



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Commissioner *KS*
Department for Financial Services

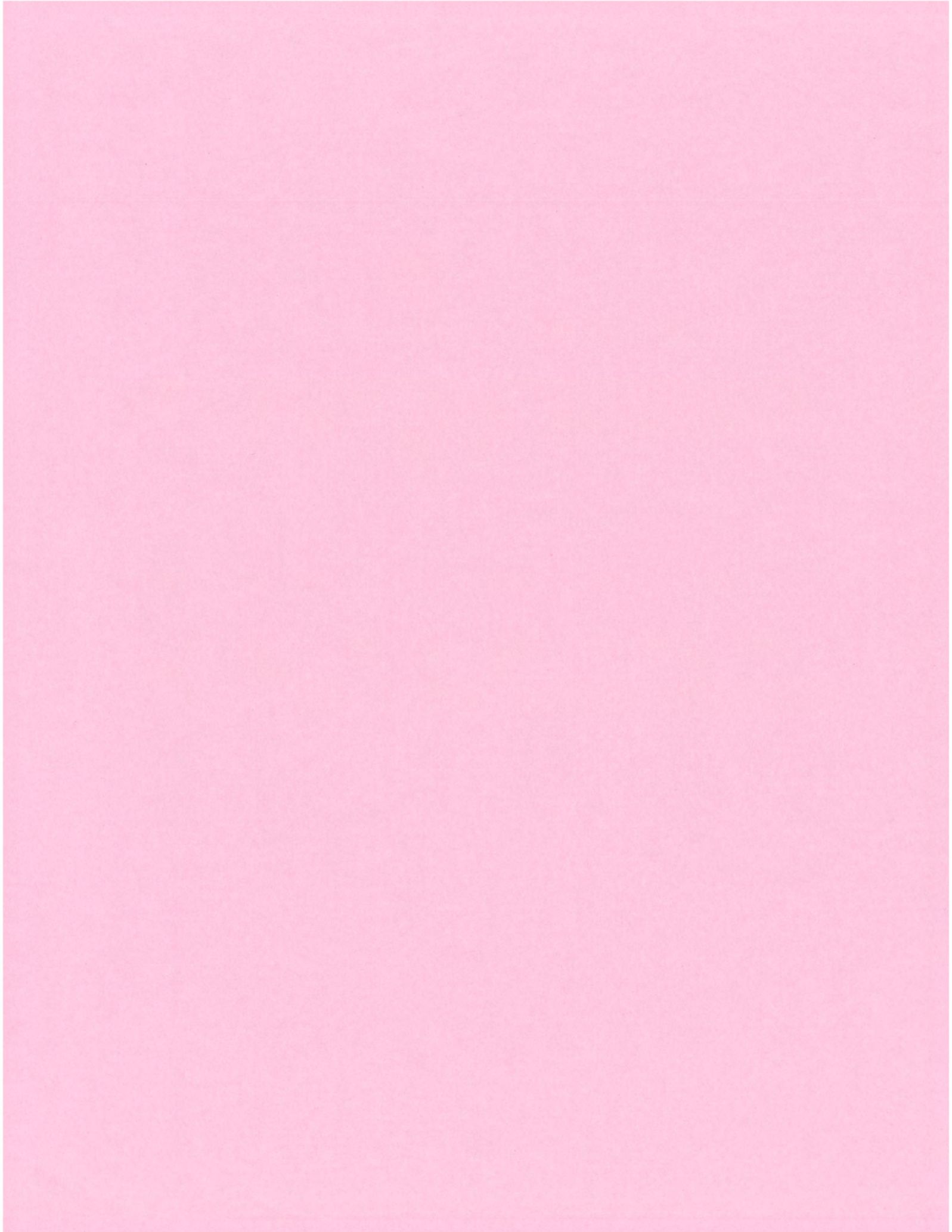
DATE: June 24, 2022

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **June 30, 2022** at 10:00 a.m. (ET) through both in person attendance and video conference. The primary location for the meeting where all members can be seen and heard and the public may attend in accordance with KRS 61.826 and 61.810 will be in the Board of Directors Conference Room at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. While participants, media and members of the public may attend the board meeting in person at the primary location, attendees are also encouraged to join the meeting virtually and can access the video teleconference at the following link:

<https://us02web.zoom.us/j/85882959678>

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



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
AGENDA
June 30, 2022

PRIMARY LOCATION:

Where all members can be seen and heard and the public may attend in accordance with KRS 61.826 & 61.840

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

ALSO AVAILABLE VIA ZOOM: <https://us02web.zoom.us/j/85882959678>

Call to Order
Notification of Press
Roll Call

Minutes

Minutes from May 26, 2022 KEDFA Board Meeting

Reports

Approved/Undisbursed Report	Kylee Palmer
Financial Statements and Monitoring Reports	Krista Harrod

EDF Project

Berea Development Corporation, Inc. dba Berea Industrial Development Authority	Madison	Ashlee Chilton/Debbie Phillips
Novelis Corporation	Todd	Corky Peek/Michelle Elder

KEDFA IRB

Carmel Manor, Inc.	Campbell	Debbie Phillips
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KIFA Project (Amendment)

Kentucky Select Fund LLC	Jefferson	Danielle Dunmire
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KEIA Projects (Extension)

Louisville Vegan Jerky, LLC	Jefferson	Craig Kelly
Perfetti Van Melle USA, Inc.	Boone	
Michter's Distillery LLC	Washington	
EJ Curley Co.	Jessamine	
Feralloy Corporation	Gallatin	
Hitachi Automotive Electric Motor Systems America, Inc.	Madison	
Independent Stave Company	Rowan	
James Pepper Distilling Co., LLC	Woodford	

Piramal Pharma Solutions LLC	Fayette
Santa Rosa Systems LLC	Bullitt
TPG Plastics LLC	Calloway

KBI Projects (Preliminary) & KEIA Projects

HHO Carbon Clean Systems LLC	McCracken	Foster Shrout/Michelle Elder
Joseph T. Ryerson & Son, Inc.	Shelby	Ashlee Chilton/ Michelle Elder

KBI Projects (Preliminary)

Accuride Henderson Limited Liability Company	Henderson	Corky Peek/Michelle Elder
Whitehorse Freight, LLC	Kenton	Andy Luttner/Debbie Phillips
Stober Drivers Inc.	Mason	Jerod Metz/Debbie Phillips

KBI Projects (Extension)

Michelle Elder

Distilled Spirits Epicenter, LLC	Jefferson
Stryker Logistics, LLC	Warren
Bowling Green Metalforming L.L.C.	Warren
Global Wood Company, LLC	Pike
International Farmaceutical Extracts LLC	Boyle
Itsuwa KY, LLC	Nelson
SWVA Kentucky, LLC dba Kentucky Electric Steel	Boyd

KBI Projects (Final)

Debbie Phillips

Greif Packaging LLC dba Multicorr	Jefferson
Wilde Brands Inc.	Clark
RFC LLC	Shelby

Kentucky Rural Hospital Loan Program

Kylee Palmer

Crittenden Community Hospital, LLC	Crittenden
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Kentucky Small Business Tax Credits (KSBTC)

Tim Back

BGS Kentucky, LLC	Fayette
Georgetown Auto Sales, Inc.	Scott
Janson Communications, LLC	Boyd
Maile Custom Builders, Inc.	Kenton
Nuthin' Fancy, Incorporated	Jefferson
Patterson and Company CPAs PLLC	Jefferson
Penn and Son Sheet Metal, Inc.	Marshall
Please & Thank You, LLC	Jefferson
RussTech Admixtures, Inc.	Jefferson
Tudors East New Circle, LLC	Fayette

Kentucky Angel Investment Tax Credits

Tim Back

Caroline H. Boone	Fayette
John Michael Lonnemann, Jr.	Kenton

Scott R. Bray	Kenton
Eric A. Haas	Kenton
Steven Clay Beck	Kenton
Matthew David Watkins	Kenton
Angela M. Duncan	Kenton
MaryAnn Pietromonaco	Kenton

KEI Projects

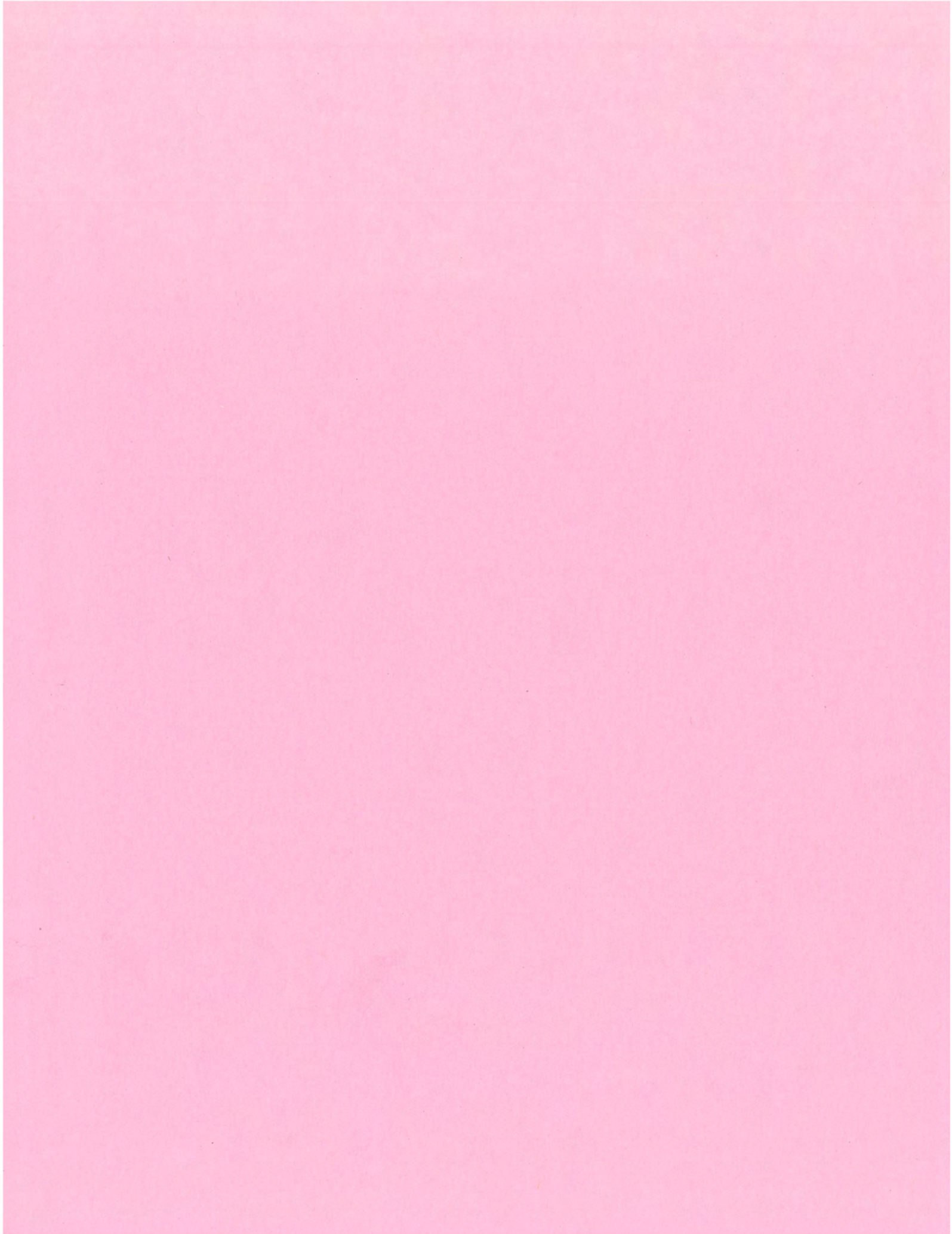
Tim Bates

Nadus Films Productions, LLC	Jefferson
M30 OXY Movie, LLC	Menifee, Montgomery, Rowan
Jagged Little Pill Tour LLC	Jefferson
Look Both Ways Productions, LLC	Madison
Muzzle Productions, Inc.	Jefferson

Other Business

Kentucky Rural Hospital Loan Program Guidelines	Kylee Palmer
Enhanced Counties FY 2022-2023	Michelle Elder
Western Kentucky Risk Assistance Fund	Kylee Palmer

Adjournment



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

May 26, 2022

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. EDT on May 26, 2022, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

Notification of Press

Vice-Chair J. Don Goodin, received verification that the media had been notified of the KEDFA regular monthly board meeting.

Roll Call

J. Don Goodin, Geri Grigsby (proxy for Secretary Johnson), Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Tim Back, Tim Bates, David Brock, Phyllis Bruning, Sarah Butler, Ashlee Chilton, Brittany Cox, Michael Crabtree, Stephanie Cullen, Rachael Dever, Billy Dickinson, Danielle Dunmire, Michelle Elder, Ray Griffith, Krista Harrod, James Johnson, Malcolm Jollie, Craig Kelly, Andy Luttner, Brandon Mattingly, Kate McCane, Gabrielle McGee, Conner McJunkin, Craig McKinney, Kristine McNeil, Jerod Metz, Amy Mills, Danielle Milbern, Kylee Palmer, Corky Peek, Debbie Phillips, Monique Quaterman, Angelica Sanchez-Vega, Jenny Schenkenfelder, Foster Shrout, Kristina Slattery, Katie Smith, Christopher Snyder, Beth Sturm, Danielle Tibbitts, Steve Vest, Maurice Walker, Connor Wall, Matthew Wingate, Dan Wood, Tori Wood

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Tim Jefferies and Randy Smoot, Green River Meats, LLC; Jae Kim and Ingu Hwang, Lotte Aluminum Materials USA, LLC; Tammy Costellow, Logan Economic Alliance for Development; Travis Mendel, BornFree Entertainment LLC; Ron Mencer, Jon Ross and Scott Sargent, A&P Productions LLC; David Stever, WC Film Production, LLC; Ron Burse and Sara Bowman, Louisville Forward; Rick Games and Andy Games, Elizabethtown Hardin County Industrial Foundation; Jay Hall, Wrigley Media Group; Casey Dunn, Denham-Blythe Company, Inc.; John Thornton, Process Solutions and Services Inc. dba Rapid Industries; Travis Girtten, SITEX Corporation; Jonathan Hodson, OBT Ashland; Michelle Christian, Omnis Global Technologies; Matt Zoellner, Scott, Murphy, Daniel; Sharron Wright and Kendall Wright, Wright Way Construction; Tom West and Ken Smith, City of Covington; JD Edwards, The Kentucky Whiskey Company, LLC; Christine Hoffman, Cal-Maine Foods, Inc.; Tim Gibbs, Ashland Alliance; Toby Hawkins, Logan Aluminum; Soozie Eastman, 502 Film; Naomi Sutton, OEAS; Devin Bundrent, Louisville Film Commission; Steven Starkweather, Office of Financial Management; Ron McMahan, Team Taylor County Economic Development Authority; Melissa Perry, George Maranville

Approval of Minutes

Vice-Chair Goodin entertained a motion to approve the minutes from the April 28, 2022 regular KEDFA board meeting.

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

Approved/Undisbursed Report

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

Tax Increment Financing (TIF) Project (Final)

Vice-Chair Goodin called on Kylee Palmer to present the TIF project for final approval to the Authority.

**City of Covington KY
Covington Central Riverfront
Kenton County**

Kylee Palmer

Kylee Palmer stated Covington Central Riverfront is a Signature TIF project. The development is expected to include 200,000-sf of new office space, 177 new hotel rooms, 87,800-sf of new retail, 348 new residential units, 111,000-sf convention center expansion and public infrastructure. Construction began the fourth quarter of 2021 with public infrastructure projects anticipated completion by fourth quarter of 2025. Completion of private investment projects will be phased in over years 6-10.

The project was reviewed by an independent consultant and determined to create a net new positive impact for the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with their statutorily required Certification of Net Positive Impact to the Commonwealth. The applicant has also reviewed the report and agrees with the findings and the amount eligible for recovery.

The applicant, City of Covington KY, requested final approval of the Covington Central Riverfront Signature TIF project. The total estimated cost of the project is \$308,331,063, of which, approximately \$80,961,063 is estimated for eligible public infrastructure costs. The applicant is eligible to recover a negotiated tax incentive amount up to \$45,500,000 for public infrastructure and financing costs through a 60% recovery on withholding, sales, and real estate property taxes. Only amounts deemed as eligible public infrastructure costs that occur within the State footprint are eligible for recovery through increments. No state taxes shall be eligible for recovery until the minimum capital investment of \$200,000,000 has been verified as being invested in the development area.

Total Cumulative investment of \$308,331,063, excluding financing costs, must be achieved to be eligible for the applied total incentive of \$45,500,000. The actual project completion percentage of the investment will be applied annually to the total incentive approved of \$45,500,000 to determine the maximum total incentive available/earned for the project during the term of the agreement

Staff recommended final approval of the negotiated tax incentive amount of up to \$45,500,000.

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

Economic Development Fund (EDF) Project

Vice-Chair Goodin called on staff to present the EDF project to the Authority.

**Cadiz-Trigg County Industrial Development Authority, Inc.
Trigg County**

**Malcolm Jollie
Kate McCane**

Malcolm Jollie stated Cadiz-Trigg County Industrial Development Authority, Inc. purchased 100 acres in February 2001 to create an industrial park for industrial manufacturing companies. The Cadiz-Trigg County Industrial Development Authority, Inc. has pursued grant funds to construct a 100,000-sf Spec Building that can be expandable to 200,000-sf on a 15-acre KY Certified Build Ready Pad site at Interstate 24 Business Park. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Kate McCane stated the County of Trigg requested the use of \$500,000 in EDF program funds for the benefit of Cadiz-Trigg County Industrial Development Authority. The project investment is \$3,500,000, and the proposed EDF grant funds will be used to offset the costs associated with this project.

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 Kentucky Finance and Administration Cabinet's concurrence to CED's use of the EDF for this project. Kate McCane stated the Secretary's concurrence had been received.

Staff recommended approval of the EDF request.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

Vice-Chair Goodin called on Craig Kelly to present the KEIA extension requests to the Authority.

Craig Kelly stated 9 companies requested additional time to complete the projects and asked that all 9 be presented as one motion.

Company	County	Extension
EcoChain Wind, LLC	Calloway	3 Months
Kruger Packaging (USA) LLC	Hardin	3 Months
Pitman Creek Wholesale LLC	Lincoln	3 Months
Sazerac Distillers, LLC	Nelson	7 Months
Atkore Plastic Pipe Corporation	Jefferson	12 Months
BuildMyPlace, LLC	Jefferson	12 Months
Kimberly-Clark Corporation	Daviess	12 Months
MB Roland Distillery, Inc.	Christian	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-Chair Goodin called on staff to present the KEIA projects to the Authority.

Cal-Maine Foods, Inc.

Ashlee Chilton

Todd County**Michelle Elder**

Ashlee Chilton stated Cal-Maine Foods, Inc., founded in 1957, is primarily engaged in the production, grading, packaging, marketing, and sale of shell eggs. The company is considering expanding its cage-free egg production capabilities in Guthrie.

Michelle Elder stated the project investment is \$40,000,000 of which \$4,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$50,000 for construction materials and building fixtures.

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

Four Roses Distillery LLC**Ashlee Chilton****Bullitt County****Michelle Elder**

Ashlee Chilton stated Four Roses Distillery LLC has a long history back to the mid 1800's, starting in Georgia and eventually moving to Kentucky around 1885. The company is considering the construction of new capacity to meet customer demand.

Michelle Elder stated the project investment is \$23,149,731 of which \$18,285,731 qualifies as KEIA eligible costs.

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

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

Buffalo Trace Distillery, Inc.**Billy Dickinson****Franklin County****Michelle Elder**

Billy Dickinson stated Buffalo Trace Distillery, Inc. has been making bourbon whiskey for more than 200 years. The project would include the expansion of its barrel storage warehouses in order to keep up with increased demand.

Michelle Elder stated the project investment is \$29,500,000 of which \$12,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

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

New Riff Distilling, LLC**Andy Luttner****Campbell County****Debbie Phillips**

Andy Luttner stated New Riff Distilling, LLC opened in 2014, crafts a range of bourbon, rye, and a host of specialty recipes. The project would include the purchase of 10 acres and construction of a 55,000-sf barrel storage building in order to meet customer demands.

Debbie Phillips stated the project investment is \$10,026,688 of which \$4,823,699 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$50,000 for construction materials and building fixtures.

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

**NuArm Corporation dba Advantage Plastics
Jefferson County**

**Malcolm Jollie
Kate McCane**

Malcolm Jollie stated NuArm Corporation dba Advantage Plastics build molds and manufactures functional plastics parts for small to mid-size customers in a diverse range of industries including appliances, food service and medical equipment. The company is seeking to integrate modern automation and robotics into the facility to increase the factory's capacity and efficiency.

Kate McCane stated the project investment is \$569,858 all of which qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$25,000 for research and development and/or electronic processing equipment.

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

KBI (Preliminary) and KEIA Projects

Vice-Chair Goodin called on staff to present the KBI preliminary and KEIA project to the Authority.

**Lotte Aluminum Materials USA LLC
Hardin County**

**Ashlee Chilton
Michelle Elder**

Ashlee Chilton stated the Lotte Group is one of the largest conglomerates in South Korea and employs over 60,000 people. Lotte is considering locating its new venture, Lotte Aluminum Materials USA LLC, in Hardin County. The company is considering building a plant to manufacture ultra-thin aluminum films to be used for EV batteries.

Michelle Elder stated the project investment is \$238,734,497 of which \$130,347,125 qualifies as KBI eligible costs and \$122,500,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 122 with an average hourly wage of \$23.35 including benefits. The state wage assessment participation is 3.0% and the City of Elizabethtown will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$3,300,000 and the KEIA approved recovery amount of \$1,000,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

**Green River Meats, LLC
Taylor County**

**Ashlee Chilton
Michelle Elder**

Ashlee Chilton stated Green River Meats, LLC (GRM) plans to be a USDA custom meat processing business, with plans to be open in 2023. GRM is considering building a processing plant to serve the needs of local livestock producers.

Michelle Elder stated the project investment is \$2,315,800, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 5.0%. Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$550,000.

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

The Kentucky Whiskey Company, LLC
Ohio County

Ashlee Chilton
Michelle Elder

Ashlee Chilton stated The Kentucky Whiskey Company, LLC, a new start-up distillery, will primarily be a B2B contract producer, selling newly filled barrels of whiskey to other distilleries across the US. The company is considering purchasing land, building the distillery and warehouses as well as purchasing equipment.

Michelle Elder stated the project investment is \$17,685,000 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 \$31.25 including benefits. The state wage assessment participation is 5.0%.

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

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

Logan Aluminum Inc.
Logan County

Corky Peek
Michelle Elder

Corky Peek stated Logan Aluminum Inc. produces flat rolled aluminum sheets for the beverage can and automotive industries. Logan produces approximately 45% of the aluminum found in the world's beverage cans. The company is a joint-venture owned by Tri-Arrows Aluminum, Inc., and Novelis Corporation. The company is considering adding production capacity for both its can and automotive business.

Michelle Elder stated the project investment is \$249,800,000 all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 65 with an average hourly wage of \$37.00 including benefits. The state wage assessment participation is 5.0%.

The company will be required to maintain a base employment equal to the greater number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 1,215 full-time employees subject to Kentucky income tax, which number is based on the job requirement for the company's previous KBI project.

KRS 154.32-020 states the following: 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 \$3,000,000.

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

**SITEX Corporation
Henderson County**

**Corky Peek
Debbie Phillips**

Corky Peek stated SITEX Corporation is a family-owned and operated uniform, linen and textile rental business providing uniform and linen services to thousands of customers in Kentucky and Indiana. The company is considering the expansion of its current facility in Henderson. The project will include adding 2,500-sf, the purchase of equipment, expanding the loading dock and automating several of its processes.

Debbie Phillips stated the project investment is \$4,500,000 of which \$960,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$20.00 including benefits. The state wage assessment participation is 3.0% and the City of Henderson will participate at 1.0%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$300,000.

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

**Process Solutions and Services, Inc. dba Rapid Industries
Jefferson County**

**Malcolm Jollie
Debbie Phillips**

Malcom Jollie stated Process Solutions and Services, Inc. dba Rapid Industries manufactures conveyor systems to support parcel, automotive and the appliance industries. The company is considering constructing a 50,000-sf facility adjacent to its current headquarters facility in Louisville.

Debbie Phillips stated the project investment is \$6,800,000 of which \$5,100,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$25.00 including benefits. The state wage assessment participation is 3.0% and Louisville Metro Government will participate at 1.0%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$300,000.

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

**OBT Ashland
Greenup County**

**Andy Luttner
Debbie Phillips**

Andy Luttner stated OBT Ashland, a new startup company, plans to produce fire resistant doors and cabinetry with high strength and durability at an economically feasible cost. The project will include the constructing and equipping of a new manufacturing facility in Wurtland.

Debbie Phillips stated the project investment is \$45,500,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 55 with an average hourly wage of \$33.00 including benefits. The state wage assessment participation is 5.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,100,000.

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

KBI Projects (Extension)

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

Michelle Elder stated 8 companies requested additional time to complete the projects and asked that all 8 be presented as one motion.

Company	County	Extension
Greif Packaging LLC dba Multicorr	Jefferson	3 Month
Michter's Distillery LLC	Jefferson	6 Month
CCI Industrial Services, LLC	Pulaski	12 Month
Crown Verity USA Inc.	Warren	12 Month
Investors Heritage Life Insurance Company	Franklin	12 Month
Log Still Distilling, LLC	Nelson	12 Month
Pennington Stave and Cooperage Corp	Metcalf	12 Month
Richmond Auto Parts Technology, Inc.	Madison	12 Month

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

Debbie Phillips stated 3 companies requested KBI final approval, all of which have modifications since preliminary approval. Debbie Phillips asked that all 3 be presented as one motion.

Modifications:

Amazon.com Services, LLC

Boone

Service or Technology

The Company's name has changed from Amazon.com Services, Inc. to Amazon.com Services, LLC. Total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

DG Distribution Midwest, LLC

Boone

Service or Technology

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

DG Fresh Distribution TX, LLC**Warren****Service or Technology**

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 documents.

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

Kentucky Small Business Tax Credit (KSBTC) Projects

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

Tim Back stated there are 3 Kentucky small businesses, from 2 counties with qualifying tax credits of \$21,000. The 3 businesses created 6 jobs and invested \$51,772 in qualifying equipment and/or technology.

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

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
American Tile Company, Inc.	Jefferson	18	2	\$27.65	\$21,201	\$7,000
Louisville Panels, LLC	Jefferson	13	1	\$28.00	\$12,000	\$3,500
Optimal Living Services, LLC	Fayette	0	3	\$18.66	\$18,571	\$10,500

Staff recommended approval of the proposed tax credits.

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

Kentucky Selling Farmer Tax Credit (KSFTC) Projects

Vice-Chair Goodin called on Tim Back to present the KSFTC projects to the Authority.

Tim Back stated there is 1 Kentucky selling farmer who has sold qualifying agricultural assets totaling \$588,000 to eligible beginning farmers. The 1 Kentucky selling farmer qualifies to receive a total of \$25,000 in tax credits.

Tim Back requested the following tax credits be presented as one motion

Selling Farmer	County	Qualifying Agricultural Assets	Tax Credit Amount
Robert H. Foree & Jean L. Foree	Shelby	\$588,000	\$25,000

Staff recommended approval of the proposed tax credits.

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

Kentucky Angel Investment Act Projects

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

Tim Back stated there are 9 Kentucky Angel Investment Act projects representing 5 Kentucky businesses and 9 investors for a total projected investment of \$1,402,640 with eligible tax credits of \$350,660. The investor will have 80 calendar days in which to make the planned investment and submit proof of the investment before receiving the tax credit.

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

Qualified Investor	Qualified Small Business	County	Projected Investment	Potential Tax Credit
Leroy Burch	Bexion Pharmaceuticals, Inc.	Kenton	\$200,000	\$50,000
Mary Zalla Forgiel	Bexion Pharmaceuticals, Inc.	Kenton	\$50,000	\$12,500
John W. Zalla	Bexion Pharmaceuticals, Inc.	Kenton	\$800,000	\$200,000
Gayla L. Warner	Mindful Beverage Group, Inc.	Jefferson	\$12,000	\$3,000
Michael S. Hoseus	Thynk Health, LLC	Fayette	\$100,000	\$25,000
Margaret Kristin Stuedle	Vivorte (DE), Inc.	Jefferson	\$100,000	\$25,000
Joseph A. Stuedle	Vivorte (DE), Inc.	Jefferson	\$50,000	\$12,500
Nicholas R. Lanham	Wendal Inc	Kenton	\$40,040	\$10,010
Barry G. Kienzle	Wendal Inc	Kenton	\$50,600	\$12,650

Staff recommended approval of the proposed Angel Investment tax credits.

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

Kentucky Entertainment Incentive (KEI) Projects (Final)

Vice-Chair Goodin called on Tim Bates to present KEI projects to the Authority.

Small Town Romance LLC Small Town Romance

Tim Bates

Tim Bates stated that Small Town Romance LLC plans to produce a Feature-Length Film, Small Town Romance, in Jefferson and Oldham Counties. Production is set to begin as early as June 2, 2022 and is anticipated to end by October 30, 2022. The Company anticipates \$1,432,144 in qualifying payroll expenditures and \$1,520,450 in qualifying non-

payroll expenditures for a total of \$2,952,594. The company also anticipates employing 53 Kentucky resident crew members and 41 Non-Kentucky resident crew members for a total production crew of 94.

Staff recommended a total negotiated tax incentive amount of \$915,616.

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

Last Shift 2022, LLC
Last Shift

Tim Bates

Tim Bates stated that Last Shift 2022, LLC plans to produce a Feature-Length Film, Last Shift in Jefferson County. Production is set to begin as early as June 13, 2022 and is anticipated to end by August 12, 2022. The Company anticipates \$451,624 in qualifying payroll expenditures and \$345,543 in qualifying non-payroll expenditures for a total of \$797,167. The company also anticipates employing 31 Kentucky resident crew members and 9 Non-Kentucky resident crew members for a total production crew of 40.

Staff recommended a total negotiated tax incentive amount of \$258,317.

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

BornFreeEntertainment LLC
Destination Heaven

Tim Bates

Tim Bates stated that BornFreeEntertainment LLC plans to produce a Television Program, Destination Heaven in Fayette and Jessamine Counties. Production is set to begin as early as July 11, 2022 and is anticipated to end by October 25, 2022. The Company anticipates \$963,893 in qualifying payroll expenditures and \$531,014 in qualifying non-payroll expenditures for a total of \$1,494,907. The company also anticipates employing 69 Kentucky resident crew members and 23 Non-Kentucky resident crew members for a total production crew of 92.

Staff recommended a total negotiated tax incentive amount of \$475,618.

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

WC Film Production LLC
Prescription for Love

Tim Bates

Tim Bates stated that WC Film Production LLC plans to produce a Feature-Length Film, Prescription for Love in Fayette, Mercer, and Woodford Counties. Production is set to begin as early as May 27, 2022 and is anticipated to end by October 30, 2022. The Company anticipates \$130,000 in qualifying payroll expenditures and \$68,000 in qualifying non-payroll expenditures for a total of \$198,000. The company also anticipates employing 36 Kentucky resident crew members and 14 Non-Kentucky resident crew members for a total production crew of 50.

Staff recommended a total negotiated tax incentive amount of \$63,550.

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

**A&P Productions LLC
Ohio Valley Wrestling**

Tim Bates

Tim Bates stated that A&P Productions LLC plans to produce a Documentary, Ohio Valley Wrestling in Bullitt, Carroll, Clinton, Harlan, Jefferson, Logan, Pulaski, and Wayne Counties. Production is set to begin as early as May 27, 2022 and is anticipated to end by November 30, 2022. The Company anticipates \$672,050 in qualifying payroll expenditures and \$458,970 in qualifying non-payroll expenditures for a total of \$1,131,020. The company also anticipates employing 18 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 33.

Staff recommended a total negotiated tax incentive amount of \$351,628.

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

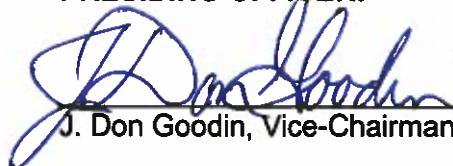
Adjournment

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

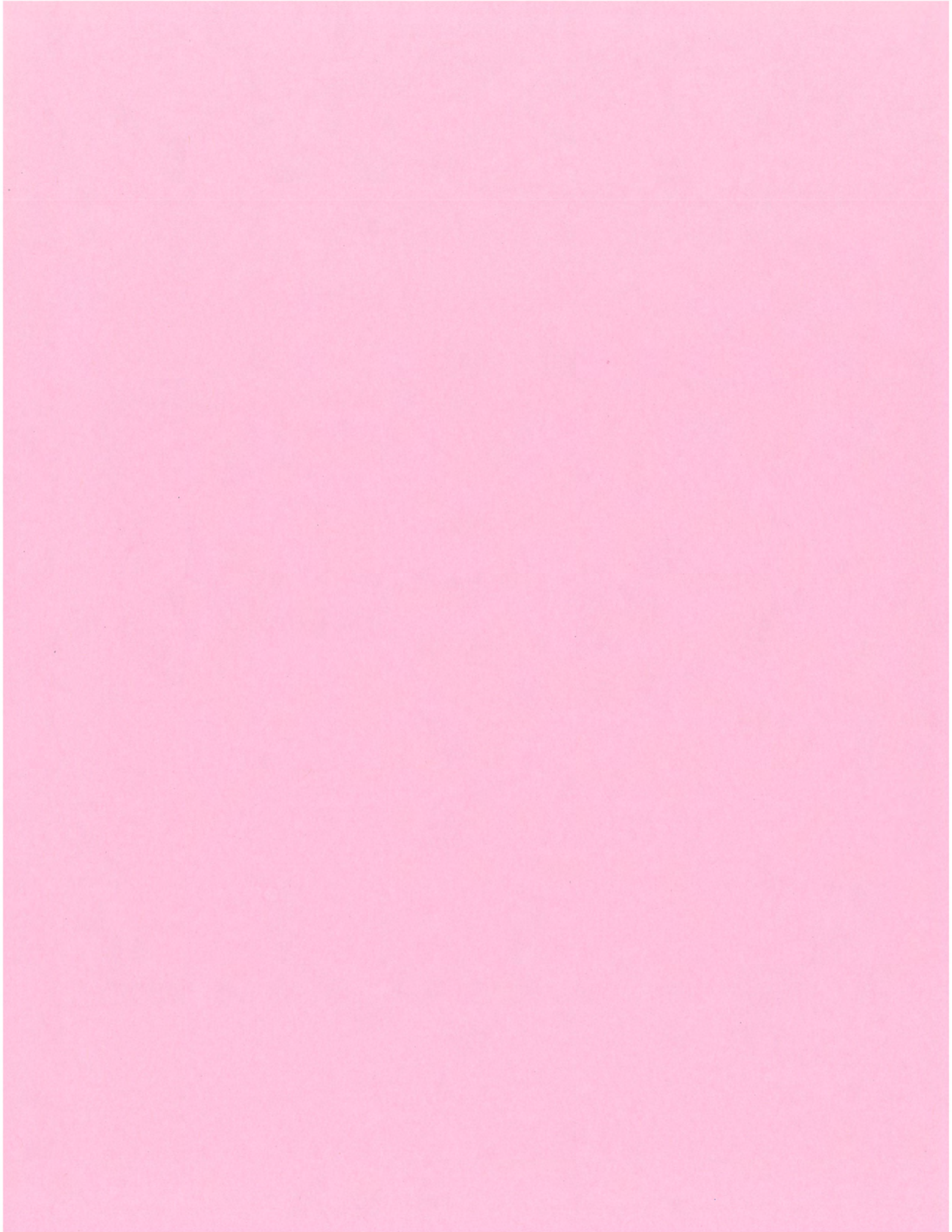
Chad Miller moved to adjourn the May KEDFA board meeting; Mike Cowles seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:57 a.m.

**APPROVED
PRESIDING OFFICER:**



J. Don Goodin, Vice-Chairman



KEDFA APPROVED AND NOT DISBURSED

5/31/2022

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
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KEDFA LOANS

None

KEDFA GRANTS

Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-24	\$381,774
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SMALL BUSINESS LOANS

None

TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)-FUND E\$381,774**RURAL HOSPITAL LOANS**

Baptist Health Deaconess Madisonville, Inc.		Hopkins	Mar-22	Mar-23	\$975,000
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Rockcastle Hospital and Respiratory Care Center, Inc.		Rockcastle	Mar-22	Mar-23	\$862,654
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Trigg County Hospital, Inc.		Trigg	Apr-22	Apr-23	\$400,000
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TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)-KRHLP FUND\$2,237,654**Approved and Partially Disbursed KEDFA Projects**

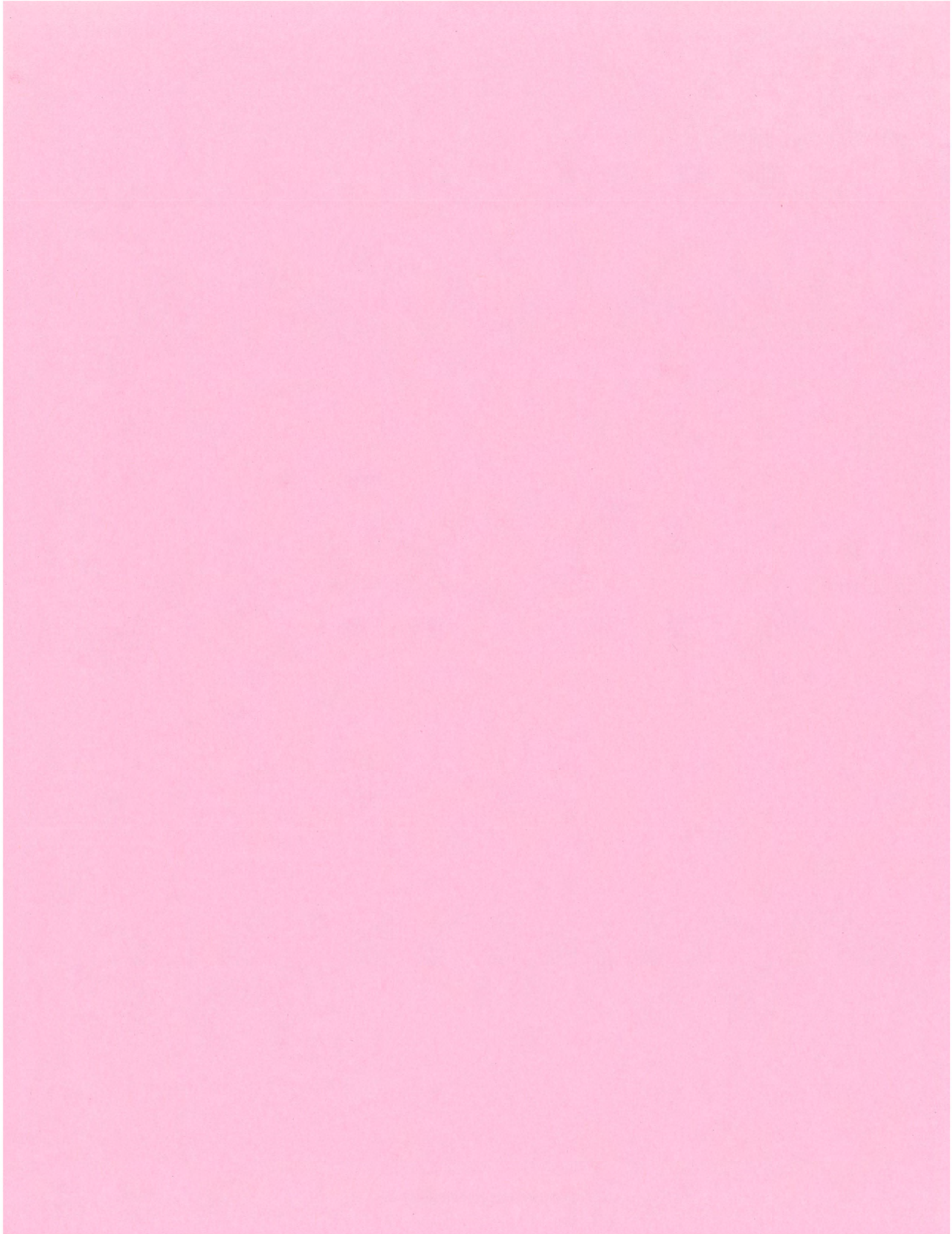
Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
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KEDFA GRANTS

Louisville/Jefferson County Metro
Government
(Res-Care, Inc.)

21990	Jefferson	Jan-18	Dec-22	\$500,000	(\$400,000)	\$100,000
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TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)-FUND E\$100,000**TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)-KRHLP FUND**\$0.00**TOTAL KEDFA APPROVED AND NOT DISBURSED-FUND E**\$481,774**TOTAL KEDFA APPROVED AND NOT DISBURSED-KRHLP FUND**\$2,237,654



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
STATEMENT OF NET POSITION
5/31/2022

	FUND A	BOND FUND	Small Bus. Loan Pool	KRHLP FUND	GENERAL FUND	KEDFA 5/31/22	OOE 5/31/22	COMBINED 5/31/22
<u>ASSETS</u>								
Cash & Accounts Receivable								
Operating Account	195,636.69	0.00	0.00	0.00	0.00	195,636.69	0.00	195,636.69
Cash	8,249,656.72	13,745,493.72	412,990.98	2,344,138.90	0.00	24,752,280.32	0.00	24,752,280.32
High Tech Construction Pool	0.00	0.00	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	0.00	0.00	2,529,130.64	2,529,130.64
High Tech LGEDF Pool	0.00	0.00	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	0.00	0.00
Accounts Receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernment Receivable	481,774.00	0.00	0.00	0.00	0.00	481,774.00	0.00	481,774.00
Total Cash & Accounts Receivable	8,927,067.41	13,745,493.72	412,990.98	2,344,138.90	0.00	25,429,691.01	2,670,674.52	28,100,365.53
Accrued Interest Receivable								
Loans	33,528.95	(494.02)	0.00	658.60	0.00	33,693.53	0.00	33,693.53
Investments	1,917.70	3,197.32	96.08	0.00	0.00	5,211.10	0.00	5,211.10
Total Accrued Interest Receivable	35,446.65	2,703.30	96.08	658.60	0.00	38,904.63	0.00	38,904.63
Notes Receivable								
Loans Receivable	40,977,463.63	175,250.00	0.00	898,305.04	0.00	42,051,018.67	0.00	42,051,018.67
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	0.00	0.00	(1,477,808.43)	0.00	(1,477,808.43)
Total Notes Receivable	40,977,463.63	175,250.00	0.00	898,305.04	0.00	40,573,210.24	0.00	40,573,210.24
TOTAL ASSETS	49,939,977.69	13,923,447.02	413,087.06	3,243,102.54	0.00	66,041,805.88	2,670,674.52	68,712,480.40
DEFERRED OUTFLOWS OF RESOURCES:								
Deferred Outflows Pension						1,248,000.00	0.00	1,248,000.00
Deferred Outflows OPEB						668,000.00	0.00	668,000.00
LIABILITIES								
Accrued Salaries & Compensated Absences						389,874.56	0.00	389,874.56
Accounts Payable							0.00	0.00
Intergovernment Payable								0.00
Grants Payable						0.00	0.00	0.00
Pension Liability						11,405,000.00	0.00	11,405,000.00
OPEB Liability						2,044,000.00	0.00	2,044,000.00
TOTAL LIABILITIES						13,838,874.56	0.00	13,838,874.56
DEFERRED INFLOWS OF RESOURCES								
Deferred Inflows Pension						316,000.00	0.00	316,000.00
Deferred Inflows OPEB						289,000.00	0.00	289,000.00
NET POSITION								
Beginning Balance						56,269,167.62	2,670,674.52	58,939,842.14
Current Year Undivided Profits						(2,755,236.30)	0.00	(2,755,236.30)
TOTAL NET POSITION						53,513,931.32	2,670,674.52	56,184,605.84

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, 2022

	FUND A	BOND FUND	Small Bus Loan Pool	KRHLP FUND	GENERAL FUND	OOE FUND	FY 2021-2022 YEAR TO DATE	FY 2020-2021 YEAR TO DATE
Operating Revenues - KEDFA								
Interest Income/Loans	9,088.97	282.47	0.00	752.26	0.00	0.00	114,705.73	161,724.02
Interest Income/ Investments	1,917.70	3,197.32	96.08	0.00	0.00	0.00	6,976.86	1,626.27
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	141,384.94	0.00	0.00	0.00	0.00	0.00	550,197.35	316,112.33
Miscellaneous Income	0.61	0.00	0.00	1.81	0.00	0.00	5.50	3.34
Total Operating Revenues - KEDFA	152,392.22	3,479.79	96.08	754.07	0.00	0.00	671,885.44	479,465.96
Operating Expenses - KEDFA								
Salaries	62,114.67				9,247.50		1,077,882.05	1,112,119.37
Employee benefits	67,764.44				9,864.47		1,145,582.44	1,192,611.32
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	8,521.66						126,217.84	126,482.06
Maintenance and Repairs	0.00						0.00	0.00
Computer Services	1,245.00						14,205.00	0.00
Supplies	0.00						0.00	1,400.00
Miscellaneous Services	0.00						16.00	0.00
Travel	25.00						585.60	0.00
Dues	0.00						2,595.00	1,845.00
Commodities Expense	0.00						0.00	0.00
Bad Debt Expense	0.00						4,375,000.00	0.00
Grant Disbursement	0.00						0.00	0.00
Total Operating Expenses - KEDFA	139,670.77	0.00	0.00	0.00	19,111.97	0.00	6,742,983.93	2,434,554.00
Income (Loss) from Operations - KEDFA	12,721.45	3,479.79	96.08	754.07	(19,111.97)	0.00	(6,070,198.49)	(1,955,088.04)
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							0.00	0.00
Grants Disbursed							(100,000.00)	(216,425.00)
Operating Transfer In - General Fund	0.00			0.00	19,111.97		3,414,962.19	0.00
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	19,111.97	0.00	3,314,962.19	(225,000.00)
CHANGE IN NET POSITION - KEDFA	12,721.45	3,479.79	96.08	754.07	0.00	0.00	(2,755,236.30)	(2,180,088.04)
Operating Revenues (Expenses) - OOE								
Interest Income - Loans					0.00	0.00	0.00	0.00
Misc Income					0.00	0.00	0.00	0.00
Disbursements: Projects (Note 1)							0.00	(211,067.12)
Repayments received from Projects							0.00	7,779.14
Non-Operating Revenues (Expenses) - OOE								
Operating Transfer in - OOE							0.00	0.00
Transfer Due from Bonds							0.00	(98,006.21)
Operating Transfer Out - OOE					0.00	0.00	0.00	0.00
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00		0.00	0.00	0.00	(301,294.19)
CHANGE IN NET POSITION - COMBINED	12,721.45	3,479.79	96.08	754.07	0.00	0.00	(2,755,236.30)	(2,481,382.23)

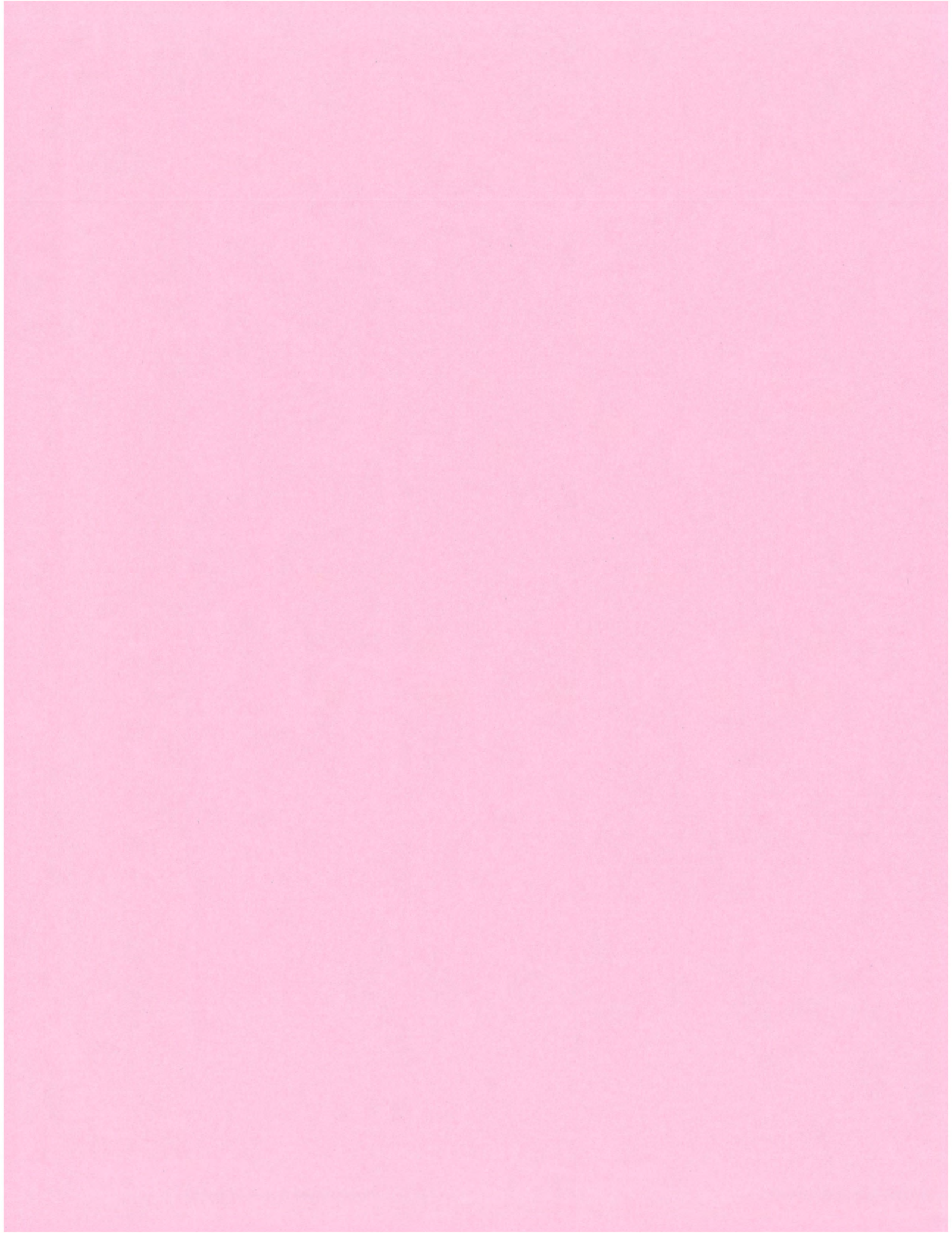
NOTE 1 Represents disbursements for projects from OOE Funds. (See OOE listings for detail of approved projects)

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
5/31/2022

	<u>5/31/2021</u>	<u>5/31/2022</u>
Fund A Cash Balance	\$1,901,815.60	\$8,249,656.72
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$1,901,815.60</u>	<u>\$8,249,656.72</u>
 2003 Bond Fund Cash Balance	 \$15,534,218.96	 \$13,745,493.72
Less: Approved/Undisbursed	(581,774.00)	(481,774.00)
Total Unobligated Balance	<u>\$14,952,444.96</u>	<u>\$13,263,719.72</u>
 Small Business Loan Fund Cash Balance	 \$412,946.70	 \$412,990.98
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$412,946.70</u>	<u>\$412,990.98</u>
 Kentucky Rural Hospital Loan Fund Cash Balance	 \$0.00	 \$2,344,138.90
Less: Approved/Undisbursed	0.00	(2,237,654.00)
Total Unobligated Balance	<u>\$0.00</u>	<u>\$106,484.90</u>
 Bond Funds to be Provided for Loans	 \$0.00	 \$0.00
Less: Approved/Undisbursed	0.00	0.00
Total Unobligated Balance	<u>\$0.00</u>	<u>\$0.00</u>
 Budget: Cash to be Transferred to Other CED Programs	 <u>\$0.00</u>	 <u>\$0.00</u>
 CASH AVAILABLE	 <u><u>\$17,267,207.26</u></u>	 <u><u>\$22,032,852.32</u></u>
 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	\$2,545,718.33	\$2,529,130.64
Less: Approved/Undisbursed	(\$33,264)	\$0
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects		
Bond Funds Available for Projects		
Total Unobligated Balance	<u>\$2,653,998</u>	<u>\$2,670,675</u>
 TOTAL ALL FUNDS	 <u><u>\$19,921,205.06</u></u>	 <u><u>\$24,703,526.84</u></u>



KBI Summary

Updated June 21, 2022

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	289	31,573	25,624	123%	\$26.25	\$21.77	121%
2019	329	38,310	29,078	132%	\$28.12	\$22.33	126%
2020	339	38,368	31,823	121%	\$29.30	\$22.64	129%
2021	239	24,586	22,077	111%	\$30.14	\$22.71	133%
2022	25	2,305	1,711	135%	\$29.29	\$25.63	114%

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	\$45,763,607	\$39,143,265	\$18,084,965	46%
2016	\$40,165,915	\$35,248,776	\$20,566,525	58%
2017	\$44,668,701	\$38,468,366	\$24,998,373	65%
2018	\$51,929,951	\$43,845,669	\$29,313,493	67%
2019	\$63,209,986	\$53,820,388	\$28,689,830	53%
2020	\$57,388,832	\$49,721,054	\$24,303,908	49%
2021	\$36,968,357	\$35,586,378	\$17,058,486	48%
Grand Total	\$388,295,968	\$338,501,072	\$184,852,389	

- 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 over \$2.33 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 Year End 2022

KEDFA Meeting date	6/30/2022
Total Projects Approved Fiscal Year-to-Date	61
Number of Proposed Projects for Current Month	2

Construction Materials and Building Fixtures

Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$19,595,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$405,000
Proposed Approval for Current Month	<u>\$50,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$355,000</u></u>

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$4,220,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$780,000
Proposed Approval for Current Month	<u>\$200,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$580,000</u></u>

**Kentucky Entertainment Incentive (KEI) Projects
Calendar Year 2022**

KEDFA Meeting date	6/30/2022
Total Projects Approved Fiscal Year-to-Date	22
Number of Proposed Projects for Current Month	5
Calendar Year Cap	\$75,000,000
Approved Calendar Year-to-Date	\$15,159,152
Balance Available for Current Month	\$59,840,848
Proposed Approval for Current Month	<u>\$3,430,803</u>
Balance Available for Remainder of Calendar Year	<u><u>\$56,410,045</u></u>

Project Update Report

June 2022

PROJECT UPDATES – PRELIMINARY APPROVAL

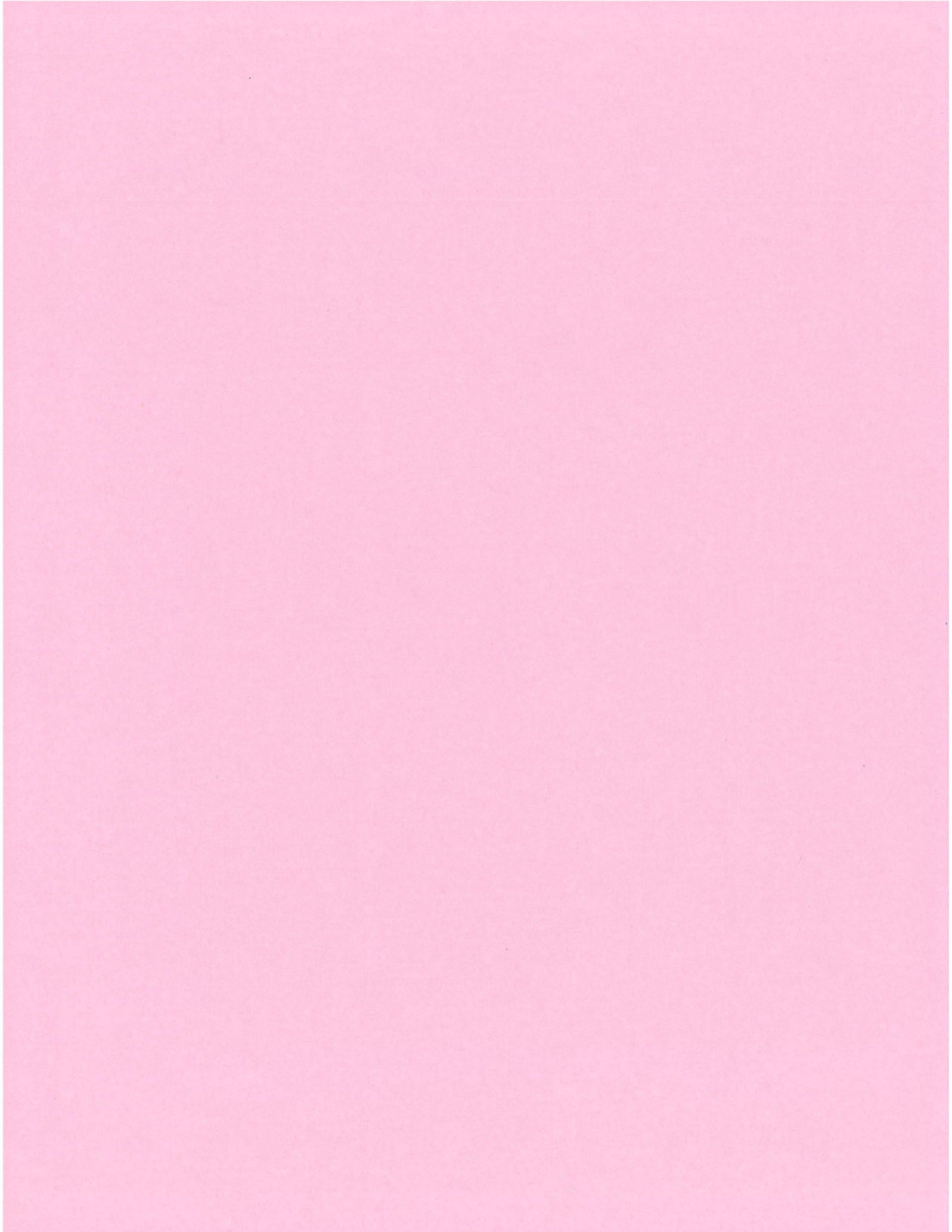
The following update(s) have occurred to project(s) that received preliminary approval. Please note the project(s) were not eligible for incentives because final approval did not occur.

Program	Project	County	Preliminary Approval Date	Status Update
KBI	LaurAsh LLC dba ReGadget	Kenton	09/26/2019	5/24/2022 - Per an email from the company some investment was made but the company has sold the building and will move its location. They requested to withdraw from the KBI program.
KBI	Mayfield Consumer Products, LLC	Graves	05/31/2018	December 2021 building was destroyed by a tornado that hit Graves County. Company is choosing not to rebuild this site.
KBI	Berry Global, Inc.	Warren	05/31/2018	Company did not respond to any attempt to contact them, therefore the project expired.
KBI	Leggett & Platt Incorporated	Clark	10/25/2018	6/20/2022 – Per an email from the company, withdrawn due to not being able to create the jobs required.

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	Frost-Arnett Company	Taylor	2/27/2020	No	Company unable to meet the required employment by activation date. Failure to Activate and Termination of Tax Incentive Agreement sent certified mail on 5/25/2022.
KBI	Meggitt Aircraft Braking Systems Kentucky Corporation	Boyle	5/28/2020	No	Company unable to meet the minimum employment and sent an email dated 5/25/2022 withdrawing KBI project #22680 expansion project from the program.
KREDA	Custom Food Products, LLC	Bath	3/26/2009	Yes	Received notice from DOR that all KREDA incentives were claimed.
KBI	Afni, Inc.	Warren	3/26/2020	No	The Company did not meet the job creation requirements of the program and was unable to activate.



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

Date: June 30, 2022
Grantee: City of Berea
Beneficiary: Berea Development Corporation, Inc. dba Berea Industrial Development Authority
City: Berea **County:** Madison
Activity: Manufacturing
Bus. Dev. Contact: A. Chilton **OFS Staff:** D. Phillips

Project Description: The City of Berea in partnership with the Berea Development Corporation dba Berea Industrial Development Authority (IDA) is considering the development of its 87-acre parcel at the end of Mayde Road Industrial Park. The funding will be used to build a 150,000 sf pre-engineered pad, tree clearing for the lot and installation of a gravel road from Mayde Road to the proposed pad on track 7. Berea IDA has committed funds to match the Economic Development Fund Grant.

The project was identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned

Land
Building/Improvements
Equipment
Other Start-up Costs

TOTAL

Total Investment
\$0
\$1,000,000
\$0
\$0
\$1,000,000

Anticipated Project Funding

Economic Development Fund Grant (State)
Company Equity

TOTAL

Amount	% of Total
\$500,000	50.0%
\$500,000	50.0%
\$1,000,000	100.0%

Other Terms:

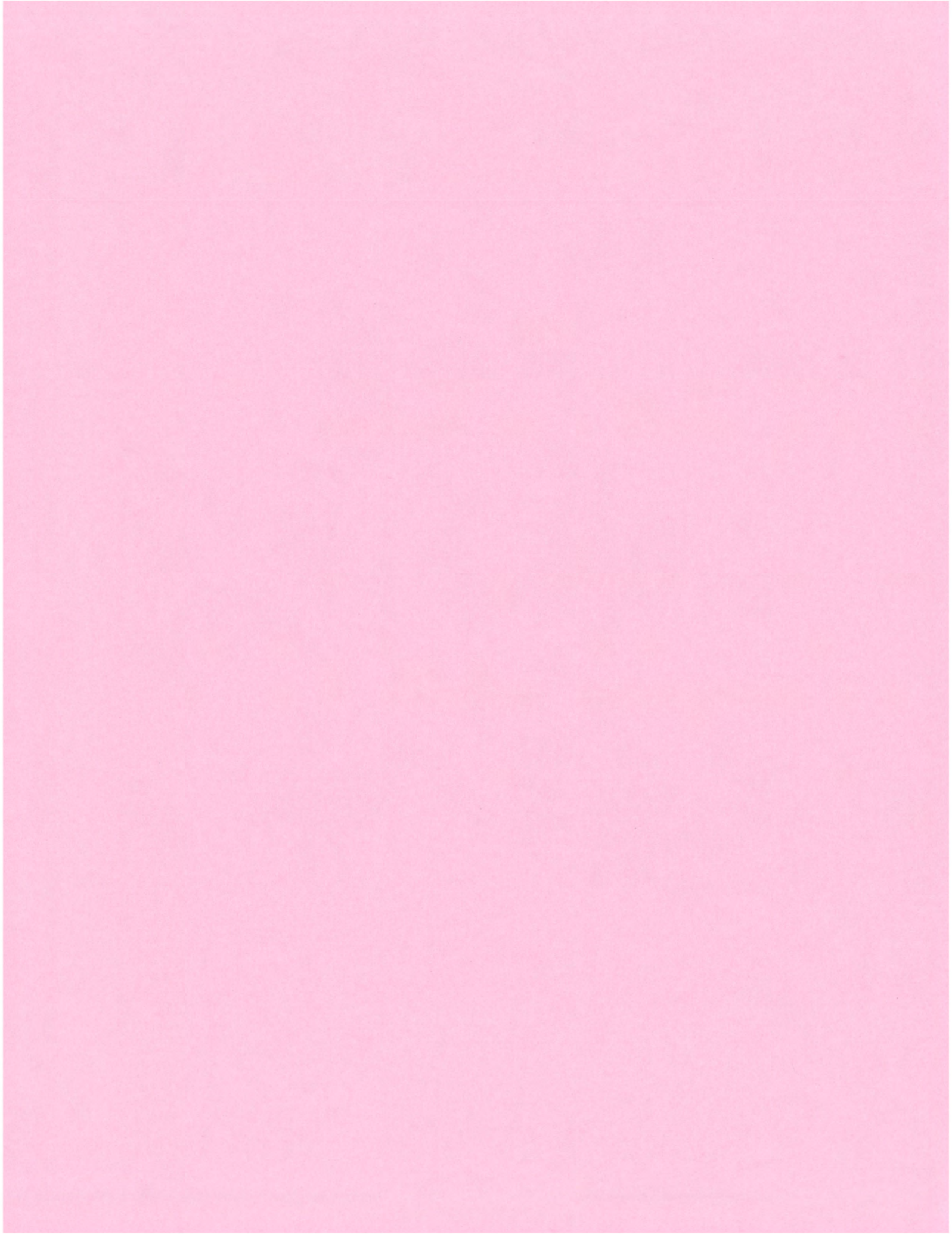
In accordance with the grant agreement, disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:

\$500,000

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.



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

Date: June 30, 2022
Grantee: Todd County Fiscal Court
Beneficiary: Novelis Corporation
City: Guthrie **County:** Todd
Activity: Manufacturing
Bus. Dev. Contact: C. Peek **OFS Staff:** M. Elder

Project Description: Novelis Corporation operates an integrated network of technically advanced aluminum rolling and recycling facilities across North America, South America, Europe and Asia. Novelis is the leading producer of flat-rolled aluminum products and the world's largest recycler of aluminum as well as the world's leading supplier of aluminum sheet to the automotive industry. The company is considering the construction of a large sheet, ingot casting, shredding and recycling center to serve the automotive market.

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Total Investment
\$0
\$155,600,000
\$173,400,000
\$35,200,000
\$364,200,000

Anticipated Project Funding

Economic Development Fund Grant (State)
 Other- Novelis Corporation Credit Facility
TOTAL

Amount	% of Total
\$1,000,000	0.3%
\$363,200,000	99.7%
\$364,200,000	100.0%

Job and Wage Requirement Table

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2025	138	Create	\$38.00	Total Hourly Compensation (includes benefits)
12/31/2026	138	Create	\$38.00	Total Hourly Compensation (includes benefits)
12/31/2027	138	Create	\$38.00	Total Hourly Compensation (includes benefits)
12/31/2028	138	Create	\$38.00	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: \$1,812 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	\$250,000
12/31/2026	\$250,000
12/31/2027	\$250,000
12/31/2028	\$250,000

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:

\$1,000,000

Ownership (20% or more):

Novelis Inc. Atlanta, GA

Active State Participation at the Project Site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Jan 23, 2018	KBI	Approve-Prelim	\$8,500,000
Jan 23, 2018	KEIA	Approve-Final	\$3,000,000
Jan 11, 2022	KBI	Approve-Prelim	\$5,000,000
Jan 11, 2022	KEIA	Approve- Final	\$4,000,000

Unemployment Rate:

County: 2.9%

Kentucky: 3.4%

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

From: Debbie Phillips *DP*
Incentives Administration Division

Date: June 30, 2022

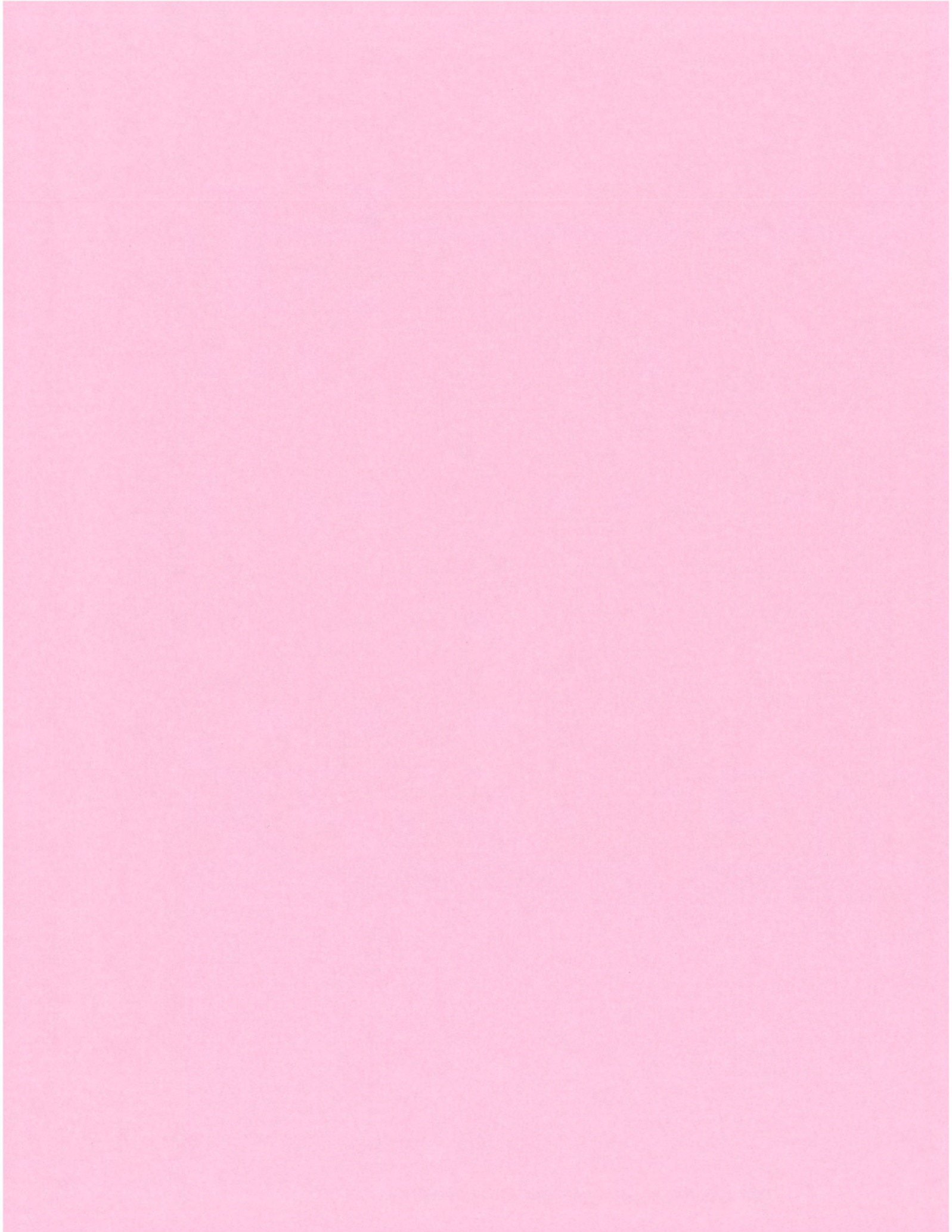
Subject: Healthcare Facilities Refunding Revenue Bonds, Series 2022 Carmel Manor, Inc. Project (The Carmelite System, Inc. Obligated Group Guaranty) – \$20,000,000

Attached is a draft New Bond Issue Report related to KEDFA's proposed issuance of healthcare facilities revenue refunding bonds in an aggregate principal amount not to exceed \$20,000,000 on behalf of Carmel Manor, Inc. The bond proceeds will be used to refinance the 2015 Bonds issued by KEDFA for the benefit of Carmel Manor, Inc., fund any termination payment related to the interest rate swap for the 2015 Bonds and pay costs of issuance of the 2022 Bonds.

The local jurisdiction that may be impacted by the project (City of Fort Thomas) has approved a resolution requesting KEDFA to issue the bonds.

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

Staff recommends KEDFA's adoption of the bond resolution.



MEMORANDUM

TO: KEDFA Board

FROM: Danielle Dunmire, Compliance Manager *DD*
Compliance Division

DATE: June 30, 2022

SUBJECT: KIFA Amended and Restated Investment Fund Agreement
Kentucky Select Fund LLC
KIFA - 2021 - 2

Kentucky Select Fund LLC was formed to provide Kentucky individual investors with an opportunity to invest in Kentucky small businesses as well as generating attractive returns on their capital. The investment fund was approved for a Kentucky Investment Fund Act (KIFA) project on January 28, 2021 providing \$1,000,000 in allocable tax credits to individual investors based on evidence that the Fund has made eligible investments as defined by statute.

Due to limited availability of CPA firms with KIFA knowledge to complete an audit within 90 days of their fiscal year end and the high cost of a financial statement audit, the Fund Manager, Darren King of Envestor LLC, requested an amendment to the Investment Fund Agreement that adopts the statutory changes allowing for Annual Financial Statements in lieu of a Financial Audit as set forth KRS 154.20-277.

In addition to the above mentioned statutory change, revised language describing when an investor may claim the credit granted has been incorporated into the Amended and Restated Investment Fund Agreement in accordance with the statutory revision made to KRS 154.20-258. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

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

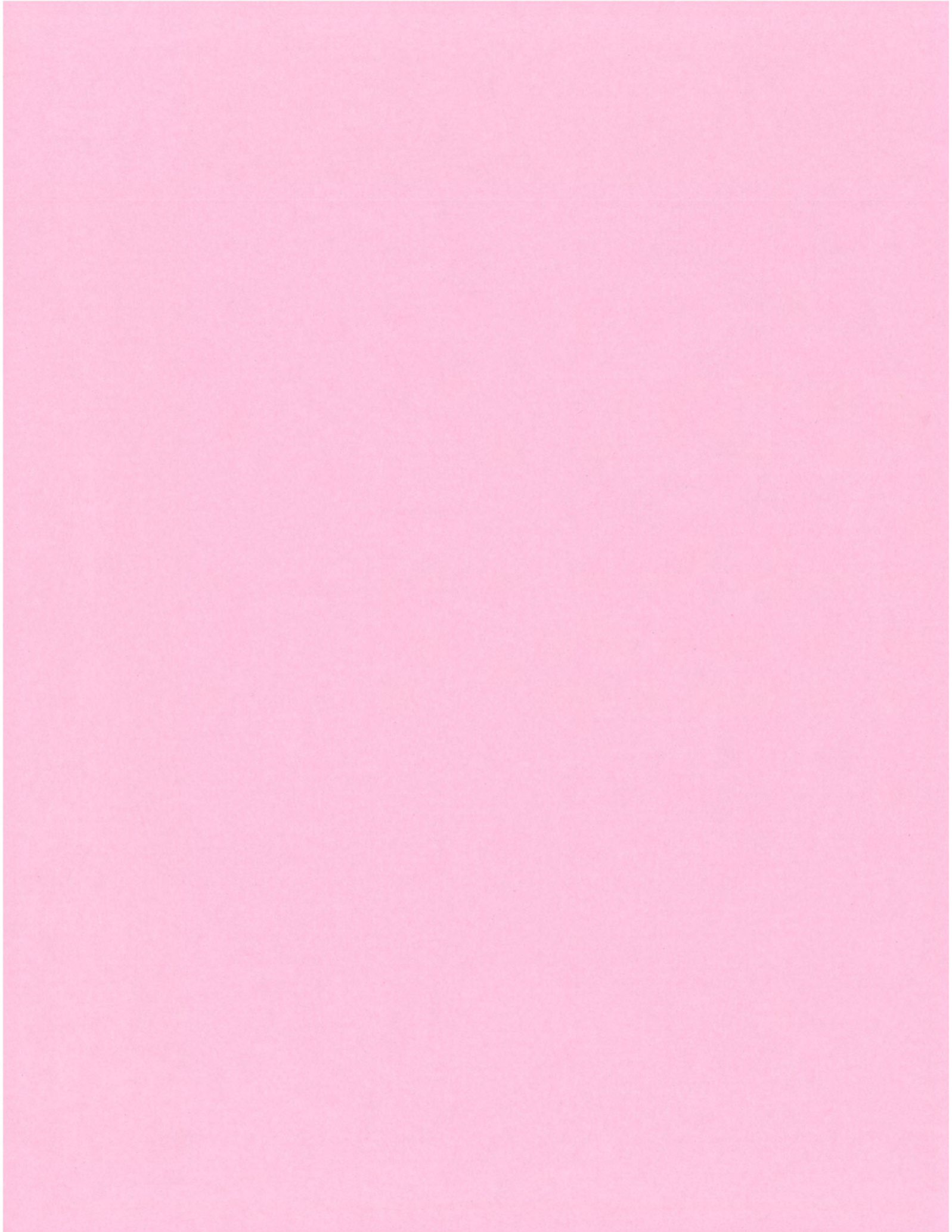
DATE: June 30, 2022

SUBJECT: KEIA Extensions

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

Company	County	Extension
Louisville Vegan Jerky, LLC	Jefferson	3 Months
Perfetti Van Melle USA, Inc.	Boone	3 Months
Michter's Distillery LLC	Washington	6 Months
EJ Curley Co.	Jessamine	12 Months
Feralloy Corporation	Gallatin	12 Months
Hitachi Automotive Electric Motor Systems America, Inc.		12 Months
Independent Stave Company	Madison	
James Pepper Distilling Co., LLC	Rowan	12 Months
Piramal Pharma Solutions LLC	Woodford	12 Months
Santa Rosa Systems LLC	Fayette	12 Months
TPG Plastics LLC	Bullitt	12 Months
	Calloway	12 Months

Staff recommends approval.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 30, 2022
Approved Company: HHO Carbon Clean Systems LLC
City: Paducah **County:** McCracken
Activity: Manufacturing **Prelim Resolution #:** KBI-I-22-23930
Bus. Dev. Contact: F. Shrout **DFS Staff:** M. Elder
Project Description: HHO Carbon Clean Systems LLC was founded in Metropolis, IL. The carbon cleaning business has seen explosive growth. The company is considering a location in Paducah to roll into production and manufacture its hydrogen generators.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$1,500,000	\$1,500,000
Building/Improvements	\$4,750,000	\$4,750,000
Equipment	\$200,000	\$200,000
Other Start-up Costs	\$200,000	\$200,000
TOTAL	\$6,650,000	\$6,650,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$27.50	
1	15	\$27.50	\$35,000
2	20	\$27.50	\$40,000
3	25	\$27.50	\$40,000
4	25	\$27.50	\$40,000
5	25	\$27.50	\$40,000
6	26	\$27.50	\$40,000
7	30	\$27.50	\$40,000
8	30	\$27.50	\$40,000
9	35	\$27.50	\$40,000
10	35	\$27.50	\$40,000
11	35	\$27.50	\$40,000
12	35	\$27.50	\$40,000
13	35	\$27.50	\$40,000
14	35	\$27.50	\$40,000
15	35	\$27.50	\$45,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$600,000

Incentive Type:
Enhanced

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

Ownership (20% or more):

Jared English Metropolis, IL
Mickey Dean Owen Paducah, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

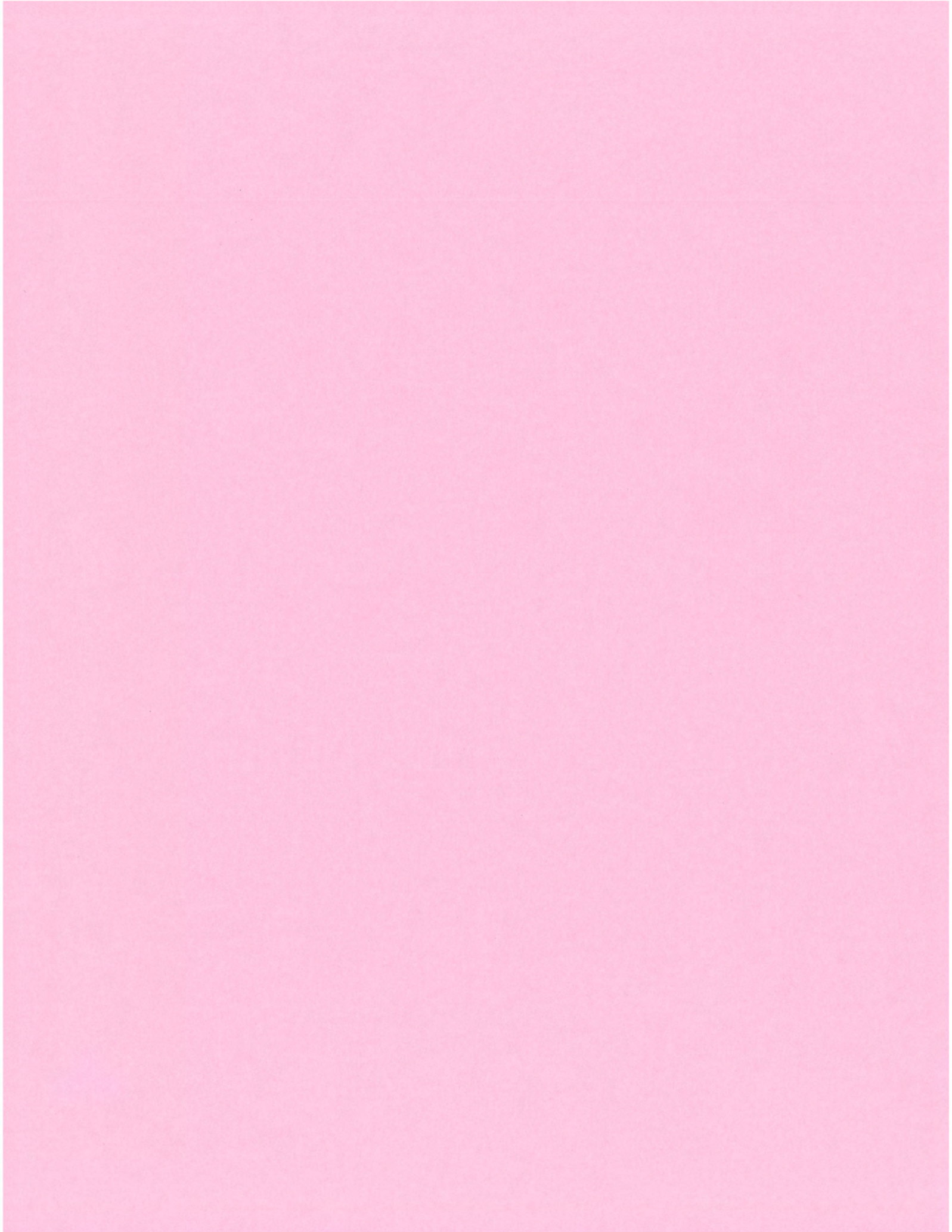
Unemployment Rate:

County: 3.8%

Kentucky: 3.4%

Existing Presence in Kentucky: None

Special Conditions: None



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 30, 2022
Approved Company: HHO Carbon Clean Systems LLC
City: Paducah **County:** McCracken
Activity: Manufacturing **Resolution #:** KEIA-22-23931
Bus. Dev. Contact: F. Shrout **DFS Staff:** M. Elder

Project Description: HHO Carbon Clean Systems LLC was founded in Metropolis, IL. The carbon cleaning business has seen explosive growth. The company is considering a location in Paducah to roll into production and manufacture its hydrogen generators.

Facility Details: Locating in a new facility

Anticipated Project Investment

	Eligible Costs	Total Investment
Land	\$0	\$1,500,000
Building Construction	\$3,750,000	\$4,750,000
Electronic Processing Equipment	\$0	\$0
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$200,000
Other Start-up Costs	\$0	\$200,000
TOTAL	\$3,750,000	\$6,650,000

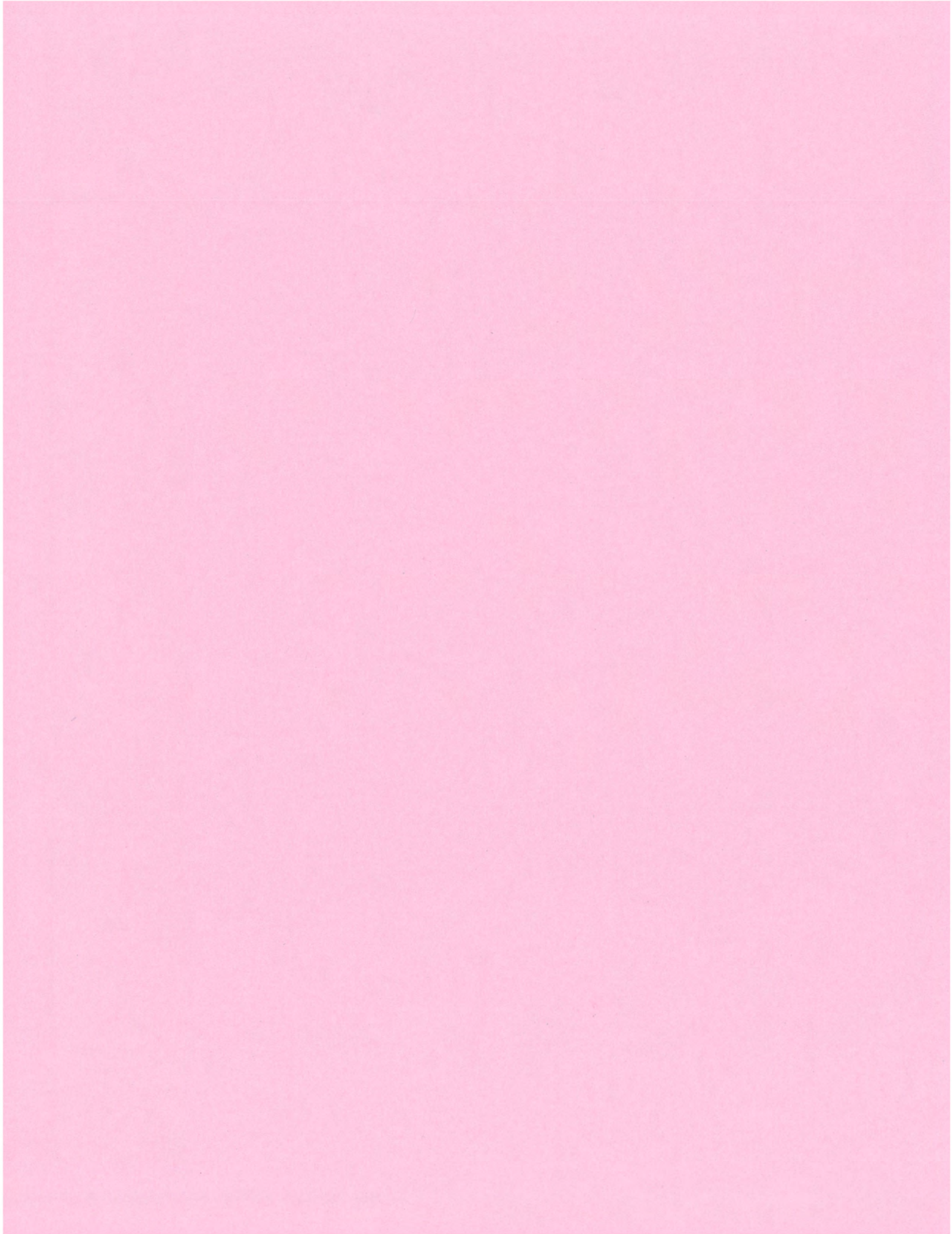
Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

See KBI file (KBI-I-22-23930) for Ownership, Other State Participation and Unemployment Rate.



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 30, 2022
Approved Company: Joseph T. Ryerson & Son, Inc.
City: Shelbyville **County:** Shelby
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-22-23939
Bus. Dev. Contact: A. Chilton **DFS Staff:** M. Elder

Project Description: Joseph T. Ryerson & Son, Inc.(Ryerson) is currently one of the largest metal suppliers in world. The company is considering options to increase its production capabilities in its coil and sheet products. Ryerson is considering Shelby County for the expansion project.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$5,500,000	\$5,500,000
\$200,000	\$24,000,000
\$0	\$0
\$5,700,000	\$29,500,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$30.37	
1	23	\$30.37	\$30,000
2	23	\$30.37	\$30,000
3	23	\$30.37	\$30,000
4	23	\$30.37	\$30,000
5	23	\$30.37	\$30,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Ryerson Holding Company Chicago, IL

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 1.5%

Local: .50% Shelby County

Unemployment Rate:

County: 2.7%

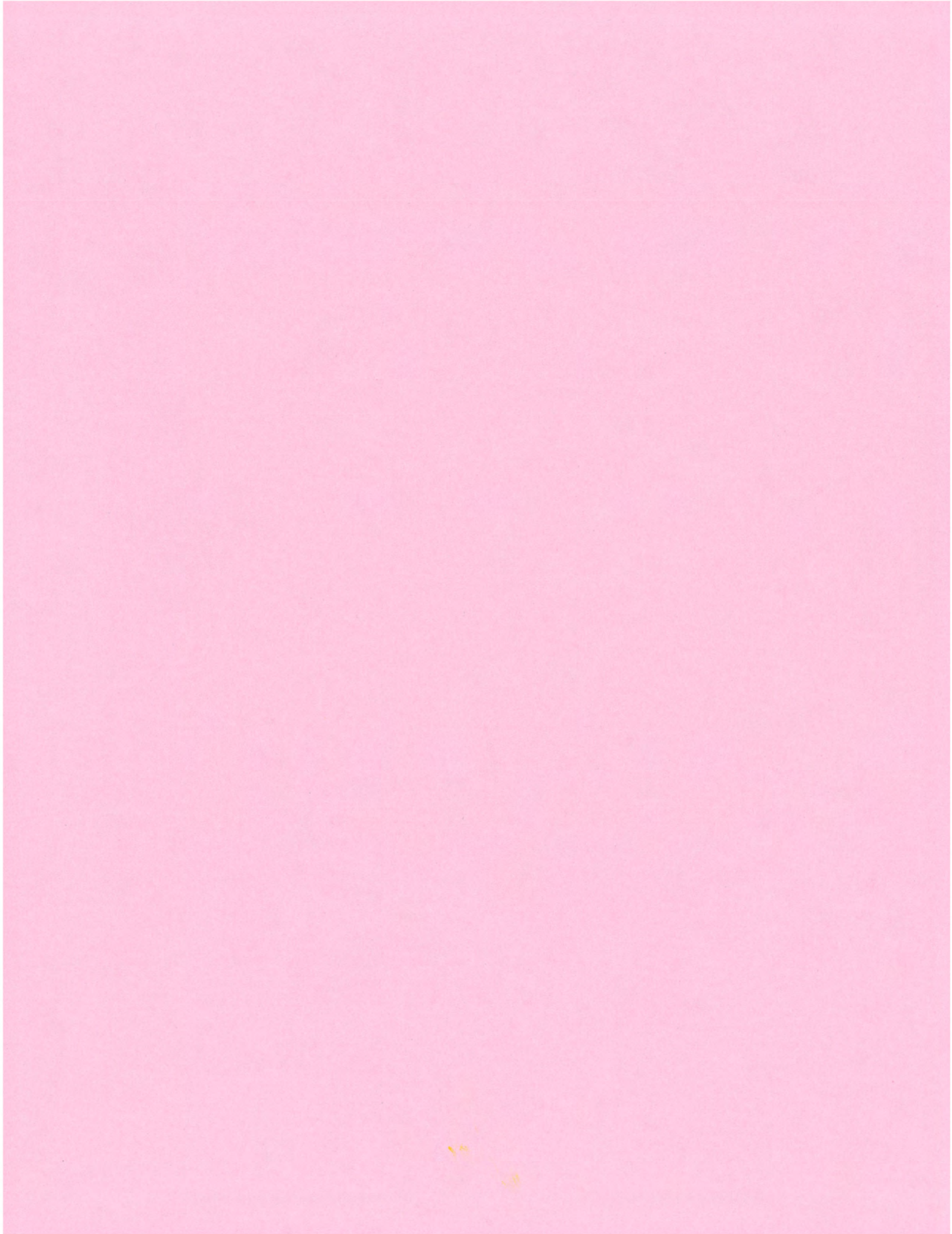
Kentucky: 3.4%

Existing Presence in Kentucky:

Shelby County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 33 full-time employees subject to Kentucky income tax as of the application date.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: June 30, 2022
Approved Company: Joseph T. Ryerson & Son, Inc.
City: Shelbyville **County:** Shelby
Activity: Manufacturing **Resolution #:** KEIA-22-23940
Bus. Dev. Contact: A. Chilton **DFS Staff:** M. Elder

Project Description: Joseph T. Ryerson & Son, Inc.(Ryerson) is currently one of the largest metal suppliers in world. The company is considering options to increase its production capabilities in its coil and sheet products. Ryerson is considering Shelby County for the expansion project.

Facility Details: Expanding existing operations

Anticipated Project Investment

	Eligible Costs	Total Investment
Land	\$0	\$0
Building Construction	\$0	\$5,500,000
Electronic Processing Equipment	\$4,600,000	\$4,600,000
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$19,400,000
Other Start-up Costs	\$0	\$0
TOTAL	\$4,600,000	\$29,500,000

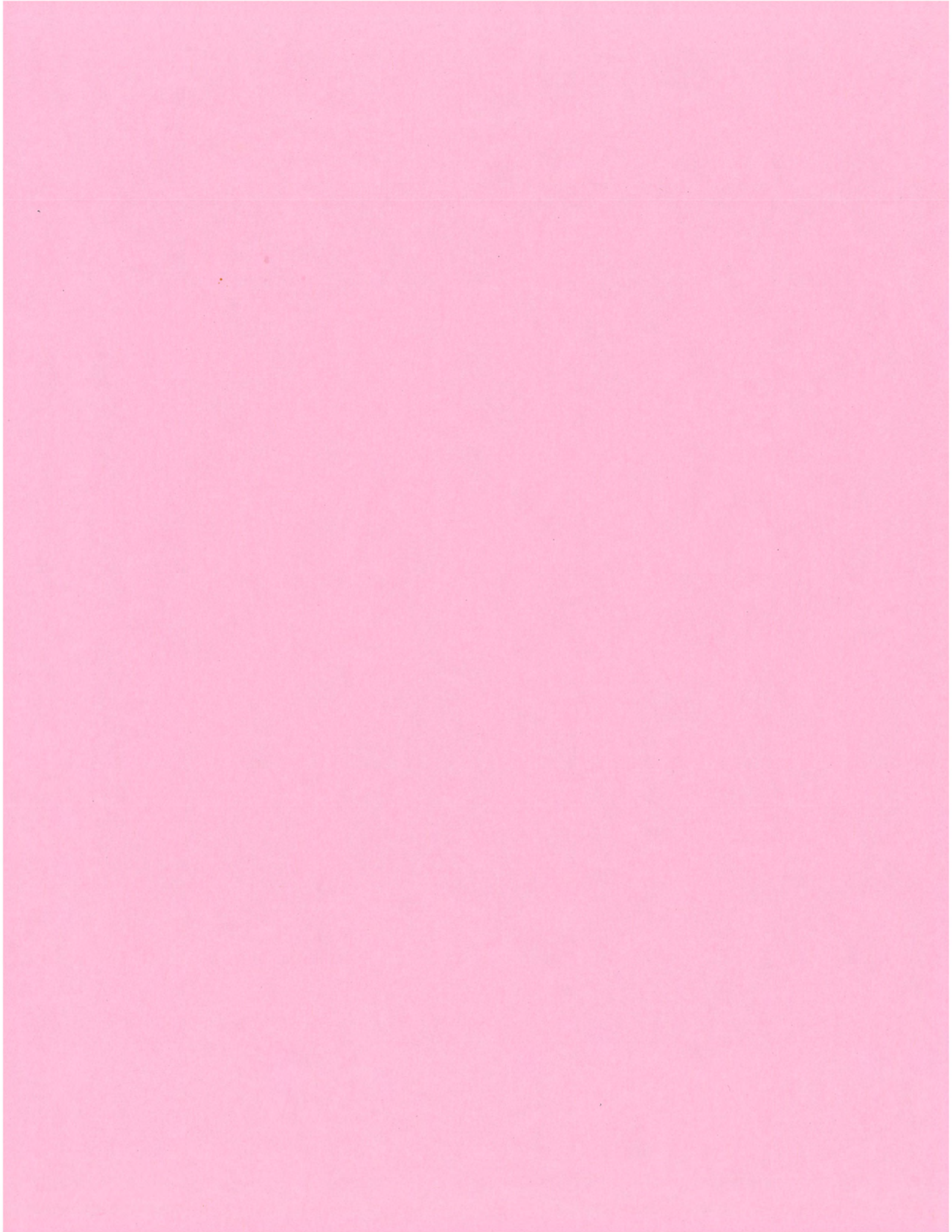
Approved Recovery Amount:

R&D and/or Electronic Processing Equipment: \$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

See KBI file (KBI-IL-22-23939) for Ownership, Other State Participation and Unemployment Rate.



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

Date: June 30, 2022
Approved Company: Accuride Henderson Limited Liability Company
City: Henderson **County:** Henderson
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-22-23900
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Accuride Corporation manufactures wheels, wheel ends and braking components for commercial and passenger vehicles. In Henderson, Accuride Henderson Limited Liability Company manufactures heavy steel wheels. The company is considering making upgrades to its building and making needed equipment upgrades. This will help Accuride lead to further business opportunities for the facility.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$689,000	\$689,000
\$300,000	\$1,321,000
\$0	\$0
\$989,000	\$2,010,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	\$39.00	
1	15	\$39.00	\$25,000
2	15	\$39.00	\$25,000
3	15	\$39.00	\$25,000
4	15	\$39.00	\$25,000
5	15	\$39.00	\$25,000
6	15	\$39.00	\$25,000
7	15	\$39.00	\$25,000
8	15	\$39.00	\$25,000
9	15	\$39.00	\$25,000
10	15	\$39.00	\$25,000

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

Incentive Type:
Other

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

Ownership (20% or more):
Accuride Corporation Evansville, IN

Active State Participation at the project site: None

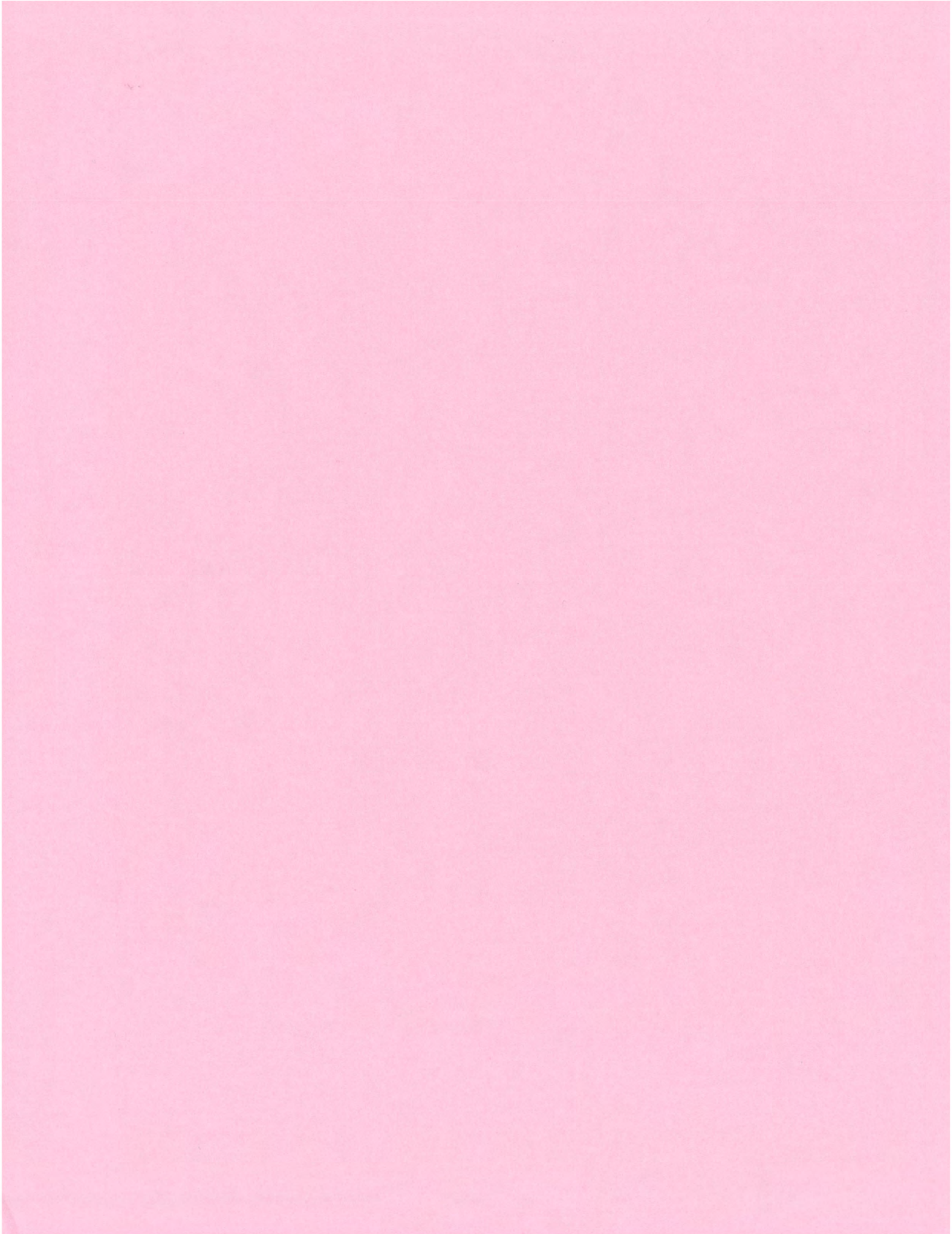
Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% Henderson County

Unemployment Rate:
County: 3.2% Kentucky: 3.4%

Existing Presence in Kentucky: None

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 137 full-time employees subject to Kentucky income tax as of the application date.



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

Date: June 30, 2022
Approved Company: Whitehorse Freight, LLC
City: Crestview Hills **County:** Kenton
Activity: Non-Retail Service or Technology **Prelim Resolution #:** KBI-I-22-23914
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips
Project Description: Whitehorse Freight, LLC is a logistics technology service company for the shipping and carrier trucking industry. The company is considering the purchase of an existing 51,353 s.f. building in Crestview Hills to increase its office space due to increasing growth.

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
\$5,240,000	\$5,240,000
\$0	\$0
\$250,000	\$250,000
\$5,490,000	\$5,490,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$36.30	
1	50	\$36.30	\$500,000
2	130	\$36.30	\$500,000
3	220	\$36.30	\$500,000
4	320	\$36.30	\$500,000
5	365	\$36.30	\$500,000
6	410	\$36.30	\$500,000
7	455	\$36.30	\$500,000
8	455	\$36.30	\$500,000
9	455	\$36.30	\$500,000
10	455	\$36.30	\$500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$5,000,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Michael Bilokonsky - Cincinnati, OH

Active State Participation at the project site:**Requested Wage Assessment / Local Participation:**

State: 2.79%

Local: .575% - City of Crestview Hills/.35485% Kenton County

Unemployment Rate:

County: 3.0%

Kentucky: 3.4%

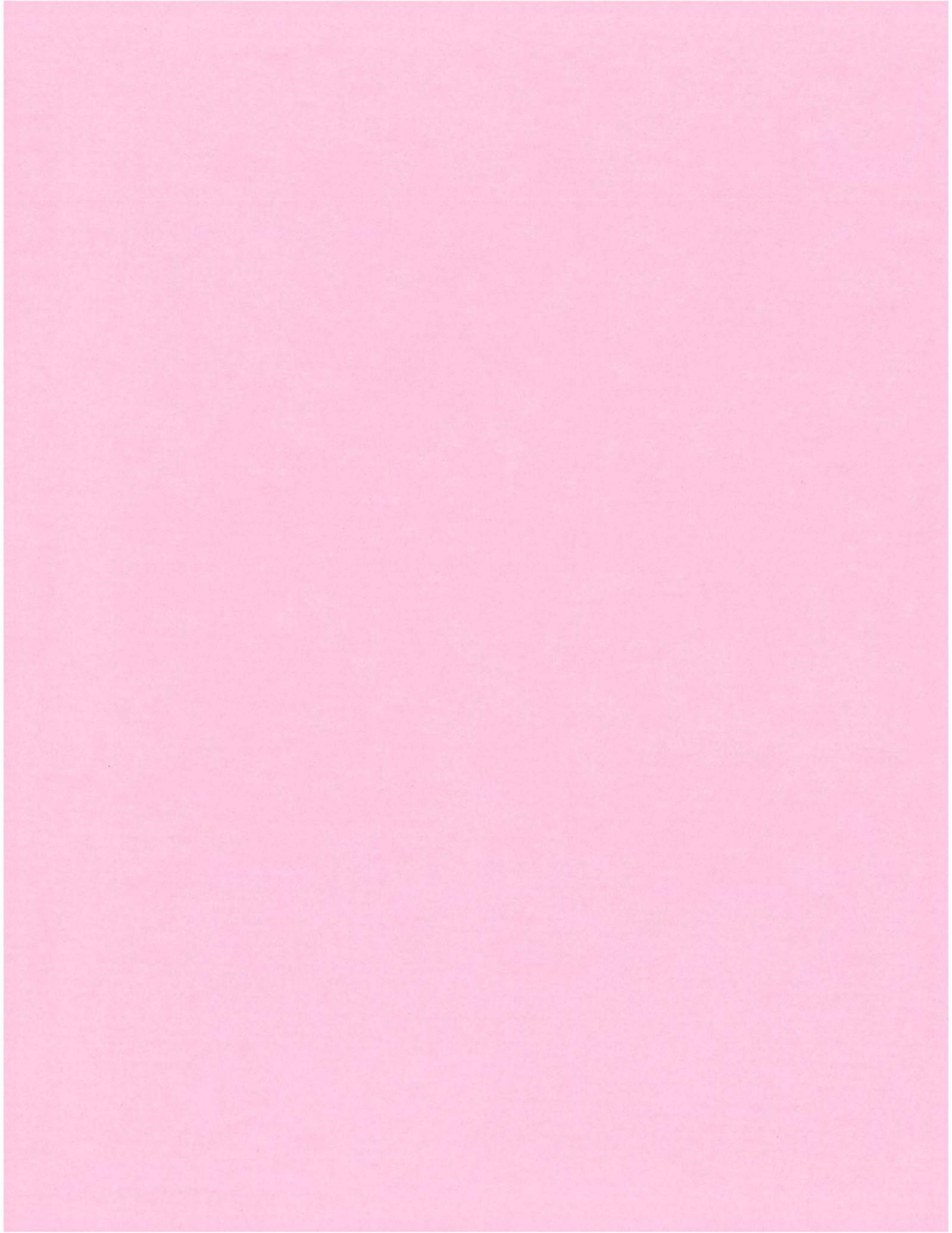
Existing Presence in Kentucky:

Kenton County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 61 full-time employees subject to Kentucky income tax as of the application date.

The project will include multiple locations within Kenton County. Only investment costs incurred at 2670 Chancellor Drive, Crestview Hills 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 30, 2022
Approved Company: Stober Drives Inc.
City: Maysville
Activity: Manufacturing
Bus. Dev. Contact: J. Metz

County: Mason
Prelim Resolution #: KBI-I-22-23901
DFS Staff: D. Phillips

Project Description: Stober Drives Inc. is known for high performance, high efficiency, and low noise, encompassing various gearing solutions offered for both the industrial gearing market and the rapidly growing motion control market. The proposed project would increase manufacturing, allow the company to purchase equipment and transform part of its office facilities into a training facility.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$2,000,000	\$2,000,000
\$3,000,000	\$3,000,000
\$0	\$0
\$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	10	\$20.25	
1	11	\$20.25	\$15,000
2	12	\$20.25	\$17,000
3	13	\$20.25	\$19,000
4	14	\$20.25	\$21,000
5	15	\$20.25	\$23,000
6	17	\$20.25	\$25,000
7	19	\$20.25	\$29,000
8	21	\$20.25	\$32,000
9	23	\$20.25	\$35,000
10	25	\$20.25	\$39,000
11	35	\$20.25	\$54,000
12	35	\$20.25	\$54,000
13	35	\$20.25	\$54,000
14	35	\$20.25	\$54,000
15	35	\$20.25	\$54,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$525,000

Incentive Type:
Enhanced

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

Ownership (20% or more):

Bernd Stober/Patrick Stober - Pforzheim, Germany
Andreas Thiel - Pforzheim, Germany
Stober Antriebstechnik - Pforzheim, Germany

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status / Jobs Required</u>	<u>Amount</u>
Jun 25, 2009	KREDA	Monitor/77	\$429,000

Requested Wage Assessment / Local Participation:

State: 5.0%

Unemployment Rate:

County: 4.3%

Kentucky: 3.4%

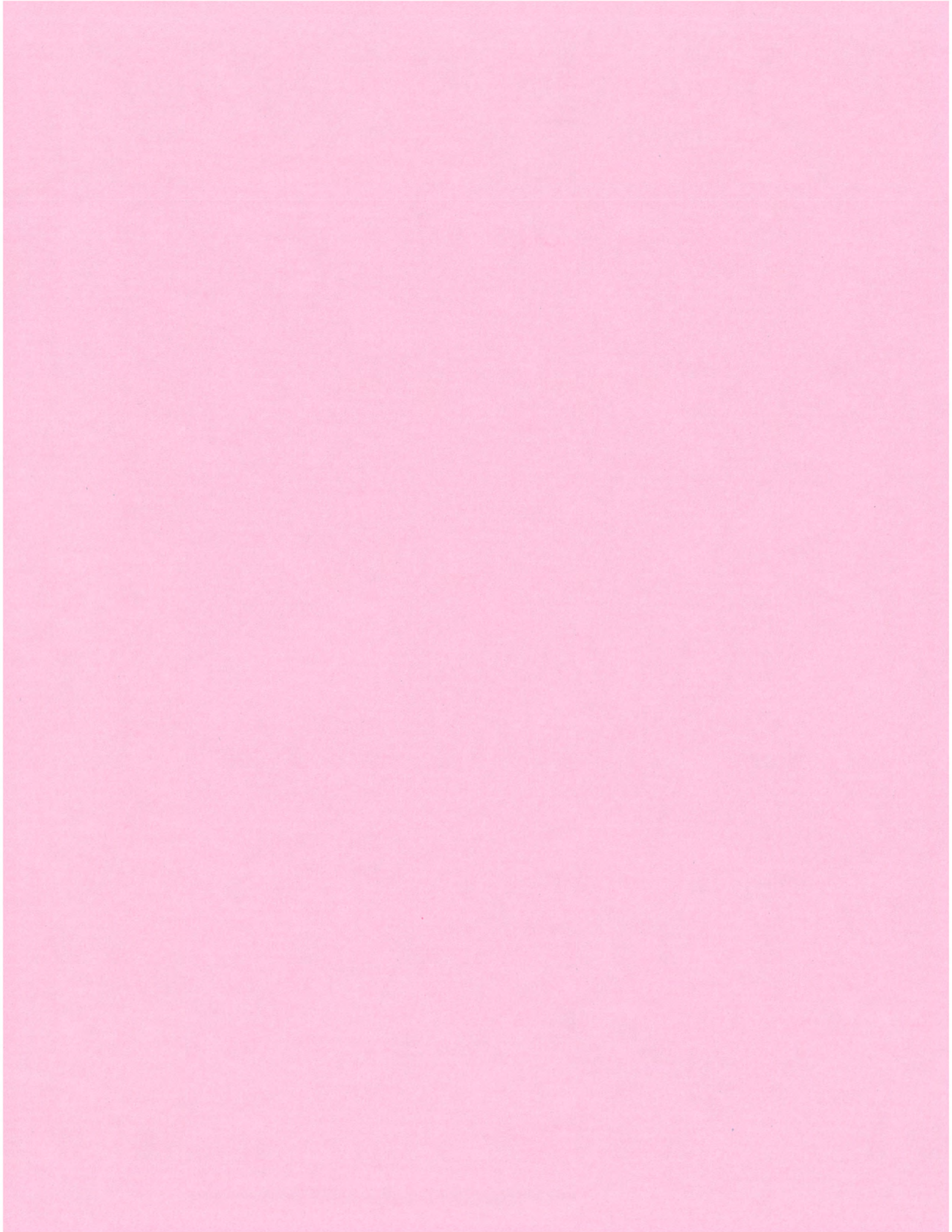
Existing Presence in Kentucky:

Mason County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 124 full-time employees subject to Kentucky income tax as of the application date.

The project will include multiple locations within the City of Maysville/Mason County. Only investment costs incurred at 1781 Downing Drive will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.



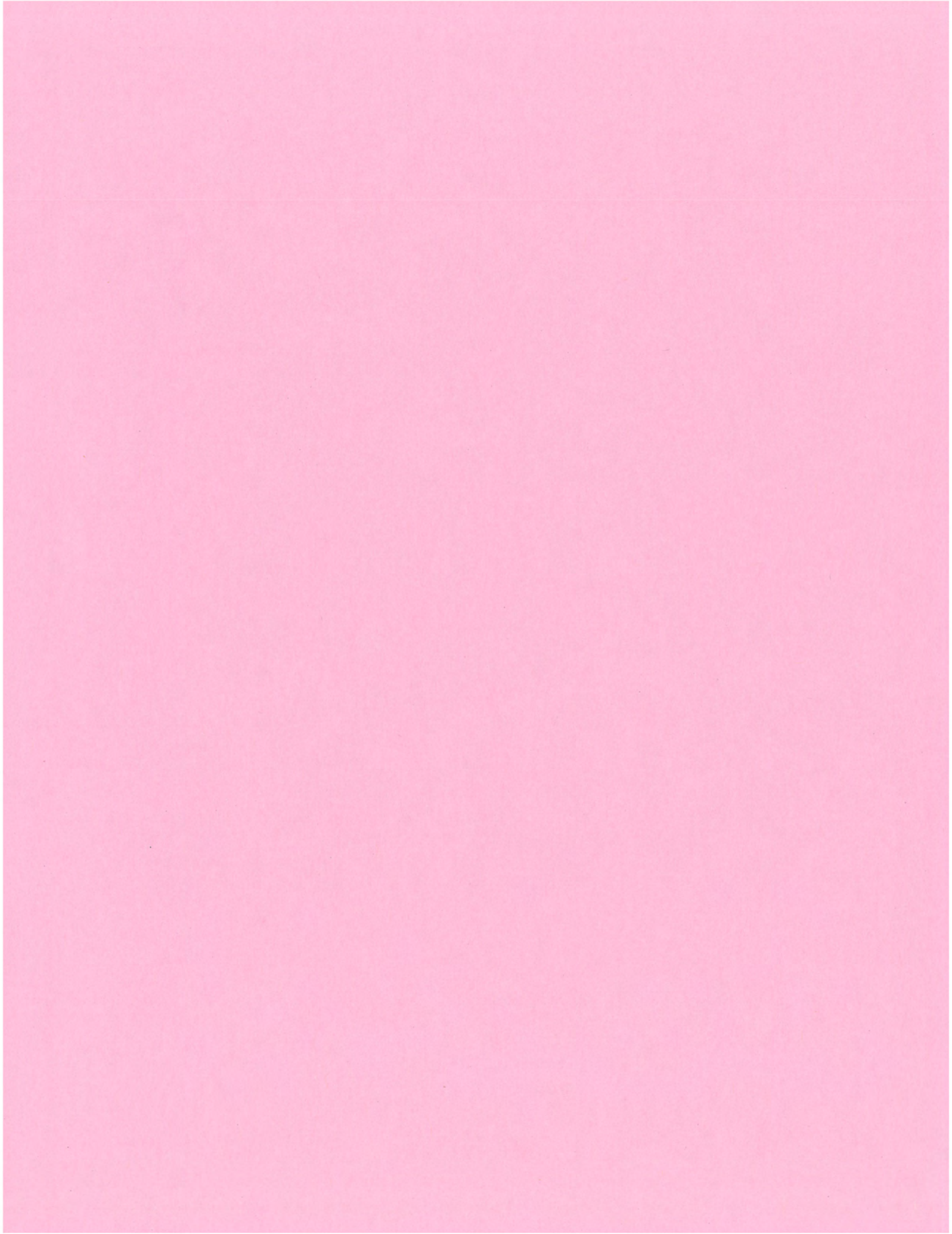
MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Administration Division
DATE: June 30, 2022
SUBJECT: KBI Extensions

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

Company	County	Extension
Distilled Spirits Epicenter, LLC	Jefferson	3 Month
Stryker Logistics, LLC	Warren	6 Month
Bowling Green Metalforming L.L.C.	Warren	12 Month
Global Wood Company, LLC	Pike	12 Month
International Farmaceutical Extracts LLC	Boyle	12 Month
Itsuwa KY, LLC	Nelson	12 Month
SWVA Kentucky, LLC dba Kentucky Electric Steel	Boyd	12 Month

Staff recommends approval.



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

Date: June 30, 2022
Preliminary Approval: May 25, 2017
Approved Company: Greif Packaging LLC dba Multicorr
City: Louisville **County:** Jefferson
Activity: Manufacturing **Final Resolution #:** KBI-F-22-21633
Bus. Dev. Contact: M. Jollie **DFS Staff:** D. Phillips

Project Description: Greif Packaging LLC owns and operates Multicorr, has been in business in Louisville since 1995. Greif Packaging LLC is a worldwide packaging company with four basis divisions, land management, Ridged Industrial Packaging, Flexible Packaging, and Paper and Pulp Systems. Multicorr operates under the Paper and Pulp Systems division supplying corrugated sheet and converted boxes to customers throughout the Midwest and as far as Mexico. The project included the expansion of its existing facility.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$6,452,417	\$17,902,456

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	17	\$29.00	
1	17	\$29.00	\$25,000
2	17	\$29.00	\$25,000
3	17	\$29.00	\$25,000
4	17	\$29.00	\$25,000
5	17	\$29.00	\$25,000
6	17	\$29.00	\$25,000
7	17	\$29.00	\$25,000
8	17	\$29.00	\$25,000
9	17	\$29.00	\$25,000
10	17	\$29.00	\$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$250,000

County Type:
Other

Statutory Minimum Wage Requirements:

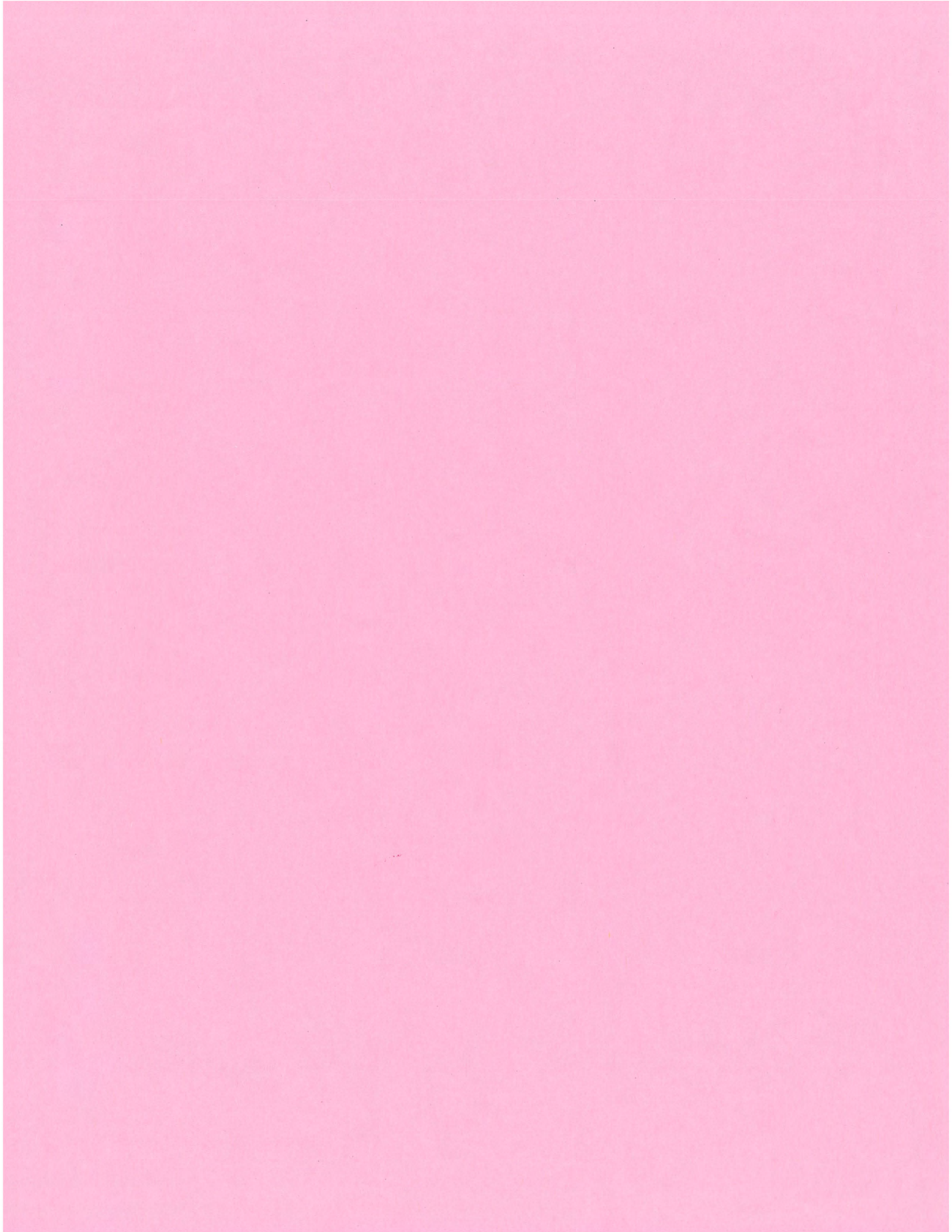
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 76
Maintain Statewide Employment: 189

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 30, 2022
Preliminary Approval: July 30, 2020
Approved Company: Wilde Brands Inc.
City: Winchester
Activity: Manufacturing
Bus. Dev. Contact: B. Cox

County: Clark
Final Resolution #: KBI-FL-22-23107
DFS Staff: M. Elder

Project Description: Wilde Brands Inc. located a new production facility in Clark County. This location is the sole production and distribution facility for Wilde Chicken Chips, the #1 animal protein chip in the United States made from 100% all-natural chicken breast.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$1,500,000	\$10,686,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$20.00	
1	15	\$20.00	\$50,900
2	20	\$20.00	\$50,900
3	25	\$20.00	\$50,900
4	30	\$20.00	\$50,900
5	35	\$20.00	\$50,900
6	40	\$20.00	\$50,900
7	45	\$20.00	\$50,900
8	50	\$20.00	\$50,900
9	50	\$20.00	\$50,900
10	50	\$20.00	\$50,900

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$509,000

County Type:
Other

Statutory Minimum Wage Requirements:

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

Special Conditions: None

Modifications since preliminary approval? Yes

Total investment and eligible costs have been updated based on the current projections. Rent is no longer an eligible cost. Full-time employees were subject to a co-employment relationship with TriNet PEO Services. All other aspects of the project remain the same.

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

Date: June 30, 2022

Preliminary Approval: July 30, 2020

Approved Company: RFC LLC

City: Shelbyville

Activity: Manufacturing

Bus. Dev. Contact: M. Jollie

County: Shelby

Final Resolution #: KBI-FL-22-23092

DFS Staff: K. McCane

Project Description: Roll Forming Corporation began in 1947 and is one of the oldest manufacturers in Shelby County producing metal products. The company completed an expansion of its facility to accommodate the growth in the material handling market.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$2,400,000	\$5,200,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	\$22.50	
1	50	\$22.50	\$120,000
2	50	\$22.50	\$160,000
3	50	\$22.50	\$170,000
4	50	\$22.50	\$170,000
5	50	\$22.50	\$180,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$800,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

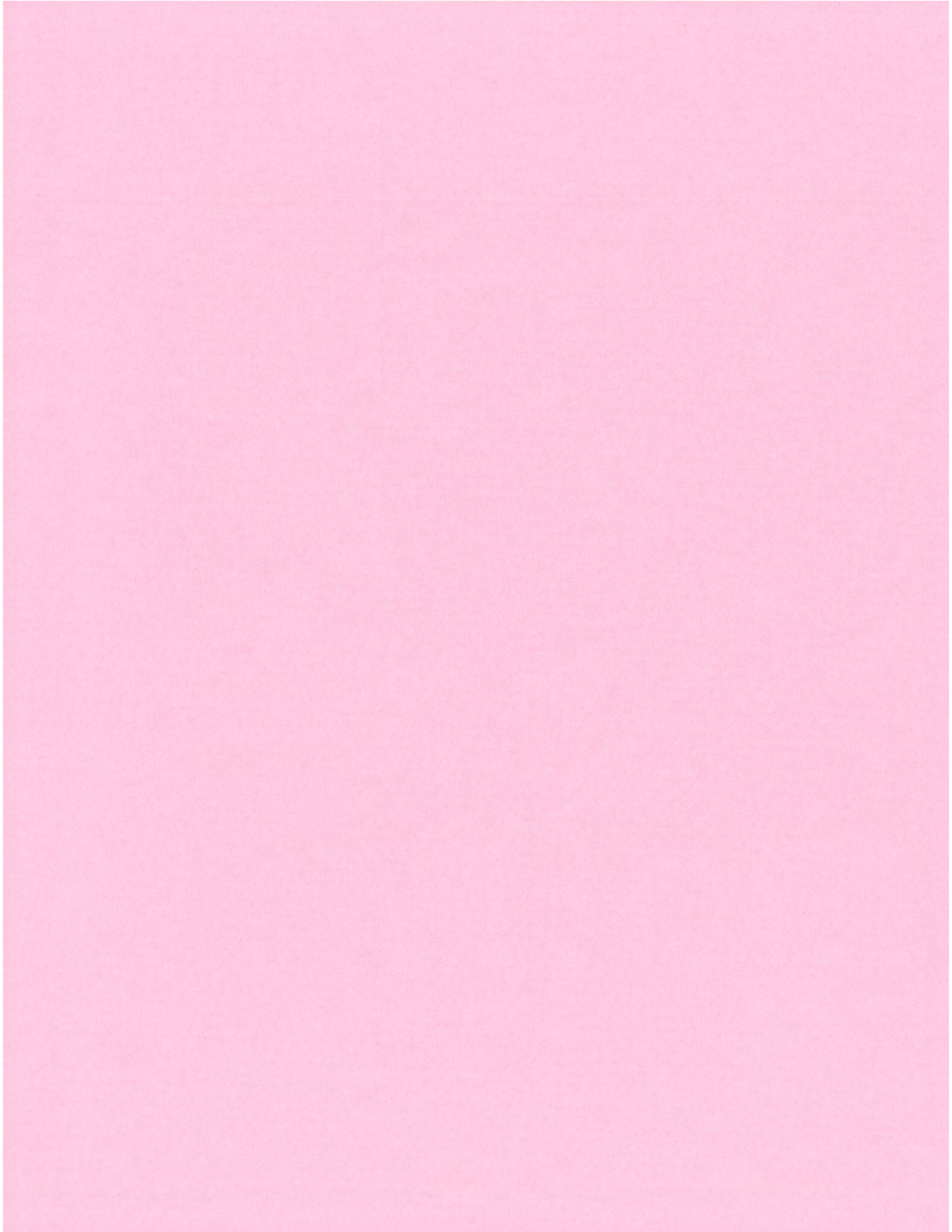
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 267

Modifications since preliminary approval? Yes

The company name has changed from Roll Forming Corporation to RFC LLC. All other aspects of the project remain the same.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KENTUCKY RURAL HOSPITAL LOAN PROJECT REPORT**

Date: June 30, 2022
Approved Borrower: Crittenden Community Hospital, LLC
City: Marion **County:** Crittenden
Activity: Hospital Operations
Bus. Dev. Contact: K. Slattery **DFS Staff:** K. Palmer

Project Description: Crittenden Community Hospital, one of the county's largest employers has provided excellent care to the community since 1943. Today, Crittenden Community Hospital includes the hospital, a home health agency, emergency services facility, numerous specialty clinics, and a primary care clinic adjacent to the main hospital. A broad range of medical, surgical, and ancillary services are available, with the latest in medical technology and expertise. Services include physical and occupational therapy, inpatient and outpatient surgery, x-ray, CT scanning, MRI, nuclear medicine, echocardiogram, bone density, stress tests, sleep studies, ultrasound, ACR mammography, laboratory, pharmacy, home health, cardiac rehab, and emergency services. Their continued goal has always been to make their patients healthier through caring service.

Crittenden Community Hospital, LLC is requesting loan proceeds from the Kentucky Rural Hospital Loan Program for building improvements and equipment upgrades.

Proposed Project Costs and Financing

Total Project Costs		Proposed Financing	
Land	\$0	KEDFA	\$998,392
Building	\$702,247	Bank	\$0
Equipment	\$296,145	Equity	\$0
Other	\$0	Other	\$0
Operational Expenses	\$0	Foundations	\$0
TOTAL	\$998,392	TOTAL	\$998,392

Project Cost Requirement: 100% of project costs must be incurred by May 31, 2023. All supporting documentation, including invoices and proof of payment will be submitted no later than June 30, 2023.

Existing, Full-time Jobs: 121

Required number of full-time jobs to retain at the project location: 103

Loan Term: 15 years **Interest Rate:** 1%

Loan Repayment: \$5,546.62 principal plus interest payments monthly via ACH beginning the earlier of:
1) the last day of the month following the final reimbursement request or
2) June 30, 2023.

Disbursement: Funds may be drawn down immediately upon approval on a reimbursement basis with 100% of all project costs incurred and drawn down by May 31, 2023. No more than one monthly reimbursement may be requested.

Collateral Required: Letter of Credit

RECOMMENDED KEDFA LOAN AMOUNT:

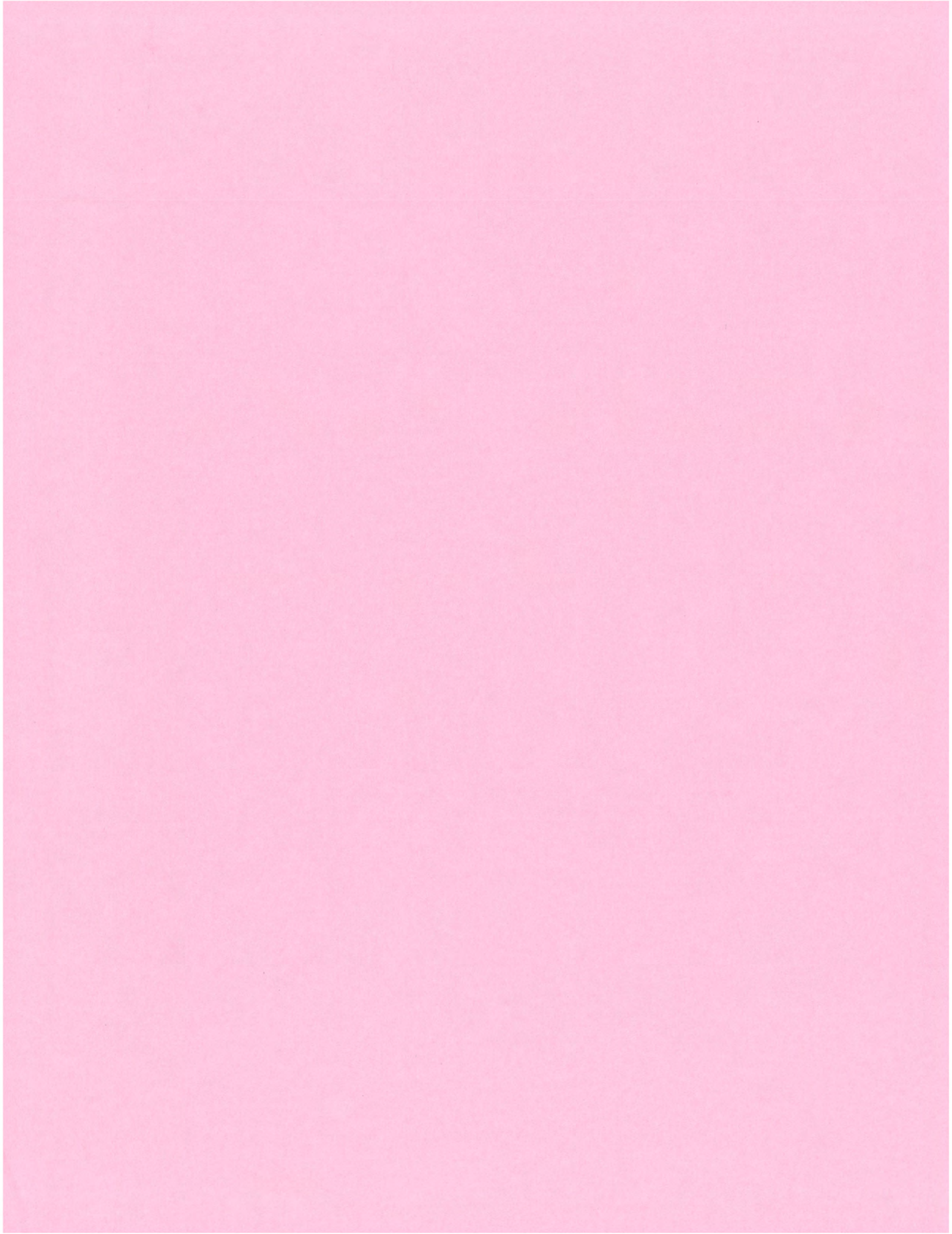
\$998,392

Ownership (20% or more): N/A

Active State Participation at the Project Site: N/A

Unemployment Rate: County: 3.5% Kentucky: 3.4%

Recommendation:
Staff recommends approval.



Kentucky Small Business Tax Credit (KSBTC) Projects Report

June 2022

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
BGS Kentucky, LLC	Fayette	0	1	\$18.27	\$5,057	\$3,500
Georgetown Auto Sales, Inc.	Scott	3	5	\$38.66	\$17,311	\$17,300
Janson Communications, LLC	Boyd	24	6	\$22.18	\$41,964	\$21,000
Maile Custom Builders, Inc.	Kenton	15	1	\$17.32	\$82,101	\$3,500
Nuthin' Fancy, Incorporated	Jefferson	0	6	\$20.50	\$19,568	\$19,500
Patterson and Company CPAs PLLC	Jefferson	13	4	\$23.65	\$16,248	\$14,000
Penn and Son Sheet Metal, Inc.	Marshall	4	2	\$16.50	\$12,090	\$7,000
Please & Thank You, LLC	Jefferson	12	1	\$15.00	\$5,496	\$3,500
RussTech Admixtures, Inc.	Jefferson	17	1	\$19.46	\$24,230	\$3,500
Tudors East New Circle, LLC	Fayette	0	7	\$18.78	\$78,975	\$24,500
10	6		34	Total	\$303,040	\$117,300

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	\$945,100
FYTD KSFTC Approvals	\$100,000
Current KSBTC Request	\$117,300
Current KSFTC Request	\$0
Remaining FY Credits	\$1,837,600

Kentucky Angel Investment Tax Credit Projects Report

June 2022

Qualified Investor	Qualified Small Business	County	Projected Investment	Potential Tax Credit
Caroline H. Boone	RedLeaf Biologics, Inc.	Fayette	\$50,000	\$12,500
John Michael Lonnemann, Jr.	Wendal Inc	Kenton	\$10,032	\$2,508
Scott R. Bray	Wendal Inc	Kenton	\$20,328	\$5,082
Eric A. Haas	Wendal Inc	Kenton	\$22,000	\$5,500
Steven Clay Beck	Wendal Inc	Kenton	\$10,032	\$2,508
Matthew David Watkins	Wendal Inc	Kenton	\$10,032	\$2,508
Angela M. Duncan	Wendal Inc	Kenton	\$10,032	\$2,508
MaryAnn Pietromonaco	Wendal Inc	Kenton	\$10,032	\$2,508
8 Projects	2	2	\$142,488	\$35,622
8 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	(\$554,296)
Reclaimed Credits	\$30
Net Obligated Credits	(\$554,266)
Credit Limit	\$3,000,000
Net Obligated Credits	(\$554,266)
Remaining Credits	\$2,445,734

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: June 30, 2022
Approved Company: Nadus Films Productions, LLC
Project Name: Embedded TV Series
Counties Where Filming or Production Will Occur: Jefferson

Activity: Documentary **DFS Staff:** Tim Bates

Project Description: Working to stop traffickers, rescue victims, and dismantle the system that allows the crime to thrive, Embedded, a six-episode TV series, will do just that by building momentum and inspiring a zero-tolerance culture. In unprecedented fashion, the hard-hitting investigative docu-series places the viewer front and center in the planning and execution of human-trafficking investigation, intercept, rescue, and arrest operations.

Embedded has hired Louisville-based production company Nadus Films to help deliver this series. For over fifteen years, the partners of Nadus Films have been "making films that make a difference".

Production is set to begin as early as July 15, 2022 and is anticipated to end by December 31, 2022.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew		\$185,000	\$185,000
Non-KY Resident, Above-the-line Production Crew		\$315,000	\$315,000
KY Resident, Below-the-line Production Crew		\$116,250	\$116,250
Non-KY Resident, Below-the-line Production Crew		\$163,000	\$163,000
Total Qualifying Payroll Expenditures	\$0	\$779,250	\$779,250
Total Qualifying Non-payroll Expenditures	\$0	\$53,640	\$53,640
TOTAL	\$0	\$832,890	\$832,890

Minimum Required Qualifying Project Expenditures: \$10,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	2	4	6
Below-the-line Production Crew	5	4	9
Total Production Crew Members	7	8	15

Ownership (20% or more):

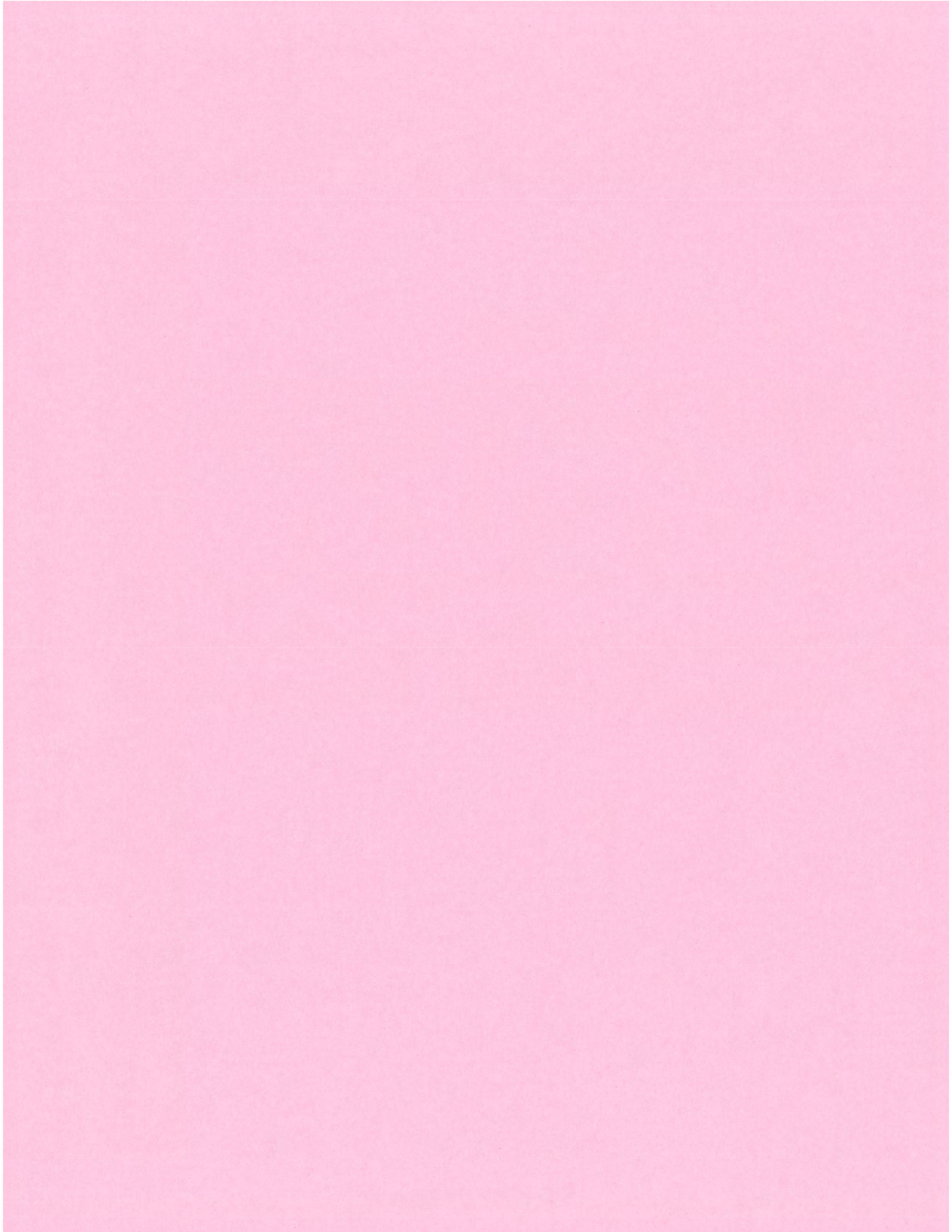
James Deeb

88%

Other State Participation:DateProgramStatusAmount

None

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$264,930**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: June 30, 2022
Approved Company: M30 OXY Movie, LLC
Project Name: M30 OXY
Counties Where Filming or Production Will Occur: Menifee, Montgomery, Rowan

Activity: Feature-length Film **DFS Staff:** Tim Bates

Project Description: M30 OXY is a Kentucky-based film about people involved in the use and distribution of opioids. A feature-length Appalachian crime drama that tells three intersecting stories that center around the use and distribution of opioids in the first summer of Covid.

A husband and wife turn to drug smuggling after losing their jobs during Covid; a nurse is forced to work as an informant to avoid jail for possession of opioids without a prescription; and a dealer in-over-his-head turns to desperation to pay off debts he owes his supplier. Their lives are interwoven into a ring of inescapable lust for hope, purpose, and prosperity through whatever means possible, as their tales put them in the paths of the county's main drug supplier and his partner who lays waste to any obstacles she encounters.

Production is set to begin as early as July 9, 2022 and is anticipated to end by September 24, 2022.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew	\$15,400		\$15,400
Non-KY Resident, Above-the-line Production Crew	\$4,200		\$4,200
KY Resident, Below-the-line Production Crew	\$47,150		\$47,150
Non-KY Resident, Below-the-line Production Crew	\$29,050		\$29,050
Total Qualifying Payroll Expenditures	\$95,800	\$0	\$95,800
Total Qualifying Non-payroll Expenditures	\$42,179	\$0	\$42,179
TOTAL	\$137,979	\$0	\$137,979

Minimum Required Qualifying Project Expenditures: \$125,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	3	1	4
Below-the-line Production Crew	9	4	13
Total Production Crew Members	12	5	17

Ownership (20% or more):

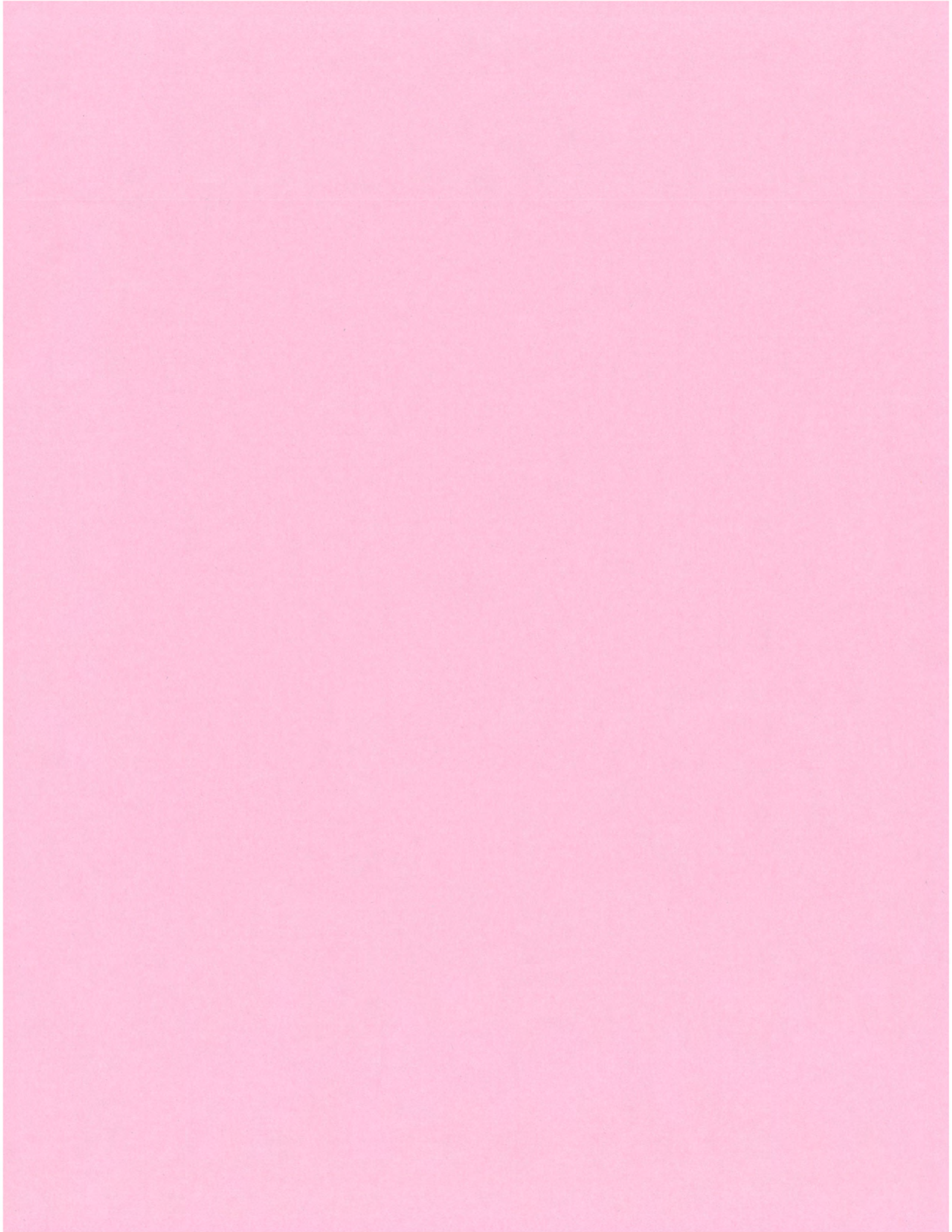
Wesley Mullins

100%

Other State Participation:DateProgramStatusAmount

None

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$48,293**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: June 30, 2022
Approved Company: Jagged Little Pill Tour LLC
Project Name: Jagged Little Pill National Tour
Counties Where Filming or Production Will Occur: Jefferson

Activity: National Touring
 Broadway Show **DFS Staff:** Tim Bates

Project Description: Jagged Little Pill, the musical based on the best selling album by Alanis Morissette of the same name, opened on Broadway in November 2019 and played 207 performances before shutting down permanently in December 2021 after suspending performances due to COVID-19.

Based around the music of Alanis Morissette, Jagged Little Pill centers on the Healy family: MJ, Steve and their teenage children Frankie and Nick. The Healy's appear to be the picture-perfect family in their competitive Connecticut suburban neighborhood, but pictures can be deceiving. Exploring a range of sensitive issues, Jagged Little Pill presents a vivid, messy, and chaotic portrayal of a modern-day family who deal with their pain and try to heal.

Production is set to begin as early as August 8, 2022 and is anticipated to end by September 4, 2022.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew			\$0
Non-KY Resident, Above-the-line Production Crew		\$126,000	\$126,000
KY Resident, Below-the-line Production Crew		\$300,000	\$300,000
Non-KY Resident, Below-the-line Production Crew		\$69,500	\$69,500
Total Qualifying Payroll Expenditures	\$0	\$495,500	\$495,500
Total Qualifying Non-payroll Expenditures		\$670,524	\$670,524
TOTAL	\$0	\$1,166,024	\$1,166,024

Minimum Required Qualifying Project Expenditures: \$20,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	0	65	65
Below-the-line Production Crew	92	5	97
Total Production Crew Members	92	70	162

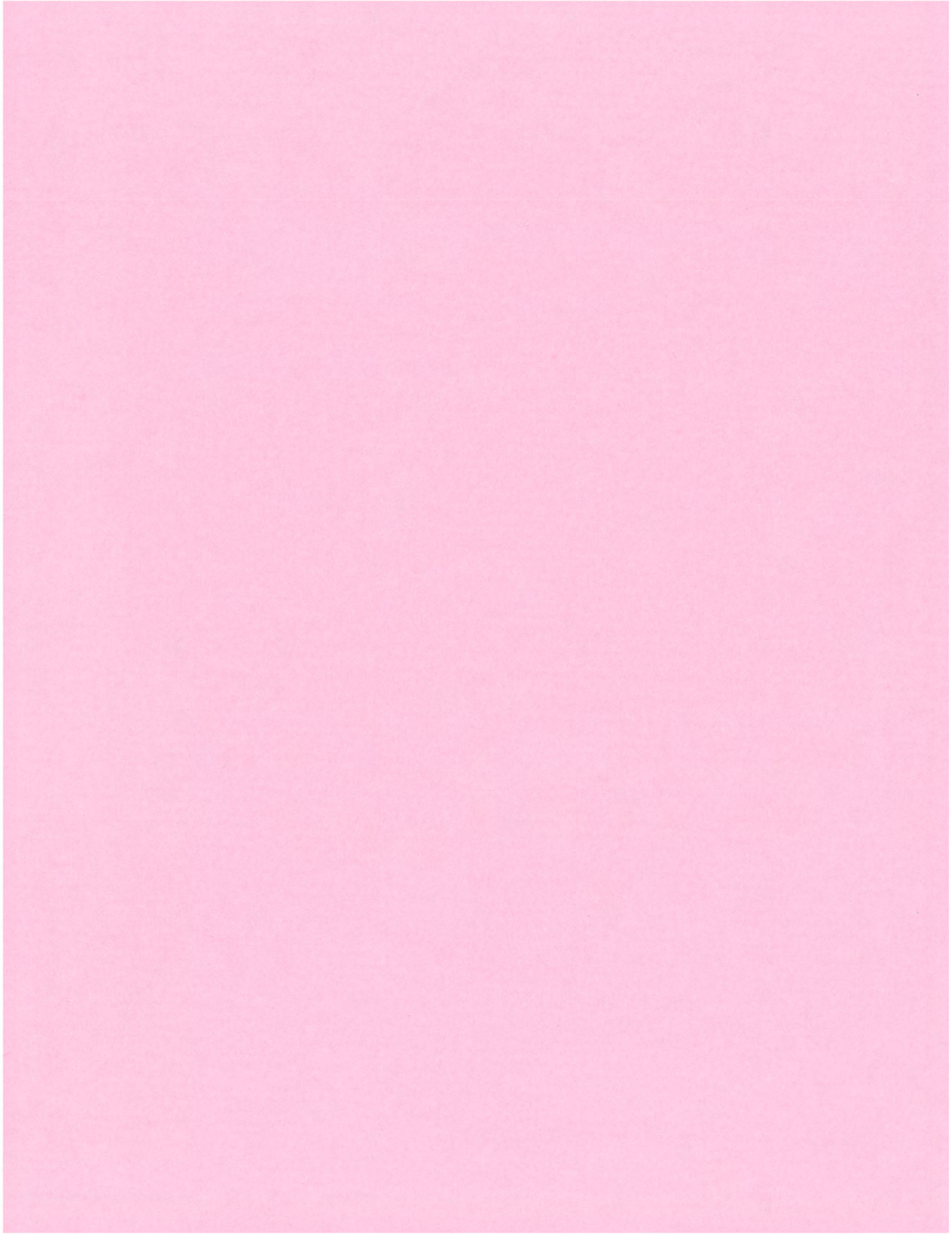
Ownership (20% or more):

Arvind David	33.3%
Eva Price	33.3%
Vivek Tiwary	33.3%

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
None			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$364,807**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: June 30, 2022
Approved Company: Look Both Ways Productions, LLC
Project Name: After Happily Ever After
Counties Where Filming or Production Will Occur: Madison

Activity: Television Program **DFS Staff:** Tim Bates

Project Description: Look Both Ways Productions, LLC has been created to keep all expenditures and accounting for this project. Bunim-Murray Productions, Inc. (BMP) was founded in 1987 and is the leading producer of innovative entertainment content. The Emmy Award-winning company is widely credited with creating the reality television genre.

After Happily Ever After is a social experiment featuring men and women who are newly single. Whether it is due to a nasty divorce, a long-term relationship gone wrong, or they are recently widowed, these individuals have hopes of finding love, once again. After Happily Ever After captures 10 men and 10 women as they spend 30 days together at a remote luxury compound. The program is designed to help the 20 singles navigate their relationship issues.

Production is set to begin as early as June 30, 2022 and is anticipated to end by August 11, 2022.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew		\$18,660	\$18,660
Non-KY Resident, Above-the-line Production Crew		\$1,255,798	\$1,255,798
KY Resident, Below-the-line Production Crew		\$440,307	\$440,307
Non-KY Resident, Below-the-line Production Crew		\$889,056	\$889,056
Total Qualifying Payroll Expenditures	\$0	\$2,603,821	\$2,603,821
Total Qualifying Non-payroll Expenditures	\$0	\$1,819,139	\$1,819,139
TOTAL	\$0	\$4,422,960	\$4,422,960

Minimum Required Qualifying Project Expenditures: \$250,000

Anticipated Production Crew:

	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	5	18	23
Below-the-line Production Crew	20	47	67
Total Production Crew Members	25	65	90

Ownership (20% or more):

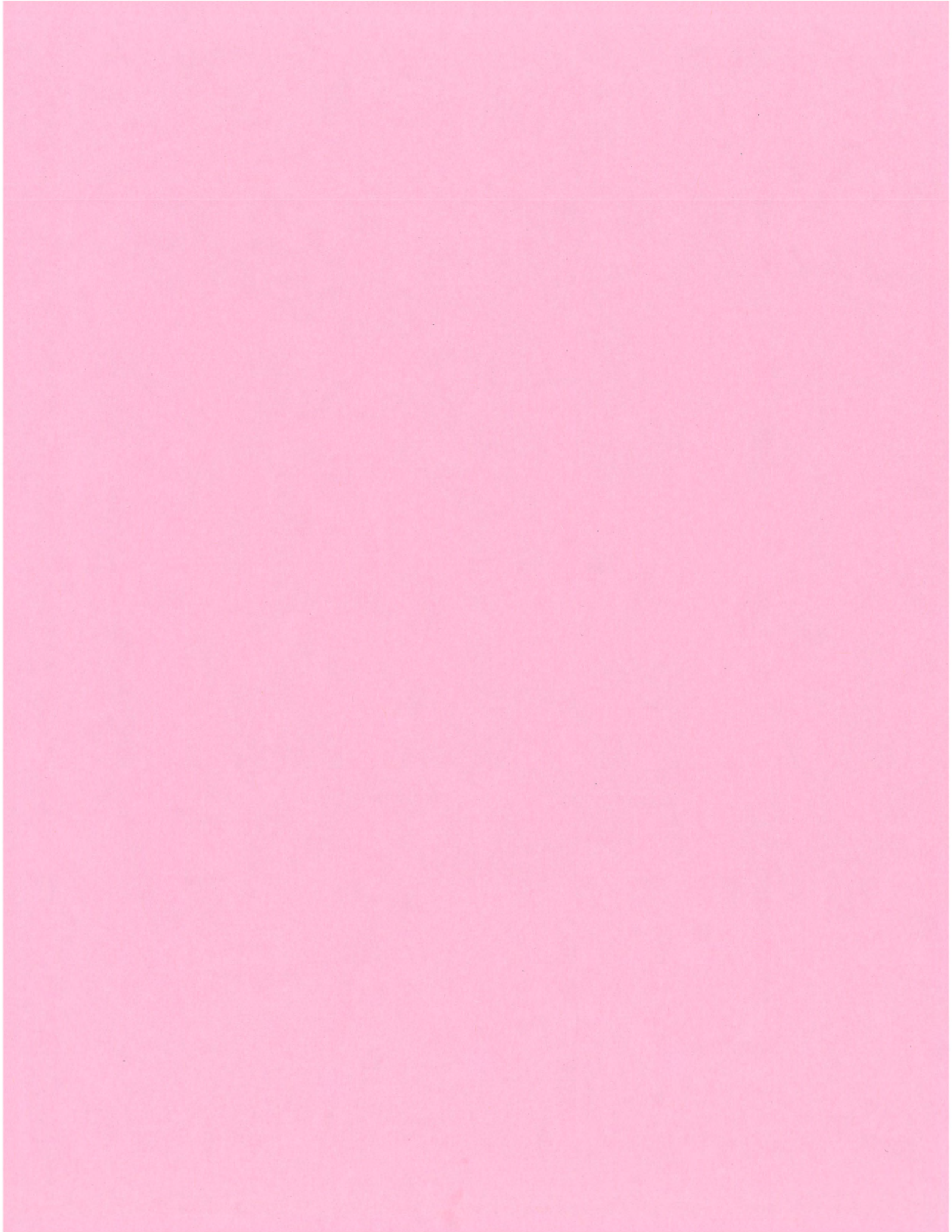
Bunim-Murray Productions, Inc.

100%

Other State Participation:**Date****Program****Status****Amount**

None

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$1,349,836**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: June 30, 2022
Approved Company: MUZZLE PRODUCTIONS, INC.
Project Name: Muzzle
Counties Where Filming or Production Will Occur: Jefferson

Activity: Feature-length Film **DFS Staff:** Tim Bates

Project Description: MUZZLE PRODUCTIONS, INC. was founded in September of 2021 for expressed purpose of producing this feature film and containing all copyrights.

When LAPD officer Jake Rosser's K-9 partner is killed on the job, something doesn't add up. Defying his captain's orders, he plunges deep into the criminal underworld, uncovering a globalist agenda far more insidious than ever imagined, all with the help of his new K-9 partner, Socks.

Production is set to begin as early as July 21, 2022 and is anticipated to end by August 19, 2022.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew		\$483,153	\$483,153
Non-KY Resident, Above-the-line Production Crew		\$1,710,336	\$1,710,336
KY Resident, Below-the-line Production Crew		\$931,535	\$931,535
Non-KY Resident, Below-the-line Production Crew		\$481,416	\$481,416
Total Qualifying Payroll Expenditures	\$0	\$3,606,440	\$3,606,440
Total Qualifying Non-payroll Expenditures	\$0	\$834,235	\$834,235
TOTAL	\$0	\$4,440,675	\$4,440,675

Minimum Required Qualifying Project Expenditures: \$125,000

Anticipated Production Crew:

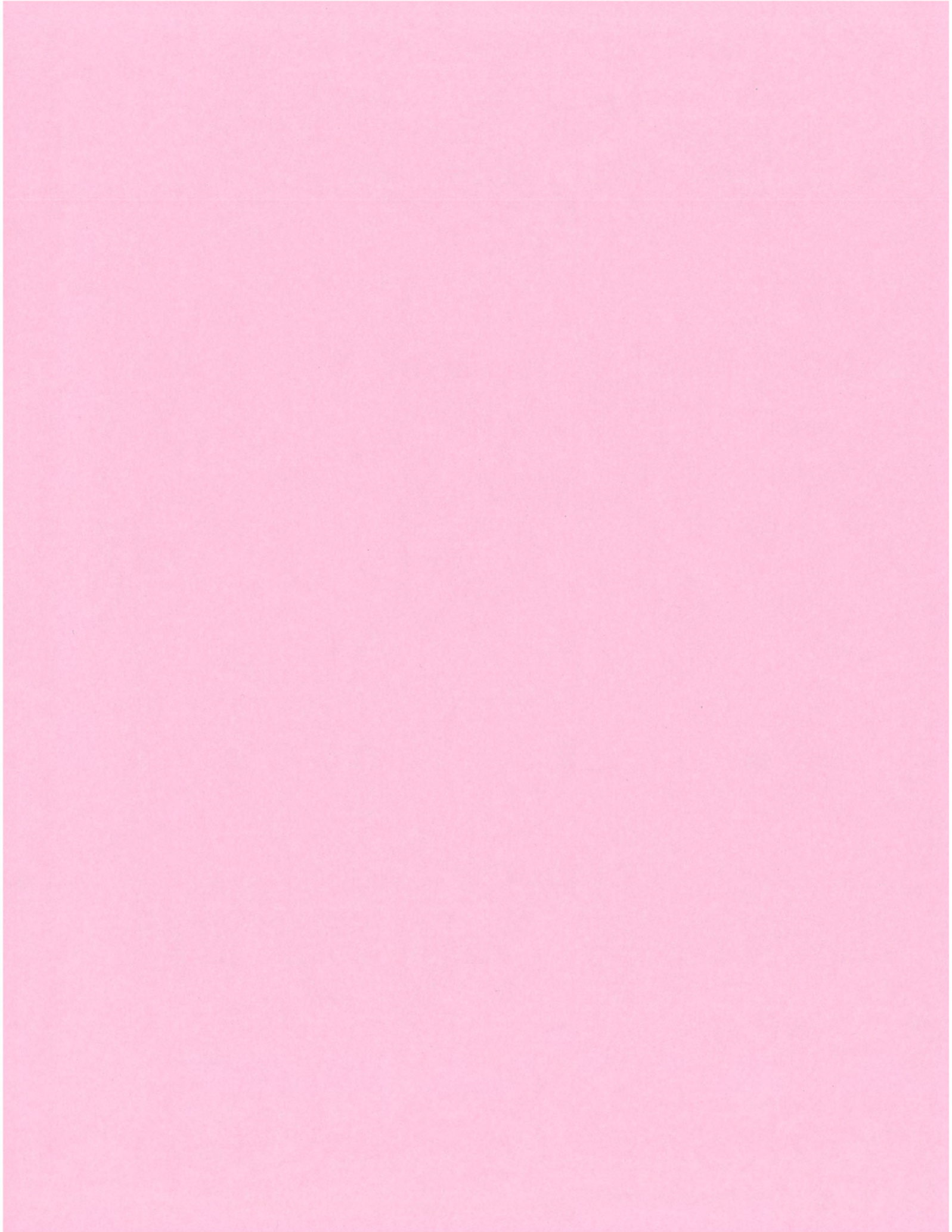
	Kentucky Resident Crew Members	Non-Kentucky Resident Crew Members	Total Production Crew Members
Above-the-line Production Crew	2	4	6
Below-the-line Production Crew	60	6	66
Total Production Crew Members	62	10	72

Ownership (20% or more):


David Frigerio

100%

Other State Participation:Date
NoneProgramStatusAmount**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:****\$1,402,937**



MEMORANDUM

TO: KEDFA Board Members
FROM: Kylee Palmer 
Incentive Administration Division
DATE: June 30, 2022
SUBJECT: Kentucky Rural Hospital Loan Program (KRHLP)

House Bill 387 of the 2020 Regular Session of the General Assembly authorized the creation of a rural hospital operations and facilities revolving loan fund (KRS 154.20-190), and \$20 million of funding was appropriated to the program in the 2021 Regular Session of the General Assembly (House Bill 556). KEDFA is responsible for reviewing and approving projects applying for funding under the KRHLP program.

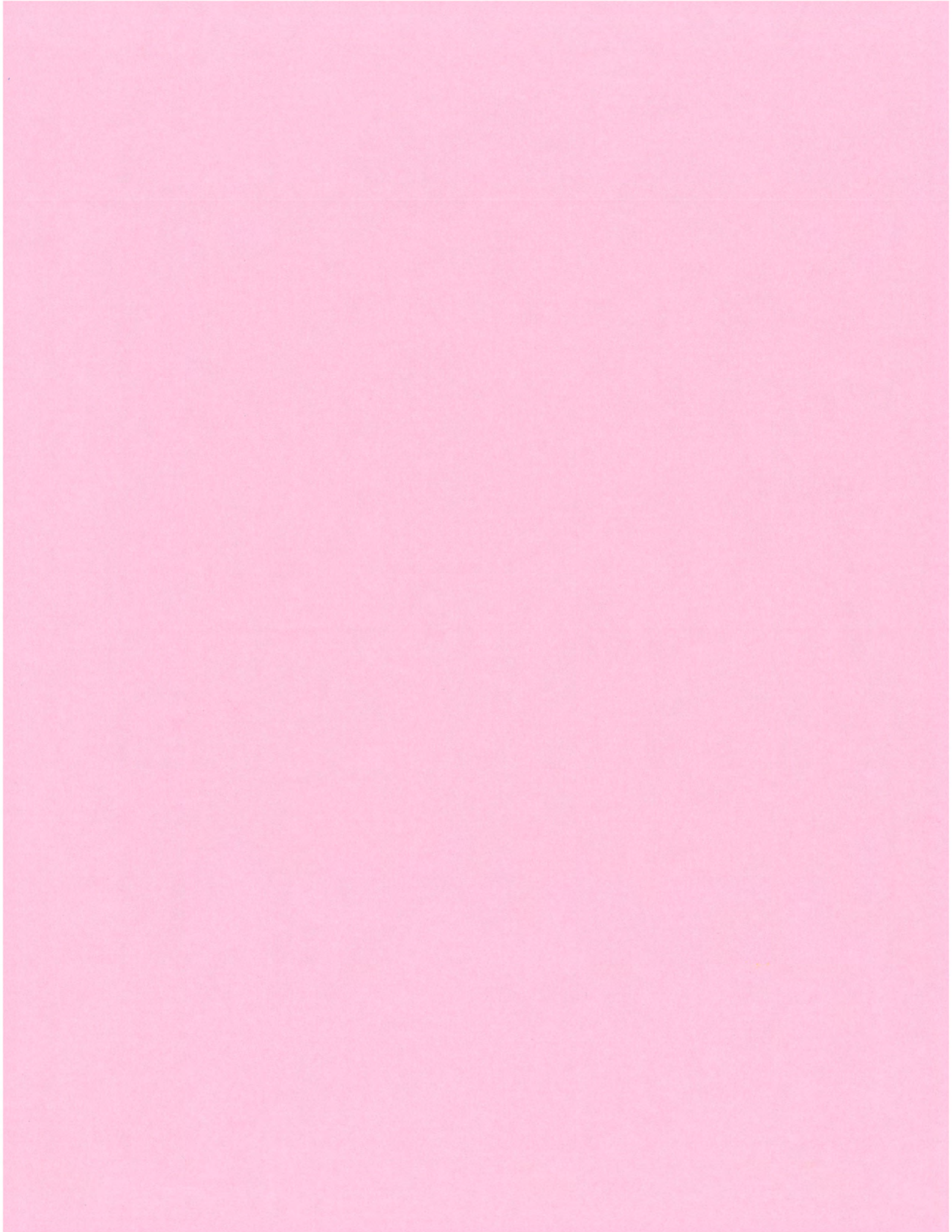
During the 2022 Regular Session of the General Assembly, House Bill 364 amended the KRHLP to include the following:

- Add and define “*qualifying former hospital*” as an eligible applicant within the program
- Provide approval of qualifying loan proceeds be used to reopen a qualifying former hospital
- Allow approval of cumulative loan proceeds of up to \$2,000,000 per Rural Hospital every five years.

Cabinet staff has amended the program guidelines to reflect the statutory changes for the KRHLP.


Staff recommends approval of the amended Kentucky Rural Hospital Loan Program Guidelines.

Attachment



MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder 
Incentive Administration Division

DATE: June 30, 2022

SUBJECT: KEDFA Incentive Programs
FY 2022-2023 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.

Butler, Carlisle, Garrard, and Laurel Counties are beginning the first year of decertification and projects must complete final approval by June 30, 2025.

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

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

Boyle and Pendleton Counties meet the criteria for certification and are designated as enhanced counties as of July 1, 2022.

Staff recommends adoption of the resolution certifying the KEDFA Incentive Programs - FY 2022-2023 Enhanced Incentive Counties.

Kentucky Cabinet for Economic Development Enhanced Incentive Counties (2022-2023)

1	Adair	23	Fleming	45	Lewis	67	Owsley
2	Ballard	24	Floyd	46	Lincoln	68	Pendleton
3	Bath	25	Fulton	47	Livingston	69	Perry
4	Bell	26	Garrard*	48	Lyon**	70	Pike
5	Boyd	27	Graves**	49	Magoffin	71	Powell
6	Boyle	28	Grayson	50	Marion	72	Pulaski
7	Bracken	29	Green	51	Marshall**	73	Robertson
8	Breathitt	30	Greenup	52	Martin	74	Rockcastle
9	Breckinridge	31	Hancock	53	Mason	75	Rowan
10	Butler*	32	Harlan	54	McCracken	76	Russell
11	Caldwell**	33	Harrison	55	McCreary	77	Taylor***
12	Carlisle*	34	Hickman	56	McLean**	78	Trigg
13	Carter	35	Hopkins	57	Meade	79	Trimble
14	Casey	36	Jackson	58	Menifee	80	Union**
15	Christian	37	Johnson	59	Metcalfe	81	Wayne
16	Clay	38	Knott	60	Monroe	82	Whitley
17	Clinton	39	Knox	61	Montgomery	83	Wolfe
18	Crittenden	40	Laurel*	62	Morgan		
19	Cumberland	41	Lawrence	63	Muhlenberg		
20	Edmonson	42	Lee	64	Nicholas		
21	Elliott	43	Leslie	65	Ohio		
22	Estill	44	Letcher	66	Owen		

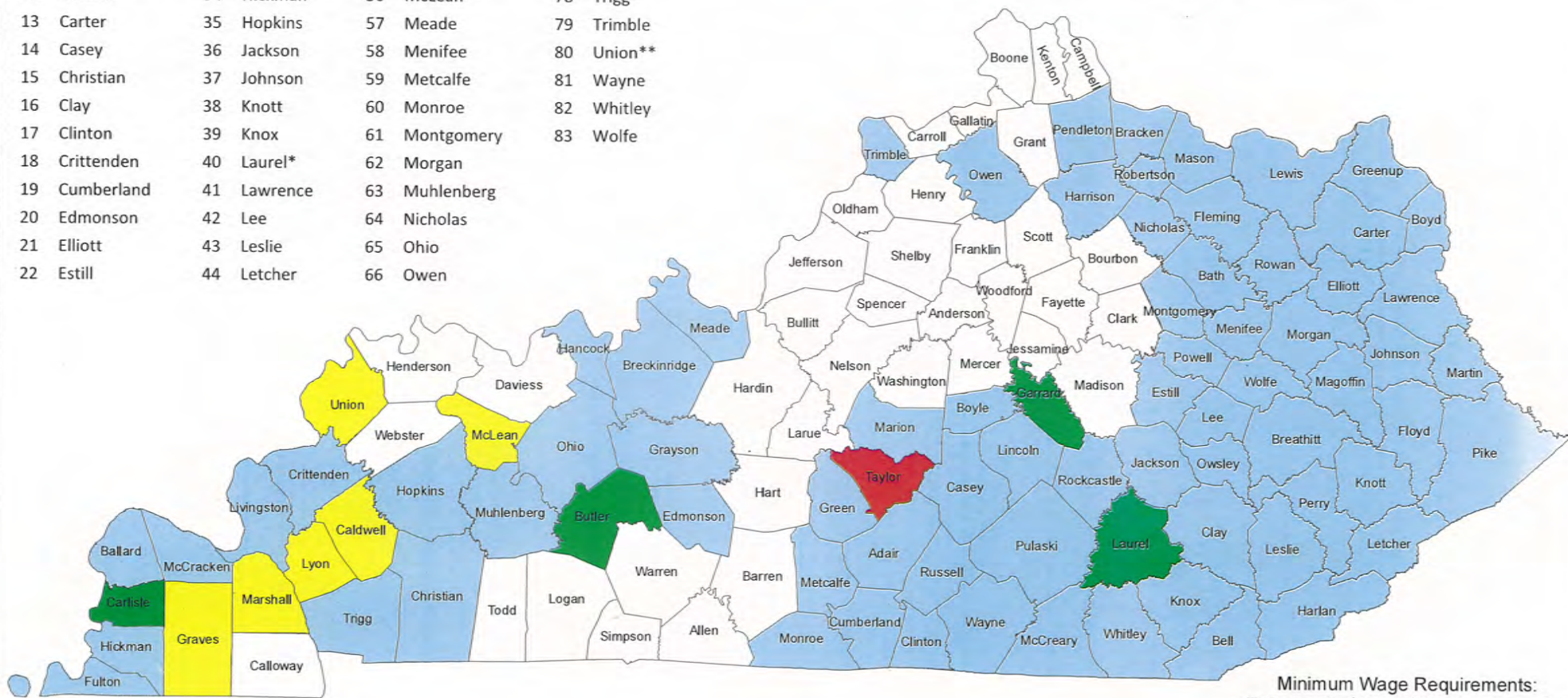
Enhanced Incentive Counties

 Certified as of July 1, 2022

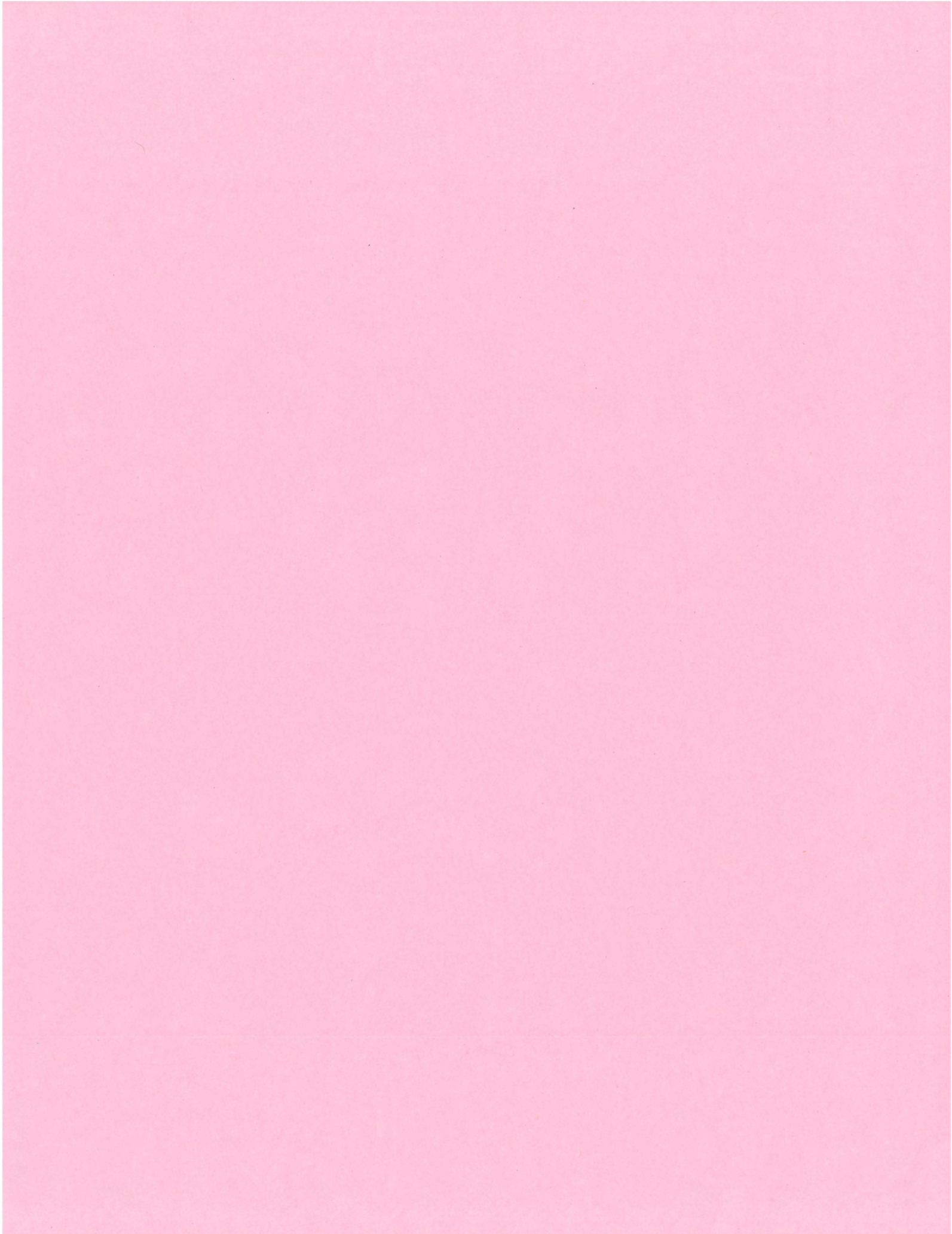
*Decertified as of June 30, 2022
(Projects must be finalized by June 30, 2025)

****Decertified as of June 30, 2021**
(Projects must be finalized by June 30, 2024)

***Decertified as of June 30, 2020
(Projects must be finalized by June 30, 2023)



Minimum Wage Requirements:
Enhanced - \$9.06 (\$10.42 w/ benefits)
Other - \$10.88 (\$12.51 w/ benefits)



MEMORANDUM

TO: KEDFA Board Members
FROM: Kylee Palmer *K*
Incentive Administration Division
DATE: June 30, 2022
SUBJECT: Western Kentucky Risk Assistance Fund (WKRAF)

During the 2022 Regular Session of the General Assembly, Senate Bill 150 was established to provide support and relief efforts imperative to the Commonwealth of Kentucky to recover from the considerable damage caused by the December 2021 storms and tornadoes in Western Kentucky.

Cabinet staff prepared proposed guidelines for the Western Kentucky Risk Assistance Fund (WKRAF) outlining the terms, conditions, requirements and process for qualified lenders to enroll eligible companies into the program (see attachment). Cabinet staff will also be responsible for commercial loans enrolled in the program and any loss payments made to the legislature.

Staff recommends approval of the Western Kentucky Risk Assistance Fund Guidelines.

Attachment



Guidelines:

Western Kentucky Risk Assistance Fund (WKRAF)

June 2022

The Western Kentucky Risk Assistance Fund (the "WKRAF" or "Program") has been established to provide support and relief efforts imperative to the Commonwealth of Kentucky to recover from the considerable damage caused by the December 2021 storms and tornadoes in Western Kentucky. The Program provides an enrolled Qualified Lender (as defined herein) the following inducement (the "Inducement"): the lesser of twenty-five percent (25%) or up to one million dollars (\$1,000,000) of the loss incurred by a Qualified Lender on the unpaid principal balance of a Commercial Loan (as defined herein) made by a Qualified Lender to an Eligible Company (as defined herein). Twenty-five million dollars (\$25,000,000) is appropriated to the Program and will be used to provide Inducements to Qualified Lenders on the first two hundred million dollars (\$200,000,000) of Commercial Loans enrolled in the Program, provided that a Qualified Lender shall be eligible to enroll no more than ten million dollars (\$10,000,000) in Commercial Loans in the Program.

Inducements are awarded by the Cabinet for Economic Development (the "Cabinet") in the order that applications are received. Accordingly, **there is no guarantee that a Qualified Lender will receive an Inducement on a loss suffered in the event Program funds are exhausted.** All Commercial Loans enrolled by a Qualified Lender must be originated prior to December 31, 2027, and may be eligible for an Inducement if said loss is suffered by the enrolled Qualified Lender within five (5) years of the Commercial Loan origination date.

Qualified Lenders

"Qualified Lender" means a cooperative lender or a FDIC insured depository institution as defined in 12 U.S.C. sec. 1813(c) in good standing with the Kentucky Department of Financial Institutions and which has a physical presence in Kentucky. A cooperative lender is a not-for-profit consortium of Qualified Lenders. Privately insured financial institutions are not considered Qualified Lenders.

Qualified Lenders may provide applications to an Eligible Company and then decide, regardless of further processing or underwriting results, to not provide final approval so long as the decision is not prohibited by state or federal law. If the Qualified Lender decides not to proceed, the Qualified Lender shall provide the application to a cooperative lender for further review and assignment to one or more other Qualified Lenders. A Qualified Lender that is unable to fund the entire amount requested in an application shall submit all or any portion of the requested amount to a cooperative lender for further review and distribution of the unfunded portion to one or more Qualified Lenders.



Eligible Companies

"Eligible Companies" include any corporation, limited liability company, partnership, limited partnership, sole proprietorship, business trust or any other entity, its successors or assigns, that experienced direct or indirect loss from the December 2021 storms and tornadoes that occurred in the west Kentucky region and have or had an existing or proposed business located in or planning to locate in the counties which were declared disaster relief areas by any state or federal agency.

An Eligible Company will be required to certify to the Qualified Lender the following:

- Such Eligible Company has applied for or will apply for all other available assistance that is not a Commercial Loan, including disaster relief assistance and insurance proceeds.
- Such Eligible Company shall notify its Qualified Lender immediately upon application for other available assistance that is not a Commercial Loan.
- Such Eligible Company shall provide an update on the status of such other available assistance when requested by its Qualified Lender.
- Such Eligible Company shall notify Qualified Lender when other available assistance has been approved and received.

Program Limitations

Program funds total twenty-five million dollars (\$25,000,000) for loan loss support of the first two hundred million dollars (\$200,000,000) of Commercial Loans enrolled in the Program and are thus limited to the applications from Qualified Lenders in the order in which the applications are received and approved. A Qualified Lender shall be eligible to enroll no more than ten million dollars (\$10,000,000) in Commercial Loans in the Program.

Program Requirements – Commercial Loans

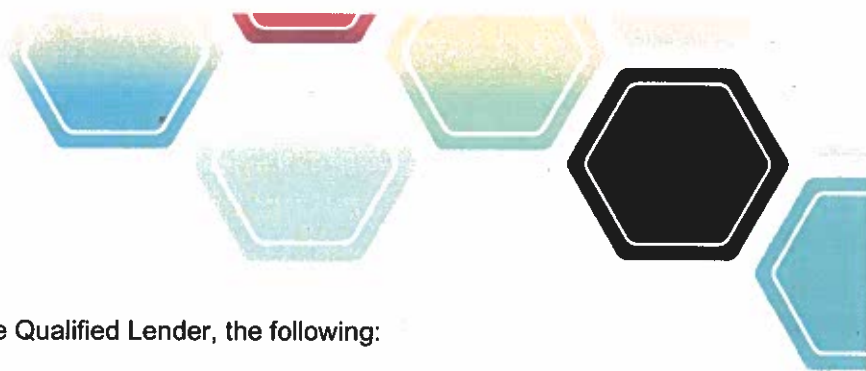
Commercial Loans

"Commercial Loans" are agreements between an Eligible Company and one or more Qualified Lenders for Approved Costs (as defined herein). Commercial Loans under the Program must meet the following requirements:

- the commercial loan must be used by an Eligible Company.
- the commercial loan must originate prior to December 31, 2027.
- the commercial loan proceeds must be used for investments in Kentucky counties which were declared disaster relief areas by any state or federal agency.

Lines of credit may be eligible for the Program so long as all funds have been drawn/disbursed at the time of application. Construction loan proceeds may be considered fully funded if funds are disbursed to escrow before applying for Inducements, and the funds must be disbursed from escrow within three years.

All Commercial Loan proceeds must be spent by the Eligible Company on Approved Costs within three (3) years of final approval of the Commercial Loan by the Qualified Lender, unless an extension is required by the Qualified Lender or necessitated by circumstances beyond the control of the Eligible Company or the Qualified Lender.



Approved Costs

"Approved Costs" may include, as approved by the Qualified Lender, the following:

- Obligations incurred for labor and materials in connection with the acquisition, construction, equipping, rehabilitation, and installation of an Eligible Company;
- Cost of contract bonds and any insurance that may be required or necessary during the course of acquisition, construction, equipping, rehabilitation, and installation of an Eligible Company which is not paid by a vendor, supplier, deliveryman, contractor, or otherwise provided;
- All costs of architectural and engineering services, including estimates, plans and specifications, preliminary investigations, and supervision of construction, rehabilitation, and installation, including the performance of all the duties required by or consequent upon the acquisition, construction, equipping, rehabilitation, and installation of an Eligible Company;
- All costs required to be paid under the terms of any contract for the acquisition, construction, equipping, rehabilitation, or installation of an Eligible Company;
- All costs required for the installation of utilities, including water, sewer, sewer treatment, gas, electricity, communications, railroads, and any off-site construction of the facilities to be paid by an Eligible Company;
- All costs required for the operating of an Eligible Company, including inventory, furniture, equipment, labor, and other incidental costs for startup or enhancement of an Eligible Company, if the location has been completed;
- Ongoing and future operating expenses incurred by an Eligible Company; and
- Any other necessary and reasonable costs incurred by an Eligible Company.

The following costs/uses are not considered eligible Approved Costs and may not be funded with the Commercial Loan proceeds:

- Repayment of delinquent federal, state, or local income taxes unless the Eligible Company has a payment plan in place with the relevant taxing authority;
- Repayment of taxes held in trust or escrow (e.g. payroll or sales taxes);
- Pyramid schemes;
- Speculative activities;
- Illegal products or activities or legal products used for illegal purposes;
- Purchase of securities;
- Gambling;
- Evangelizing, proselytizing, or lobbying.

Procedure for Approval

Qualified Lenders may submit a Commercial Loan for consideration under the Program after (i) final approval of the Commercial Loan has occurred by the Qualified Lender, and (ii) funding of the Commercial Loan to the Eligible Company by the Qualified Lender has been completed.

Claim for Commercial Loan

The Program shall be used to pay a Qualified Lender on the unpaid principal balance of a Commercial Loan to an Eligible Company in an amount up to the lesser of the following:

- Twenty-five percent (25%) of the loss suffered on the unpaid principal balance on a Commercial Loan; or
- One million dollars (\$1,000,000).



A loss may be determined by the Qualified Lender by either of the following methods:

- Amount of loan loss reserve the Qualified Lender establishes based on the current expected credit losses methodology for estimating allowances for credit losses, as reflected in an official, filed call report (RI-B Schedule) which reflects the changes in the allowance for credit loss relating to the Commercial Loan originated; or
- Amount of the estimated loss as documented by an updated appraisal of the underlying collateral, or a change in economic value of the Commercial Loan based on expected cash flows.

Claims for Inducement (also referred to as a loss payment) must be submitted within five (5) years from the Commercial Loan origination date. Required documentation must be submitted with the claim for the loss and the loss payment calculation on a form provided. The claim will be approved or denied within thirty (30) days from the submission date of the claim. Within sixty (60) days of the claim submission, the loss payment will be issued or a written explanation for denial will be provided to the Qualified Lender.

Inducements shall be paid by the Cabinet to the Qualified Lender on claims as long as moneys are available in the Program and the claim meets Program eligibility requirements.

Collection Rights and Recovery by Qualified Lender Subsequent to Claim

After payment of a claim under the Program, if the Qualified Lender recovers any amount for which payment of the claim was made, the Qualified Lender shall promptly return to the Cabinet the amount that is more than seventy-five percent (75%) of the previously considered uncollectable balance for deposit into the Program. However, no more than one million dollars (\$1,000,000) shall be recovered from the Qualified Lender.

Reporting Requirements

The Qualified Lender will be required to submit to the Cabinet a quarterly report which reflects the status of all Commercial Loans enrolled in the Program for which a Claim was submitted and Inducement paid.

Beginning July 10, 2024, and by the tenth (10th) day following the end of each calendar quarter, Cabinet staff will submit a report to the Senate Standing Committee on Appropriations and Revenue and the House Standing Committee on Appropriations and Revenue or the Interim Joint Committee on Appropriations and Revenue detailing the following information for each Commercial Loan receiving a loss payment:

- Name of each Qualified Lender receiving a loss payment;
- Amount of the loss payment received by the Qualified Lender;
- Description of the Commercial Loan terms; and
- Explanation regarding why the loss payment was needed.

The required report for the legislature will end when no further Claims for Inducement may be submitted.

Fees and Costs

The Qualified Lender shall pay a one-time Qualified Lender application fee of \$1,000 to certify the lender regardless of the number of loans to be enrolled. The application fee shall be paid to KEDFA prior to certification of the Qualified Lender and approval of the Qualified Lender for participation in the Program. The Qualified Lender shall be responsible for legal costs, including legal costs of the Kentucky Economic Development Finance Authority (KEDFA) related to the preparation, execution, delivery of the documents under the Program and enforcement thereof. If a Claim for Inducement is submitted, an administrative fee equal to one percent (1%) of the eligible Inducement shall be required.



Application and Approval Process

Qualified Lender Certification and Master Agreement

- Lender will complete and submit a Qualified Lender application with required attachments to Cabinet staff.
 - An application fee of \$1,000 is required at the time of submission and may be paid online.
- Cabinet staff will review applications for eligibility, completeness and accuracy.
- KEDFA will authorize Cabinet staff to certify lenders meeting the required qualifications as Qualified Lenders.
- Cabinet staff will notify an applicant lender if it meets the eligibility requirements to be certified as a Qualified Lender and confirm whether the applicant lender wishes to proceed with a master agreement under the Program.
 - The applicant Lender will be responsible for legal costs, including legal costs of KEDFA, for preparation of the master agreement.
- Once finalized and signed, Cabinet staff will provide to the applicant lender the master agreement for the Program certifying the applicant lender as a Qualified Lender.
- A listing of Qualified Lenders will be maintained on the Cabinet's website.

Enrolling Loans and Claim Processing

- Prior to enrolling any loans in the Program, the Qualified Lender must close and fully disburse the Commercial Loan to the Eligible Company.
 - Note: The Cabinet and KEDFA do not participate in the Qualified Lender's loan approval decision with respect to any Commercial Loan. All lending decisions are left to the lender and should be based upon their underwriting and loan policy guidelines.
- After the Commercial Loan has been approved and fully disbursed by the Qualified Lender, the Qualified Lender completes and submits a loan enrollment application with required attachments to Cabinet staff.
- Cabinet staff will review applications for eligibility, completeness and accuracy.
- KEDFA authorizes Cabinet staff to approve loan enrollment based on the requirements of the Program.
- Upon approval of loan enrollment, Cabinet staff will notify the Qualified Lender and update the attachment to the master agreement for the Program which identifies enrolled Commercial Loans.
- If the Qualified Lender incurs a loss on an Enrolled Loan, it may submit a Claim for Inducement based on the instructions and documents outlined in the Master Agreement.
 - An administrative fee equal to one percent (1%) of the eligible Inducement is required with the submission of the Claim for Inducement.
- Upon approval of the Claim for Inducement, Cabinet staff will disburse funds to the Qualified Lender as long as moneys are available in the Program.
 - The Qualified Lender will be required to submit the quarterly reports in accordance with the Reporting Requirements.
- In the event the Qualified Lender receives a recovery, refer to the Collection Rights and Recovery by Qualified Lender Subsequent to Claim section.

To learn more, contact:
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