

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

August 31, 2023

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. on August 31, 2023, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

Notification of Press

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

Roll Call

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

Staff Present: Raven Aiken, Tim Back, Tim Bates, Amy Bowman, John Buchanan, Sarah Butler, Ashlee Chilton, Brandon Combs, Michael Crabtree, Rachael Dever, Colin Dodd, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, Jansen Hammock, Krista Harrod, William Henderson, Malcolm Jollie, Matt Jordan, Craig Kelly, Jacob Leigh, Keaton Lowe, Andy Luttner, Shannon Macdonald, Emma Macy, Brandon Mattingly, Donald McDowell, Gabrielle McGee, Connor McJunkin, Craig McKinney, Camryn McManis, Danielle Milbern, Amy Mills, Sydney Montgomery, Scott Moseley, Nasim Moula, Jeff Noel, Kylee Palmer, Cate Prather, Jennifer Schenkenfelder, Katie Smith, Christopher Snyder, Connor Wall, Matt Wingate, Dan Wood, Victoria Wood and Ashiq Zaman

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Dennis McKenna, Washington Penn Plastic Co., Inc.; Matt Zoellner, Scott, Murphy & Daniel; Aida Roberts and Reid Pittard, McGuire Sponsel; Shelly Cohn, Winston Industries, LLC; Greyson Evans, Bluegrass ADD; Kelly Childers, Kentucky Office of Agricultural Policy; Scott Savage, Bespoken Spirits, Inc.; Grant Chaney and April Colyer, R. J. Corman Railroad Group, LLC; Ryan Christy, Audia; Erika O'Brien and Brad Sowden, Winchester-Clark County IDA; Cheryl Klever and Niki Goldey, Commerce Lexington; Jennifer Barber, Frost, Brown, Todd; Melissa Perry, Office of Financial Management; Chris Otts, Jessica Preglow, Dan Kanabroski, Elizabeth Ethington, Kaitlyn Craigmyle, Peter Iglesias and Lev Orlov

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the July 27, 2023 regular KEDFA board meeting and closed session.

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

Approved/Undisbursed Report

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

Financial Statements and Monitoring Reports

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

Kentucky Product Development Initiative (KPDI-EDF)

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

Cynthiana-Harrison County Economic Development Authority, Inc. Colin Dodd Harrison County Michelle Elder

Colin Dodd stated the Cynthiana-Harrison County Economic Development Authority, Inc. in partnership with the City of Cynthiana will assist in the development of a business park in Harrison County. A nonprofit contribution and a Columbia Gas Revenue Credit will be used to provide match to the KPDI funds. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Michelle Elder stated the City of Cynthiana requested the use of \$450,000 in KPDI-EDF program funds for the benefit of the Cynthiana-Harrison County Economic Development Authority, Inc. The project investment is \$2,366,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

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

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

Graves County Economic Development, Inc. Andy Luttner Graves County Michelle Elder

Andy Luttner stated the Graves County Fiscal Court on behalf of the Graves County Economic Development, Inc. will assist in the development and construction of a speculative building in the Hickory Industrial Park. This building will provide Graves County with new business opportunities and provide the community with significant jobs and capital investment. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Michelle Elder stated the Graves County Fiscal Court requested the use of \$890,670 in KPDI-EDF program funds for the benefit of the Graves County Economic Development, Inc. The project investment is \$6,700,000 and the proposed KPDI-EDF funds will be used to offset costs associated with this project.

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

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

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

<u>Company</u>	<u>County</u>	<u>Extension</u>
Flottweg Separation Technology, Inc.	Boone	3 Months
SMS Group, Inc.	Meade	3 Months
Distilled Spirits Epicenter, LLC	Jefferson	6 Months
Big Sandy Distribution, Inc.	Boyd	12 Months
Buffalo Trace Distillery, Inc.	Franklin	12 Months
Greenfield Grain, LLC	Henderson	12 Months
John Renfro Supply, Inc.	Whitley	12 Months
Paschall Truck Lines, Inc.	Calloway	12 Months
Taylor Communications, Inc.	Hardin	12 Months

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

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

Campari America LLC Anderson County

**Scott Moseley
Michelle Elder**

Scott Moseley stated Campari America LLC is a distilled spirits company that is a major player in the global spirits industry whose leading brands include Wild Turkey, Russell's Reserve, American Honey, SKYY Vodka, Aperol and Grand Marnier, among many others. The company has been operating in Lawrenceburg since 2009 and is currently considering an expansion due to the need for the demand to expand its products.

Michelle Elder stated the project investment is \$20,000,000 of which \$8,549,230 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$250,000 for construction materials and building fixtures.

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

AATW, LLC Anderson County

**Danielle Milbern
Raven Aiken**

Danielle Milbern stated AATW, LLC is an owner and operator in the bourbon industry. The company is considering the development of nine large bourbon rickhouses, which would provide the company with increased storage and transportation capabilities as well as the opportunity to offer third party storage to support fellow business in the industry

Raven Aiken stated the project investment is \$11,800,000 of which \$5,000,000 qualifies as KEIA eligible costs.

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

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

KBI (Preliminary) and KEIA Projects

Chairman Hale called on Staff to present the KBI preliminary and KEIA projects to the Authority.

Levy Environmental Services Company Carroll County

**Colin Dodd
Raven Aiken**

Colin Dodd stated Levy Environmental Services Company specializes in the manufacture of product for construction, cement, glass, and agricultural markets. The company is considering locating in a new facility in Carroll County to provide services such as truck scale service, steel scrap processing, barge loading and unloading, and mill scale handling.

Raven Aiken stated the project investment is \$38,600,000 of which \$2,800,000 qualifies as KBI eligible costs and \$1,800,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$24.86 including benefits. The state wage assessment participation is 2.7% and Carroll County will participate at 1.0%.

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 \$800,000 and the KEIA approved recovery amount of \$50,000 for construction materials and building fixtures.

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

Washington Penn Plastic Co., Inc. Clark County

**Ashlee Chilton
Brandon Combs**

Ashlee Chilton stated Washington Penn Plastic Co., Inc. is a leading provider of polypropylene and polyethylene compounds that supply the automotive, appliance, construction, consumer, packaging, and industrial markets. The company is considering opening a manufacturing facility in the Winchester Industrial Park.

Brandon Combs stated the project investment is \$104,936,636 of which \$51,330,250 qualifies as KBI eligible costs and \$18,961,390 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 88 with an average hourly wage of \$37.39 including benefits. The state wage assessment participation is 2.7% and the City of Winchester will participate at 1.0%.

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 or preliminary approval. Only investment costs incurred by the approved company will be considered towards eligible costs. Only the approved company may participate in the corporate income credit incentive (no affiliate is eligible). The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate(s).

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,500,000 and the KEIA approved recovery amount of \$300,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

Allstate Tower, Inc. Henderson County

**Andy Luttner
Michelle Elder**

Andy Luttner stated Allstate Tower, Inc. manufactures and installs communication towers that provide paths for all forms of communication across the United States and abroad including cell phone paths, point to point broadband data transfer and television. The company is considering installing a CLOOS Robotic Welder to increase its output.

Michelle Elder stated the project investment is \$850,000 of which \$350,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$30.00 including benefits. The state wage assessment participation is 2.7% and the Henderson County Fiscal Court 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 and affiliate 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 \$150,000.

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

HVAC Distributing LLC Graves County

**Andy Luttner
Michelle Elder**

Andy Luttner stated HVAC Distributing LLC is a national wholesale distributor of heating and air conditioning equipment. The company carries top brands including Amana, ClimateMaster, GeoCool and Mr. Cool. The company is considering adding additional space to the Graves County location to accommodate recent and future growth.

Michelle Elder stated the project investment is \$5,353,325, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 40 with an average hourly wage of \$26.00 including benefits. The state wage assessment participation is 4.5%.

The project will include multiple locations within Hickory/Graves County. Only investment costs incurred at 50 Remington Way 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. The Company and affiliated companies will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 286 full-time employees subject to Kentucky income tax, which number is based on the job requirement for the Company's previous KBI project #23129.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

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

**Kroger Limited Partnership II dba Kenlake Foods
Calloway County**

**Andy Luttner
Michelle Elder**

Andy Luttner stated Kenlake Foods has been providing snack, baking and produce nuts to all Kroger retail divisions since 1982. This project would allow the company the capacity to produce dry roasted and PET jar packaged nuts for all retail divisions currently supplied by its vendors.

Michelle Elder stated the project investment is \$24,000,000 of which \$5,300,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 15 with an average hourly wage of \$36.00 including benefits. The state wage assessment participation is 1.50% and the City of Murray will participate at .50%.

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 and affiliate 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 \$150,000.

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

**Safran Landing Systems Kentucky, LLC
Boone County**

**Colin Dodd
Raven Aiken**

Colin Dodd stated Safran Landing Systems is a French company involved in the design, development, manufacturing and customer support of all types of aircraft landing gear, wheels and brakes. The company is considering expanding existing operations to meet the increased demand for carbon composite brakes due to the rise in airline traffic.

Raven Aiken stated the project investment is \$65,181,540 of which \$12,806,300 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 92 with an average hourly wage of \$44.34 including benefits. The state wage assessment participation is 1.8% and Boone County will participate at 0.6%.

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 \$1,495,000.

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

**Bespoken Spirits, Inc.
Fayette County**

**Colin Dodd
Raven Aiken**

Colin Dodd stated Bespoken Spirits, Inc. is a rectifier and distributor of distilled spirits. The company is considering moving all manufacturing operations to Kentucky to make supply chain improvements and enable on site distillation of spirits.

Raven Aiken stated the project investment is \$3,211,404 of which \$1,585,380 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 16 with an average hourly wage of \$70.77 including benefits. The state wage assessment participation is 2.7% and Fayette County 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 project will include multiple locations within Fayette County/Lexington. Only investment costs incurred at 109 W. Loudon Ave. will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000.

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

KBI Projects (Extension)

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

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

Company	County	Extension
Setco Sales Company	Boone	3 Months
Faurecia Automotive Seating LLC	Shelby	12 Months
HVAC Distributing LLC	Graves	12 Months
Joe Leasure & Sons	Hopkins	12 Months
Smiley Monroe Inc.	Simpson	12 Months

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

Chairman Hale called on Brandon Combs to present the KBI final projects to the Authority.

Brandon Combs stated 5 companies requested KBI final approval, 4 of which have modifications since preliminary approval. Mr. Combs asked that all 5 be presented as one motion.

No Modifications:

Itsuwa KY, LLC

Nelson

Manufacturing

Modifications:

Consumer Cellular Incorporated **Jefferson** **Service or Technology**
State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

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

Nemak USA Inc. **Barren** **Manufacturing**
The project location is now 400 American Avenue, and the campus location is now 20 Prestwick Drive. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

Neogen Corporation **Montgomery** **Manufacturing**
Total investment and eligible costs have been updated based on the current projections. The project changed from an owned project to a leased project with no rent being considered as eligible costs. State wage assessment has been updated to reflect the current rate. All other aspects of the project remain the same.

Staff recommended final approval of the KBI resolutions and tax incentive agreements and the authorization to execute and deliver the documents.

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

Kentucky Reinvestment Act (KRA) Project (Preliminary)

Chairman Hale called on Staff to present the KRA preliminary project to the Authority.

Winston Industries, LLC **Ashlee Chilton**
Jefferson County **Brandon Combs**
Ashlee Chilton stated Winston Industries, LLC is a foodservice product manufacturer with a broad portfolio of clients that range from school cafeterias to the world's finest dining restaurants. The company is growing and needs to invest in additional manufacturing equipment and infrastructure to meet demand. If approved for incentives, the company would start purchasing equipment in 2023. The project would not be economically feasible without the incentives, and the company considers the incentives important to grow its capacity in Kentucky.

Brandon Combs stated the project investment is \$1,204,000 of which \$602,000 qualifies as KRA eligible costs. The job retention requirement over the term of the agreement is 90% of the number of full-time jobs at the project location as of preliminary approval.

Staff recommended preliminary approval of the KRA negotiated tax incentive amount of \$350,000

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

Kentucky Reinvestment Act (KRA) Project (Final)

Chairman Hale called on Michelle Elder to present the KRA final project to the Authority.

**Tarter Gate Company, LLC
Casey County**

Michelle Elder

Michelle Elder stated Tarter Gate Company, LLC requested final approval of its KRA project. There were no modifications to the project since preliminary approval.

The company currently has 569 full-time employees and has expended approximately \$16,503,319 in equipment and related costs of which \$8,251,660 are eligible costs. Tarter Gate Company, LLC is eligible to receive the \$1,500,000 negotiated tax incentive amount as preliminarily approved.

Staff recommended final approval of the KRA resolution, revitalization agreement and the authorization to execute and deliver the documents.

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

Kentucky Rural Hospital Loan Program (KRHLP)

Chairman Hale called on Matt Jordan to present the Kentucky Rural Hospital Loan Program project to the Authority.

**ARC Health Systems, LLC d/b/a Bellefonte Hospital and Recovery Center
Lawrence County**

Matt Jordan

Matt Jordan stated ARC Health Systems, LLC d/b/a Bellefonte Hospital and Recovery Center will reopen in the footprint of the former Our Lady of Bellefonte Hospital. ARC Health Systems, LLC will establish a comprehensive mental and behavioral health treatment campus that includes psychiatric and chemical dependency hospital beds as well as inpatient and outpatient treatment services, ancillary treatment, vocational rehabilitation, and job training services. These psychiatric and chemical dependency treatment services are currently unavailable in the area.

Matt Jordan also stated ARC Health Systems, LLC d/b/a Bellefonte Hospital and Recovery Center requested loan proceeds from KRHLP in the amount of \$1,000,000 for working capital. The terms of the loan include an interest rate of 1% and the retention of 85% of full-time employees as of 1 year after the date operations begin through the term of the loan. Collateral will be 1st Mortgage. Monthly principal payments plus interest via ACH will begin the earlier of the last day of the month following the final reimbursement request or August 31, 2024. All project costs must be incurred and all supporting documents including invoices and proof of payment must be submitted no later than August 31, 2024.

Staff recommended approval.

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

Kentucky Rural Hospital Loan Program (KRHLP) Amendment

Chairman Hale called on Dan Wood to present the Kentucky Rural Hospital Loan Program amendment to the Authority.

**Deaconess Union County Hospital, Inc.
Union County**

Dan Wood

Dan Wood stated on January 26, 2023, KEDFA approved a loan to Deaconess Union County Hospital, Inc. for a Kentucky Rural Hospital Loan. The loan was to be used to renovate the

existing surgery space and all required support space to meet code requirements. The original loan was \$1,000,000 with a 1 % interest rate. No advances on this loan are permitted after December 31, 2023, and payments are scheduled to begin January 31, 2024. KEDFA security is an Irrevocable Standby Letter of Credit dated December 22, 2022 for \$1,010,000.

Due to a much longer bidding process and lead times on construction materials, Deaconess Union County Hospital, Inc. is requesting to extend the allowable draw period one year, from December 31, 2023, to December 31, 2024, and commence payments the earlier of the end of the month following final disbursement of the loan or January 31, 2025. All other terms and conditions remain the same.

Staff recommended approval.

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

Kentucky Rural Economic Development Act (KREDA) Projects Resolution

Chairman Hale called on Dan Wood to present the KREDA project resolution to the Authority.

Kellogg USA, Inc. f/k/a Mountaintop Baking Company Pike County

Dan Wood

Dan Wood stated in 1991, KEDFA approved a Kentucky Rural Economic Development (KREDA) revenue bond for the Consolidated Biscuit Co. (Consolidated). In 1996, Consolidated assigned that Lease to Mountaintop Baking Company which in turn merged into Kellogg USA, Inc. (Company) in 2002. The Company desires to have the property subject to the Lease conveyed from KEDFA to the Company because of the expiration of the term of the Lease and the payment in full of the Bonds and related obligations. The resolution authorizes KEDFA to execute and deliver the deed upon receipt of documentation from the Trustee certifying the bonds have been paid in full.

Staff recommended approval of the KREDA resolution.

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

Kentucky Entertainment Incentive (KEI) Project (Final)

Chairman Hale called on Tim Bates to present KEI project to the Authority.

Kentucky Hustler LLC Kentucky Hustler

Tim Bates

Tim Bates stated that Kentucky Hustler plans to produce a Television Program, Kentucky Hustler, in Fayette, Jessamine and Woodford Counties. Production is set to begin as early as September 1, 2023 and is anticipated to end by March 1, 2024. The Company anticipates \$1,529,500 in qualifying payroll expenditures and \$976,000 in qualifying non-payroll expenditures for a total of \$2,505,500. The company also anticipates employing 73 Kentucky resident crew members and 20 Non-Kentucky resident crew members for a total production crew of 93.

Staff recommended a total negotiated tax incentive amount of \$814,875.

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

Kentucky Small Business Tax Credit (KSBTC) Projects

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

Tim Back stated there are 18 Kentucky small businesses, from 11 counties with qualifying tax credits of \$157,500. The 18 businesses created 45 jobs and invested \$427,573 in qualifying equipment and/or technology.

Mr. 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
3-Springs, LLC	Warren	0	2	\$21.52	\$9,995	\$7,000
B & H Butcher Block, LLC	Caldwell	3	1	\$15.00	\$32,500	\$3,500
Ballast, Inc.	Fayette	9	2	\$31.49	\$10,365	\$7,000
BEH Physical Therapy, LLC	Madison	1	1	\$31.39	\$5,297	\$3,500
Bowling/Herald Construction, LLC	Campbell	0	5	\$26.90	\$67,609	\$17,500
Busy Bee Occupational Therapy, PLLC	Madison	14	4	\$22.81	\$14,221	\$14,000
Caliber Armor, LLC	Jefferson	0	2	\$25.25	\$32,694	\$7,000
Collier Electrical Service, Inc.	Marshall	38	4	\$30.49	\$57,494	\$14,000
Four Seasons Landscape Management, LLC	Oldham	4	2	\$22.50	\$13,999	\$7,000
Hometown Concrete, LLC	Boone	19	2	\$23.00	\$24,540	\$7,000
Kinemetrix Industrial Design, Inc.	Fayette	22	2	\$38.75	\$10,499	\$7,000
Precision Medical Billing, LLC	Fayette	16	3	\$19.17	\$10,685	\$10,500
Robert Harrod Electric, Inc.	Jefferson	1	1	\$15.00	\$37,724	\$3,500
Rudler, Professional Service Corporation	Kenton	31	1	\$25.96	\$8,413	\$3,500

Scott Endodontics, PLC	Jefferson	5	1	\$19.00	\$27,742	\$3,500
Silver Fern Group Services, LLC	Fayette	3	6	\$36.66	\$22,299	\$21,000
The Wright Legacy Group, LLC	Hardin	5	1	\$28.85	\$6,497	\$3,500
West Sixth Brewing Company, LLC	Fayette	40	5	\$21.72	\$35,000	\$17,500

Staff recommended approval of the tax credits.

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

Kentucky Selling Farmer Tax Credit (KSFTC) Projects

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

Tim Back stated there are 2 Kentucky selling farmers who have sold qualifying agricultural assets totaling \$325,000 to an eligible beginning farmer. The 2 Kentucky selling farmers qualify to receive a total of \$16,250 in tax credits.

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

Selling Farmer	County	Qualifying Agricultural Assets	Tax Credit Amount
Randy C. Ensley Trust No. 1	Boyle	\$162,500	\$8,125
Vina L. Ensley Trust No. 1	Boyle	\$162,500	\$8,125

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

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

Tim Back stated there are 2 Kentucky Angel Investment Act projects representing 2 Kentucky businesses and 2 investors for a total projected investment of \$60,000 with eligible tax credits of \$15,000. 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
William Edward Kent, III	Experience Tech, LLC	Jefferson	\$10,000	\$2,500

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.

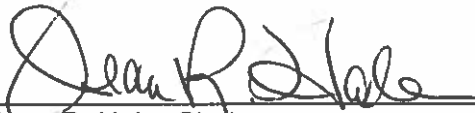
Adjournment

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

Don Goodin moved to adjourn the August KEDFA board meeting; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:48 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman