



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Commissioner
Department for Financial Services 

DATE: June 18, 2021

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, June 24, 2021** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EST) in the Board of Directors Conference Room.

If you have any questions, please feel free to contact our office at any time.

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion (United Nations 1998).

There are a number of reasons why the number of children in the world is increasing. One of the main reasons is that the number of children who are surviving to adulthood is increasing. This is due to a number of factors, including improved medical care, better nutrition, and a decrease in child mortality.

Another reason why the number of children in the world is increasing is that the number of children who are being born is increasing. This is due to a number of factors, including a decrease in the age at which women are having children, and an increase in the number of children who are being born to women who are already mothers.

There are a number of challenges that are associated with the increasing number of children in the world. One of the main challenges is that there are not enough resources to care for all of the children. This is particularly true in developing countries, where there is a lack of access to education, healthcare, and other basic services.

Another challenge is that there are not enough jobs for all of the children who are growing up. This is particularly true in developing countries, where there is a high level of unemployment. This can lead to children being forced to work, which can be a very difficult and dangerous situation.

There are a number of ways that we can address these challenges. One way is to improve access to education, healthcare, and other basic services. Another way is to create more jobs for children and young people. Finally, we can also work to reduce the number of children who are being born.

It is important that we take action now to address these challenges. If we do not, the number of children in the world will continue to increase, and this will have a significant impact on the world in the years to come.

There are a number of ways that we can address these challenges. One way is to improve access to education, healthcare, and other basic services. Another way is to create more jobs for children and young people. Finally, we can also work to reduce the number of children who are being born.

It is important that we take action now to address these challenges. If we do not, the number of children in the world will continue to increase, and this will have a significant impact on the world in the years to come.

There are a number of ways that we can address these challenges. One way is to improve access to education, healthcare, and other basic services. Another way is to create more jobs for children and young people. Finally, we can also work to reduce the number of children who are being born.

It is important that we take action now to address these challenges. If we do not, the number of children in the world will continue to increase, and this will have a significant impact on the world in the years to come.

There are a number of ways that we can address these challenges. One way is to improve access to education, healthcare, and other basic services. Another way is to create more jobs for children and young people. Finally, we can also work to reduce the number of children who are being born.

It is important that we take action now to address these challenges. If we do not, the number of children in the world will continue to increase, and this will have a significant impact on the world in the years to come.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

Old Capitol Annex
Board of Directors Conference Room
300 West Broadway
Frankfort, Kentucky

AGENDA
June 24, 2021

Call to Order

Notification of Press

Roll Call

Minutes

May 27, 2021 Special KEDFA Board Meeting

Reports

Approved/Undisbursed Report	Kylee Palmer
Financial Statements and Monitoring Reports	Katie Smith

EDF Project (Final)

Nucor Corporation	Meade	Andy Luttner / Michelle Elder
-------------------	-------	-------------------------------

KBI Project (Modification) & KEIA Projects (Amendment)

Bardstown Bourbon Company, LLC	Nelson	Craig Kelly
--------------------------------	--------	-------------

KBI Project (Amendment)

Robert Bosch Automotive Steering LLC	Boone	Rachael Dever
--------------------------------------	-------	---------------

KEIA Projects (Extension)

DG Fresh Distribution TX, LLC	Warren	Craig Kelly
Kentucky Fresh Harvest, LLC	Lincoln	
Proximo Distillers, Inc.	Boone	
Feralloy Corporation	Gallatin	
Schneider Hotels, LLC	Jefferson	
Hitachi Automotive Electric Motor Systems America, Inc.	Madison	
Independent Stave Company	Rowan	
Ironton Enterprises, LLC	McCracken	
Michter's Distillery LLC	Washington	
Piramal Pharma Solutions LLC	Fayette	

KEIA Project

James Pepper Distilling Co., LLC	Woodford	Andy Luttner / Michelle Elder
----------------------------------	----------	-------------------------------

KBI Projects (Preliminary) & KEIA Projects

Diversey, Inc.	Kenton	Malcolm Jollie / Kate McCane
Diversey, Inc.	Kenton	
E.J. Curley Co	Jessamine	Malcolm Jollie / Michelle Elder
E.J. Curley Co	Jessamine	
Neogen Corporation	Montgomery	Brittany Cox / Debbie Phillips
Neogen Corporation	Montgomery	

KBI Projects (Preliminary)

R.A. Jones & Co.	Kenton	Brittany Cox / Michelle Elder
Universal Woods, LLC	Jefferson	Matt Simms / Michelle Elder
PJ Clark Lumber LLC	Trigg	Matt Simms / Michelle Elder
Lion First Responder PPE, Inc.	Lee	Andy Luttner / Debbie Phillips
Peristyle, LLC d.b.a. Castle & Key Distillery	Woodford	Brittany Cox / Debbie Phillips

KBI Projects (Extension)

		Michelle Elder
ShellTech, LLC	Pulaski	
Bowling Green Metalforming L.L.C.	Warren	
DENSO Air Systems Michigan Inc.	Christian	
Distilled Spirits Epicenter, LLC	Jefferson	
Global Wood Company, LLC	Pike	
Stryker Logistics, LLC	Warren	
SWVA Kentucky, LLC dba Kentucky Electric Steel	Boyd	

KBI Projects (Final)

		Debbie Phillips
Faneuil, Inc.	Fayette	
Metalsa Structural Products, Inc.	Daviess	
Tower Automotive Operations USA I, LLC	Bullitt	
Tower Automotive Operations USA I, LLC	Nelson	
Rack-It Truck Racks, Inc.	Clinton	
Alpla, Inc.	Warren	

Kentucky Small Business Tax Credits (KSBTC)

		Tim Back
Ashland Associates, LLC	Boyd	
Beaumont Homes, LLC	Boone	
Central Kentucky Sprinkler, Inc.	Jessamine	
Cornerstone Works, Inc.	Christian	
Lexwindows, LLC	Fayette	
Maximum Transportation, Inc.	Hardin	
Polaris of Paducah, Inc.	McCracken	
Tony Brown Chevrolet, Inc.	Meade	

Kentucky Angel Investment Tax Credits

		Tim Back
Kevin M. Bazner	Fayette	

Vincent J. Cole	Fayette
David L. Goodnight	Fayette
Thomas Ashley Prall	Fayette
Melissa Lewis Stephan	Fayette
Roy T. Toutant	Fayette
Frederic Henri Joseph Gilg	Fayette

Other Business

Angel Guidelines Update	Tim Back
Enhanced Counties FY 2021-2022	Michelle Elder
KEDFA Board Resolution for KBI Program	Katie Smith
Legislative Update	Katie Smith

Adjournment

Table 2. The effects of different concentrations of *Agrobacterium tumefaciens* on the growth of *Trigonotispora* and *Sclerotinia sclerotiorum* on a range of plant species

Plant species	Concentration of <i>A. tumefaciens</i>			
	10 ⁷	10 ⁸	10 ⁹	10 ¹⁰
<i>Trigonotispora</i>				
Pea	+	+	+	+
Tomato	+	+	+	+
Brassica	+	+	+	+
Chickpea	+	+	+	+
<i>Sclerotinia sclerotiorum</i>				
Pea	+	+	+	+
Tomato	+	+	+	+
Brassica	+	+	+	+
Chickpea	+	+	+	+

+, Growth of the fungus on the plant species.

infection of pea, tomato, brassica and chickpea. The effect of different concentrations of *A. tumefaciens* on the growth of *Trigonotispora* and *Sclerotinia sclerotiorum* on a range of plant species is given in Table 2. The results show that both fungi were able to grow on all the plant species and that the growth of both fungi was not affected by the concentration of *A. tumefaciens*.

The effect of different concentrations of *A. tumefaciens* on the growth of *Trigonotispora* and *Sclerotinia sclerotiorum* on a range of plant species is given in Table 2. The results show that both fungi were able to grow on all the plant species and that the growth of both fungi was not affected by the concentration of *A. tumefaciens*.

DISCUSSION

It has been shown that *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

The results of this study suggest that both *Trigonotispora* and *Sclerotinia sclerotiorum* are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*. This suggests that both fungi are able to grow on a wide range of plant species and that the growth of both fungi is not affected by the concentration of *A. tumefaciens*.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL BOARD MEETING

May 27, 2021

MINUTES

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 May 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) May 27, 2021 via video teleconference at the following link <https://us02web.zoom.us/j/89494915724> to consider all projects. KEDFA convened at 10:02 a.m. on May 27, 2021.

Notification of Press

J. Don Goodin, Vice Chairman, received verification that the media had been notified of the KEDFA special board meeting.

Roll Call

J. Don Goodin, Secretary Holly Johnson, Tucker Ballinger, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Bobby Aldridge, Tim Back, Elizabeth Bishop, Amy Bowman, Sarah Butler, Brittany Cox, Rachael Dever, Danielle Dunmire, Lisa Duvall, Michelle Elder, Tony Ellis, Ellen Felix, Annie Franklin, Krista Harrod, Malcolm Jollie, Craig Kelly, Andy Luttner, Brandon Mattingly, Kate McCane, Craig McKinney, Kylee Palmer, Corky Peek, Debbie Phillips, Charlie Rowland, Jenny Schenkenfelder, Matt Simms, Kristina Slattery, Katie Smith, Teresa Spreitzer, Jeff Taylor, Steve Vest and Maurice Walker.

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Robert Quigley, Michael Lafave and Jean Majeau, Kruger Packaging (USA) LLC; David Correll and Kirk Chadwick, Fischbach USA Inc.; Paul Tomaszewski and Mary Beth Tomaszewski, MB Roland Distillery, Inc.; Carter M. Hendricks, South Western Kentucky Economic Development Council; Mark Viscariello and Matt Bedingfield, Wieland North America, Inc.; Keith Stein, Synergy Tax Consultants; Dan Ison, Shelby County Judge Executive; Ray Leathers and Libby Adams, Shelby County Industrial Foundation; Brad Thomas and Jack Bragg, Jr., East Kentucky Power Co-operative / Shelby Energy; Jack Weir, Norfolk Southern; Wendy Goff, Brad Marx and Chris Skullett, Firestone Industrial Products Company; Bruce Carpenter, Corbin Economic Development Agency; Roddy Harrison, Mayor City of Williamsburg; Pat White, Jr., Whitley County Judge Executive; Devon Stansburry and Jeff Worley, Northern Kentucky Tri-Ed; Sierra Enlow and Zeeshan Bhatti, McGuire Sponsel; Chris Smith, OnPoint Warranty Solutions, LLC; Lacey Herrera, SSW Advanced Technologies, LLC; Beth Carrick and Jeremy James, Bardstown Bourbon Company; Matt Zoeller, Scott, Murphy and Daniel; Alex Gardner, Jackson Kelly PLLC; Chris Gullott, Billy Aldridge, Ryan Barrow and Matthew Feltner, Kentucky Finance and Administration Cabinet; Alex Mercer, Louisville Forward; Richard Games, Elizabethtown / Hardin County Industrial Foundation, Inc.; Haley McCoy, Kentucky Community and Technical College System; Mark Williams and Danielle Campo, Strategic Development

Group; Jeff Hodges, Gray Construction; Jake Medley; Jon Park; Reid Pittard; Jenni Thompson; Casey Dunn; M. Mercer; and Mike Grim.

Approval of Minutes

Vice Chairman Goodin entertained a motion to approve the minutes from the April 29, 2021 special KEDFA board meeting.

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

Approved/Undisbursed Report

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

Financial Statements and Monitoring Reports

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

Auditor's Communication

Vice Chairman Goodin called on Katie Smith to review the Audit Communication. Ms. Smith informed the board that MCM CPAs and Advisors will perform the audit and discussed the timing of the field work.

Kentucky Business Incentive (KBI) Projects (Amendment)

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

Best Buy Warehousing Logistics, LLC

Bullitt County

Mr. Aldridge stated Best Buy Warehousing Logistics, Inc. received Final Approval on April 28, 2011 for a project to establish a warehousing and logistics fulfillment center in Shepherdsville. The project activated March 7, 2012. Effective February 2, 2020 in connection with certain corporate restructuring, the company converted to a limited liability company, Best Buy Warehousing Logistics, LLC, and the assets and operations were transferred to the LLC. Additionally, for administrative purposes, payroll responsibilities for the project employees were transferred to the parent company, Best Buy Stores, LP effective August 9, 2020. The company requested Best Buy Warehousing Logistics, LLC be recognized as the approved company and Best Buy Stores, LP. be added as an approved affiliate under the Amended and Restated Tax Incentive Agreement. All other aspects of the project remain the same. Staff recommended approval of the KBI amendment request.

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

Norgren LLC

Jefferson County

Norgren, Inc. supplies pneumatic motion and fluid control technologies worldwide. The Company received Final Approval on June 30, 2016 for a project to move an existing service operation to Kentucky to improve service for its US customer base. The project

activated January 1, 2017. Effective November 30, 2020, the Company converted its business structure from a corporation to a limited liability company and changed its name from Norgren, Inc. to Norgren LLC. Effective January 1, 2021, the Company's project employees were transferred to IMI Norgren LLC, an affiliate of the Company. The company requested Norgren LLC be recognized as the approved company and IMI Norgren LLC be added as an approved affiliate under the Amended and Restated Tax Incentive Agreement. All other aspects of the project remain the same. Staff recommended approval of the KBI amendment request.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

Vice Chairman Goodin called on Bobby 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.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Crown Cork and Seal USA, Inc.	Warren	3 Months
BuildMyPlace, LLC	Jefferson	12 Months
Kimberly-Clark Corporation	Daviess	12 Months
Rajant Corporation	Rowan	12 Months

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

Vice Chairman Goodin called on staff to present the KEIA projects to the Authority.

**MB Roland Distillery, Inc.
Christian County**

**Andy Luttner
Debbie Phillips**

Andy Luttner stated MB Roland Distillery, Inc., founded in 2009, is an independent, Kentucky owned distillery. The company is considering an expansion of its current facility by purchasing additional land and constructing a barrel warehouse to meet product demand. Debbie Phillips state the project investment is \$2,350,000 of which \$1,500,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$60,000 for Construction Materials & Building Fixtures.

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

**The Bardstown Bourbon Company, LLC
Nelson County**

**Annie Franklin
Kate McCane**

Annie Franklin stated The Bardstown Bourbon Company, LLC is one of the largest distilleries in America. The company began commercial production in 2016 and produces whiskey, bourbon and rye. The company is anticipating building three additional barrel

warehouses. Kate McCane stated the project investment is \$13,785,138 of which \$8,993,686 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$150,000 for Construction Materials & Building Fixtures.

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

**EcoChain Wind, LLC
Calloway County**

**Corky Peek
Michelle Elder**

Corky Peek stated EcoChain, Wind LLC is a wholly-owned subsidiary of EcoChain, Inc. a cryptocurrency mining entity. The company is considering Calloway County to construct a new high-performance data center. Michelle Elder stated the project investment is \$40,557,597 of which \$33,072,409 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$250,000 for Research & Development and/or Electronic Processing Equipment.

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

KBI (Preliminary) and KEIA Projects

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

**Firestone Industrial Products Company, LLC
Whitley County**

**Annie Franklin
Michelle Elder**

Annie Franklin stated Firestone Industrial Products Company, LLC (FSIP) specializes in air spring manufacturing and technology. FSIP manufactures air spring and related products for commercial trucks and trailers, cars, sport utility vehicles, light trucks, mini vans, motor homes, buses, agricultural equipment, rail and industrial applications. The company is considering expanding in the automotive vehicle market to help meet customer demand.

Michelle Elder stated the project investment is \$50,889,000, all of which qualifies as KBI eligible costs and \$8,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 250 with an average hourly wage of \$29.00 including benefits. The state wage assessment participation is 5.0%. 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. Only investment costs incurred by the approved company will be considered toward calculating eligible costs. Only the approved company may participate in the corporate income tax credit incentive (no affiliate is eligible). The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate(s), Nesco Service Company.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$6,500,000 and the KEIA approved recovery amount of \$350,000 for Construction Materials and Building Fixtures.

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

**Kruger Packaging (USA) LLC
Hardin County**

**Elizabeth Bishop
Debbie Phillips**

Elizabeth Bishop stated Kruger Inc. has built a solid reputation in traditional industry sectors like pulp and paper, containerboard and packaging solutions with 19 manufacturing and production operations across 10 sectors and 5,000 employees. Its subsidiary, Kruger Packaging (USA) LLC, is considering the establishment of its first corrugated box plant in the United States (U.S.). The proposed plant is expected to serve future and existing clients located across the Midwest, Northeast and Southern U.S.

Debbie Phillips stated the project investment is \$114,230,777 of which \$48,022,985 qualifies as KBI eligible costs and \$26,387,649 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 147 with an average hourly wage of \$32.50 including benefits. The state wage assessment participation is 3.0% and City of Elizabethtown will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$3,450,000 and the KEIA approved recovery amount of \$1,580,000 for Construction Materials and Building Fixtures.

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

**Wieland North America, Inc.
Shelby County**

**Brittany Cox
Debbie Phillips**

Brittany Cox stated Wieland North America, Inc. is the leading manufacturer and converter of copper and copper-alloy sheet, strip, foil, tube and fabricated components in North America. The company is considering Shelbyville for the location of a new manufacturing facility.

Debbie Phillips stated the project investment is \$250,000,000, all of which qualifies as KBI eligible costs and \$80,319,427 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 225 with an average hourly wage of \$30.00 including benefits. The state wage assessment participation is 5.0%. KRS 154.32-020 states that for any economic development project with an eligible investment of more than \$200 million, the authority may authorize approval to the economic development project based upon terms and incentives applicable to economic development projects locating in an enhanced incentive county. The project will be required to incur eligible costs of at least \$200 million prior to receiving final approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$6,000,000 and the KEIA approved recovery amount of \$750,000 for Construction Materials and Building Fixtures.

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

KBI Projects (Preliminary)

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

**MAB Fabrication, Inc.
Boone County**

**Annie Franklin
Michelle Elder**

Annie Franklin stated MAB Fabrication, Inc. creates fabric awnings for garden centers, large box stores and many other locations. The company is considering purchasing a

location in Boone County to expand its headquarters operations as well as its manufacturing capabilities to further company growth.

Michelle Elder stated the project investment is \$6,926,000 of which \$6,026,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 24 with an average hourly wage of \$25.00 including benefits. The state wage assessment participation is 1.5% and Boone County will participate at 0.4%.

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

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

**Fruehauf Inc.
Warren County**

**Craig McKinney
Michelle Elder**

Craig McKinney stated Fruehauf, Inc. a subsidiary of the Fultra Group, is a diversified manufacturing company based in Mexico. Fruehauf has a history of manufacturing transportation products that goes back to the company founding in 1890. The company is considering establishing a new trailer manufacturing facility to serve its customers in the United States and Canada.

Michelle Elder stated the project investment is \$12,000,000 of which \$5,580,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 288 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 3.0% and City of Bowling Green will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$4,000,000.

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

**Bel USA, Inc.
Grayson County**

**Corky Peek
Michelle Elder**

Corky Peek stated The Bel Group is a world leader in branded cheese and a major player in the healthy snack market. Bel USA, Inc. is considering the addition of a plant-based product line and several other additions and equipment upgrades to meet customer demand.

Michelle Elder stated the project investment is \$17,000,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 85 with an average hourly wage of \$44.00 including benefits. The state wage assessment participation is 5.0%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$4,000,000.

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

**WPT Corporation
Ohio County**

**Corky Peek
Michelle Elder**

Corky Peek stated WPT Corporation is a privately-owned, veteran owned, nonwoven fabric manufacturer that produces rolled fabric goods for the medical, industrial, hygiene and roofing industry and has been producing products for PPE since last year. The company is considering constructing a new facility and adding advanced manufacturing lines to produce high-efficiency air filtration media.

Michelle Elder stated the project investment is \$10,700,000, 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 \$17.00 including benefits. The state wage assessment participation is 5.0%. 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 Beaver Dam/Ohio County. Only investment costs incurred at 967 W 7th 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 \$525,000.

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

**Fischbach USA, Inc.
Hardin County**

**Andy Luttner
Debbie Phillips**

Andy Luttner stated Fischbach USA Inc. is a manufacturer of various plastic packaging, sealants and adhesives. The company is considering an expansion of its existing facility by adding warehousing and production space.

Debbie Phillips stated the project investment is \$12,036,054 of which \$4,340,255 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 31 with an average hourly wage of \$24.20 including benefits. The state wage assessment participation is 3.0% and City of Elizabethtown will participate at 1.0%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$450,000.

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

**SSW Advanced Technologies, LLC
Jefferson County**

**Matt Simms
Kate McCane**

Matt Simms stated SSW Advanced Technologies, LLC (SSW) began business in 1946 in residential refrigeration with wire shelving. Today SSW has 13 manufacturing facilities with product lines in glass shelving, residential cooking, commercial refrigeration, home laundry, HVAC, wire mine mesh and engineered mesh product lines. The company is seeking to establish a corporate headquarters in Louisville as it provides a central location to its manufacturing facilities and current customer base.

Kate McCane stated the project investment is \$2,800,000 of which \$1,725,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 14 with an average hourly wage of \$62.40 including benefits. The state wage assessment participation is 3.0% and Louisville/Jefferson County Metro Government will participate at 1.0%. The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company locations and affiliates, excluding the site of the project, as of the date of preliminary approval. Only investment costs incurred by the approved company will be considered toward calculating eligible costs. Only the approved company may participate in the corporate income tax credit incentive (no affiliate is eligible). The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate(s), Alabama Wire Products LLC.

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

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

**OnPoint Warranty Solutions LLC
Jefferson County**

**Malcolm Jollie
Kate McCane**

OnPoint Warranty Solutions LLC began operations in 2018. The company offers manufacturer warranty underwriting and administration, extended and home warranties for manufacturers, retailers, service providers and other entities which sell consumer products direct to consumer or via retail channel partners. They also offer HVAC warranties to installer/service providers and offer logistics and service administration technology. The company has signed new projects and anticipates growing its staff and expanding its infrastructure to meet the needs of the new projects.

Kate McCane stated the project investment is \$900,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 104 with an average hourly wage of \$18.55 including benefits. The state wage assessment participation is 3.0% and Louisville/Jefferson County Metro Government will participate at 1.0%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$900,000.

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

KBI Projects (Extension)

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

Michelle Elder stated six (6) companies requested additional time to complete the projects and asked that all six (6) be presented as one motion.

Company	County	Extension
Grief Packaging LLC dba Multicorr	Jefferson	12 Months
Berry Global, Inc.	Warren	12 Months
Crown Verity USA Inc.	Warren	12 Months
Investors Heritage Life Insurance Company	Franklin	12 Months

Mayfield Consumer Products, LLC	Graves	12 Months
Michter's Distillery LLC	Jefferson	12 Months

Staff recommended approval of the KBI extension requests.

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

KBI Project (Rescind / Final)

Vice Chairman Goodin called on Debbie Phillips to present the KBI Project to rescind, modify and request final approval from the Authority.

**ORBIS Corporation
Nelson County**

Debbie Phillips stated ORBIS Corporation received final approval on April 29, 2021. Shortly after final approval, it was noted the eligible costs of the project had decreased from \$9,400,000 to \$8,636,556. Staff requested the Board rescind the final approval of the project from the April 29, 2021 meeting, and the Board grant final approval with modification of eligible costs at the May 27, 2021 KEDFA meeting.

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

KBI Projects (Final)

Vice Chairman Goodin called on Debbie Phillips to present the KBI final projects to the Authority.

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

Modifications:

Alpla, Inc.	Warren	Manufacturing
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.		

AtCorr Packaging Products LLC	Barren	Manufacturing
Investment increased from \$780,950 to \$1,585,000. Eligible costs increased from \$780,950 to \$1,105,000. Jobs increased from 31 to 100. Total negotiated tax incentive amount increased from \$250,000 to \$900,000. All other aspects of the project remain the same.		

Fives Intralogistics Corp	Jefferson	Manufacturing
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.		

Tri-Arrows Aluminum, Inc.	Logan	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.

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

Kentucky Small Business Tax Credit (KSBTC) Projects

Vice Chairman Goodin called on Tim Back to present the KSBTC projects to the Authority.

Mr. Back stated there are 5 Kentucky small businesses, from 4 counties with qualifying tax credits of \$38,500. The 5 businesses created 11 jobs and invested \$61,974 in qualifying equipment and/or technology.

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

Qualified Small Business	County	Beg. Emp.	Elig. Pos.	Qualifying Average Hourly Wage	Equipment or Technology	Tax Credit
Bluegrass Chiro, PLLC	Boyle	42	2	\$13.62	\$11,950	\$ 7,000
Insight Automation, Inc.	Boone	8	3	\$67.63	\$12,955	\$10,500
Jax's Cool Convenience, LLC	Russell	13	1	\$12.00	\$17,842	\$ 3,500
Little Links to Learning, LLC	Kenton	28	4	\$13.94	\$14,087	\$14,000
Wilderness Trace Veterinary Clinic, PLLC	Boyle	6	1	\$11.50	\$ 5,140	\$ 3,500

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

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

Mr. Back stated there are 15 Kentucky Angel Investment Act projects representing four Kentucky businesses and 15 investors for a total projected investment of \$635,798 with eligible tax credits of \$166,449. 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:

Qualified Small Business Qualified Investor(s)	County	Projected Investment	Tax Credit
<u>Personal Medicine Plus, LLC</u> Michael Prentiss Johnson Brian Aaron Luttmann	McCracken	\$ 25,000 \$ 25,000	\$10,000 \$10,000
<u>PowerTech Water, Inc.</u> Vincent J. Cole Roy T. Toutant Christopher H. Young	Fayette	\$ 25,000 \$ 40,000 \$100,000	\$ 6,250 \$10,000 \$25,000
<u>RedLeaf Biologics, Inc.</u> William True Baker	Fayette	\$ 25,000	\$ 6,250

Jean-Philippe Barade		\$ 50,000	\$12,500
Ryan W. Davies		\$ 50,000	\$12,500
John Eugene Dueber		\$ 35,150	\$ 8,787
Deborah Lynn Ferguson		\$ 25,308	\$ 6,327
Vishal H. Jain		\$ 25,000	\$ 6,250
Carlo Hamermesz Neumark		\$ 25,000	\$ 6,250
Douglas Walter Rix		\$ 25,308	\$ 6,327
Theodore Wachtell		\$150,000	\$37,500

<u>Wendal Inc.</u>	Kenton		
Michael Burke Fritz		\$ 10,032	\$ 2,508

Staff recommended approval of the proposed Angel Investment tax credits.

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

Other Business

Resolution of Recognition

Vice Chairman Goodin read and presented a Resolution of Recognition to Teresa Spreitzer for her service to the Cabinet and the Commonwealth.

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

Adjournment

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

Naashom Marx moved to adjourn the May KEDFA board meeting; Chad Miller seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:05 a.m.

**APPROVED
PRESIDING OFFICER:**



 Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

5/31/2021

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
-----------	--------	--------	---------------	--------------------	----------------

KEDFA LOANS

None

KEDFA GRANTS

Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-21	\$381,774
--	-------	------	--------	--------	-----------

SMALL BUSINESS LOANS

None

TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)**\$381,774****Approved and Partially Disbursed KEDFA Projects**

Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
-----------	--------	--------	---------------	--------------	----------------	-------------------	-------------------

KEDFA GRANTS

Louisville/Jefferson County Metro Government (Res-Care, Inc.)	21990	Jefferson	Jan-18	Dec-22	\$500,000	(\$300,000)	\$200,000
---	-------	-----------	--------	--------	-----------	-------------	-----------

TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)**\$200,000****TOTAL KEDFA APPROVED AND NOT DISBURSED****\$581,774**

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million (19.5% of the population).

There is a growing awareness of the need to address the needs of older people, and the Government has set out a strategy for the 21st century in the White Paper on *Ageing Better: A Strategy for the 21st Century* (Department of Health 1999). This sets out a vision of a society in which older people are able to live well, and to contribute to society.

The White Paper sets out a number of key objectives, including:

- to improve the health and well-being of older people;
- to ensure that older people are able to live independently and to contribute to society;
- to ensure that older people are able to access the services and support they need.

The White Paper also sets out a number of key actions, including:

- to improve the health and well-being of older people by promoting healthy living and preventing illness and disability;
- to ensure that older people are able to live independently and to contribute to society by providing them with the services and support they need;
- to ensure that older people are able to access the services and support they need by improving the way in which services are delivered.

The White Paper also sets out a number of key principles, including:

- older people should be able to live well and to contribute to society;
- older people should be able to access the services and support they need;
- older people should be able to live independently and to contribute to society;
- older people should be able to access the services and support they need.

The White Paper also sets out a number of key actions, including:

- to improve the health and well-being of older people by promoting healthy living and preventing illness and disability;
- to ensure that older people are able to live independently and to contribute to society by providing them with the services and support they need;
- to ensure that older people are able to access the services and support they need by improving the way in which services are delivered.

The White Paper also sets out a number of key principles, including:

- older people should be able to live well and to contribute to society;
- older people should be able to access the services and support they need;
- older people should be able to live independently and to contribute to society;
- older people should be able to access the services and support they need.

The White Paper also sets out a number of key actions, including:

- to improve the health and well-being of older people by promoting healthy living and preventing illness and disability;
- to ensure that older people are able to live independently and to contribute to society by providing them with the services and support they need;
- to ensure that older people are able to access the services and support they need by improving the way in which services are delivered.

The White Paper also sets out a number of key principles, including:

- older people should be able to live well and to contribute to society;
- older people should be able to access the services and support they need;
- older people should be able to live independently and to contribute to society;
- older people should be able to access the services and support they need.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF NET POSITION
5/31/2021

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 5/31/21	OOE 5/31/21	COMBINED 5/31/21
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	116,738.45	0.00	0.00	116,738.45	0.00	116,738.45
Cash	1,901,815.60	15,534,218.96	412,946.70	17,848,981.26	0.00	17,848,981.26
High Tech Construction Pool	0.00	0.00	0.00	0.00	137,500.00	137,500.00
High Tech Investment Pool	0.00	0.00	0.00	0.00	2,545,718.33	2,545,718.33
High Tech LGEDF Pool	0.00	0.00	0.00	0.00	4,043.88	4,043.88
Investment Account	0.00	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernment Receivable	581,774.00	0.00	0.00	581,774.00	0.00	581,774.00
Total Cash & Accounts Receivable	2,600,328.05	15,534,218.96	412,946.70	18,547,493.71	2,687,262.21	21,234,755.92
Accrued Interest Receivable						
Loans	32,599.74	(418.09)	0.00	32,181.65	0.00	32,181.65
Investments	16.02	132.61	3.41	152.04	0.00	152.04
Total Accrued Interest Receivable	32,615.76	(285.48)	3.41	32,333.69	0.00	32,333.69
Notes Receivable						
Loans Receivable	51,539,181.65	181,337.50	0.00	51,720,519.15	0.00	51,720,519.15
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	(1,434,722.43)
Total Notes Receivable	51,539,181.65	181,337.50	0.00	50,285,796.72	0.00	50,285,796.72
TOTAL ASSETS	54,172,125.46	15,715,270.98	412,950.11	68,865,624.12	2,687,262.21	71,552,886.33
DEFERRED OUTFLOWS OF RESOURCES:						
<i>Deferred Outflows Pension</i>				1,827,000.00	0.00	1,827,000.00
<i>Deferred Outflows OPEB</i>				558,000.00	0.00	558,000.00
LIABILITIES						
Accrued Salaries & Compensated Absences				386,246.54	0.00	386,246.54
Accounts Payable					0.00	0.00
Intergovernment Payable						0.00
Grants Payable				0.00	0.00	0.00
Pension Liability				10,070,000.00	0.00	10,070,000.00
OPEB Liability				1,585,000.00	0.00	1,585,000.00
TOTAL LIABILITIES				12,041,246.54	0.00	12,041,246.54
DEFERRED INFLOWS OF RESOURCES						
<i>Deferred Inflows Pension</i>				47,000.00	0.00	47,000.00
<i>Deferred Inflows OPEB</i>				280,000.00	0.00	280,000.00
NET POSITION						
Beginning Balance				61,062,465.62	2,988,556.40	64,051,022.02
Current Year Undivided Profits				(2,180,088.04)	(301,294.19)	(2,481,382.23)
TOTAL NET POSITION				58,882,377.58	2,687,262.21	61,569,639.79

NOTE 1 The Small Business Loan Pool is presented separately only for internal tracking purposes.

NOTE 2 The Office of Entrepreneurship (OOE) operating transactions are no longer under the direction of KEDFA and are not reflected above.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTH ENDING AND FISCAL YTD May 31, 2021

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2020-2021 YEAR TO DATE	FY 2019-2020 YEAR TO DATE
Operating Revenues - KEDFA						
Interest Income/Loans	11,889.70	282.59	0.00	0.00	161,724.02	184,554.06
Interest Income/ Investments	16.02	132.61	3.41	0.00	1,626.27	195,097.04
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	49,135.00	0.00	0.00	0.00	316,112.33	452,955.44
Miscellaneous Income	0.30	0.00	0.00	0.00	3.34	3,084.58
Total Operating Revenues - KEDFA	61,041.02	415.20	3.41	0.00	479,465.96	835,691.12
Operating Expenses - KEDFA						
Salaries	96,498.80				1,112,119.37	1,102,788.96
Employee benefits	102,701.16				1,192,611.32	1,174,364.22
Pension Liability Adjustment	0.00				0.00	0.00
OPEB Liability Adjustment	0.00				0.00	0.00
Other Personnel Costs	0.00				0.00	0.00
Contracted Personal Services	9,266.11				126,482.06	122,239.62
Maintenance and Repairs	0.00				96.25	0.00
Computer Services	0.00				1,400.00	0.00
Travel	0.00				0.00	0.00
Dues	0.00				1,845.00	0.00
Commodities Expense	0.00				0.00	0.00
Bad Debt Expense	0.00				0.00	2,824.89
Grant Disbursement	0.00				0.00	0.00
Total Operating Expenses - KEDFA	208,466.07	0.00	0.00	0.00	2,434,554.00	2,407,423.57
Income (Loss) from Operations - KEDFA	(147,425.05)	415.20	3.41	0.00	(1,955,088.04)	(1,571,732.45)
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund	0.00				0.00	0.00
Operating Transfer Out - BSSC					0.00	0.00
Transfer Due from Bonds					(8,575.00)	0.00
Grants Disbursed					(216,425.00)	(225,000.00)
Operating Transfer In - Economic Dev	0.00				0.00	0.00
Unrealized Gains/(Losses) on Investment	0.00				0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
Total Non-Operating Revenues (Expenses) -	0.00	0.00	0.00	0.00	(225,000.00)	34,775,000.00
CHANGE IN NET POSITION - KEDFA	(147,425.05)	415.20	3.41	0.00	(2,180,088.04)	33,203,267.55
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				0.00	0.00	0.00
Misc Income				0.00	0.00	0.00
Disbursements: Projects (Note 1)					(211,067.12)	(148,983.01)
Repayments received from Projects					7,779.14	48,550.77
Non-Operating Revenues (Expenses) - OOE						
Operating Transfer in - OOE					0.00	0.00
Transfer Due from Bonds					(98,006.21)	(250,000.00)
Operating Transfer Out - OOE				0.00	0.00	0.00
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	0.00	(301,294.19)	(350,432.24)
CHANGE IN NET POSITION - COMBINED	(147,425.05)	415.20	3.41	0.00	(2,481,382.23)	32,852,835.31

NOTE 1 Represents disbursements for projects from OOE Funds. (See OOE listings for detail of approved projects)

NOTE 2 Statement does not include interest income for OOE that is swept monthly to OOE's operating account

NOTE 3 The Small Business Loan Pool is presented separately only for internal tracking purposes.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CASH POSITION STATEMENT
5/31/2021

	5/31/2020	5/31/2021
Fund A Cash Balance	\$396,826.25	\$1,901,815.60
Less: Approved/Undisbursed		
Total Unobligated Balance	\$396,826.25	\$1,901,815.60
2003 Bond Fund Cash Balance	\$17,709,725.71	\$15,534,218.96
Less: Approved/Undisbursed	(806,774.00)	(581,774.00)
Total Unobligated Balance	\$16,902,951.71	\$14,952,444.96
Small Business Loan Fund Cash Balance	\$412,906.55	\$412,946.70
Less: Approved/Undisbursed		
Total Unobligated Balance	\$412,906.55	\$412,946.70
Bond Funds to be Provided for Loans		
Less: Approved/Undisbursed		
Total Unobligated Balance	\$0.00	\$0.00
Budget: Cash to be Transferred to Other CED Programs for	\$0.00	\$0.00
CASH AVAILABLE	\$17,712,684.51	\$17,267,207.26
OCI Fund Cash Balance		
High Tech Construction Pool	\$137,500.00	\$137,500.00
Less: Approved/Undisbursed	\$0.00	\$0.00
High Tech Investment Pool	\$2,762,174.78	\$2,545,718.33
Less: Approved/Undisbursed	(\$578,927.24)	(\$33,264)
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects	\$98,006.21	
Bond Funds Available for Projects		
Total Unobligated Balance	\$2,422,798	\$2,653,998
TOTAL ALL FUNDS	\$20,135,482.14	\$19,921,205.06

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million (19.5% of the population).

There is a growing awareness of the need to address the needs of older people, and the Government has set out a strategy for the 21st century in the White Paper on *Ageing Better: The Government's Strategy for Older People* (Department of Health 1999). This paper sets out the Government's strategy for older people, and identifies the key areas for action.

The White Paper sets out a number of key areas for action, including: (1) the need to improve the health and well-being of older people; (2) the need to improve the social and economic conditions of older people; (3) the need to improve the services available to older people; and (4) the need to improve the way in which older people are represented in society.

The White Paper also sets out a number of key objectives for the Government's strategy for older people, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

The White Paper also sets out a number of key actions for the Government to take, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

The White Paper also sets out a number of key actions for the Government to take, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

The White Paper also sets out a number of key actions for the Government to take, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

The White Paper also sets out a number of key actions for the Government to take, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

The White Paper also sets out a number of key actions for the Government to take, including:

- to improve the health and well-being of older people;
- to improve the social and economic conditions of older people;
- to improve the services available to older people;
- to improve the way in which older people are represented in society.

KBI Summary

Updated June 14, 2021

Fiscal Year End Reporting

Year	Number of Projects	Jobs			Wages		
		Jobs Reported	Job Target	% Achieved	Average Wage Reported	Wage Target	% Achieved
2010	1	40	51	78%	\$11.42	\$11.00	104%
2011	5	269	257	105%	\$35.00	\$28.90	121%
2012	18	1,264	1,154	110%	\$25.30	\$23.23	109%
2013	58	5,908	5,395	110%	\$24.85	\$23.35	106%
2014	94	10,024	9,525	105%	\$24.85	\$22.98	108%
2015	143	14,617	13,193	111%	\$25.32	\$22.32	113%
2016	196	21,251	18,665	114%	\$25.05	\$21.79	115%
2017	245	26,094	22,067	118%	\$26.81	\$21.93	122%
2018	285	31,130	25,358	123%	\$26.28	\$21.82	120%
2019	319	37,362	28,387	132%	\$28.27	\$22.38	126%
2020	253	27,117	22,352	121%	\$29.96	\$22.41	134%
2021	14	1,233	1,049	118%	\$27.23	\$17.07	160%

Annual Maximums and Incentives Claimed

Year	Approved Annual Maximum	Earned Annual Maximum	Incentives Claimed*	Utilization Rate
2010-2012**	\$5,182,833	\$4,914,663	\$2,104,094	43%
2013	\$15,611,951	\$13,992,639	\$6,601,085	47%
2014	\$27,405,836	\$23,759,875	\$13,131,631	55%
2015	\$45,896,940	\$39,276,598	\$18,084,965	46%
2016	\$40,299,248	\$35,382,109	\$19,923,814	56%
2017	\$44,822,034	\$38,751,699	\$24,977,472	64%
2018	\$52,013,284	\$44,172,090	\$29,059,372	66%
2019	\$62,943,319	\$53,785,834	\$27,425,445	51%
2020	\$56,216,737	\$49,260,959	\$6,948,172	14%
2021	\$24,013,190	\$22,763,998	N/A	N/A
Grand Total	\$374,405,371	\$326,060,463	\$148,256,049	

- Based on actual jobs and wages reported in 2019 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is approximately \$2.2 billion.

*Notes on incentives claimed: Data is based on information provided by the Kentucky Department of Revenue.

**Due to taxpayer confidentiality, years 2010-2012 were combined.

**Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2021**

KEDFA Meeting date	6/24/2021
Total Projects Approved Fiscal Year-to-Date	43
Number of Proposed Projects for Current Month	4
<u>Construction Materials and Building Fixtures</u>	
Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$14,183,500
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$5,816,500
Proposed Approval for Current Month	<u>\$450,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$5,366,500</u></u>
<u>Research & Development and Electronic Processing Equipment, Flight Simulation Equipment</u>	
Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$1,268,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$3,732,000
Proposed Approval for Current Month	<u>\$0</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$3,732,000</u></u>

Project Update Report

June 2021

PROJECT UPDATES – FINAL APPROVAL

The following update(s) have occurred to project(s) that received final approval. Please note projects would not qualify for incentives if the project did not meet initial requirements, such as job creation, wages, investment or other, as required by the program.

Program	Project	County	Final Approval Date	Did the Project Qualify for Incentives?	Status Update
KBI	Graf Brothers Flooring, Inc.	Greenup	3/29/2018	No	Company advised in an email dated 5/20/2021 that their KBI employment levels had fallen below the KBI base requirement and they were unable to meet the required employment to activate the project by the covid relief extension date of 3/31/2021.
KBI	Framebridge, Inc.	Madison	12/7/2017	No	The company did not complete the documentation required to activate the project.

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion (United Nations 1994).

There are a number of reasons why the number of children in the world is increasing. One of the main reasons is the decline in the death rate of children under 5 years of age. In 1990, the death rate of children under 5 years of age was 100 per 1,000 live births. By 2000, it is expected to fall to 60 per 1,000 live births (United Nations 1994).

Another reason is the increase in the number of children who are not being adopted. In 1990, there were 1.1 million children who were not being adopted. By 2000, it is expected to increase to 1.5 million (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

The increase in the number of children in the world is a cause for concern. It is expected that the number of children who are not being adopted will continue to increase. This is because the number of children who are not being adopted is expected to increase from 1.1 million in 1990 to 1.5 million in 2000 (United Nations 1994).

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
ECONOMIC DEVELOPMENT FUND (EDF) PROJECT REPORT**

Date: June 24, 2021
Grantee: Meade County Fiscal Court
Beneficiary: Nucor Corporation
City: Brandenburg **County:** Meade
Activity: Manufacturing
Bus. Dev. Contact: A. Luttner **OFS Staff:** M. Elder

Project Description: Nucor Corporation and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Nucor is growing its operations by constructing a new state-of-the-art plate mill facility in Brandenburg. The new plate mill will enhance Nucor's ability to serve its customers in the region as well as the needs of its customers around the world.

Select Owned or Leased	Total Investment
Land	\$35,350,000
Building/Improvements	\$193,275,000
Equipment	\$1,334,000,000
Other Start-up Costs	\$3,850,000
TOTAL	\$1,566,475,000

Anticipated Project Funding	Amount	% of Total
Economic Development Fund Grant (State)	\$15,000,000	1.0%
Cash	\$1,388,835,000	88.7%
Green Bonds	\$162,640,000	10.4%
TOTAL	\$1,566,475,000	100.0%

Job and Wage Requirement Table

Compliance Date	Kentucky-Resident Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2025	400	Create	\$45.00	Total Hourly Compensation (includes benefits)
12/30/2026	400	Create	\$45.00	Total Hourly Compensation (includes benefits)
12/30/2027	400	Create	\$45.00	Total Hourly Compensation (includes benefits)
12/30/2028	400	Create	\$45.00	Total Hourly Compensation (includes benefits)
12/30/2029	400	Create	\$45.00	Total Hourly Compensation (includes benefits)

* Compliance periods will be annually and first compliance period may be accelerated. Subsequent compliance periods will be adjusted if acceleration occurs.

Collateral Required: Not applicable - Grant is performance-based and disbursement will not occur until after annual compliance is confirmed.

Job Penalty Provision: \$7,500 per job not created or maintained

Wage Penalty Provision: pro rata portion of EDF grant based on a formula outlined in the EDF grant agreement

Disbursement: Disbursement of grant funds may occur after each annual compliance period when requirements have been reviewed by the Cabinet. Funds will flow through the Grantee/local government entity to the Beneficiary/company.

12/31/2025	\$3,000,000
12/31/2026	\$3,000,000
12/31/2027	\$3,000,000
12/31/2028	\$3,000,000
12/31/2029	\$3,000,000

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **\$15,000,000**

Ownership (20% or more):

Publicly Traded

Active State Participation at the Project Site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Mar 27, 2019	KBI	Approve-Prelim	\$30,000,000
Mar 27, 2019	KEIA	Approve-Final	\$10,000,000

Unemployment Rate:

County: 4.5%

Kentucky: 3.8%

Recommendation:

Staff recommends approval of this EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this EDF grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the EDF funds for this project.

MEMORANDUM

TO: KEDFA Board Members

FROM: Kate McCane
Incentives Administration Division

DATE: June 24, 2021

SUBJECT: The Bardstown Bourbon Company, LLC - Nelson County
KBI Modification - KBI-I-19-22795

Bardstown Bottling Company, LLC was given preliminary approval on December 12, 2019 for a project consisting of an 45,000 square foot manufacturing facility in Nelson County to establish a bottling facility for the needs of various distilled spirits producers. The project was approved for up to \$430,000 in KBI incentives.

After preliminary approval, Bardstown Bottling Company, LLC was dissolved and all activities and operations moved to The Bardstown Bourbon Company, LLC.

Staff recommends a modification of the project consisting of the modification of the preliminary approval of Bardstown Bottling Company, LLC to The Bardstown Bourbon Company, LLC as the approved company.

All other aspects of the project remain the same.

MEMORANDUM

TO: KEDFA Board Members

FROM: Craig Kelly, Compliance Manager *CK*
Compliance Division

DATE: June 24, 2021

SUBJECT: KEIA Amendments
The Bardstown Bourbon Company, LLC (Nelson County)
Project # 22860 & 22796

The Bardstown Bourbon Company, LLC was approved for two (2) KEIA projects on December 12, 2019, #22860 & #22796. Subsequent to approval, the company changed its name from The Bardstown Barrel Company, LLC to The Bardstown Bourbon Company, LLC retroactive to December 12, 2019. The amendments also changes the street address of both Projects from TBD Parkway Drive to 1500 Parkway Drive, Bardstown, Nelson County. All other aspects of the projects remain the same.

Staff recommends approval.

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion.

There are a number of reasons why the world's population is growing so rapidly. One of the main reasons is that the number of children born to each woman has increased. This is due to a number of factors, including the fact that women are now having children at a younger age, and that there is a higher birth rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating from developing countries to developed countries has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher death rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating from developing countries to developed countries has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher death rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating from developing countries to developed countries has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher death rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating from developing countries to developed countries has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher death rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating from developing countries to developed countries has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher death rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that there is a higher life expectancy in developed countries, and that there is a higher death rate in developing countries.

MEMORANDUM

TO: KEDFA Board Members

FROM: Rachael Dever, Compliance Manager *RD*
Compliance Division

DATE: June 24, 2021

SUBJECT: KBI Amendment
Robert Bosch Automotive Steering LLC, (Boone County)
KBI Project # 17560

Robert Bosch Automotive Steering LLC requests KEDFA's approval of several changes to its KBI Project, including recognition of its corporate name change and approval of the addition of an approved affiliate to its KBI project. The project was originally approved on September 27, 2012 for ZF Steering Systems, LLC. The Company later changed its name from ZF Steering Systems, LLC to Robert Bosch Automotive Steering LLC following the acquisition of the Company by the Robert Bosch GmbH corporate group. On November 28, 2018 the Company formed a wholly owned subsidiary, Automotive Steering Column, LLC, which now employs some of the project employees who work at the Company's Florence, Kentucky automotive steering components manufacturing plant.

The Company requests the Authority's recognition of its name change, the approval of Automotive Steering Column, LLC as an approved affiliate that may claim Wage Assessments for employees hired to work at the Florence facility, and the execution of an Amended and Restated Tax Incentive Agreement that is retroactively effective to November 28, 2018 to correspond with the creation of the approved affiliate.

All other aspects of the agreement remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Craig Kelly Aldridge, Compliance Manager
Compliance Division

DATE: June 24, 2021

SUBJECT: KEIA Extensions

The following companies have requested additional time to complete their projects:

Company	County	Extension
DG Fresh Distribution TX, LLC	Warren	6 Months
Kentucky Fresh Harvest, LLC	Lincoln	6 Months
Proximo Distillers, Inc.	Boone	6 Months
Feralloy Corporation	Gallatin	12 Months
Schneider Hotels, LLC	Jefferson	12 Months
Hitachi Automotive Electric Motor Systems America, Inc.	Madison	12 Months
Independent Stave Company	Rowan	12 Months
Ironton Enterprises, LLC	McCracken	12 Months
Michter's Distillery LLC	Washington	12 Months
Piramal Pharma Solutions LLC	Fayette	12 Months

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 24, 2021
Approved Company: James Pepper Distilling Co., LLC
City: Midway **County:** Woodford
Activity: Manufacturing **Resolution #:** KEIA-21-23495
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: The Pepper family brand of whiskey is an iconic Kentucky whiskey brand initially produced during the American Revolution and continued through 1967. The family built and operated two main distilleries. In the 1960's the bourbon industry hit hard times and both the brand and the distillery in Fayette County were abandoned for over half a century. In 2008 the brand was relaunched and after fifty years of neglect the historic James Pepper Distillery was completely rebuilt and restored. In December 2017, the distillery once again began distilling whiskey using the same historic recipe as when it shut down in 1967. The company is considering constructing a barrel warehouse to store its own barrels.

Facility Details: Locating in a new facility

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Flight Simulation Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$440,000
\$2,450,000	\$2,850,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$2,450,000	\$3,290,000

Ownership (20% or more):

Amir Peay Alexandria, VA

Other State Participation: None

Unemployment Rate:

County: 2.8%

Kentucky: 3.8%

Existing Presence in Kentucky:

Fayette County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: Diversey, Inc.
City: Elsmere **County:** Kenton
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-21-23489
Bus. Dev. Contact: M. Jollie **DFS Staff:** K. McCane

Project Description: Diversey, Inc. develops and delivers innovative products, services, and technologies that protect and care for people through leading hygiene, infection prevention, and cleaning solutions. The company is evaluating a facility in Kenton County to produce cleaning and disinfecting products.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$21,666,665	\$43,333,330
\$12,000,000	\$12,000,000
\$3,000,000	\$30,000,000
\$800,000	\$800,000
\$37,466,665	\$86,133,330

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	150	\$24.75	
1	150	\$24.75	\$250,000
2	150	\$24.75	\$250,000
3	150	\$24.75	\$250,000
4	150	\$24.75	\$250,000
5	150	\$24.75	\$250,000
6	150	\$24.75	\$250,000
7	150	\$24.75	\$250,000
8	150	\$24.75	\$250,000
9	150	\$24.75	\$250,000
10	150	\$24.75	\$250,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$2,500,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Publicly Traded

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 2.9%

Local: 0.625% City of Elsmere

0.355% Kenton County

Unemployment Rate:

County: 3.4%

Kentucky: 3.8%

Existing Presence in Kentucky: None

Special Conditions: None

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion (United Nations 1998).

There are a number of reasons why the world's population is growing so rapidly. One of the main reasons is that the number of children born to each woman has increased. This is due to a number of factors, including the fact that women are now having children at a younger age, and that they are having more children than in the past.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are now more people in the world who are over 65 years of age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there are now more people who are looking for better opportunities elsewhere.

Another reason why the world's population is growing so rapidly is that the number of people who are having children is increasing. This is due to a number of factors, including the fact that there are now more people who are having children, and that there are now more people who are having children at a younger age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are now more people in the world who are over 65 years of age.

Another reason why the world's population is growing so rapidly is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there are now more people who are looking for better opportunities elsewhere.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are having children is increasing. This is due to a number of factors, including the fact that there are now more people who are having children, and that there are now more people who are having children at a younger age.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are now more people in the world who are over 65 years of age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there are now more people who are looking for better opportunities elsewhere.

Another reason why the world's population is growing so rapidly is that the number of people who are having children is increasing. This is due to a number of factors, including the fact that there are now more people who are having children, and that there are now more people who are having children at a younger age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are now more people in the world who are over 65 years of age.

Another reason why the world's population is growing so rapidly is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there are now more people who are looking for better opportunities elsewhere.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are having children is increasing. This is due to a number of factors, including the fact that there are now more people who are having children, and that there are now more people who are having children at a younger age.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are now more people in the world who are over 65 years of age.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 24, 2021
Approved Company: Diversey, Inc.
City: Elsmere
Activity: Manufacturing
Bus. Dev. Contact: M. Jollie

County: Kenton
Resolution #: KEIA-21-23490
DFS Staff: K. McCane

Project Description: Diversey, Inc. develops and delivers innovative products, services, and technologies that protect and care for people through leading hygiene, infection prevention, and cleaning solutions. The company is evaluating a facility in Kenton County to produce cleaning and disinfecting products.

Facility Details: Locating in a new facility

Anticipated Project Investment

Rent
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Flight Simulation Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$43,333,330
\$10,000,000	\$12,000,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$30,000,000
\$0	\$800,000
\$10,000,000	\$86,133,330

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$300,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$300,000

See KBI file (KBI-IL-21-23489) for Ownership, Other State Participation and Unemployment Rate.

the 1990s, the number of people in the UK who are aged 65 and over has increased from 10.5 million to 13.5 million (19.5% of the population).

There is a growing awareness of the need to address the needs of older people, and the Government has set out a strategy for the 21st century in the White Paper on *Ageing Better: The Government's Strategy for Older People* (Department of Health 1999). This strategy is based on the following principles:

- Older people should be able to live independently and actively in their own homes.
- Older people should be able to live in their own communities.
- Older people should be able to live in their own homes and communities for as long as possible.

There is a growing awareness of the need to address the needs of older people, and the Government has set out a strategy for the 21st century in the White Paper on *Ageing Better: The Government's Strategy for Older People* (Department of Health 1999).

This strategy is based on the following principles: older people should be able to live independently and actively in their own homes; older people should be able to live in their own communities; older people should be able to live in their own homes and communities for as long as possible.

The White Paper also sets out a number of key objectives for the 21st century, including:

- To ensure that older people are able to live independently and actively in their own homes.
- To ensure that older people are able to live in their own communities.
- To ensure that older people are able to live in their own homes and communities for as long as possible.

The White Paper also sets out a number of key objectives for the 21st century, including:

- To ensure that older people are able to live independently and actively in their own homes.
- To ensure that older people are able to live in their own communities.
- To ensure that older people are able to live in their own homes and communities for as long as possible.

The White Paper also sets out a number of key objectives for the 21st century, including:

- To ensure that older people are able to live independently and actively in their own homes.
- To ensure that older people are able to live in their own communities.
- To ensure that older people are able to live in their own homes and communities for as long as possible.

The White Paper also sets out a number of key objectives for the 21st century, including:

- To ensure that older people are able to live independently and actively in their own homes.
- To ensure that older people are able to live in their own communities.
- To ensure that older people are able to live in their own homes and communities for as long as possible.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: E.J. Curley Co.
City: Nicholasville **County:** Jessamine
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23496
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: The original E.J. Curley & Co. Distillery began in the late 1860's and was also known as Kentucky River Distilling at Kentucky Palisades. E.J. Curly Co. is considering purchasing property and a build out for major production capacity on the site of the original distillery.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$1,600,000	\$1,600,000
Building/Improvements	\$1,430,000	\$1,430,000
Equipment	\$200,000	\$515,926
Other Start-up Costs	\$1,500,000	\$1,500,000
TOTAL	\$4,730,000	\$5,045,926

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$37.00	
1	10	\$37.00	\$15,000
2	12	\$37.00	\$35,000
3	14	\$37.00	\$37,500
4	16	\$37.00	\$37,500
5	20	\$37.00	\$37,500
6	32	\$37.00	\$37,500
7	37	\$37.00	\$37,500
8	42	\$37.00	\$37,500
9	47	\$37.00	\$37,500
10	52	\$37.00	\$37,500

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$350,000**

Incentive Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

Rick Baker Lexington, KY
Matthew Parker Lexington, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 1.5%
Local: .50% Jessamine County Fiscal Court

Unemployment Rate:

County: 3.2% Kentucky: 3.8%

Existing Presence in Kentucky: None

Special Conditions: None

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 24, 2021
Approved Company: E.J. Curley Co
City: Nicholasville **County:** Jessamine
Activity: Manufacturing **Resolution #:** KEIA-21-23497
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: The original E.J. Curley & Co. Distillery began in the late 1860's and was also known as Kentucky River Distilling at Kentucky Palisades. E.J. Curley Co. is considering purchasing property and a build out for major production capacity on the site of the original distillery.

Facility Details: Locating in a new facility

Anticipated Project Investment

	Eligible Costs	Total Investment
Land	\$0	\$1,600,000
Building Construction	\$1,211,868	\$1,430,000
Electronic Processing Equipment	\$0	\$0
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$515,926
Other Start-up Costs	\$0	\$1,500,000
TOTAL	\$1,211,868	\$5,045,926

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$50,000**

See KBI file (KBI-I-21-23496) for Ownership, Other State Participation and Unemployment Rate.

the 1990s, the number of people with a disability has increased in all countries, and this is expected to continue in the future.

There are a number of reasons for this increase. One of the main reasons is the increase in life expectancy. As people live longer, they are more likely to develop a disability. Another reason is the increase in the number of people who are injured or become disabled as a result of accidents or violence.

There are also a number of reasons for the increase in the number of people who are disabled as a result of chronic diseases. One of the main reasons is the increase in the number of people who are obese.

Another reason is the increase in the number of people who are smokers. Smoking is a major risk factor for a number of chronic diseases, including heart disease, lung disease, and cancer.

There are also a number of reasons for the increase in the number of people who are disabled as a result of mental health problems. One of the main reasons is the increase in the number of people who are stressed.

Another reason is the increase in the number of people who are depressed. Depression is a major risk factor for a number of mental health problems, including anxiety, bipolar disorder, and schizophrenia.

There are also a number of reasons for the increase in the number of people who are disabled as a result of substance abuse. One of the main reasons is the increase in the number of people who are using drugs.

Another reason is the increase in the number of people who are drinking alcohol. Alcohol is a major risk factor for a number of mental health problems, including depression, anxiety, and schizophrenia.

There are also a number of reasons for the increase in the number of people who are disabled as a result of physical health problems. One of the main reasons is the increase in the number of people who are obese.

Another reason is the increase in the number of people who are smokers. Smoking is a major risk factor for a number of physical health problems, including heart disease, lung disease, and cancer.

There are also a number of reasons for the increase in the number of people who are disabled as a result of injuries or accidents. One of the main reasons is the increase in the number of people who are driving cars.

Another reason is the increase in the number of people who are using machinery. Machinery is a major risk factor for a number of injuries or accidents, including falls, cuts, and burns.

There are also a number of reasons for the increase in the number of people who are disabled as a result of violence. One of the main reasons is the increase in the number of people who are being assaulted.

Another reason is the increase in the number of people who are being killed. Violence is a major risk factor for a number of disabilities, including physical injuries, mental health problems, and death.

There are also a number of reasons for the increase in the number of people who are disabled as a result of chronic diseases. One of the main reasons is the increase in the number of people who are obese.

Another reason is the increase in the number of people who are smokers. Smoking is a major risk factor for a number of chronic diseases, including heart disease, lung disease, and cancer.

There are also a number of reasons for the increase in the number of people who are disabled as a result of mental health problems. One of the main reasons is the increase in the number of people who are stressed.

Another reason is the increase in the number of people who are depressed. Depression is a major risk factor for a number of mental health problems, including anxiety, bipolar disorder, and schizophrenia.

There are also a number of reasons for the increase in the number of people who are disabled as a result of substance abuse. One of the main reasons is the increase in the number of people who are using drugs.

Another reason is the increase in the number of people who are drinking alcohol. Alcohol is a major risk factor for a number of mental health problems, including depression, anxiety, and schizophrenia.

There are also a number of reasons for the increase in the number of people who are disabled as a result of physical health problems. One of the main reasons is the increase in the number of people who are obese.

Another reason is the increase in the number of people who are smokers. Smoking is a major risk factor for a number of physical health problems, including heart disease, lung disease, and cancer.

There are also a number of reasons for the increase in the number of people who are disabled as a result of injuries or accidents. One of the main reasons is the increase in the number of people who are driving cars.

Another reason is the increase in the number of people who are using machinery. Machinery is a major risk factor for a number of injuries or accidents, including falls, cuts, and burns.

There are also a number of reasons for the increase in the number of people who are disabled as a result of violence. One of the main reasons is the increase in the number of people who are being assaulted.

Another reason is the increase in the number of people who are being killed. Violence is a major risk factor for a number of disabilities, including physical injuries, mental health problems, and death.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: Neogen Corporation
City: Mt. Sterling **County:** Montgomery
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23325
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Neogen Corporation develops, manufactures and markets products to provide solutions for animal and food safety. The company is considering the consolidation of some of its manufacturing and distribution operations.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$500,000	\$500,000
Building/Improvements	\$6,539,960	\$6,539,960
Equipment	\$2,500,000	\$2,500,000
Other Start-up Costs	\$300,000	\$300,000
TOTAL	\$9,839,960	\$9,839,960

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	28	\$24.00	
1	49	\$24.00	\$75,000
2	52	\$24.00	\$75,000
3	55	\$24.00	\$100,000
4	58	\$24.00	\$100,000
5	61	\$24.00	\$100,000
6	64	\$24.00	\$100,000
7	67	\$24.00	\$100,000
8	71	\$24.00	\$100,000
9	75	\$24.00	\$100,000
10	79	\$24.00	\$100,000
11	79	\$24.00	\$100,000
12	79	\$24.00	\$100,000
13	79	\$24.00	\$100,000
14	79	\$24.00	\$125,000
15	79	\$24.00	\$125,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$1,500,000**

Incentive Type:

Enhanced

Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06

Total hourly compensation: \$10.42

Ownership (20% or more):

Publicly traded

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 4.2%

Kentucky: 3.8%

Existing Presence in Kentucky:

Fayette County

Special Conditions:

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.

the study. The authors would like to thank the staff of the National Institute for Occupational Safety and Health for their assistance in the data collection.

References

- Abel, M. J., 1996. *Occupational Safety and Health Administration's (OSHA) Safety and Health Data Collection System*. Washington, DC: Occupational Safety and Health Administration.
- Abel, M. J., 1997. *Occupational Safety and Health Administration's (OSHA) Safety and Health Data Collection System*. Washington, DC: Occupational Safety and Health Administration.
- Abel, M. J., 1998. *Occupational Safety and Health Administration's (OSHA) Safety and Health Data Collection System*. Washington, DC: Occupational Safety and Health Administration.
- Abel, M. J., 1999. *Occupational Safety and Health Administration's (OSHA) Safety and Health Data Collection System*. Washington, DC: Occupational Safety and Health Administration.

Appendix

The following table provides a list of the variables used in the study. The variables are grouped into three categories: demographic, occupational, and injury-related. The variables are listed in the order in which they appear in the study.

Demographic variables: age, sex, race, education, marital status, income, and household size.

Occupational variables: occupation, industry, tenure, and job title.

Injury-related variables: injury type, injury severity, injury date, and injury location.

The following table provides a list of the variables used in the study. The variables are grouped into three categories: demographic, occupational, and injury-related. The variables are listed in the order in which they appear in the study.

Demographic variables: age, sex, race, education, marital status, income, and household size.

Occupational variables: occupation, industry, tenure, and job title.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 24, 2021
Approved Company: Neogen Corporation
City: Mt. Sterling **County:** Montgomery
Activity: Manufacturing **Resolution #:** KEIA-21-23326
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Neogen Corporation develops, manufactures and markets products to provide solutions for animal and food safety. The company is considering the consolidation of some of its manufacturing and distribution operations.

Facility Details: Locating in a new facility

Anticipated Project Investment

Land
 Building Construction
 Electronic Processing Equipment
 Research & Development Equipment
 Other Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$2,350,000
\$1,171,500	\$2,813,976
\$0	\$75,000
\$0	\$80,000
\$0	\$4,220,984
\$0	\$300,000
\$1,171,500	\$9,839,960

Existing Presence in Kentucky:
 Fayette County

Approved Recovery Amount:
 Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$50,000**

See KBI file (KBI-I-21-23325) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: R. A. Jones & Co.
City: Covington **County:** Kenton
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23472
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: R. A. Jones & Co. is a leader in design and manufacturing of primary and secondary packaging of machinery for beverage, chemical, consumer goods, dairy, food, pharmaceutical, and industrial industries. The company is considering purchasing equipment and updating the facility to help aid the business and generate the opportunity for more business.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$600,000	\$600,000
\$400,000	\$1,463,000
\$0	\$0
\$1,000,000	\$2,063,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$43.00	
1	20	\$43.00	\$20,000
2	20	\$43.00	\$20,000
3	20	\$43.00	\$20,000
4	20	\$43.00	\$20,000
5	20	\$43.00	\$20,000
6	20	\$43.00	\$20,000
7	20	\$43.00	\$20,000
8	20	\$43.00	\$20,000
9	20	\$43.00	\$20,000
10	20	\$43.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Coesia Bologna, Italy

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: 0.4% Kenton County

Unemployment Rate:

County: 3.4%

Kentucky: 3.8%

Existing Presence in Kentucky:

Kenton County

Special Conditions:

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 reported 237 full-time, Kentucky resident employees as of the application date.

the 1990s, the number of people in the world who are undernourished has increased from 600 million to 800 million (FAO 2001).

There are a number of reasons for this increase. First, the world population has increased from 5 billion in 1987 to 6 billion in 2000, and is projected to reach 9 billion by 2050 (UN 2000). Second, the world population is becoming increasingly urbanized, with 55% of the world population living in urban areas in 2000, and this is projected to increase to 70% by 2050 (UN 2000). Third, the world population is becoming increasingly aged, with the number of people aged 65 and over increasing from 200 million in 1987 to 400 million in 2000, and projected to reach 1 billion by 2050 (UN 2000).

There are a number of reasons for this increase. First, the world population has increased from 5 billion in 1987 to 6 billion in 2000, and is projected to reach 9 billion by 2050 (UN 2000).

Second, the world population is becoming increasingly urbanized, with 55% of the world population living in urban areas in 2000, and this is projected to increase to 70% by 2050 (UN 2000). Third, the world population is becoming increasingly aged, with the number of people aged 65 and over increasing from 200 million in 1987 to 400 million in 2000, and projected to reach 1 billion by 2050 (UN 2000). Fourth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Fifth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Sixth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000). Seventh, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000). Eighth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Ninth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Tenth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Eleventh, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Twelfth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Thirteenth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Fourteenth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Fifteenth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Sixteenth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Seventeenth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Eighteenth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Nineteenth, the world population is becoming increasingly diverse, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

Twentieth, the world population is becoming increasingly mobile, with the number of people living in urban areas increasing from 2 billion in 1987 to 3 billion in 2000, and projected to reach 6 billion by 2050 (UN 2000).

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: Universal Woods, LLC
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-21-23476
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder

Project Description: Universal Woods, LLC, in operation since 1970, is a leading manufacturer of hard-surface coated substrates for the sublimations of images and engineered mezzanine flooring. The company is considering an expansion of its facility to add a new production line in order to meet customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$5,000,000	\$10,000,000
Building/Improvements	\$0	\$0
Equipment	\$800,000	\$8,700,000
Other Start-up Costs	\$550,000	\$550,000
TOTAL	\$6,350,000	\$19,250,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	40	\$33.00	
1	40	\$33.00	\$40,000
2	40	\$33.00	\$40,000
3	40	\$33.00	\$40,000
4	40	\$33.00	\$40,000
5	40	\$33.00	\$40,000
6	40	\$33.00	\$40,000
7	40	\$33.00	\$40,000
8	40	\$33.00	\$40,000
9	40	\$33.00	\$40,000
10	40	\$33.00	\$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$400,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

CP Husky, LLC Wilmington, DE

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Louisville/Jefferson County Metro Government

Unemployment Rate:

County: 4.1%

Kentucky: 3.8%

Existing Presence in Kentucky:

Jefferson County

Special Conditions:

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 reported 215 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Louisville/Jefferson. Only investment costs incurred at 264 Eiler Ave. 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.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: PJ Clark Lumber LLC
City: Cadiz **County:** Trigg
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23493
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: PJ Clark Lumber LLC is a logging and sawmill operation based out of Texas. The company is considering expanding its operations by purchasing a shuttered kiln in Trigg County. PJ Clark Lumber LLC would rehab the facility and purchase new equipment.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$3,250,000	\$3,250,000
\$1,600,000	\$1,600,000
\$150,000	\$150,000
\$5,000,000	\$5,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	13	\$23.00	
1	23	\$23.00	\$50,000
2	35	\$23.00	\$50,000
3	35	\$23.00	\$50,000
4	35	\$23.00	\$50,000
5	35	\$23.00	\$50,000
6	35	\$23.00	\$50,000
7	35	\$23.00	\$50,000
8	35	\$23.00	\$50,000
9	35	\$23.00	\$50,000
10	35	\$23.00	\$50,000
11	35	\$23.00	\$50,000
12	35	\$23.00	\$50,000
13	35	\$23.00	\$50,000
14	35	\$23.00	\$50,000
15	35	\$23.00	\$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$750,000

Incentive Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Ownership (20% or more):

Jacob Wadlington	Coppell, TX
Leo Smith	Dallas, TX

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:

County: 4.2%

Kentucky: 3.8%

Existing Presence in Kentucky: None

Special Conditions: None

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion.

There are a number of reasons why the world's population is growing so rapidly. One of the main reasons is that the number of children born to each woman has increased. This is due to a number of factors, including the fact that women are now having children at a younger age, and that there are more children surviving to adulthood.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there are more people surviving to old age.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: Lion First Responder PPE, Inc.
City: Beattyville **County:** Lee
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23486
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: Lion First Responder, PPE, Inc. produces personal protective equipment for the first responder market. The company is considering Beattyville for its manufacturing facility to reach a broader population and meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$450,000	\$450,000
\$300,000	\$300,000
\$100,000	\$100,000
\$850,000	\$850,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	45	\$19.60	
1	60	\$19.60	\$56,666
2	75	\$19.60	\$56,666
3	75	\$19.60	\$56,666
4	75	\$19.60	\$56,666
5	75	\$19.60	\$56,666
6	75	\$19.60	\$56,667
7	75	\$19.60	\$56,667
8	75	\$19.60	\$56,667
9	75	\$19.60	\$56,667
10	75	\$19.60	\$56,667
11	75	\$19.60	\$56,667
12	75	\$19.60	\$56,667
13	75	\$19.60	\$56,667
14	75	\$19.60	\$56,667
15	75	\$19.60	\$56,667

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$850,000**

Incentive Type:
Enhanced

Statutory Minimum Wage Requirements:
Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Ownership (20% or more):

Andrew G. Schwartz - Oakwood, OH
Stephen A. Schwartz - Cincinnati, OH

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 4.2%

Kentucky: 3.8%

Existing Presence in Kentucky:

Morgan and Wolfe County

Special Conditions:

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.

the 1990s, the number of people in the world who are illiterate has increased from 1.1 billion to 1.2 billion (UNEP 1999).

There are a number of reasons for this increase. One of the main reasons is that the population of the world is increasing rapidly. In 1990, the world population was 5.3 billion. In 2000, it was 6.1 billion. In 2010, it is expected to be 7.1 billion (UNEP 1999).

Another reason is that the number of people who are illiterate is increasing in many developing countries. This is because of a number of factors, including a lack of access to education, a lack of resources, and a lack of motivation.

There are a number of ways to reduce the number of illiterate people in the world. One way is to improve access to education. This can be done by building schools, providing teachers, and providing materials.

Another way is to provide resources to people who are illiterate. This can be done by providing books, newspapers, and other materials. It can also be done by providing training and support.

A third way is to provide motivation to people who are illiterate. This can be done by providing incentives, such as money or prizes. It can also be done by providing encouragement and support.

There are a number of other ways to reduce the number of illiterate people in the world. These include providing access to the internet, providing access to mobile phones, and providing access to television.

It is important to note that reducing the number of illiterate people in the world is a long-term process. It will take many years to see significant results. However, it is worth the effort, as it will help to improve the lives of many people.

There are a number of organizations that are working to reduce the number of illiterate people in the world. These include UNESCO, UNICEF, and the World Bank.

It is important to note that reducing the number of illiterate people in the world is a global issue. It is not just a problem for developing countries. It is a problem for all countries.

There are a number of ways to measure the number of illiterate people in the world. One way is to use the illiteracy rate. This is the percentage of people who are illiterate in a given country.

Another way is to use the number of illiterate people. This is the total number of people who are illiterate in a given country. This is a more accurate measure than the illiteracy rate, as it takes into account the size of the population.

There are a number of challenges to reducing the number of illiterate people in the world. One of the main challenges is a lack of resources. There are not enough schools, teachers, and materials to provide education to all people who need it.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 24, 2021
Approved Company: Peristyle, LLC d.b.a. Castle & Key Distillery
City: Versailles **County:** Woodford
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23494
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Peristyle, LLC d.b.a. Castle & Key Distillery is a manufacturer of distilled spirits. The project would include a new location in Versailles, adding additional space for bottling and warehousing storage.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$595,000	\$595,000
\$300,000	\$1,460,000
\$200,000	\$200,000
\$1,095,000	\$2,255,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$20.00	
1	15	\$20.00	\$30,000
2	20	\$20.00	\$30,000
3	20	\$20.00	\$30,000
4	20	\$20.00	\$30,000
5	20	\$20.00	\$30,000
6	20	\$20.00	\$30,000
7	20	\$20.00	\$30,000
8	20	\$20.00	\$30,000
9	20	\$20.00	\$30,000
10	20	\$20.00	\$30,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$300,000

Incentive Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

Millville Castle LLC - Nicholasville, KY

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status / Jobs Required</u>	<u>Amount</u>
Sep 27, 2018	KBI	Monitor/100	\$2,000,000

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% - .50% City of Versailles/.50% Woodford County

Unemployment Rate:

County: 2.8%

Kentucky: 3.8%

Existing Presence in Kentucky:


Woodford County

Special Conditions:

The company will be required to maintain a base employment equal to the greater of the number of full-time, Kentucky resident employees as of the date of preliminary approval or 100 (*job requirement for previous project KBI #19891*) full-time, Kentucky resident employees.

The project will include multiple locations within Woodford County. Only investment costs incurred at 100 US 60 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.

MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Administration Division
DATE: June 24, 2021
SUBJECT: KBI Extensions

The following companies have previously received KBI preliminary approval and are requesting approval of a time extension:

Company	County	Extension
ShellTech, LLC	Pulaski	6 Month
Bowling Green Metalforming L.L.C.	Warren	12 Month
DENSO Air Systems Michigan Inc.	Christian	12 Month
Distilled Spirits Epicenter, LLC	Jefferson	12 Month
Global Wood Company, LLC	Pike	12 Month
Stryker Logistics, LLC	Warren	12 Month
SWVA Kentucky, LLC dba Kentucky Electric Steel	Boyd	12 Month

Staff recommends approval.

the 1990s, the number of people in the world who are living in poverty has increased from 1.2 billion to 1.6 billion (World Bank 2000).

There are a number of reasons why the number of people living in poverty has increased. One of the main reasons is that the world's population has increased. In 1990, there were 5.3 billion people in the world, and by 2000, there were 6.1 billion. This means that there are now 800 million more people in the world than there were in 1990.

Another reason why the number of people living in poverty has increased is that the world's economy has not grown fast enough. In 1990, the world's economy was worth \$2.5 trillion, and by 2000, it was worth \$3.5 trillion. This means that the world's economy has only grown by 40% in 10 years.

There are a number of reasons why the world's economy has not grown fast enough. One of the main reasons is that the world's population is growing so fast that it is putting a strain on the world's resources. This means that there is not enough food, water, and energy to go around.

Another reason why the world's economy has not grown fast enough is that the world's population is becoming older. In 1990, the average age of the world's population was 25 years, and by 2000, it was 27 years. This means that there are now more people who are retired and less people who are working.

There are a number of reasons why the world's population is becoming older. One of the main reasons is that people are living longer. In 1990, the average life expectancy in the world was 52 years, and by 2000, it was 67 years. This means that people are now living 15 years longer than they were in 1990.

Another reason why the world's population is becoming older is that there are now more people who are working. In 1990, there were 1.2 billion people in the world who were working, and by 2000, there were 1.6 billion. This means that there are now 400 million more people in the world who are working.

There are a number of reasons why there are now more people who are working. One of the main reasons is that the world's economy is growing. In 1990, the world's economy was worth \$2.5 trillion, and by 2000, it was worth \$3.5 trillion. This means that the world's economy has grown by 40% in 10 years.

Another reason why there are now more people who are working is that the world's population is growing. In 1990, there were 5.3 billion people in the world, and by 2000, there were 6.1 billion. This means that there are now 800 million more people in the world than there were in 1990.

There are a number of reasons why the world's population is growing so fast. One of the main reasons is that people are having more children. In 1990, the average woman in the world had 4.5 children, and by 2000, she had 2.5 children. This means that people are now having 40% fewer children than they were in 1990.

Another reason why the world's population is growing so fast is that people are living longer. In 1990, the average life expectancy in the world was 52 years, and by 2000, it was 67 years. This means that people are now living 15 years longer than they were in 1990.

There are a number of reasons why people are living longer. One of the main reasons is that people are eating better. In 1990, the average person in the world was eating 2,500 calories a day, and by 2000, they were eating 3,000 calories a day. This means that people are now eating 20% more calories than they were in 1990.

Another reason why people are living longer is that people are getting better medical care. In 1990, the average person in the world was getting 1 year of medical care, and by 2000, they were getting 3 years. This means that people are now getting 200% more medical care than they were in 1990.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: July 25, 2019
Approved Company: Faneuil, Inc.
City: Lexington
Activity: Service or Technology
Bus. Dev. Contact: B. Cox

County: Fayette
Final Resolution #: KBI-FL-21-22614
DFS Staff: M. Elder

Project Description: Faneuil, Inc. provides outsourcing solutions like customer care, staffing, back office operations, as well as eligibility, enrollment and case management. The company has clients in various industries including municipal, transportation, government healthcare, social programs, utilities and payer, provider and pharma. The project included leasing a call center to meet growing demands.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$7,200,000	\$12,200,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	200	\$17.00	
1	200	\$17.00	\$150,000
2	400	\$17.00	\$150,000
3	425	\$17.00	\$150,000
4	450	\$17.00	\$150,000
5	450	\$17.00	\$150,000
6	450	\$17.00	\$150,000
7	450	\$17.00	\$150,000
8	450	\$17.00	\$150,000
9	450	\$17.00	\$150,000
10	450	\$17.00	\$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$1,500,000**

County Type:
Other

Statutory Minimum Wage Requirements:
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions: None

Modifications since preliminary approval? No

the 1990s, the number of people who have been employed in the public sector has increased in all countries.

There are a number of reasons for the increase in public sector employment. One of the reasons is the increase in the size of the public sector. The public sector has become a major employer in all countries. The public sector has become a major employer in all countries.

Another reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A third reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A fourth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A fifth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A sixth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A seventh reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

An eighth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A ninth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A tenth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A eleventh reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

A twelfth reason for the increase in public sector employment is the increase in the number of people who are employed in the public sector. The public sector has become a major employer in all countries.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: June 29, 2017
Approved Company: Metalsa Structural Products, Inc.
City: Owensboro **County:** Daviess
Activity: Manufacturing **Final Resolution #:** KBI-F-21-21016
Bus. Dev. Contact: C: Peek **DFS Staff:** M. Elder

Project Description: Metalsa Structural Products, Inc., headquartered out of Novi, 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 expanded its operation to help meet the needs of its customers.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$6,855,661	\$36,495,189

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	44	\$18.00	
1	113	\$18.00	\$30,000
2	113	\$18.00	\$500,000
3	113	\$18.00	\$500,000
4	113	\$18.00	\$400,000
5	113	\$18.00	\$400,000
6	113	\$18.00	\$330,000
7	113	\$18.00	\$330,000
8	113	\$18.00	\$330,000
9	113	\$18.00	\$340,000
10	113	\$18.00	\$340,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$3,500,000**

County Type: Other **Statutory Minimum Wage Requirements:**
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:
 Maintain Base Employment: 240
 Maintain Statewide Employment: 2,051

Modifications since preliminary approval? No

the 1990s, the number of people with a mental health problem has increased in the UK (Mental Health Act 1983, 1990).

There is a growing awareness of the need to improve the lives of people with mental health problems. The Department of Health (1999) has set out a vision of a new mental health system, which will be based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

There is a growing awareness of the need to improve the lives of people with mental health problems.

The Department of Health (1999) has set out a vision of a new mental health system, which will be based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

There is a growing awareness of the need to improve the lives of people with mental health problems.

The Department of Health (1999) has set out a vision of a new mental health system, which will be based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

There is a growing awareness of the need to improve the lives of people with mental health problems.

The Department of Health (1999) has set out a vision of a new mental health system, which will be based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: February 28, 2019
Approved Company: Tower Automotive Operations USA I, LLC
City: Shepherdsville **County:** Bullitt
Activity: Manufacturing **Final Resolution #:** KBI-FL-21-22465
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane

Project Description: Tower International is a leading integrated global manufacturer of engineered structural metal components and assemblies. Tower Automotive Operations USA I, LLC is a wholly owned subsidiary of Tower International and supplies the automotive industry with body-structure stampings, frames, and other complex welded assemblies for automobiles. The company expanded its facility in Shepherdsville to accommodate for the growth of a new program.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$7,037,947	\$61,669,159

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	\$22.00	
1	50	\$22.00	\$75,000
2	50	\$22.00	\$75,000
3	50	\$22.00	\$75,000
4	50	\$22.00	\$75,000
5	50	\$22.00	\$75,000
6	50	\$22.00	\$75,000
7	50	\$22.00	\$75,000
8	50	\$22.00	\$75,000
9	50	\$22.00	\$75,000
10	50	\$22.00	\$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$750,000**

County Type:
Other

Statutory Minimum Wage Requirements:
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 187
 Maintain Statewide Employment: 543

Modifications since preliminary approval? Yes

Total investment and eligible costs have been updated based on the current projections. Rent is no longer considered as an eligible cost. All other aspects of the project remain the same.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: March 30, 2017
Approved Company: Tower Automotive Operations USA I, LLC
City: Bardstown **County:** Nelson
Activity: Manufacturing **Final Resolution #:** KBI-F-21-21551
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane

Project Description: Tower International is a leading integrated global manufacturer of engineered structural metal components and assemblies. Tower Automotive Operations USA I, LLC is a wholly owned subsidiary of Tower International and supplies the automotive industry with body-structure stampings, frames, and other complex welded assemblies for automobiles. The company invested in new equipment at the Bardstown facility to accommodate the needs of the company.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$1,281,733	\$43,890,588

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	\$32.00	
1	25	\$32.00	\$50,000
2	25	\$32.00	\$50,000
3	25	\$32.00	\$50,000
4	25	\$32.00	\$50,000
5	25	\$32.00	\$50,000
6	25	\$32.00	\$50,000
7	25	\$32.00	\$50,000
8	25	\$32.00	\$50,000
9	25	\$32.00	\$50,000
10	25	\$32.00	\$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$500,000**

County Type:
Other

Statutory Minimum Wage Requirements:
 Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 519
 Maintain Statewide Employment: 90

Modifications since preliminary approval? Yes

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

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: August 30, 2018
Approved Company: Rack-it Truck Racks, Inc.
City: Albany
Activity: Manufacturing
Bus. Dev. Contact: M. David-Jacobs

County: Clinton
Final Resolution #: KBI-F-21-22201
DFS Staff: K. McCane

Project Description: Rack-it Truck Racks, Inc. opened for business in July of 1982 as a manufacturer of steel material racks for pickup trucks, service bodies and flatbeds. The company established a facility in Albany to better serve its existing customers in the Midwest and Southern regions.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$1,352,075	\$1,352,075

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$15.50	
1	15	\$15.50	\$25,000
2	15	\$15.50	\$25,000
3	17	\$15.50	\$25,000
4	19	\$15.50	\$25,000
5	25	\$15.50	\$25,000
6	25	\$15.50	\$25,000
7	25	\$15.50	\$25,000
8	25	\$15.50	\$25,000
9	25	\$15.50	\$25,000
10	25	\$15.50	\$25,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$250,000**

County Type:
Enhanced

Statutory Minimum Wage Requirements:
 Base hourly wage: \$9.06
 Total hourly compensation: \$10.42

Special Conditions: None

Modifications since preliminary approval? Yes

The company name has changed from Truck Racks by Rack-it, Inc. to Rack-it Truck Racks, Inc. All other aspects of the project remain the same.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL**

Date: June 24, 2021
Preliminary Approval: June 27, 2019
Approved Company: Alpla, Inc.
City: Bowling Green
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Warren
Final Resolution #: KBI-FL-21-22601
DFS Staff: M. Elder

Project Description: Alpla, Inc. is a world leader in the development and production of plastic packaging solutions. The company produces bottles, closures and injection molded parts for a wide range of customers. Alpla added new bottling and packaging capacity on-site at one of its customer's locations in Bowling Green.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$6,724,225	\$72,279,999

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	60	\$33.00	
1	60	\$33.00	\$90,000
2	60	\$33.00	\$90,000
3	60	\$33.00	\$90,000
4	60	\$33.00	\$90,000
5	60	\$33.00	\$90,000
6	60	\$33.00	\$90,000
7	60	\$33.00	\$90,000
8	60	\$33.00	\$90,000
9	60	\$33.00	\$90,000
10	60	\$33.00	\$90,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$900,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
 Total hourly compensation: \$12.51

Special Conditions:

Maintain Statewide Employment: 45
 Maintain Other Employment: 108

Modifications since preliminary approval?

Total investment and eligible costs have been updated based on the current projections. Rent is not an eligible cost. All other aspects of the project remain the same.

Kentucky Small Business Tax Credit (KSBTC) Projects Report June 2021

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
Ashland Associates, LLC	Boyd	1	8	\$40.55	\$42,452	\$25,000
Beaumont Homes, LLC	Boone	7	6	\$23.12	\$56,918	\$21,000
Central Kentucky Sprinkler, Inc.	Jessamine	23	1	\$18.00	\$36,017	\$3,500
Cornerstone Works, Inc.	Christian	1	1	\$11.00	\$10,736	\$3,500
Lexwindows, LLC	Fayette	7	3	\$12.50	\$31,000	\$10,500
Maximum Transportation, Inc.	Hardin	25	4	\$18.00	\$25,400	\$14,000
Polaris of Paducah, Inc.	McCracken	10	4	\$33.75	\$34,899	\$14,000
Tony Brown Chevrolet, Inc.	Meade	33	5	\$16.75	\$22,009	\$17,500
8	8		32	Total	\$259,431	\$109,000

Note: The tax credit amount will be equal to the lesser of \$3,500 per eligible position or the total eligible qualifying equipment/technology amount, with a maximum tax credit of \$25,000 per applicant for each calendar year. Per KRS 154.60-020, the total sum of tax credits awarded for Kentucky Small Business Tax Credit (KSBTC) and Kentucky Selling Farmer Tax Credit (KSFTC) projects in each state fiscal year shall be capped at \$3,000,000.

Fiscal Year Credit Limit	\$3,000,000
FYTD KSBTC Approvals	\$1,223,000
FYTD KSFTC Approvals	\$108,032
Current KSBTC Request	\$109,000
Current KSFTC Request	\$0
Remaining FY Credits	\$1,559,968

the 1990s, the number of people with a mental health problem has increased in the UK (Mental Health Act 1983, 1990).

There is a growing awareness of the need to improve the lives of people with mental health problems. The UK Government has set out a strategy for mental health care (Department of Health 1999). The strategy is based on the following principles:

• People with mental health problems should be treated as individuals, with their own needs and wishes. They should be given the opportunity to participate in decisions about their care and treatment.

• People with mental health problems should be given the opportunity to live in their own homes and communities.

• People with mental health problems should be given the opportunity to work and to contribute to society.

• People with mental health problems should be given the opportunity to lead a full and active life.

• People with mental health problems should be given the opportunity to be treated with respect and dignity.

• People with mental health problems should be given the opportunity to be treated with compassion and understanding.

• People with mental health problems should be given the opportunity to be treated with fairness and equality.

• People with mental health problems should be given the opportunity to be treated with kindness and care.

• People with mental health problems should be given the opportunity to be treated with respect and dignity.

• People with mental health problems should be given the opportunity to be treated with compassion and understanding.

• People with mental health problems should be given the opportunity to be treated with fairness and equality.

• People with mental health problems should be given the opportunity to be treated with kindness and care.

• People with mental health problems should be given the opportunity to be treated with respect and dignity.

• People with mental health problems should be given the opportunity to be treated with compassion and understanding.

• People with mental health problems should be given the opportunity to be treated with fairness and equality.

• People with mental health problems should be given the opportunity to be treated with kindness and care.

• People with mental health problems should be given the opportunity to be treated with respect and dignity.

• People with mental health problems should be given the opportunity to be treated with compassion and understanding.

• People with mental health problems should be given the opportunity to be treated with fairness and equality.

• People with mental health problems should be given the opportunity to be treated with kindness and care.

• People with mental health problems should be given the opportunity to be treated with respect and dignity.

• People with mental health problems should be given the opportunity to be treated with compassion and understanding.

Kentucky Angel Investment Tax Credit Projects Report June 2021

Qualified Investor	Qualified Small Business	County	Projected Investment	Potential Tax Credit
Bazner, Kevin M.	MEP Equine Solutions, LLC	Fayette	\$25,000	\$6,250
Cole, Vincent J.	MEP Equine Solutions, LLC	Fayette	\$50,000	\$12,500
Goodnight, David L.	MEP Equine Solutions, LLC	Fayette	\$25,000	\$6,250
Prall, Thomas Ashley	MEP Equine Solutions, LLC	Fayette	\$25,000	\$6,250
Stephan, Melissa Lewis	MEP Equine Solutions, LLC	Fayette	\$25,000	\$6,250
Toutant, Roy T.	MEP Equine Solutions, LLC	Fayette	\$50,000	\$12,500
Gilg, Frederic Henri Joseph	RedLeaf Biologics, Inc.	Fayette	\$150,008	\$37,502
7 Projects	2	1	\$350,008	\$87,502
7 Investors				

Note: For each calendar year, the total amount of tax credits available for the Kentucky Angel Investment Act program shall not exceed \$3,000,000. The total amount of tax credits approved for an individual Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.

Projected Credits - To Date	(\$1,586,992)
Reclaimed Credits	\$651,264
Net Obligated Credits	(\$935,728)
Credit Limit	\$3,000,000
Net Obligated Credits	(\$935,728)
Remaining Credits	\$2,064,272

MEMORANDUM

TO: KEDFA Board Members

FROM: Tim Back
Incentive Administration Division

DATE: June 24, 2021

SUBJECT: Kentucky Angel Investment Act Guidelines Changes

Senate Bill 162, passed during the 2021 general legislative session and signed by Governor Beshear on April 5, 2021, made the following changes to statutes governing the Kentucky Angel Investment Act program:

1. Clarifies wording requiring Qualified Investors to wait until after KEDFA approval of a planned investment before making the investment.
2. Modifies the Qualified Investment equity requirement to allow “near-equity” investments, such as Simple Agreement for Future Equity (SAFE) agreements or convertible debt instruments.
3. Allows Qualified Investors to make Qualified Investments through single member limited liability companies if the Qualified Investor is the owner and the LLC is a disregarded entity.
4. Allows the executive director of the Office of Entrepreneurship and Small Business Innovation to determine if Qualified Small Business applicants are deemed to be engaging in qualified activities if the business is involved in “other” technological advances.

In addition, SB 162 requires the Cabinet for Economic Development to submit a detailed annual report on Angel program activities.

Changes 2, 3 and 4 above have been incorporated into the revised Guidelines in your board book (change 1 was already included in the Guidelines). Staff recommends approval of the revised Kentucky Angel Investment Act Guidelines.



Guidelines:

Kentucky Angel Investment Act

June 2021

These Guidelines provide an overview of the Kentucky Angel Investment Act program. For a full discussion of the program requirements, refer to KRS 154.20-230 through 240. As with many state administered tax incentive programs, any inducements offered under this program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

The purpose of the Kentucky Angel Investment Act program is to encourage capital investment, create new jobs and foster the development of new products and technologies by encouraging individual investors to make investments in innovative Kentucky small businesses with high growth potential. Qualified individual investors making qualified investments in qualified small businesses may be eligible for tax credits through this program.

The Cabinet does not provide financial screening of the companies or individuals involved in the program and limits its certification to the statutory parameters for a Qualified Investor, Qualified Small Business and Qualified Investment per KRS 154.20-230 through 240. Cabinet staff will not perform due diligence on the small businesses and cannot guarantee any return on investment.

Incentive

Qualified Investors making Qualified Investments in an enhanced incentive county may be eligible for a tax credit of up to 40% of the confirmed investment amount. Qualified Investors making Qualified Investments in non-enhanced counties may be eligible for a tax credit of up to 25% of the confirmed investment amount. Enhanced status is determined by the principal location of the Qualified Small Business receiving the investment. See <https://ced.ky.gov/kyedc/pdfs/KBIEnhancedCounties.pdf> for a current enhanced counties map.

Key Program Definitions

<p>Qualified Investor</p>	<ul style="list-style-type: none"> • Is an individual, natural person certified by KEDFA as a Qualified Investor for the calendar year in which the investor plans to make an investment and request credits; • Qualifies as an accredited investor pursuant to Regulation D of the United States Securities and Exchange Commission, 17 CFR sec 230.501, in effect as of the date the individual investor requests certification (see www.sec.gov/fast-answers/answers-accredhtm.html for accredited investor qualification criteria); • Does not hold in excess of a 20% ownership interest in, and is not employed by, a Qualified Small Business in which the investor makes an investment and seeks an angel investor tax credit; • Seeks a financial return from legitimate investments in Qualified Small Businesses; and • Is not closely related to any owners, or spouses of owners, who hold in excess of a 20% ownership interest in, or individuals who are employed by, a Qualified Small Business in which the investor makes an investment and seeks an angel tax credit. <ul style="list-style-type: none"> ○ For purposes of this program, “closely related” means parents or grandparents, children or their spouses, or siblings or their spouses.
---------------------------	--



Key Program Definitions

<p>Qualified Small Business</p>	<ul style="list-style-type: none"> • Has been certified by KEDFA as a Qualified Small Business for the year in which it plans to accept Qualified Investments; • Is registered and in good standing with the Kentucky Secretary of State and possesses all licenses and registrations required to legally operate in Kentucky; • Has no more than 100 full-time employees; • EITHER: 1) Has a net worth of \$10,000,000 or less OR 2) Has net income after federal income taxes for each of the two (2) preceding fiscal years of \$3,000,000 or less; • Has more than 50% of its assets, operations and employees located in Kentucky; • Has at no time received an aggregate amount of Qualified Investments that has allowed Qualified Investors to receive more than \$1,000,000 in angel investor tax credits for investments in the business; and • Is actively and principally engaged in a qualified activity within the Commonwealth, or will be actively and principally engaged in a qualified activity within the Commonwealth after the receipt of a Qualified Investment by a Qualified Investor. <ul style="list-style-type: none"> ○ For purposes of this program, “qualified activity” means a knowledge-based activity including bioscience, environmental and energy technology, health and human development, information technology and communications, materials science and advanced manufacturing, or other technological advances if approved by the executive director of the Office of Entrepreneurship and Small Business Innovation. A qualified activity does not include any activity principally engaged in by financial institutions, commercial development companies, credit companies, financial or investment advisors, brokerage or financial firms, other investment funds or investment fund managers, charitable and religious institutions, oil and gas exploration companies, insurance companies, residential housing developers, retail establishments, or any activity that KEDFA determines in its discretion to be against the public interest or the purposes of the Kentucky Angel Investment Act, or in violation of any law.
<p>Qualified Investment</p>	<ul style="list-style-type: none"> • Is approved by KEDFA for a potential tax credit prior to transferring control of the invested funds to a Qualified Small Business; • Is offered and executed in compliance with applicable state and federal securities laws and regulations; • Is a cash investment of at least \$10,000 that transfers control of invested funds from the Qualified Investor to the Qualified Small Business in exchange for an equity or near-equity (such as a SAFE agreement or convertible debt instrument) interest in the Qualified Small Business within 80 calendar days or December 31, whichever comes first, immediately after KEDFA approval of the Qualified Investor’s planned investment; and • Is supported by adequate documentation, as determined by KEDFA, which is received by KEDFA within the 80 calendar days or December 31, whichever comes first, immediately after KEDFA approval of the Qualified Investor’s planned investment. <ul style="list-style-type: none"> ○ The Qualified Investor is responsible for verifying that documentation is received by KEDFA within the required timeframe. Examples of supporting documentation include, but are not necessarily limited to: investment agreements, proof of transfer of eligible investment funds, and proof of receipt of an equity or near equity interest by the Qualified Investor. • A Qualified Investor may utilize a single-member limited liability company to make a Qualified Investment as long as the Qualified Investor is the owner of the limited liability company and the limited liability company is a disregarded entity.



<h3 style="text-align: center;">Certification and Tax Credit Process - Investor</h3>	<h3 style="text-align: center;">Certification Process – Small Business</h3>
<ul style="list-style-type: none"> • Individual investor completes and submits the Qualified Investor application and fee to KEDFA for certification as a Qualified Investor for the year of planned investment (a new certification application is required for each calendar year in which an investor wants to invest and claim a tax credit) • If investor meets eligibility requirements, KEDFA staff certifies the investor as a Qualified Investor for the requested calendar year • Qualified Investor identifies a small business in which he/she wants to invest (if the business is not already certified as a Qualified Small Business for the year in which the investor plans to make an investment, business will need to submit a Qualified Small Business application per the process at right) • Qualified Investor completes and submits the Qualified Investment application and fee to KEDFA detailing the planned investment, but does not transfer control of investment funds to the Qualified Small Business prior to KEDFA approval of the planned investment (note: two separate applications - Qualified Investor and Qualified Investment - must be submitted by the investor, and common information on both applications must match) • KEDFA staff reviews Qualified Investment applications in the order in which they are received. If eligible for tax credit consideration, and if tax credits are available, the investment is presented at a KEDFA board meeting for recommended approval of the planned investment and reservation of a maximum potential tax credit amount (KEDFA normally meets the last Thursday of the month, except for a combined November/December meeting) • If the planned investment is approved by KEDFA, the Qualified Investor will be promptly notified after the board meeting that he/she may proceed with making the planned investment • Qualified Investor must make the Qualified Investment (transfer control of investment funds to the Qualified Small Business) and provide acceptable proof/documentation of the Qualified Investment to KEDFA within 80 calendar days or December 31, whichever comes first, immediately following the date of KEDFA approval of the planned investment (failure to either make a Qualified Investment or ensure KEDFA receives investment documentation within the required timeframe will result in forfeiture of the right to claim a tax credit for the investment) • If KEDFA staff verifies that the Qualified Investor completed a Qualified Investment and documentation was received by KEDFA within the required timeframe, the investor will receive a tax credit confirmation letter and may request a state income tax credit in accordance with KRS 141.396 (per KRS 154.20-240, tax credits may be recaptured if the business does not maintain compliance) 	<ul style="list-style-type: none"> • Small business completes and submits the Qualified Small Business application and fee to KEDFA for the calendar year in which it wants to be qualified (a new application is required for each year the business wants to be certified) • KEDFA staff reviews the application for eligibility. If the business meets certification eligibility requirements, KEDFA requires that the business complete a Qualified Small Business Agreement setting forth program terms and conditions (while certification is annual, only one agreement is required unless business changes necessitate a new agreement) • All Qualified Small Businesses that receive a Qualified Investment will be required to provide an annual report to KEDFA staff for 5 years after the year in which the Qualified Investment was received (business must maintain program compliance to preserve angel tax credits for investors)



Tax Credit Caps

There are three tax credit caps applicable to this program: (1) total angel tax credits available per calendar year; (2) maximum angel tax credits that can be awarded to an individual investor each calendar year; and (3) maximum angel tax credits that can be awarded for investments in the same Qualified Small Business.

KEDFA can award an overall maximum of \$3,000,000 per calendar year in angel tax credits. Because of the limit on tax credits, some otherwise eligible applications may not receive a tax credit. A Qualified Investment application submission date will be posted on the Cabinet's angel web page listed below prior to the date when KEDFA will start accepting Qualified Investment applications. Qualified Investment applications received on or after the designated submission start date will be processed in the order in which they are received until all available tax credits have been awarded.

Individual investors are limited to a maximum of \$200,000 in angel tax credits per calendar year.

If one or more Qualified Investors receive cumulative angel tax credits totaling one million dollars (\$1,000,000) as a result of Qualified Investments in any single Qualified Small Business, additional investments in the business will not be eligible for angel tax credits.

Claiming, Transfer and Recapture of Angel Investor Tax Credits

Angel investor tax credits awarded through this program are non-refundable and may be claimed against the Qualified Investor's Kentucky individual income tax. The credit may be claimed beginning with the taxable year in which the credit is awarded. Unused credits may be carried forward up to fifteen (15) years.

After award of angel investor tax credits to the Qualified Investor making application for the credits, the Qualified Investor may transfer all or part of the tax credit to any individual taxpayer, subject to providing information required by the Kentucky Department of Revenue to ensure an eligible transfer.

Qualified Small Businesses receiving Qualified Investments are subject to a five (5) year reporting requirement. As per [KRS 154.20-240](#), if a business does not remain compliant with program requirements, investors in the business may be subject to recapture of awarded tax credits. If the business becomes insolvent and ceases operations, credits claimed prior to shutdown are not subject to recapture if the business files a compliant closing report, but unclaimed credits will be considered expired and not eligible for claiming.

Application Forms and Fees

The Qualified Investor and Qualified Small Business application forms are available online at <https://ced.ky.gov/KAITC> during eligible certification submission periods. Both the Qualified Investor and Qualified Small Business applications require a new application for each calendar year in which certification is sought. The Qualified Investor and Qualified Small Business application submission period will begin before the start of each calendar year. A twenty-five dollar (\$25) application fee applies to both applications. Neither of these applications is a direct request for angel investor tax credits, but both are required before eligibility of a planned investment can be determined.

The Qualified Investment application is available on the angel website listed above, but will not be accepted prior to the Qualified Investment application submission date posted on the website. A fee of \$500 applies for applications requesting up to \$50,000 in angel tax credits. Applications requesting more than \$50,000 in angel tax credits will incur a \$1,000 application fee. Qualified Investment applications received by KEDFA prior to the submission date and time specified on the website will be returned without being processed.

To learn more, contact:
Tim Back
Tim.Back@ky.gov
Phone: (502) 782-1967

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder
Sarah Butler
Incentive Administration Division

DATE: June 24, 2021

SUBJECT: Kentucky Business Investment (KBI) Program
FY 2021-2022 Enhanced Incentive Counties

Kentucky counties are designated “enhanced incentive” eligible by meeting at least one of the three following criteria: (1) counties with an average annual unemployment rate exceeding the state average annual unemployment rate in the five preceding calendar years; (2) counties with an unemployment rate greater than 200 percent of the statewide unemployment rate for the preceding year; and (3) counties identified as one of the sixty most distressed counties based on a three part test (three-year unemployment, education attainment and road quality).

Any project located in an enhanced incentive county that has been decertified shall have until July 1st of the third year following the decertification to obtain final approval. Once a company enters into a tax incentive agreement, the company maintains its enhanced benefits for the term of the agreement regardless of any change in the county’s status.

Caldwell, Graves, Lyon, Marshall, McLean, Pendleton and Union Counties are beginning the first year of decertification and projects must complete final approval by June 30, 2024.

Taylor County is beginning the second year of decertification and projects must complete final approval by June 30, 2023.

Metcalfe County meets the criteria for certification and is designated as a KBI Enhanced County as of July 1, 2021.

Staff recommends adoption of the resolution certifying the Kentucky Business Investment (KBI) Program - FY 2021-2022 Enhanced Incentive Counties.

RESOLUTION KBI-G-21-1

A RESOLUTION OF THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY ("KEDFA") CERTIFYING COUNTIES AS ENHANCED INCENTIVE COUNTIES FOR PURPOSES OF A COUNTY'S PARTICIPATION IN THE KENTUCKY BUSINESS INVESTMENT ("KBI") TAX INCENTIVE PROGRAM

WHEREAS, KEDFA was created and established as an agency, instrumentality, and political subdivision of the Commonwealth of Kentucky ("Commonwealth") and a public body corporate and politic pursuant to KRS 154.20; and

WHEREAS, KEDFA is charged with the powers, duties and responsibilities in connection with the administration of the KBI program as provided in KRS 154.20 and as delegated by the Kentucky Economic Development Partnership; and

WHEREAS, KEDFA is required by KRS 154.32-050 to certify counties as Enhanced Incentive Counties on the basis of the final unemployment statistics calculated by the Kentucky Office of Employment and Training by which KEDFA determines which counties have had a countywide rate of unemployment exceeding the statewide unemployment rate of the Commonwealth in the most recent five(5) consecutive calendar years or which have had a countywide rate of unemployment exceeding the statewide unemployment rate of the Commonwealth by two hundred percent (200%) in the most recent twelve consecutive months; and

WHEREAS, KEDFA is further required by KRS 154.32-050, to certify counties as Enhanced Incentive Counties that are not otherwise certified on the basis of the final unemployment rate for counties that are one of the sixty most distressed counties based on an equal weighting of the following criteria: (1) the county's unemployment rate for the most recent three calendar years; (2) the percentage of adults twenty-five years or older who have attained at least a high school education or equivalent and (3) road quality as certified by the Kentucky Transportation Cabinet; and

WHEREAS, KRS 154.32-050 also requires KEDFA to decertify a county which was previously certified as an Enhanced Incentive County but no longer meets the unemployment criteria set forth in K.RS 154.32-050; and

NOW, THEREFORE, be it hereby resolved by KEDFA that the following counties of the Commonwealth be certified as Enhanced Incentive Counties pursuant to KRS 154.32-050 as of July 1, 2021:

Adair	Green	Meade
Ballard	Greenup	Menifee
Bath	Hancock	Metcalf
Bell	Harlan	Monroe
Boyd	Harrison	Montgomery
Bracken	Hickman	Morgan
Breathitt	Hopkins	Muhlenberg
Breckinridge	Jackson	Nicholas
Butler	Johnson	Ohio
Carlisle	Knott	Owen
Carter	Knox	Owsley
Casey	Laurel	Perry
Christian	Lawrence	Pike
Clay	Lee	Powell
Clinton	Leslie	Pulaski
Crittenden	Letcher	Robertson
Cumberland	Lewis	Rockcastle
Edmonson	Lincoln	Rowan
Elliott	Livingston	Russell
Estill	Magoffin	Trigg
Fleming	Marion	Trimble
Floyd	Martin	Wayne
Fulton	Mason	Whitley
Garrard	McCracken	Wolfe
Grayson	McCreary	

BE IT FURTHER RESOLVED, that the following counties no longer meet the criteria and are decertified as of June 30, 2021 and no projects shall be incented through nor shall any Approved Company be eligible for the enhanced county incentives provided by KRS 154.32 unless the tax incentive agreements with respect to such projects receive final approval from KEDFA by June 30, 2024:

- 1. Caldwell
- 2. Graves
- 3. Lyon
- 4. Marshall
- 5. McLean
- 6. Pendleton
- 7. Union

In addition, the following counties were previously decertified as of June 30, 2020 and no projects shall be incented through nor shall any Approved Company be eligible for the enhanced county incentives provided by KRS 154.32 unless the tax incentive agreements with respect to such projects receive final approval from KEDFA by June 30, 2023:

- 1. Taylor

Also, the following counties were previously decertified as of June 30, 2019 and no projects shall be incented through nor shall any Approved Company be eligible for the enhanced county incentives provided by KRS 154.32 unless the tax incentive agreements with respect to such projects receive final approval from KEDFA by June 30, 2022:

No counties met the criteria

Introduced, seconded, read, and adopted at a duly convened meeting of the Kentucky Economic Development Finance Authority held on the 24th day of June, 2021.

Jean R. Hale, Chairman
Kentucky Economic Development Finance Authority

the 1990s, the number of people with a mental health problem has increased in the UK (Mental Health Act 1983, 1990).

There is a growing awareness of the need to improve the lives of people with mental health problems. The Department of Health (1999) has set out a vision of a new mental health system, which will be based on the following principles:

- People with mental health problems should be treated as individuals, with their own needs and wishes.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be given the opportunity to live in their own homes and communities.

These principles are reflected in the new Mental Health Act (Mental Health Act 2003) which came into force in 2005.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:


- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

The new Act is based on the following principles:

- People with mental health problems should be given the opportunity to live in their own homes and communities.
- People with mental health problems should be given the opportunity to participate in decisions about their care and treatment.
- People with mental health problems should be treated as individuals, with their own needs and wishes.

MEMORANDUM

To: KEDFA Board Members

From: Katie Smith, Commissioner 

Date: June 24, 2021

Subject: Kentucky Business Investment (KBI) Program statutory changes – Resolution 2021-0624

During the 2021 Regular Session of the General Assembly, Senate Bill 162 was authorized and signed into law by the Governor. Effective June 29, 2021, the definition of “full-time job” under the KBI program will be:

“Full-time job” means a job held by a person who:

1. Is required to work a minimum of thirty-five (35) hours per week; and
2.
 - a. Is subject to Kentucky individual income tax imposed by KRS 141.020; or
 - b. Works remotely away from the economic development project if the job meets all of the following conditions:
 - i. Is held by a Kentucky resident;
 - ii. Was created as a result of the economic development project; and
 - iii. The payroll of this job is expenses to the economic development project;

“Full-time job” does not include a job held by a resident of any state with a reciprocal agreement between the Commonwealth and the other state as described in KRS 141.070.

To summarize, the definition removed the Kentucky residency requirement and replaced it with the requirement that the employee must be subject to Kentucky individual income taxes. Additionally, remote employees will now be eligible if they are a Kentucky resident and the employee’s payroll is expensed to the project.

The resolution requested for approval allows the new definition to be incorporated into all future tax incentive agreements for projects that have previously received only preliminary approval and have a Memorandum of Agreement. Additionally, the resolution authorizes amendments to existing tax incentive agreements for projects that have received final approval and request to incorporate the new definition into the agreement for fiscal years beginning after June 29, 2021.

Staff recommends approval of the resolution.

RESOLUTION NO. 2021-0624

A RESOLUTION OF THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY (“KEDFA”) AUTHORIZING THE AMENDMENT OF INCENTIVE AGREEMENTS UNDER THE KENTUCKY BUSINESS INVESTMENT PROGRAM TO REFLECT LEGISLATIVE CHANGES.

WHEREAS, as a result of the global COVID-19 health pandemic, public health guidelines, and changing market conditions, many employers have been required to or have made the strategic decision to allow for employees to work remotely, away from a standard office setting; and

WHEREAS, during the 2021 legislative session, the Kentucky General Assembly passed and Governor Beshear signed into law Senate Bill 162; and

WHEREAS, Senate Bill 162 amends the definition of a “Full-time job” under the Kentucky Business Investment (“KBI”) program, KRS 154.32, to remove the Kentucky residency requirement and include jobs (i) held by employees required to work a minimum of thirty-five (35) hours per week, and (ii) (a) held by employees who work at an economic development project so long as such job is subject to the Kentucky individual income tax imposed by KRS 141.020, such job was created as a result of the economic development project, and the payroll of such job is expensed to the economic development project, or (b) held by employees who work remotely away from an economic development project so long as such job is held by a Kentucky resident, such job was created as a result of the economic development project, and the payroll of such job is expensed to the economic development project; and

WHEREAS, Senate Bill 162 excludes from the definition of a “Full-time job” under the KBI program any job held by a resident of any state with a reciprocal agreement between the Commonwealth and the other state as described in KRS 141.070; and

WHEREAS, the new statutory definition for “Full-time job” under the KBI program goes into effect June 29, 2021; and

WHEREAS, it is the mission of KRS Chapter 154 and the economic development programs implemented through KEDFA and the Cabinet for Economic Development “to achieve the best quality of life for all Kentuckians through long-term strategic planning and implementation that fosters sustainable growth in jobs and incomes and enables communities, businesses, governments, and individuals to compete in the global marketplace;”

NOW THEREFORE, PURSUANT TO THE AUTHORITY IN KRS CHAPTER 154, BE IT RESOLVED BY THE KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY, AS FOLLOWS:

1. As of June 29, 2021, the “Full-time job” definition, as amended by Senate Bill 162, has been amended to remove the Kentucky residency requirement and include jobs (i) held by employees required to work a minimum of thirty-five (35) hours per week, and (ii) (a) held by employees who work at an economic development project

so long as such job is subject to the Kentucky individual income tax imposed by KRS 141.020, such job was created as a result of the economic development project, and the payroll of such job is expensed to the economic development project, or (b) held by employees who work remotely away from an economic development project so long as such job is held by a Kentucky resident, such job was created as a result of the economic development project, and the payroll of such job is expensed to the economic development project, provided that “Full-time job” does not include a person who is a resident of any state with a reciprocal agreement between the Commonwealth of Kentucky and the other state as described in KRS 141.070.

2. All executed documents for current projects under the Kentucky Business Investment program that have received preliminary approval from the Kentucky Economic Development Finance and have entered into memorandums of agreement with the Kentucky Economic Development Finance Authority, but have yet to enter into a tax incentive agreement with the Kentucky Economic Development Finance Authority, shall be interpreted by the Department of Financial Services, to the extent necessary, to be consistent with the “Full-time job” definition described herein.
3. All current projects under the Kentucky Business Investment program that have received final approval from the Kentucky Economic Development Finance Authority and have active tax incentive agreements with the Kentucky Economic Development Finance Authority, shall be interpreted and amended, to the extent necessary, to be consistent with the “Full-time job” definition described herein for fiscal years beginning after June 29, 2021. Any company that wishes to execute such an amendment to its tax incentives agreement shall pay all legal fees related to the preparation of the amendment, so that the Kentucky Economic Development Finance Authority and the Cabinet for Economic Development will incur no liability whatsoever in respect to such legal services.

This Resolution does not modify, alter, or amend any other section or provision contained in tax incentive agreements. All Kentucky businesses with active tax incentive agreements under the KBI program shall work with the Cabinet for Economic Development to ensure their continued compliance with the program requirements.

Introduced, seconded, read, and adopted at a duly convened meeting of the Kentucky Economic Development Finance Authority held on the 24th day of June, 2021.

Jean R. Hale, Chairman
Kentucky Economic Development Finance Authority

the 1990s, the number of people in the world who are under 15 years of age is expected to increase from 1.1 billion to 1.5 billion.

There are a number of reasons why the world's population is growing so rapidly. One of the main reasons is that the number of children born to each woman has increased. This is due to a number of factors, including the fact that women are now having children at a younger age, and that there is a higher birth rate in developing countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there is a higher life expectancy in developed countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher demand for labour in these countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there is a higher life expectancy in developed countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher demand for labour in these countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there is a higher life expectancy in developed countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher demand for labour in these countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there is a higher life expectancy in developed countries.

There are a number of other reasons why the world's population is growing so rapidly. One of the main reasons is that the number of people who are migrating to other parts of the world has increased. This is due to a number of factors, including the fact that there is a higher standard of living in developed countries, and that there is a higher demand for labour in these countries.

Another reason why the world's population is growing so rapidly is that the number of people who are surviving to old age has increased. This is due to a number of factors, including the fact that people are now living longer, and that there is a higher life expectancy in developed countries.

MEMORANDUM

To: KEDFA Board Members
From: Katie Smith, Commissioner
Date: June 24, 2021
Subject: 2021 Regular Session of the General Assembly Legislative changes incorporated into the Incentive Program Fact Sheets

During the 2021 Regular Session of the General Assembly, various legislation was authorized and signed into law by the Governor updating the incentive programs administered by the Cabinet for Economic Development. The following table summarizes the changes incorporated into the updated fact sheets that will be effective June 29, 2021:

<p>Kentucky Business Investment (KBI) Program (Senate Bill 162)</p> <ul style="list-style-type: none">• Modified the definition of eligible company to include coal severing and processing and hospital operations• Modified the definition of full-time job to remove the Kentucky residency requirement and replaced it with employees subject to Kentucky individual income tax• Modified the definition of full-time job to include remote workers if the employee is a Kentucky resident and the employee’s payroll is expensed to the project
<p>Kentucky Enterprise Initiative Act (KEIA) (Senate Bill 162)</p> <ul style="list-style-type: none">• Modified the definition of eligible company to include coal severing and processing and hospital operations
<p>Kentucky Reinvestment Act (KRA) (Senate Bill 162)</p> <ul style="list-style-type: none">• Modified the definition of eligible company to include a requirement that the entity must employ or intend to employ a minimum of 25 full-time employees• Modified the definition of eligible company to include agribusiness, headquarters operations, nonretail service or technology, coal severing and processing, alternative fuel, gasification, energy-efficient alternative fuel, renewable energy production, carbon dioxide transmission pipeline operations and hospital operations• Modified the definition of approved costs to remove eligible skills training• Modified the definition of full-time job to include remote workers if the employee is a Kentucky resident and the employee’s payroll is expensed to the project• Modified the definition of reinvestment project to include expenditure of at least \$1,000,000 in eligible equipment and related costs for leased projects• Included definitions of leased and owned projects consistent with the KBI program• Clarified the approved company has three years from preliminary approval to complete the reinvestment project
<p>Incentives for Energy-related Business Act (IEBA) (Senate Bill 255) – formerly Incentives for Energy Independence Act (IEIA)</p> <ul style="list-style-type: none">• Changed the name of the program from IEIA to IEBA• Modified the definition of eligible project to include cryptocurrency facility• Included the minimum investment requirement of \$1,000,000 for cryptocurrency projects• Program structure and incentives are the same as the former IEIA program

Kentucky Investment Fund Act (KIFA) (Senate Bill 162)

- Modified the incentive from a nonrefundable credit equal to 40% to 25% of the qualified investments
- Included a definition of closely-related
- Modified the qualified investment requirement to be at least \$10,000 and allow “near-equity” investments
- Modified the definition of qualified activity to be consistent with the Angel program
- Included an annual limitation of incentives for a single investment fund of \$1,000,000
- Modified the qualified investment filing requirement to 80 days of making the investment (from 60 days)
- Removed the audit requirement for annual financial statements

Kentucky Industrial Revitalization Act (KIRA) (Senate Bill 162)

- Sunset the program – no preliminary approvals permitted after June 30, 2021

Just the Facts:

Kentucky Business Investment Program

June 2021

This fact sheet provides an overview of the Kentucky Business Investment (KBI) Program. For a full discussion of the program requirements, please see KRS 154.32. As with all Cabinet administered tax incentive programs, any inducements offered to an eligible company under the KBI program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

Enhanced Incentives

Businesses meeting the minimum eligibility criteria may be eligible for incentives through the KBI Program. Projects located in enhanced incentive counties, as well as projects with total investment greater than \$200 million, regardless of county location, may request KBI enhanced incentives. Refer to the last page of this document for more information on the enhanced county determination process and a list of enhanced incentive counties.

	Incentives	Enhanced Incentives
Eligible Company	Any business entity engaged in one or more of the following activities: <ul style="list-style-type: none">• Manufacturing• Agribusiness• Headquarters operations• Nonretail service or technology activities must be:<ul style="list-style-type: none">○ Designed to serve a multistate, national or international market○ Provided to a customer base that includes more than 50% non-residents <p>Non-retail service or technology activities may include, but are not limited to: call centers, centralized administrative or processing centers, telephone or internet sales order or processing centers, distribution or fulfillment centers, data processing centers, research and development facilities and other similar activities</p> <ul style="list-style-type: none">• Coal severing and processing (activities resulting in the company being subject to the tax imposed by KRS Chapter 143)• Hospital operations (a facility licensed by the Cabinet for Health and Family Services under KRS 216B for the operation of a hospital and the basic services provided by a hospital)• Alternative fuel, gasification, energy-efficient alternative fuels, or renewable energy production• Carbon dioxide transmission pipeline	

	Incentives	Enhanced Incentives
Ineligible Business Activities	Eligible company does not include companies where the primary activity to be conducted within the Commonwealth is forestry, fishing, the provision of utilities, construction, wholesale trade, retail trade, real estate, rental and leasing, educational services, accommodation and food services, or public administration services.	
Employment Minimum Requirement	Create a minimum of 10 new, full-time jobs subject to Kentucky individual income tax and maintain an annual average of at least 10 new, full-time jobs subject to Kentucky individual income tax during the term of the incentive agreement. Remote jobs may qualify if the position is held by a Kentucky resident, the job was created as a result of the economic development project, and the payroll of the job is expensed to the project.	
Investment Minimum Requirement	Incur eligible costs of at least \$100,000.	
Wage Minimum Requirement	At least 90 percent of the new, full-time employees subject to Kentucky individual income tax must receive hourly wages of at least \$10.88 (150 percent of the federal minimum wage).	At least 90 percent of the new, full-time employees subject to Kentucky individual income tax must receive hourly wages of at least \$9.06 (125 percent of the federal minimum wage).
Employee Benefit Minimum Requirement	At least 90 percent of the new, full-time employees subject to Kentucky individual income tax must receive total hourly compensation (hourly wages plus employee benefits) of at least \$12.51.	At least 90 percent of the new, full-time, employees subject to Kentucky individual income tax must receive total hourly compensation (hourly wages plus employee benefits) of at least \$10.42.
	<p><i>The term “employee benefit” is defined as payments by a company for its full-time employees for health insurance, life insurance, dental insurance, vision insurance, defined benefits, 401(k), or similar plans. Any company participating in this program is required to provide new, full-time employees subject to Kentucky individual income tax with employee benefits equal to 15 percent of the required minimum hourly wage. If employee benefits are less than 15 percent of the required minimum hourly wage, a company may utilize a combination of wages and employee benefits equivalent to 115 percent of the required minimum hourly wage. At least one company paid benefit is required.</i></p>	
Term of Agreement	Up to 10 Years	Up to 15 Years
Incentive Recovery Method	Tax credits up to 100 percent of corporate income or limited liability entity tax liability arising from the project.	Tax credits up to 100 percent of corporate income or limited liability entity tax liability arising from the project.
** The employee receives credits for the fees against state income taxes and local occupational taxes, so there is no impact on the employee	Wage assessment** incentives up to four percent (4%), including up to one percent (1%) required local participation, of taxable wages of each employee. If the local community does not have a local occupational fee, then another form of participation may be required. Local jurisdictions imposing a local occupational fee may request to waive the local occupational fee requirement if the local jurisdiction offers alternative inducements of similar value satisfactory to KEDFA.	Wage assessment** incentives up to five percent (5%) of taxable wages of each employee.

	Incentives	Enhanced Incentives
Incentive Recovery Parameters	If each of the minimum requirements is not met as of the activation date, the agreement is considered cancelled and the approved company will not be eligible for any of the incentives. If the minimum requirements are met as of the activation date but are not met at the annual review date(s), the incentives may be suspended or, with the appropriate approval from KEDFA, terminated. If minimum requirements are met, the tax incentives remain in place until the authorized recovery amount (approved cost) is realized or for the term of the tax incentive agreement, whichever occurs first. Unused credits that have been authorized for the project may be carried forward for the term of the tax incentive agreement; however, unused credits expire at agreement maturity.	

	New Projects	Existing Projects
Certification Requirement	For new projects locating to the Commonwealth, the company will be required to certify that the project could reasonably and efficiently locate outside of the Commonwealth and, without the incentives offered, the project would likely locate outside of the Commonwealth.	For existing location projects considering expansions in the Commonwealth, the company will be required to certify that the tax incentives are necessary for the project to occur.

	Owned Projects	Leased Projects
Eligible Costs	Eligible costs will only include costs incurred after the date of preliminary approval. For a project to be considered an “owned” project, the approved company or an affiliate either owns the project in fee simple or possesses the project pursuant to a capital lease. Eligible costs for owned projects include 100 percent of the land, building, site development and start-up costs.	Eligible costs will only include costs incurred after the date of preliminary approval. For a project to be considered a “leased” project, the approved company occupies the site of the project pursuant to an operating lease agreement with an unrelated entity that reflects an arms’ length transaction. Eligible costs for leased projects include 100 percent of the start-up costs, building/ leasehold improvements and 50 percent of the estimated annual rent payments for each year of the tax incentive agreement.
Start-Up Costs	Start-up costs include the costs incurred to furnish and equip a facility, such as computers, furnishings, office equipment, manufacturing equipment, fixtures, relocation of out-of-state equipment and nonrecurring costs of fixed telecommunication equipment.	
Equipment Costs Limitation	For projects not eligible for enhanced incentives, the cost of equipment eligible for recovery as an eligible cost is limited to \$20,000 for each new, full-time job subject to Kentucky individual income tax and created as of the activation date.	

Targets and Potential Adjustments of Approved Cost for Eligible Projects

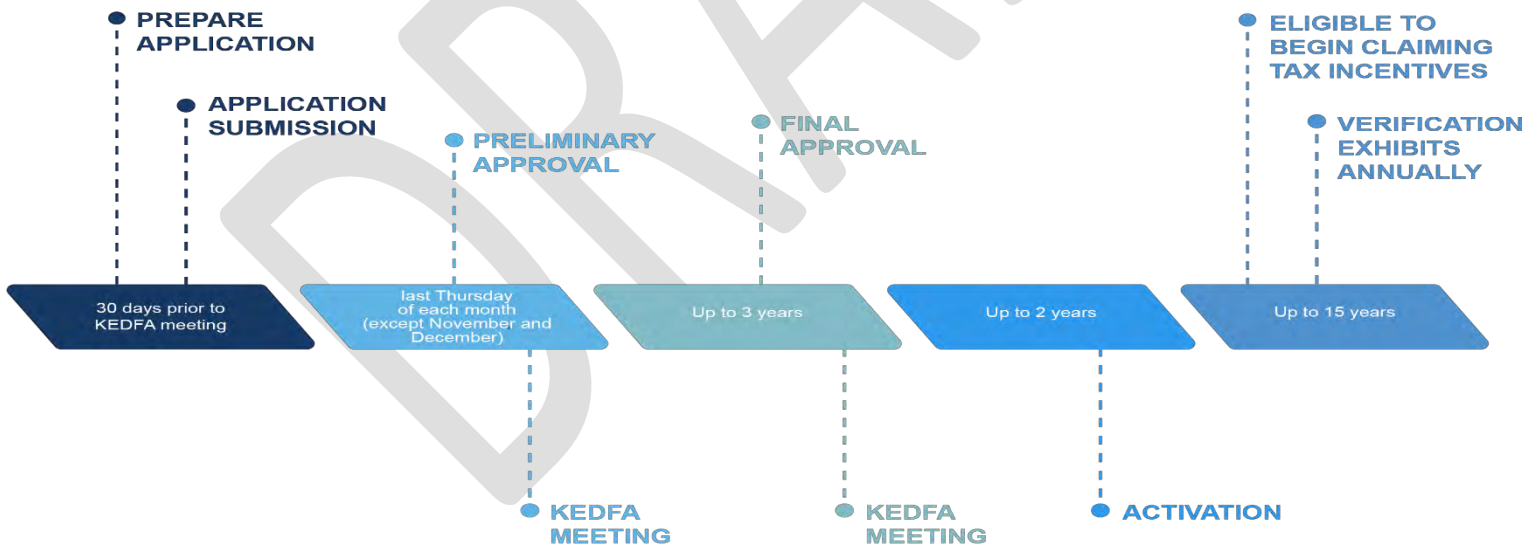
The tax incentive agreement will include the total maximum approved costs that may be recovered over the term of the agreement in addition to the annual maximum approved costs for each year of the agreement. Job and wage (including employee benefits) targets higher than the minimum requirements will be negotiated and included in the agreement. These targets will be measured against actual amounts as of the activation date and averaged annually for the company's fiscal year throughout the term of the tax incentive agreement.

- Projects that achieve actual job and wage results equal to or greater than 90 percent of the targets will be eligible to claim 100 percent of the annual maximum approved cost for the following year.
- Projects that achieve actual job and wage results less than 90 percent of the targets will incur a reduction of the annual maximum approved cost for the following year equal to the same proportion by which the project fell below its targets. If both targets are missed, the greater percentage reduction will be required.
- If the eligible costs incurred as of the activation date are less than the maximum approved costs, the maximum approved costs will be reduced to the confirmed amount of eligible costs and the annual maximum approved costs will be modified accordingly.

Kentucky Business Investment (KBI) Process	
Pre-Application 45 days prior to KEDFA meeting	The Kentucky Cabinet for Economic Development recommends the company submit a draft application to Business Development project management staff. Business Development project management staff negotiate recommended incentives and requirements.
Application Submission 30 days prior to KEDFA meeting	Application, required attachments, and application fee submitted to Business Development project management staff.
KEDFA Meeting/ Preliminary Approval Last Thursday of month, except November and December	Preliminary approval obligates Kentucky to the incentive amount and to grant final approval provided the applicant complies with the provisions of the Memorandum of Agreement (MOA). The MOA outlining Kentucky's financial commitment will be executed by both parties after approval occurs. The approved company <u>may begin its investment</u> after approval occurs. <i>KEDFA is a public meeting. Company name, number of jobs, payroll and investment will be disclosed at the meeting. All other information is confidential and not subject to open records.</i>
KEDFA Meeting/ Final Approval Up to 3 years after preliminary approval	Prior to the KEDFA meeting, the Tax Incentive Agreement is negotiated and executed by the company, a local resolution is provided (if applicable), and administrative fees are required to be paid. A fully executed agreement is provided to the company after KEDFA approval occurs.
Activation Within 2 years after final approval	The Activation Date is the first day the company <u>may be eligible to claim incentives</u> and also the first day of the term of the agreement. The company must meet the minimum job, wage and investment requirements by the Activation Date.

Kentucky Business Investment (KBI) Process	
Eligible to Begin Claiming Tax Incentives Company has up to the negotiated term of the Tax Incentive Agreement to recapture approved costs	After Activation, the company may claim tax incentives via wage assessments and corporate income tax credits not to exceed approved costs and based on compliance with the Tax Incentive Agreement.
Verification Exhibits End of each fiscal year	Company submits annual exhibits within 30 days of fiscal year end to confirm compliance with the Tax Incentive Agreement.

Kentucky Business Investment (KBI) Timeline



Fees

A non-refundable application fee of \$1,000 is payable upon submission of the KBI application. Prior to final approval, the company will be required to pay an administrative fee equal to one-fourth of one percent (0.25%) of the final KBI amount authorized in the Tax Incentive Agreement up to a maximum of \$50,000. In addition, the company will pay all legal fees, including expenses of counsel to KEDFA, necessary for the preparation of the Tax Incentive Agreement.

Enhanced Incentive Counties

Kentucky counties are designated “enhanced incentive” eligible by meeting at least one of the following three criteria: (1) counties with an average annual unemployment rate exceeding the state average annual unemployment rate in the five preceding calendar years; (2) counties with an unemployment rate greater than 200 percent of the statewide unemployment rate for the preceding year; and (3) counties identified as one of the sixty most distressed counties based on a three part test (three-year unemployment, education attainment and road quality). Once a company enters into a tax incentive agreement, the company maintains its enhanced benefits for the term of the agreement regardless of any change in the county’s status. Any project located in an enhanced incentive county that has been decertified shall have until July 1 of the third year following decertification to obtain final approval. If an “industrial park”, as outlined in the criteria in KRS 154.32, is located in two or more counties, one of which is an enhanced incentive county, projects undertaken in the industrial park may be approved for enhanced incentives.

2021/2022 Enhanced Incentive Counties				
Adair	Cumberland	Jackson	Mason	Pike
Ballard	Edmonson	Johnson	McCracken	Powell
Bath	Elliott	Knott	McCreary	Pulaski
Bell	Estill	Knox	McLean	Robertson
Boyd	Fleming	Laurel	Meade	Rockcastle
Bracken	Floyd	Lawrence	Menifee	Rowan
Breathitt	Fulton	Lee	Metcalfe	Russell
Breckinridge	Garrard	Leslie	Monroe	Taylor
Butler	Graves	Letcher	Montgomery	Trigg
Caldwell	Grayson	Lewis	Morgan	Trimble
Carlisle	Green	Lincoln	Muhlenberg	Union
Carter	Greenup	Livingston	Nicholas	Wayne
Casey	Hancock	Lyon	Ohio	Whitley
Christian	Harlan	Magoffin	Owen	Wolfe
Clay	Harrison	Marion	Owsley	
Clinton	Hickman	Marshall	Pendleton	
Crittenden	Hopkins	Martin	Perry	
June 30, 2021 Decertified Enhanced Incentive Counties – Must have final approval by June 30, 2024			Caldwell, Graves, Lyon, Marshall, McLean, Pendleton, Union	
June 30, 2020 Decertified Enhanced Incentive Counties – Must have final approval by June 30, 2023			Taylor	
June 30, 2019 Decertified Enhanced Incentive Counties – Must have final approval by June 30, 2022			None	

.....
 To learn more, contact:
 Katie Smith
Katie.Smith@ky.gov
 Phone: (502) 782-1987



Just the Facts:

Kentucky Enterprise Initiative Act (KEIA)

June 2021

This fact sheet provides an overview of the Kentucky Enterprise Initiative Act (KEIA) program. For a full discussion of the program requirements, please see KRS 154.31. As with all state administered tax incentive programs, any inducements offered to an eligible company under the KEIA program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

Eligible Companies

Any business entity primarily engaged in manufacturing, **nonretail** service or technology activities, agribusiness, headquarters operations, **coal severing and processing**, **hospital operations**, alternative fuel, gasification, energy-efficient alternative fuels or renewable energy production, carbon dioxide transmission pipelines, or in operating or developing a tourism attraction in Kentucky. Eligible company does not include companies where the primary activity to be conducted within the Commonwealth is forestry, fishing, the provision of utilities, construction, wholesale trade, retail trade, real estate, rental and leasing, educational services, food services, or public administration services.

Minimum Requirements for Eligible Projects

To qualify for the incentives available under the KEIA program, an eligible company must make a minimum investment of \$500,000 in an economic development project as that term is defined in KRS 154.31. Eligible investment costs include expenditures for building and construction materials, research and development equipment, and acquisition of real property that is owned, used or occupied by the approved company. Flight simulation equipment or electronic processing equipment, as defined as, the use of technology having electronic, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities, now in existence or later developed to perform a service or technology activity, is also an eligible cost. Labor costs are excluded from eligible investment costs.

Eligible Expenses and Incentives

A KEIA approved company is eligible to receive a refund of sales and use tax paid for the following items purchased during the term of the project and not to exceed the approved recovery amount authorized in the memorandum of agreement:

- Building and construction materials
- Research and development equipment
- Electronic processing equipment (minimum \$50,000 investment)
- Flight simulation equipment

Sales and use tax paid on expenditures made prior to KEDFA approval as an “approved company” will not be eligible for the refund.



Upon approval by KEDFA, the approved entity enters into an agreement with KEDFA. The term of the agreement is negotiated with Cabinet staff prior to KEDFA approval and may be extended by approval of KEDFA for good cause shown. However, the term shall not be extended beyond seven (7) years from the date of approval.

The maximum sales and use tax refund incentive available for commitment by KEDFA in each fiscal year for all projects is limited to \$20,000,000 for building and construction materials and \$5,000,000 for equipment used for research and development, electronic processing or flight simulation.

The Process

- The company makes application to KEDFA with the assistance of a Project Manager from Business Development. The application will require a timeline for completion of the project.
- The total amount of incentives to be recommended for approval of a project is negotiated with the Cabinet.
- The project is presented to KEDFA for approval at which time an Agreement is approved by KEDFA that authorizes the incentives for the company and sets forth the maximum approved recovery amount and the terms and conditions.
- The company completes its project and submits the required documentation throughout the term of its project in compliance with the Agreement.
 - » KEDFA requires documentation in connection with the project's KEIA eligible investment costs as outlined in Exhibit A to the Agreement.
 - » The Department of Revenue requires documentation in connection with the project and communicates directly with the approved company.
 - » Projects with a term of three (3) years from approval or less shall submit their application for refund to the Department of Revenue within 60 days of project completion.
 - » Projects with a term greater than three (3) years from approval shall submit annual information returns and any supporting documentation to the Department of Revenue within 60 days following the end of the calendar year beginning in the third year of the project term. The application for refund should be submitted to the Department of Revenue within 60 days of the earlier of completion of the project or the expiration of the project term as provided in the Agreement.
- The Department of Revenue will issue a refund check not to exceed the amount authorized to the approved company following verification of the sales and use tax paid.

Fees

There is a non-refundable application fee of \$500 payable upon submission of the KEIA application. The application fee will be waived if a project applies for KEIA and another tax incentive program.

.....
To learn more, contact:
Katie Smith
Katie.Smith@ky.gov
Phone: (502) 782-1987
.....



Just the Facts:

Kentucky Reinvestment Act (KRA)

June 2021

This fact sheet provides an overview of the Kentucky Reinvestment Act (KRA) program. For a full discussion of the program requirements, please see KRS 154.34. As with all state administered tax incentive programs, any inducements offered to an eligible company under the KRA program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

Eligible Companies

To be eligible for the KRA program, Kentucky companies **must employ, or intend to employ, a minimum of 25 full-time employees as a result of the reinvestment project. Remote jobs may qualify if the full-time position is held by a Kentucky resident, the job was created as a result of the economic development project, and the payroll of the job is expensed to the project.**

The company must be engaged in, or intending to engage in, one or more of the following activities at a location operating within the Commonwealth on a permanent basis for a reasonable period of time preceding the request for assistance, including facilities where operations have been temporarily suspended if all other program criteria are met:

- Manufacturing
- Agribusiness
- Headquarter operations (regardless of the underlying business activity)
- Nonretail service or technology
- Coal severing and processing (activities resulting in the company being subject to the tax imposed by KRS Chapter 143)
- Hospital operations (a facility licensed by the Cabinet for Health and Family Services under KRS 216B for the operation of a hospital and the basic services provided by a hospital)
- Alternative fuel, gasification, energy efficient alternative fuel, or renewable energy production
- Carbon dioxide transmission pipeline operations

Eligible company does not include any company for which the primary activity to be conducted in Kentucky is: forestry, fishing, the provision of utilities, construction, wholesale trade, retail trade, real estate, rental and leasing, educational services, accommodation and food services, or public administration services.

Minimum Requirements for Eligible Projects

Requirements to qualify for the incentives:

- Incur eligible equipment and related costs of at least \$1,000,000 in eligible equipment and related costs for leased projects or at least \$2,500,000 in eligible equipment and related costs for all other reinvestment projects.
 - » Leased project means an economic development project site occupied by an approved company pursuant to a lease agreement with an unrelated entity, but not including a capital lease.
 - » Owned project (all other reinvestment projects other than leased projects) means an economic development project owned in fee simple by the approved company or an affiliate, or possessed by the approved company or an affiliate pursuant to a capital lease.



- » Eligible equipment and related costs must be related to a qualifying Reinvestment Project which includes the acquisition, construction and installation of new equipment and the construction, rehabilitation and installation of improvements to facilities necessary to house the new equipment.
- » Eligible equipment means manufacturing machinery, equipment, computers, furnishing, fixtures, and other assets installed by the approved company as part of the reinvestment project and approved by KEDFA.
- » Eligible equipment and related costs does not include costs related to the replacement or repair of existing machinery or equipment resulting from normal wear and usage.
- Agree to maintain a full-time employment base of at least 85 percent of employment at the facility as of the date of preliminary approval.
- Has not been awarded incentives under the Kentucky Industrial Revitalization Act (KIRA) within the previous five years.
- Applicant must certify that the project would not be economically feasible without the incentives.

Approved Costs

Approved costs include eligible equipment and related costs that are approved by KEDFA for recovery and which are incurred after the date of preliminary approval through the date of final approval. Approved companies meeting KRA expenditure and employment requirements shall be eligible to recover up to 50 percent of eligible equipment and related costs.

The minimum requirements of incurring eligible equipment and related cost expenditures of at least \$2,500,000 and maintaining 85 percent of the full-time employment level at the facility must be achieved in order to proceed with final approval.

Incentive

A tax incentive is available for up to 10 years from the date of final approval via:

- Tax credits up to 100 percent of corporate income or limited liability entity tax liability generated by or arising from the project.

The tax incentive remains in place until the authorized incentive amount is realized (up to 20 percent of the incentive per year) or for the term of the reinvestment agreement (up to 10 years), whichever occurs first. Unused credits that have been authorized for the project may be carried forward for the term of the reinvestment agreement, however, unused credits expire at the maturity of the agreement.

The Process

- The company makes application to the Kentucky Economic Development Finance Authority (KEDFA).
- The job creation or preservation percentage and approved cost are negotiated with the Cabinet and presented to KEDFA for approval.
- If KEDFA designates the applicant as a preliminarily approved company, it authorizes its project and enters into a memorandum of agreement with the company that sets forth the maximum incentives available and the various requirements.
- The company completes its project and provides KEDFA with documentation in connection with the project's eligible costs.
- A Reinvestment Agreement is approved by KEDFA that authorizes the incentives for the company and sets forth the terms and conditions.
- The agreement must be fully negotiated at the time of final approval and all fees due to KEDFA must be paid.



- An independent consultant may be employed, at the applicant's cost, to verify eligible costs of the project.
- The company must **complete the reinvestment project and** receive final approval within three years of preliminary approval.
- The company submits exhibits annually throughout the term of its Reinvestment Agreement to confirm compliance with its terms.

Fees

A non-refundable application fee of \$1,000 is payable upon submission of the KRA application. Prior to final approval, the company will be required to pay an administrative fee equal to one-fourth of one percent (0.25 percent) of the final KRA amount authorized in the Reinvestment Agreement up to a maximum of \$50,000. In addition, the company will pay all legal fees, including expenses of counsel to KEDFA, necessary for the preparation of the Reinvestment Agreement.

.....
To learn more, contact:
Katie Smith
Katie.Smith@ky.gov
Phone: (502) 782-1987
.....



Just the Facts:

Incentives for Energy-related Business Act (IEBA)

July 2021

This fact sheet provides an overview of the Incentives for Energy-related Business Act (IEBA) program. For a full discussion of the program requirements, please see KRS 154.27. As with all state administered tax incentive programs, any inducements offered to an eligible company under the IEBA program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

Eligible Companies

Companies whose primary activity to be conducted in Kentucky includes the operation of a cryptocurrency facility may be eligible for IEBA incentives if the minimum investment requirement for eligible projects is met.

Cryptocurrency means a type of virtual currency that utilizes blockchain technology and that can be digitally traded between users or can be converted or exchanged for legal tender. Cryptocurrency facility means a facility located in Kentucky that is utilized in the commercial mining of cryptocurrency or in hosting persons engaged in the commercial mining of cryptocurrency through utilization of the facility's infrastructure, including servers and network hardware powered by Internet bandwidth, electricity, and other such services generally required for such mining operations.

Minimum Investment Requirement and Eligible Investment Costs

To qualify for the incentives available under the IEBA program, an eligible company must make a minimum capital investment of \$1,000,000 in a cryptocurrency facility. Eligible investment costs may include:

- Labor costs incurred in connection with the acquisition, construction, installation, equipping, upgrading or retrofitting of an eligible project
- The cost of acquiring land or rights in land and any cost incident thereto, including recording fees
- The cost of contract bonds and insurance required to establish an eligible project
- Architectural and engineering services related to an eligible project
- All costs required to be paid under the terms of any contract for the acquisition, construction, installation, equipping, upgrading or retrofitting of an eligible project

Incentives

IEBA tax incentives are negotiated and may be available for a period of up to 25 years, up to a maximum of 50 percent of the capital investment amount, via the following recovery methods:

- [Sales and Use Tax](#) refunds up to 100 percent of tax paid on tangible personal property made to construct, retrofit or upgrade a cryptocurrency facility, including commercial cryptocurrency mining equipment
- [Tax Credits](#) up to 100 percent of corporate income or Limited Liability Entity Tax liability arising from the project
- [Wage Assessment](#) incentives up to 4 percent of gross wages of each employee

The Process

<p>Pre-Application 45 days prior to KEDFA meeting</p>	<p>The Kentucky Cabinet for Economic Development recommends the company submit a draft application to Business Development project management staff. Business Development project management staff negotiate recommended incentives and requirements.</p>
<p>Application Submission 30 days prior to KEDFA meeting</p>	<p>Application, required attachments, and application fee submitted to Business Development project management staff. Application materials may be forwarded to the Office of Energy Policy and the Department of Revenue for review/comments. Additionally, the application materials may be provided to an independent consultant, if necessary.</p> <p>The application must verify the following:</p> <ul style="list-style-type: none"> • Applicant has met all statutory and regulatory requirements • Applicant has secured or is in the process of securing all necessary permits, certificates or approvals • Applicant has a plan that includes a projected number of Kentucky residents to be employed at the facility after completion and during construction
<p>KEDFA Meeting/ Preliminary Approval Last Thursday of month, except November and December</p>	<p>Preliminary approval authorizes a Memorandum of Agreement to be entered into between KEDFA and the company (prior to final approval, the applicant shall provide all supporting data requested by KEDFA, secure all required permits or take appropriate steps to do so, and cooperate with KEDFA to obtain opinions or recommendations from any outside consultants). The MOA will be executed by both parties after approval occurs.</p> <p><i>KEDFA is a public meeting.</i></p>
<p>KEDFA Meeting/ Final Approval Up to 3 years after preliminary approval</p>	<p>In preparation for final approval, the Tax Incentive Agreement is negotiated to identify the incentive recovery method and amount of incentive. The Tax Incentive Agreement is executed by the company prior to the KEDFA meeting, and administrative fees are required to be paid. A fully executed agreement is provided to the company after KEDFA approval occurs.</p>
<p>Activation Not to exceed 5 years after final approval</p>	<p>The Activation Date is the first day the company may begin incurring investment costs eligible for the program and engaging in eligible activities. The Activation Date is also the first day of the term of the agreement.</p>
<p>Eligible to Begin Claiming Tax Incentives Company has up to the negotiated term of the Tax Incentive Agreement to recapture approved costs</p>	<p>After Activation, the company may claim tax incentives via the negotiated method of recovery not to exceed approved costs and based on compliance with the Tax Incentive Agreement.</p>
<p>Verification Exhibits End of each fiscal year</p>	<p>Company submits annual exhibits within 30 days of fiscal year end to confirm compliance with the Tax Incentive Agreement.</p>



Fees

There is a \$1,000 non-refundable application fee payable upon submission of the application. Fees that the company may expect to incur as a result of Final Approval include an administrative fee equal to ¼ of 1 percent (.25%) with a maximum of \$50,000. In addition, the company will incur other fees in connection with the project, including legal fees and potentially consulting costs.

.....
To learn more, contact:
Katie Smith
Katie.Smith@ky.gov
Phone: (502) 782-1987
.....

DRAFT



Just the Facts:

Kentucky Investment Fund Act (KIFA)

June 2021

The purpose of the Kentucky Investment Fund Act (KIFA) is to encourage capital investment in the Commonwealth of Kentucky, to encourage the establishment of small businesses in Kentucky, to provide additional jobs, and to encourage the development of new products and technologies in the state through capital investments. After credits are allocated to a fund, the credits are proportionately granted to the fund's investors upon completion of qualified investments. The Commonwealth, through the Kentucky Economic Development Finance Authority (KEDFA), allocates the credits to investment funds. Carefully review KRS 154.20-250 to 154.20-284 for a complete description of KIFA.

KIFA offers a 40 percent tax credit to certain personal and corporate investors in approved investment funds for qualified investments made prior to January 1, 2022. For qualified investments made on or after January 1, 2022, the KIFA program offers investors a nonrefundable credit not to exceed 25 percent of the investor's proportional ownership share of all qualified investments made by the investor's investment fund and verified by KEDFA.

Fund and Investment Requirements

- Minimum fund size: \$500,000
 - » \$500,000 in committed cash contributions to the fund must be made prior to any allocation of credits.
 - » A certified investment fund must have no less than four (4) unaffiliated investors.
 - » No investor or investment fund manager, including closely related family members, may have a capital interest in more than 40 percent of the investment fund's total capitalization. Closely related family member means any of the following in relation to the investor, the investor's spouse, the fund manager, or the fund manager's spouse: parents or grandparents; children or their spouses; or siblings or their spouses.
- "Qualified investments" eligible for this tax credit are equity or near-equity (such as SAFE agreements or convertible debt instruments) cash investments of at least \$10,000 in Kentucky-based small businesses that meet the following criteria at the time an investment is made:
 - » More than 50 percent of the company's assets, operations and employees are located in Kentucky; and
 - » The company's net worth is \$5 million or less (or \$10 million, if it is a knowledge-based business) or its net income in each of the prior two years is \$3 million or less; and
 - » The company has no more than 100 employees.
- Each qualified investment must be in a business that is actively and principally engaged in a "qualified activity" within Kentucky or will be actively and principally engaged in a "qualified activity" within Kentucky after the receipt of a qualified investment.
- "Qualified activity" means a knowledge-based activity including bioscience, environmental and energy



technology, health and human development, information technology and communications, materials science and advanced manufacturing, or other technological advances if approved by the executive director of the Office of Entrepreneurship and Small Business Innovation. A “qualified activity” does not include any activity principally engaged in by financial institutions, commercial development companies, credit companies, financial or investment advisors, brokerage or financial firms, other investment funds or investment managers, charitable and religious institutions, oil and gas exploration companies, insurance companies, residential housing developers, retail establishments, or any activity determined to be against the public interest, against the purposes of KIFA, or in violation of any law.

- Any investment made by a fund in a non-qualified small business shall not be eligible for the tax credits.
- The total amount of tax credits available to any single investment fund for any calendar year beginning prior to January 1, 2022 shall not exceed, in aggregate, \$8,000,000 for all investors and all taxable years. In any calendar year beginning on or after January 1, 2022, the total amount of tax credits available to any single investment fund shall not exceed \$1,000,000.
 - » Total qualified investments made by an investment fund in any single business shall not exceed 30 percent of the committed cash contributions to the investment fund.
 - » The fund’s stated purpose must be to primarily encourage and assist in the creation, development or expansion of small businesses located in Kentucky.

Additional Program Information

- Fund managers find the investors and make all investment decisions.
- No qualified investment shall be made in a small business that, prior to the investment being made, (i) is owned, in whole or in an amount greater than 20 percent, by any investor, officer, director, partner, member, manager, trustee or employee of the investment fund or the investment fund manager, or (ii) employs on a full-time or part-time basis an investor in the investment fund.
- An investment fund manager and its affiliates may operate no more than three (3) separate investment funds pursuant to separate applications submitted to and approved by KEDFA.
- Investors may be any persons or legal entities through which business is conducted that is subject to state tax liability, including financial institutions and insurance companies.
- A non-profit entity may transfer, for some or no consideration, any or all of the credits it receives under KIFA. (KEDFA and the Department of Revenue must be notified of any transfer within 30 days of the transfer.)
- The tax credit amount that may be claimed by an investor in any tax year shall not exceed fifty percent (50 percent) of the initial aggregate credit amount approved by KEDFA for the investment fund which would be proportionally available to the investor. The tax credit can be used to offset Kentucky tax liabilities. An investor may first claim its credit in the year following the year in which the credit is granted. No investor can take more than 50 percent of the credit in any one tax year. An investor may carry-forward unused credits for up to fifteen years.
- An investment fund shall lose all unused credits that are available to its investors if the investment fund does not make a qualified investment within one year of the date of its Investment Agreement with KEDFA or within any one-year period thereafter through the end of its term of the agreement.



- Investors with any conviction for violating Kentucky's tax laws within the past 10 years are ineligible to receive credits under KIFA.
- Fund managers are required to provide annual **financial statements** and reports **of the investment fund** to KEDFA **within 90 days after the end of the investment fund's fiscal year**.

Credit Caps

A maximum of \$3,000,000 in tax credits can be allocated to investment funds in each calendar year.

The Process

- Fund manager completes and submits the KIFA application to Cabinet staff.
- The total amount of incentives to be recommended for approval of a fund is negotiated with the Cabinet as well as any fund-specific terms that may apply.
- The fund is presented to KEDFA for approval and, if approved, KEDFA enters into an incentive agreement with the fund that sets forth the terms and conditions.
- The fund completes its required annual qualified investments in Kentucky small businesses engaged in a qualified activity. **Within 80 days following the making of a qualified investment, the investment fund manager files disclosure forms with KEDFA.**
- The fund submits annual reporting requirements throughout the term of its incentive agreement to remain compliant.

Fees

A non-refundable application fee of \$1,000 is payable upon submission of the KIFA application. Prior to signing the incentive agreement, the company will be required to pay an administrative fee equal to one-tenth of one percent (0.1%) of the KIFA total tax credits approved and authorized in the incentive agreement. Additionally, an annual fee equal to one-tenth of one percent (0.1%) of the fund's allocated tax credits shall be paid to KEDFA. The annual fee is due on or before the anniversary date of the fund's approval by KEDFA each year throughout the term of the agreement. The company will also pay all legal fees, including expenses of counsel to KEDFA, necessary for the preparation of the incentive agreement.

.....
To learn more, contact:

Bobby Aldridge

Robert.Aldridge@ky.gov

Phone: (502) 782-1966
.....



Just the Facts:

Kentucky Industrial Revitalization Act (KIRA)

June 2021

This fact sheet provides an overview of the Kentucky Industrial Revitalization Act (KIRA) program. For a full discussion of the program requirements, please see KRS 154.26. As with all state administered tax incentive programs, any inducements offered to an eligible company under the KIRA program are negotiated by Cabinet for Economic Development officials and subject to approval by the Kentucky Economic Development Finance Authority (KEDFA).

No new applications are currently being accepted for this program. Companies that have not received preliminary approval for a KIRA project on or before June 30, 2021 are not eligible to be granted final approval and receive KIRA tax credits for the project. Companies that have received preliminary or final KIRA approval on or before June 30, 2021 shall continue to be governed by KRS 154.26

Eligible Companies

Eligible companies include companies requiring investments in existing facilities that meet either of the following criteria:

- Employing or intending to employ a minimum of 25 full-time employees engaged in manufacturing or agribusiness operations at the same facility, whether acquired, owned or leased, located and operating within the Commonwealth on a permanent basis for a reasonable period of timing preceding the request for approval
 - » Includes facilities where manufacturing or agribusiness operations have been temporarily suspended
- Having, or in the case of closed facilities, intending, raw production of at least three million (3,000,000) tons of coal mined from the economic revitalization project facility and employing or, in the case of closed facilities, intending to employ, a minimum of 500 full-time employees engaged in coal mining and processing operations at facilities, whether owned or leased, located and operating within the Commonwealth on a permanent basis for a reasonable period of timing preceding the request for approval.
 - » Includes facilities where coal mining and processing operations have been closed, temporarily suspended, or severely reduced

Eligible Projects

Eligible projects include the acquisition, construction, equipping and rehabilitation of machinery and equipment and, with respect thereto, the construction, rehabilitation and installation of improvements of facilities necessary or desirable for the machinery and equipment. Companies may be eligible for incentives limited to seventy-five percent (75%) of the costs of the rehabilitation or construction of buildings and the refurbishing or purchasing of machinery and equipment.



Incentives

Tax incentives are available for the approved company for up to 10 years via:

- Tax Credits up to 100 percent of corporate income or limited liability entity tax liability arising from the project.
- Wage Assessment incentives up to five percent (including up to one percent required local participation) of gross wages of each employee. The employee receives credits for the fees against state income taxes and local occupational taxes so there is no impact on the employee.

The tax incentives remain in place until the authorized incentive amount is realized or for the term of the tax incentive agreement, whichever occurs first. Unused credits that have been authorized for the project may be carried forward for the term of the tax incentive agreement; however, unused credits expire at the maturity of the agreement.

The Process

- The company makes application to the Kentucky Economic Development Finance Authority (KEDFA).
 - » A local letter of support is required to be submitted with the application.
 - » The company must provide a detailed description of the facility, including its productivity, efficiency and financial stability; explain in detail why it intends to close the facility and set out its alternatives; or, provide a description of the potential for resumption of operations at a coal mining and processing facility; as applicable.
- The total amount of incentive available to a project is negotiated with the Cabinet.
- KEDFA preliminarily approves the company and enters into a memorandum of agreement with the company that sets forth the maximum incentives available under KIRA.
- An independent consultant (as contracted by the Cabinet) is hired at the company's expense to verify that closure of the company is imminent without these incentives. The consultant is required to present the final report of findings to KEDFA.
- A public hearing will be conducted to receive comments from the public regarding the project.
- A Revitalization Agreement is approved by KEDFA that authorizes the KIRA incentives for the company.
- The company may begin claiming incentives and the ten-year term of the agreement begins on the date of final approval.
- The company has five years from the date of final approval by KEDFA to complete its project and provide KEDFA with documentation in connection with the project's costs.

Fees

There is a \$500 non-refundable application fee payable upon submission of the KIRA application. Fees which the company may expect to incur as a result of final approval include an administrative fee equal to 1/10 of 1 percent of the final KIRA amount authorized in the Revitalization Agreement. In addition, the company will incur legal fees necessary for the preparation of the Revitalization Agreement.

To learn more, contact:
Katie Smith
Katie.Smith@ky.gov
Phone: (502) 782-1987
