

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

June 29, 2023

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:04 am on June 29, 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, Chad Miller, and Naashom Marx

Staff Present: Raven Aiken, Tim Back, Tim Bates, Phyllis Bruning, John Buchanan, Sarah Butler, Ashlee Chilton, Brandon Combs, Michael Crabtree, Stephanie Cullen, Lindsey DeRosa, Rachael Dever, Colin Dodd, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, Jansen Hammock, Krista Harrod, William Henderson, Kate Hill, Malcolm Jollie, Matthew Jordan, Craig Kelly, Marilyn LeBourveau, Jacob Leigh, Keaton Lowe, Andy Luttner, Emma Macy, Brandon Mattingly, Gabrielle McGee, Camryn McManis, Craig McKinney, Kristine McNeil, Jerod Metz, Danielle Milbern, Amy Mills, Sydney Montgomery, Scott Moseley, Nasim Moula, Jeff Noel, Kylee Palmer, Cate Prather, Monique Quarterman, Jenny Schenkenfelder, Katie Smith, Christopher Snyder, Beth Sturm, Maurice Walker, Connor Wall, Matthew Wingate, Dan Wood, Tori Wood, and Ashiq Zaman

Others Present: Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Mike Kalinyak, Hurt, Deckard & May; Heather Spoon and Bobby Morrison, Columbia-Adair Economic Development Authority; Matt Zoellner, Scott, Murphy & Daniel; Dan Kanabroski, Warren Technology; Caleb Kilburn and Cordell Lawrence, Eastern Light Distilling; Chris Rodgers, CHR MEDIA; Natalie Grubbs, Greater Louisville Partnership; Megan Conner, Conner Logistics, Inc.; Billy Aldridge and Melissa Perry Office of Financial Management; Amanda Havard, Lunae, LLC; Beth Sarkar, Louisville Metro Government Economic Development; Tammy Costellow and Brooke Waldrup, Logan Economic Development Authority, Inc.; Daniel Carney, Springfield-Washington County Economic Development; Kyle Lake, Prosper Media Group, Inc.; Cheryl Klever and Harrison Britton, Commerce Lexington; Jeff Rogers, MGPI of Indiana, LLC; Mark Loik, Southern Coil Solutions, LLC; Christian Howard, Bowling Green Chamber of Commerce; Charlie Rowland, Bourbon County-Nicholas County Joint Economic Development Board; Bill Quenemoen, Denham Blythe; Charlie Burman, Bakery Express - Midwest, LLC; Dana Mingua, Bourbon County Fiscal Court; Ross Hutchinson, Pennyroyal Barrel Co. LLC; Ken Woowon, Woowon Technology Inc; Jason Slone, Morehead-Rowan County Chamber of Commerce and Economic Development; Alan Thompson, Art DiLullo, Chris Otts, Tom Cook, Gordon Wilson, Mike Remsberg, Paige Swartz, Matt Shieman, Dan Mann, Devon Stansbury, Drew Belcher and Joy Brown

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the May 25, 2023 regular KEDFA board meeting and May 31, 2023 special board meeting.

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

Approved/Undisbursed Report

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

Financial Statements and Monitoring Reports

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

Auditor Communication

Chairman Hale called on Katie Smith to review the auditor communication.

Kentucky Product Development Initiative (KPDI-EDF)

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

Bourbon County-Nicholas County Joint Economic Development Board **Colin Dodd**
Nicholas County **Michelle Elder**
Colin Dodd stated the Nicholas County Fiscal Court on behalf of the Bourbon County-Nicholas County Joint Economic Development Board will acquire the property and begin engineering and site improvements. A KU/LG&E Grant and a Bank loan will be used to provide the match for 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 Nicholas County Fiscal Court requested the use of \$675,416 in KPDI-EDF program funds for the benefit of the Bourbon County-Nicholas County Joint Economic Development Board. The project investment is \$1,350,832 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.

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

Cadiz-Trigg County Industrial Development Authority, Inc. **Malcolm Jollie**
Trigg County **Michelle Elder**
Malcolm Jollie stated the Trigg County Fiscal Court on behalf of the Cadiz-Trigg County Industrial Development Authority, Inc. plans to construct a new wastewater pump station at the Interstate 24 Business Park. Delta Regional 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.

Michelle Elder stated the Trigg County Fiscal Court requested the use of \$225,000 in KPDI-EDF program funds for the benefit of the Cadiz-Trigg County Industrial Development

Authority, Inc. The project investment is \$450,000 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.

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

**Pennyrile Westpark Industrial Development Authority
Lyon County**

**Jerod Metz
Michelle Elder**

Jerod Metz stated the Lyon County Fiscal Court on behalf of Crittenden, Caldwell, Lyon, Livingston, and Trigg Counties have submitted a regional project to conduct a floodplain analysis at the Pennyrile Westpark Industrial Park. County RDAAP Funds will be used to 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 Lyon County Fiscal Court requested the use of \$34,715 in KPDI-EDF program funds for the benefit of the Pennyrile Westpark Industrial Development Authority. The project investment is \$69,430 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.

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

**Princeton-Caldwell County Industrial Development Authority
Knox County**

**Jerod Metz
Michelle Elder**

Jerod Metz stated the City of Princeton on behalf of the Princeton-Caldwell County Industrial Development Authority is seeking to undertake a project to conduct an in-depth analysis of the karst topography located at the Princeton Industrial Park. PCCIDA General Funds 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 Princeton requested the use of \$42,252 in KPDI-EDF program funds for the benefit of the Princeton-Caldwell County Industrial Development Authority. The project investment is \$84,505 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.

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

**West Kentucky Regional Industrial Development Authority, Inc.
Henderson County**

**Ashlee Chilton
Brandon Combs**

Ashlee Chilton stated the Henderson County Fiscal Court on behalf of the West Kentucky Regional Industrial Development Authority, Inc. is seeking to complete a site grading plan with an approximate 1 million square foot building pad at the Sandy Lee Watkins site. 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 Henderson County Fiscal Court requested the use of \$700,000 in KPDI-EDF program funds for the benefit of the West Kentucky Regional Development Authority, Inc. 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.

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

**Springfield/Washington County Economic Development Authority
Washington County**

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated the Washington County Fiscal Court on behalf of the Springfield/Washington County Economic Development Authority, Inc. is seeking to prepare and improve a new industrial site in Springfield into a shovel-ready site by adding a dedicated entrance and extending existing infrastructure. 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 Washington County Fiscal Court requested the use of \$100,000 in KPDI-EDF program funds for the benefit of the Springfield/Washington County Economic Development Authority. The project investment is \$200,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

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

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

**Springfield/Washington County Economic Development Authority
Washington County**

**Malcolm Jollie
Brandon Combs**

Malcolm Jollie stated the Washington County Fiscal Court on behalf of the Springfield/Washington County Economic Development Authority, Inc. is seeking to improve and prepare a site in the industrialized-zoned Washington County Commerce Center. 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 Washington County Fiscal Court requested the use of \$100,000 in KPDI-EDF program funds for the benefit of the Springfield/Washington County Economic Development Authority. The project investment is \$200,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

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

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

**City of Russellville
Logan County**

**Jerod Metz
Joseph Gearon**

Malcolm Jollie stated the Logan County Fiscal Court on behalf of the City of Russellville is providing an upgrade to a lift station to attract industry. The City of Russellville 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 Logan County Fiscal Court requested the use of \$666,739 in KPDI-EDF program funds for the benefit of the Southeast Kentucky Industrial Development Authority, Inc. The project investment is \$1,850,000 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.

Chad Miller moved to approve the staff recommendation, as presented; Don Goodin 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.

**Chewy, Inc.
Jefferson County**

Rachael Dever

Rachael Dever stated Chewy, Inc. received Final Approval on October 29, 2020 for a KBI project to provide e-commerce services for the pet industry in Louisville. The project activated on October 29, 2022. As the company has continued to grow in Jefferson County, it has added a facility at 11403 Bluegrass Parkway, Suite 650 and 700 in Jeffersontown. This amendment revises the definition of Economic Development Project to create a campus and adds the Bluegrass Parkway site to the project campus. Effective January 1, 2023, 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.

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

iHerb, LLC

Boone County

Beth Sturm

Beth Sturm stated iHerb, Inc. received Final Approval on September 25, 2014 for a KBI project to establish a regional leased distribution center on Worldwide Boulevard in Hebron. The project activated two years later. On August 1, 2018, the company converted from a California corporation to a Delaware limited liability company and became iHerb, LLC. In February, 2022, the company leased a larger building and began transferring employees to the new project site at 2497 Wright Boulevard in Hebron. The move was completed and the original location vacated as of November 18, 2022. The company has requested an amendment to recognize the change from a corporation to a limited liability company, and the change of the economic development project site to Wright Boulevard, Hebron, Kentucky. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

Don Goodin moved to approve the staff recommendation, as presented; Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

Tax Increment Financing (TIF) Projects (Amendment)

Chairman Hale called on Rachael Dever to present the TIF project amendment to the Authority.

Louisville Renaissance Zone Corporation

Jefferson County

Rachael Dever

Rachael Dever stated the Louisville Renaissance Zone Corporation (LRZC) was granted approval for a TIF project under the TIF Pilot Program statutes as they existed on December 8, 2003, and the Commonwealth entered into a Grant Agreement with LRZC. For the Renaissance Zone TIF, withholding, sales and property taxes are eligible for recovery over 20 years if they were generated within the 3,000-acre TIF district (Development Area) south of the Louisville Muhammad Ali International Airport, north of I-265 and bounded by I-65 to the east and CSX right-of-way to the west. The Grant Agreement, which includes Projects No. 1 and 2, expires December 31, 2023. The projects identified in Project No. 1 have been completed and have resulted in increased property values, dramatically increased employment and capital investment, additional tax revenues and general revitalization. Project No. 2 consists of 17 approved projects and the total estimated construction costs at time of approval was \$30,321,000, then amended in 2022 to \$48,828,845. Staff presented a request to amend the estimated project costs from \$48,828,845 to \$40,244,325 due to the KY-841 Interchange not being completed with TIF funds.

Staff recommended approval of the TIF amendment request.

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

Economic Development Fund (EDF) Project (Amendment)

Chairman Hale called on Rachael Dever to present the EDF project amendment request to the Authority.

Christian County Fiscal Court-City of Hopkinsville

Christian County

Rachael Dever

Rachael Dever stated The City of Hopkinsville, Kentucky along with County of Christian, Kentucky received Final Approval on January 26, 2023, for an EDF Grant for grading of the site and constructing an access road into the Commerce II Industrial Park located in Christian County. This amendment is to correct the grantee in the agreement from City of

Hopkinsville, Kentucky to County of Christian, Kentucky, and correct the beneficiary in the agreement from County of Christian, Kentucky to City of Hopkinsville, Kentucky. This amendment is also to add Rail Spur as an eligible cost for the project. These changes have been incorporated into the Amended and Restated Grant Agreement. All other aspects of the project remain the same.

Staff recommended approval of the EDF amendment request.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

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

<u>Company</u>	<u>County</u>	<u>Extension</u>
Heaven Hill Distilleries, Inc.	Nelson	12 Months
Log Still Distilling LLC (22558)	Nelson	12 Months
Log Still Distilling LLC (23219)	Nelson	12 Months
Nucor Tubular Products, Inc.	Gallatin	12 Months
Santa Rosa Systems LLC	Bullitt	12 Months

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

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

MGPI of Indiana, LLC
Grant County

Ashlee Chilton
Brandon Combs

Ashlee Chilton stated MGPI of Indiana, LLC operates warehousing in Williamstown for distilled goods manufactured by the company. The proposed project for the company involves the new construction of two additional warehouses to age whiskey.

Brandon Combs stated the project investment is \$20,000,000 of which \$10,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

Woowon Technology Inc
Hardin County

Colin Dodd
Raven Aiken

Colin Dodd stated Woowon Technology Inc supplies materials aiding in the construction of electric vehicles. The company is considering locating in Hardin County to create stacking and notching machines for the manufacturing process for two large electric vehicle providers.

Raven Aiken stated the project investment is \$3,425,000 of which \$600,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$36,000 for construction materials and building fixtures.

Naashom Marx moved to approve the staff recommendation, as presented; Chad Miller 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.

Southern Coil Solution, LLC

Warren County

Ashlee Chilton stated Southern Coil Solutions, LLC is a leading automated storage warehousing facility specializing in the handling of aluminum and steel coils. The potential Bowling Green facility would be strategically located in a prime industrial area, span more than 100,000 square feet, and be equipped with advanced automation systems and specialized machinery tailored for coil storage and handling.

Ashlee Chilton

Brandon Combs

Brandon Combs stated the project investment is \$27,189,250 of which \$17,899,250 qualifies as KBI eligible costs and \$8,500,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$30.87 including benefits. The state wage assessment participation is 2.7% and the City of Bowling Green will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$600,000 and the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

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

Old Bourbon County Distillery LLC dba Eastern Light Distilling

Rowan County

Jerod Metz stated Old Bourbon County Distillery LLC dba Eastern Light Distilling is introducing an innovative new concept that will grow the state's signature bourbon industry in Eastern Kentucky while supporting craft bourbon makers as a custom contract distiller. The locally owned venture is led by Kentucky bourbon industry veterans, including an internationally recognized master distiller and a senior industry executive.

Jerod Metz

Michelle Elder

Michelle Elder stated the project investment is \$143,710,000, all of which qualifies as KBI eligible costs and \$68,736,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$33.17 including benefits. The state wage assessment participation is 4.5%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,900,000 and the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

**Pennyroyal Barrel Co. LLC
Adair County**

**Cate Prather
Michelle Elder**

Cate Prather stated Pennyroyal Barrel Co. LLC (PBC) is considering operating a brand-new company and new concept in Adair County. This will be the first bourbon related project in Adair County. PBC will provide barrel storage, distribution and receiving, and bottling operations.

Michelle Elder stated the project investment is \$8,520,000, all of which qualifies as KBI eligible costs and \$5,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$20.40 including benefits. The state wage assessment participation is 4.5%.

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

**Bakery Express – Midwest, LLC
Boone County**

**Colin Dodd
Raven Aiken**

Colin Dodd stated Bakery Express - MidWest, LLC is a commercial bakery manufacturing facility that supplies customers with fresh baked goods. The company hopes to open a new facility to serve a long-time customer and develop the market in Kentucky and the surrounding areas.

Raven Aiken stated the project investment is \$10,000,000 of which \$7,260,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 177 with an average hourly wage of \$22.20 including benefits. The state wage assessment participation is 1.2% and Boone County will participate at 0.4%.

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

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

**Aerospace Composites Solutions, Inc.
Butler County**

**Colin Dodd
Raven Aiken**

Colin Dodd stated Aerospace Composites Solutions, Inc. is a comprehensive composite design and manufacturing facility focused on expanding aircraft performance and capability. The company is considering a location within Morgantown to meet increased consumer demands.

Raven Aiken stated the project investment is \$16,800,000 of which \$9,000,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 72 with an average hourly wage of \$30.00 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,000,000.

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

**Lunae, LLC
Warren County**

**Colin Dodd
Michelle Elder**

Colin Dodd stated Lunae, LLC, initially existed as the behind-the-scenes management company for Oria, was a thriving telehealth practice offering mental health services in places that cannot normally be reached. The company is now considering the establishment of its corporate headquarters in Warren County.

Michelle Elder stated the project investment is \$266,000 of which \$216,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 33 with an average hourly wage of \$28.00 including benefits. The state wage assessment participation is 2.7% and the City of Bowling Green will participate at 1.0%.

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

Naashom Marx moved to approve the staff recommendation, as presented; Chad Miller 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 5 companies requested additional time to complete the projects and asked that all 5 be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Itsuwa KY, LLC	Nelson	3 Months
Diversey, Inc.	Kenton	6 Months
Contemporary Amperex Technology Co., Limited	Barren	12 Months
International Farmaceutical Extracts LLC	Boyle	12 Months
Porter Road Butcher Meat Company LLC	Caldwell	12 Months

Staff recommended approval of the KBI extension requests.

Chad Miller 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 6 companies requested KBI final approval, 5 of which have modifications since preliminary approval. Mr. Combs asked that all 6 be presented as one motion.

No Modifications:

INFAC North America Inc.

Taylor

Manufacturing

Modifications:

Conner Logistics, Inc.

Pulaski

Service or Technology

Total investment and eligible costs have been updated based on the current projections. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

Green River Meats, LLC

Taylor

Manufacturing

State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

Modern Metals, Inc.

Boyd

Manufacturing

Total investment and eligible costs have been updated based on the current projections. Jobs increased from 24 to 36. Total negotiated tax incentive amount increased from \$500,000 to \$750,000. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

SWVA Kentucky, LLC

Boyd

Manufacturing

Total investment and eligible costs have been updated based on the current projections. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

WABACO USA LLC

Boone

Service or Technology

Total investment and eligible costs have been updated based on the current projections. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

Staff recommended final approval 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; Chad Miller seconded the motion. Motion passed, unanimous.

Kentucky Entertainment Incentive (KEI) Projects (Final)

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

Airspace Alabama, LLC

Tim Bates

Airspace

Tim Bates stated that Airspace Alabama, LLC plans to produce a Feature-Length Film, Airspace, in Jefferson County. Production is set to begin as early as June 30, 2023 and is anticipated to end by December 31, 2024. The Company anticipates \$5,204,411 in qualifying payroll expenditures and \$1,237,000 in qualifying non-payroll expenditures for a total of \$6,441,411. The company also anticipates employing 275 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 290.

Staff recommended a total negotiated tax incentive amount of \$ 2,000,014.

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

**In The Ring LLC
In The Ring**

Tim Bates

Tim Bates stated that In The Ring LLC plans to produce a Documentary, In The Ring, in Bullitt and Jefferson Counties. Production is set to begin as early as July 1, 2023 and is anticipated to end by August 1, 2023. The Company anticipates \$107,000 in qualifying payroll expenditures and \$19,900 in qualifying non-payroll expenditures for a total of \$126,900. The company also anticipates employing 8 Kentucky resident crew members and 0 Non-Kentucky resident crew members for a total production crew of 8.

Staff recommended a total negotiated tax incentive amount of \$43,420.

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

**Prosper Media Group, Inc.
Downstream: Bluegrass Tour 2023**

Joseph Gearon

Joseph Gearon stated that Prosper Media Group, Inc. plans to produce a Documentary, Downstream: Bluegrass Tour 2023, in Harrison, Jessamine and Madison Counties. Production is set to begin as early as July 1, 2023 and is anticipated to end by March 1, 2024. The Company anticipates \$29,100 in qualifying payroll expenditures and \$900 in qualifying non-payroll expenditures for a total of \$30,000. The company also anticipates employing 7 Kentucky resident crew members and 1 Non-Kentucky resident crew members for a total production crew of 8.

Staff recommended a total negotiated tax incentive amount of \$10,234.

Naashom Marx moved to approve the staff recommendation, as presented. Chad Miller 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 17 Kentucky small businesses, from 8 counties with qualifying tax credits of \$143,500. The 17 businesses created 41 jobs and invested \$541,883 in qualifying equipment and/or technology.

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

Administrative Processing & Services, LLC	Fayette	23	5	\$23.21	\$18,048	\$17,500
Architectural Kitchens & Baths LLC	Fayette	3	1	\$26.44	\$6,348	\$3,500
Bluegrass Hearing Clinic, LLC	Bourbon	18	2	\$13.95	\$7,750	\$7,000

Bruce-Layne, LLC	Jefferson	8	1	\$19.00	\$16,130	\$3,500
Corvin's Furniture & Carpet, LLC	Nelson	23	2	\$19.47	\$19,554	\$7,000
Joker Business Solutions, LLC	Fayette	2	1	\$23.00	\$5,080	\$3,500
KY Hearing Clinic, LLC	Jefferson	2	1	\$41.00	\$8,432	\$3,500
Mindel, Scott & Associates, Inc.	Jefferson	27	3	\$27.08	\$21,707	\$10,500
Old School Mall, LLC	Fayette	0	1	\$22.46	\$26,655	\$3,500
Patterson and Company CPAs PLLC	Jefferson	17	2	\$25.93	\$8,801	\$7,000
Please & Thank You, LLC	Jefferson	13	2	\$20.96	\$39,249	\$7,000
Priceville Hardwoods, LLC	Hart	2	5	\$29.15	\$135,000	\$17,500
Radiant Inc.	Jefferson	6	2	\$19.00	\$8,532	\$7,000
Service Specialties, LLC	Clark	14	5	\$27.60	\$171,107	\$17,500
South Central Veterinary Services, LLC	Warren	11	1	\$40.86	\$18,400	\$3,500
Team Wolf, Inc	Jefferson	7	1	\$28.44	\$5,990	\$3,500
The Nest Day Spa, LLC	Greenup	0	6	\$26.94	\$25,100	\$21,000

Staff recommended approval of the tax credits.

Chad Miller moved to approve the staff recommendation, as presented; Naashom Marx 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 7 Kentucky Angel Investment Act projects representing 7 Kentucky businesses and 7 investors for a total projected investment of \$345,000 with eligible tax credits of \$101,250. 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:

Roy T. Toutant	CleanSpace Corporation	Fayette	\$20,000	\$5,000
Herbert W. Perkins, III	Goodmaps Inc.	Jefferson	\$50,000	\$12,500
Jacob W. Cassady	Guide Book Outdoors, Inc.	Jefferson	\$25,000	\$6,250
Thomas Benjamin Self	Gun Media Holdings, Inc.	Fayette	\$70,000	\$17,500
Gregory W. Carlton	Personal Medicine Plus LLC	McCracken	\$100,000	\$40,000
John Spencer Houlihan, Jr.	PowerTech Water, Inc.	Fayette	\$50,000	\$12,500
Jerry Joseph Arrasmith, II	Wendal Inc	Kenton	\$30,000	\$7,500

Staff recommended approval of the proposed Angel Investment tax credits.

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

Other Business

KBI Enhanced Incentive Counties For FY 2023-2024

Chairman Hale called on Michelle Elder to present the KBI Enhanced Incentive Counties for 2023-2024 to the Authority.

Michelle Elder stated **Boyle County** is beginning the first year of decertification and projects must complete final approval by June 30, 2026. **Butler, Carlisle, Laurel, and Garrard Counties** are beginning the second year of decertification and projects must complete final approval by June 30, 2025. **McLean and Union Counties** are beginning the third year of decertification and projects must complete final approval by June 30, 2024. **Bullitt, Caldwell, Graves, Hart, Hickman, Logan, Lyon, Marshall, Shelby, Spencer, Taylor, Todd, and Warren Counties** meet the criteria as a disaster relief area for certification and are designated as enhanced counties as of July 1, 2023 for two years. **Barren and LaRue Counties** meet the criteria for certification and are designated as enhanced counties as of July 1, 2023.

Staff recommended adoption of the resolution certifying the KEDFA Incentive Programs FY-2023-2024 Enhanced Incentive Counties.

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

Legislative Update

Jean Hale called on Katie Smith to present the Legislative Update for 2023 Regular Session. Ms. Smith provided an overview of the changes to the incentive programs impacted by legislation.

Western Kentucky Risk Assessment Fund

Chairman Hale called on Kylee Palmer to present the Western Kentucky Risk Assistance Fund Guidelines to the Authority.

303 was signed into law by the Governor updating the WKRAF program. Cabinet staff has incorporated the changes in the WKRAF Guidelines that were approved on June 30, 2022.

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

Resolution of Recognition

Chairman Hale read the Resolution of Recognition for Gene Strong.

Don Goodin moved to approve the resolution as presented. Naashom Marx seconded the motion. Motion passed unanimous.

Adjournment

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

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

The meeting adjourned at 11:16 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman