildings as well as completing some upgrades in order to keep up with increased demand.

Ms. Elder stated the project investment is \$155,000,000 of which \$14,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$840,000 for construction materials and building fixtures.

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

### **Sazerac Distillers, LLC Nelson County**

**Annie Franklin  
Michelle Elder**

Ms. Franklin stated Sazerac Distillers, LLC - Barton 1792 Distillery, located in historic Bardstown, dates back to 1879 with the founding of the Tom Moore Distillery, now known as Barton 1792 Distillery. In 2009, Barton 1792 Distillery became part of Sazerac Distillers, LLC, which was established in 1850 and is a leading U.S. spirits supplier as the world's most decorated distillery and a portfolio of award-winning brands. The company is considering

constructing a boiler house which will include 3 new boilers and also expand its waste water treatment operations to accommodate the growth of the facility.

Ms. Elder stated the project investment is \$19,000,000 of which \$5,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$300,000 for construction materials and building fixtures.

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

**The Candleberry Company  
Franklin County**

**Martin David-Jacobs  
Kate McCane**

Martin David-Jacobs stated The Candleberry Company was started in 1996 as a complimentary business to The Gift Box stores. Today the company represents several distillery candle labels and is sold overseas as well as throughout the US. The company is considering doubling its production capacity to meet the growth demands of its brand.

Kate McCane stated the project investment is \$3,390,000 of which \$1,500,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$40,000 for construction materials and building fixtures.

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

**Toyota Motor Sales, U.S.A., Inc.  
Boone County**

**Malcolm Jollie  
Kate McCane**

Malcolm Jollie stated in 2001, Toyota Motor Sales, U.S.A., Inc. established the North American Parts Center (NAPCK) in Kentucky and is Toyota's largest parts procurement and distribution facility under one roof. NAPCK is seeking to automate a portion of its parts center to improve safety, quality and productivity.

Ms. McCane stated the project investment is \$9,669,110 of which \$6,079,200 qualifies as KEIA eligible costs. The approved recovery amount is \$350,000 for research and development and/or electronic processing equipment.

Staff recommended the KEIA approved recovery amount of \$350,000.

Ms. Marx moved to approve the staff recommendation, as presented; Mr. 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.

**Kentuckiana Curb Company, Inc.  
Shelby County**

**Martin David-Jacobs  
Kate McCane**

Mr. David-Jacobs stated Kentuckiana Curb Company, Inc. opened in October of 1979 and has since established world class HVAC manufacturing facilities. The company is considering constructing a new facility in order to increase its production capabilities and capture a continuously emerging market for 100% outside air and dehumidification HVAC products.

Ms. McCane stated the project investment is \$60,000,000 of which \$42,000,000 qualifies as KBI eligible costs and \$33,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 700 with an average hourly wage of \$29.00 including benefits. The state wage assessment participation is 3.00% and the City of Simpsonville will participate at 0.75% with Shelby County participating at 0.25%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$10,000,000 and the KEIA approved recovery amount of \$500,000 for construction materials and building fixtures.

Mr. David-Jacobs introduced Mike Kopp and Tony Balbach and invited them to address the board regarding the project.

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

**House Foods America Corp.  
Jefferson County**

**Martin David-Jacobs  
Kate McCane**

Mr. David-Jacobs stated House Foods America Corp. is a wholly owned subsidiary of House Foods Group headquartered in Japan. The company is looking to establish a new manufacturing operation to increase its production of tofu products.

Ms. McCane stated the project investment is \$146,300,000 of which \$47,320,000 qualifies as KBI eligible costs and \$34,800,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 109 with an average hourly wage of \$26.87 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,000,000 and the KEIA approved recovery amount of \$2,000,000 for construction materials and building fixtures.

Mr. David-Jacobs introduced Masahiko Isobe, Hiromasa Takahashi, Seth Martindale and Sara Bowman and invited them to address the board regarding the project.

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

**KBI Projects (Preliminary)**

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

**Conner Logistics, Inc.  
Pulaski County**

**Martin David-Jacobs  
Kate McCane**

Mr. David-Jacobs stated Conner Logistics, Inc., founded in 2002 in Fresno, California, is a family owned and operated transportation and logistics corporation. The company is seeking to relocate its corporate headquarters to Kentucky and establish a warehouse/distribution center.

Ms. McCane stated the project investment is \$1,308,800 of which \$723,800 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 20 with an average hourly wage of \$44.50 including benefits. The state wage assessment participation is 5.00%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company has a co-employment relationship with a third-party professional employer organization to provide benefits management for the full-time employees at the project. However, the applicant company has oversight of employees and control of their scope of work. The agreement outlining the employment services provided will be incorporated into the Tax Incentive Agreement. The approved company will be held to the job and wage requirements and eligible for wage assessments on employees working at the site of the project and compensated through the third-party professional employer organization.

Mr. David-Jacobs introduced Sean and Megan Conner and invited them to address the board regarding the project.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$400,000.

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

**Synchrony Lab Services, LLC**  
**Jefferson County**

**Martin David-Jacobs**  
**Kate McCane**

Mr. David-Jacobs stated Synchrony Lab Services, LLC is a wholly owned entity under Trilogy Pro Services, LLC. The company is seeking to establish a start-up lab service company to service nursing homes, assisted living facilities and other long term care facilities.

Ms. McCane stated the project investment is \$1,900,000 of which \$1,035,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 34 with an average hourly wage of \$31.25 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%.

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

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

**Logan Premium Meats and Processing LLC**  
**Logan County**

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

Mr. Peek stated Logan Premium Meats and Processing LLC (LPMP) is a planned USDA-inspected custom meat processor that will sell products wholesale. The company is considering constructing a facility that will harvest beef, pork, goat and lamb. In addition to the processing, LPMP will have a curing room and smoke houses.

Ms. Elder stated the project investment is \$3,860,000 of which \$3,660,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$25.00 including benefits. The state wage assessment participation is 3.00% and Logan County Fiscal Court will participate at 0.75%.



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

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

**Metalsa Structural Products, Inc.  
Hardin County**

**Corky Peek  
Michelle Elder**

Mr. Peek stated Metalsa Structural Products, Inc., headquartered out of Novi, Michigan, has served the automotive industry for over 60 years providing metallic structures for heavy and light trucks. Metalsa employs over 2,700 employees across its locations. There are 20 Metalsa locations worldwide, and 6 located in the United States. Of those, Kentucky is home to 3 manufacturing plants; Elizabethtown, Hopkinsville and Owensboro. The company is considering to add additional space, purchase equipment and make facility improvements to create a new manufacturing line in order to support its customers in Michigan.

Ms. Elder stated the project investment is \$26,200,000 of which \$2,320,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 116 with an average hourly wage of \$30.00 including benefits. The state wage assessment participation is 3.00% and the City of Elizabethtown will participate at 1.00%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,200,000.

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

**Millwork Products, L.L.C.  
McCracken County**

**Corky Peek  
Michelle Elder**

Mr. Peek stated Millwork Products, L.L.C. is one of the region's largest wholesale distributors of pre-hung doors and millwork. Due to the continued growth of its operations, the company is considering increasing its warehousing space as well as its production area to keep pace with customer demand for its products.

Ms. Elder stated the project investment is \$1,917,500, 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 \$16.00 including benefits. The state wage assessment participation is 5.00%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The project will include multiple locations within Paducah, McCracken County. Only investment costs incurred at 1050 Madison Street will be considered toward 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 \$225,000.

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

**Send Cut Send LLC  
Bourbon County**

**Matt Simms  
Debbie Phillips**

Matt Simms stated Send Cut Send LLC manufactures laser cut metals and custom made products. The company's in-house state-of-the-art software and equipment insures a fast turnaround for its customers. The project would include a new facility in Paris to improve logistics for its customers in the Midwest and along the East Coast.

Ms. Phillips stated the project investment is \$3,938,768 of which \$2,028,768 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 75 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 3.00% and the City of Paris will participate at 0.50% with Bourbon County participating at 0.50%.

Mr. Simms introduced Gordon Wilson and invited him to address the board regarding the project.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$800,000.

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

**Jackson Purchase Distillery, LLC  
Fulton County**

**Corky Peek  
Michelle Elder**

Mr. Peek stated Jackson Purchase Distillery, LLC, a start-up, is considering purchasing a shuttered distillery in Hickman and making facility upgrades. The company plans to be a contract provider for other distilleries.

Ms. Elder stated the project investment is \$8,760,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$37.00 including benefits. The state wage assessment participation is 5.00%.

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

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

**KBI Projects (Extension)**

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

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

<b>Company</b>	<b>County</b>	<b>Extension</b>
<b>Braidy Atlas, LLC</b>	Boyd	12 Month
<b>Comprehensive Medical Management, LLC</b>	Campbell	12 Month
<b>Greenfield World Trade, Inc.</b>	Bourbon	12 Month
<b>Mayfield Consumer Products, LLC</b>	Graves	12 Month
<b>Rainbow Design Services, Inc.</b>	Jefferson	12 Month
<b>Senture, LLC</b>	Laurel	12 Month

Staff recommended approval of the KBI extension requests.

Mr. Goodin moved to approve the staff recommendation, as presented; Ms. Marx seconded the motion. Motion passed; Jean Hale abstained.

### **KBI Projects (Final)**

Chairman Hale called on Ms. Phillips to present the KBI final projects to the Authority.

Ms. Phillips stated three companies requested KBI final approval, all of which have modifications since preliminary approval. Ms. Phillips asked that all three be presented as one motion.

#### **Modifications:**

**Columbia Brands USA, LLC** Henderson Service or Technology  
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

**ORBIS Corporation** Nelson Manufacturing  
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

**RKW North America, Inc.** Simpson Manufacturing  
The total investment and eligible costs have been updated based on 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.

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

### **KEDFA Loan (Modification)**

Chairman Hale called on Sarah Butler to present the KEDFA Loan Modification request to the Authority.

#### **Crittenden County Economic Development Corporation Crittenden County**

Ms. Butler stated on May 10, 2006, KEDFA closed a \$300,000 loan with Crittenden County Economic Development Corporation (CCEDC) to purchase 105 acres for the development of an industrial park in Marion, Crittenden County. The loan terms included five (5) years at 2% interest only with principal payments occurring when parcels were sold and letters of credit as collateral. KEDFA approved extensions of the loan for five (5) more years in 2011 and 2016. In 2016, KEDFA extended the loan until May 10, 2021 with monthly principal payments of \$250 at 2% interest with the same collateral.

CCEDC has sold land to the City for a water treatment facility and to the Kentucky Department of Highways for a facilities operation. CCEDC recently sold 50 acres of wooded/sloped land and 20 acres of prime industrial lots remain. The current balance is approximately \$181,838.

Staff recommended a modification to extend the maturity date five (5) years to May 10, 2026 with an increased monthly payment to \$500 principal plus 2% interest with equal principal value plus three (3) months interest letters of credit as collateral.

Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Ballinger 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.

Mr. Back stated there were 14 Kentucky small businesses, from 9 counties with qualifying tax credits of \$133,000. The 14 businesses created 38 jobs and invested \$376,144 in qualifying equipment and/or technology.

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

<b>Qualified Small Business</b>	<b>County</b>	<b>Beg. Emp.</b>	<b>Elig. Pos.</b>	<b>Average Hourly Wage</b>	<b>Qualifying Equipment or Technology</b>	<b>Tax Credit</b>
Blue Frame Technology LLC	Fayette	13	3	\$ 21.67	\$ 10,949	\$ 10,500
Bluegrass Staking Service, Inc.	Woodford	4	1	\$ 33.46	\$ 5,740	\$ 3,500
Churchill McGee, LLC	Fayette	19	4	\$ 34.02	\$ 25,000	\$ 14,000
Clayton & Crume LLC	Jefferson	8	5	\$ 20.22	\$ 70,383	\$ 17,500
East Louisville Oral Surgery and Dental Implants, PLC	Nelson	11	2	\$ 85.50	\$ 94,530	\$ 7,000
Gunderson Digital LLC	Jefferson	3	3	\$ 26.64	\$ 11,271	\$ 10,500
Hometown Concrete, LLC	Boone	5	7	\$ 23.45	\$ 74,450	\$ 24,500
Maile Custom Builders, Inc.	Kenton	13	2	\$ 21.79	\$ 28,499	\$ 7,000
Paducah Supply Company	McCracken	23	1	\$ 12.50	\$ 5,460	\$ 3,500
Phoenix Preferred Care Incorporated	Pulaski	10	3	\$ 18.11	\$ 15,179	\$ 10,500
Rick Roberts Stair Co. LLC	Woodford	8	1	\$ 13.82	\$ 8,950	\$ 3,500
Rudler, Professional Service Corporation	Kenton	29	2	\$ 47.91	\$ 9,169	\$ 7,000
Williams Advertising, LLC	Christian	3	1	\$ 19.23	\$ 5,335	\$ 3,500
Wise Bird Cider Co, LLC	Fayette	0	3	\$ 21.90	\$ 11,229	\$ 10,500

Staff recommended approval of the tax credits.

Chairman Hale moved to approve the staff recommendation, as presented; Mr. Ballinger seconded the motion. Motion passed; unanimous.

### Kentucky Selling Farmer Tax Credit (KSFTC) Projects

Chairman Hale called on Mr. Back to present the KSFTC projects to the Authority.

Mr. Back stated there were two Kentucky selling farmers who have sold qualifying agricultural assets totaling \$625,000 to eligible beginning farmers. The two Kentucky selling farmers qualify to receive a total of \$31,250 in tax credits.

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

<b>SellingFarmer</b>	<b>County</b>	<b>Qualifying Agricultural Assets</b>	<b>Tax Credit</b>
Larry W. Potter and Rebecca Murphy Potter	Montgomery	\$ 150,000	\$ 7,500
Courtney Farms, LLC	Shelby	\$ 475,000	\$ 23,750

Staff recommended approval of the tax credits.

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

## Kentucky Angel Investment Act Projects

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

Mr. Back stated there were four Kentucky Angel Investment Act projects representing two Kentucky businesses and four investors for a total projected investment of \$130,064 with eligible tax credits of \$32,516. 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.

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

<u>Qualified Small Business Qualified Investor(s)</u>	<u>County</u>	<u>Projected Investment</u>	<u>Tax Credit</u>
<u>Vivorte (DE), Inc.</u> John E. Hanley William G. Howard	Jefferson	\$ 10,000 \$100,000	\$ 2,500 \$ 25,000
<u>Wendal Inc</u> John Michael Lonnemann MaryAnn Pietromonaco	Kenton	\$ 10,032 \$ 10,032	\$ 2,508 \$ 2,508

Staff recommended approval of the proposed Angel Investment tax credits.

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

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

Chairman Hale called on Ms. Palmer to review the KSBCI Quarterly Funding Report for the period ending March 31, 2021. After review, the Authority accepted the report as presented.

## Adjournment

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

Ms. Marx moved to adjourn the April KEDFA special board meeting; Mr. Goodin seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:11 a.m.

**APPROVED  
PRESIDING OFFICER:**

  
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J. Don Goodin, Vice Chairman