

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

January 26, 2023

MINUTES

Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened in person and virtually at 10:00 a.m. on January 26, 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, Geri Grigsby (Proxy for Secretary Holly Johnson), Tucker Ballinger, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Tim Back, Tim Bates, David Brock, Sarah Butler, Ashlee Chilton, Michael Crabtree, Brandon Combs, Rachael Dever, Colin Dodd, Michelle Elder, Ellen Felix, Joseph Gearon, Krista Harrod, James Johnson, Malcolm Jollie, Craig Kelly, Marilyn LeBourveau, Jacob Leigh, Andy Luttner, Brandon Mattingly, Gabrielle McGee, Camryn McManis, Jerod Metz, Danielle Milbern, Amy Mills, Jeff Noel, Kylee Palmer, Corky Peek, Cate Prather, Angelica Sanchez-Vega, Jenny Schenkenfelder, Foster Shroust, Katie Smith, Christopher Snyder, 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; Ron Burse, Louisville Forward; Andrew and Meredith Powell, Henderson Distilling Company, LLC; Missy Vanderpool, Henderson Economic Development; Jay Hall, Wrigley Media Group; Nicolaas Bertelsen, Interstate 35 the Movie, LLC; Ron McMahan, Campbellsville-Taylor County Economic Development Authority; Danny Roth, RNR Media; Brady Nasfell, MetaFrame Media; Bill Sandell, Office of Employer and Apprenticeship Services; Angela Simpson, Avantor Performance Materials; Dan Kanabroski, Warren Technology; Richard Clausen, Resource Environmental Solutions; Pat Graf, William Jones, VanAntwerp Attorneys, LLP; Hal Johnson, Jamie Newell, Tak O'Haru, NAI Ready; Matt Zoellner, Scott Murphy Daniel; John Easley, LioChem e-Materials; Koji Wada, TOYOink America; John Egan, Frost Brown Todd; Steve Powell, Asahi Forge of America; Tony Prim, SWK; Steven Starkweather, Office of Financial Management; Charlie Rowland; Joe Pirro; Carter Hendricks; David Stipes; Robert Shearer; and William Mehrer III

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the December 8, 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

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

Financial Statements and Monitoring Reports

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

Economic Development Fund (EDF) Projects

Chairman Hale called on Michelle Elder to present the EDF projects to the Authority.

Franklin Simpson County Industrial Authority Simpson County

**Ashlee Chilton
Michelle Elder**

Michelle Elder stated the Simpson County Fiscal Court in partnership with the Franklin Simpson County Industrial Authority is considering the construction of an industrial access road and improvements in the Stone-Givens industrial park. The project will assist Simpson County in attraction of economic development projects to the park. The funds from this project are critical to provide access to more competitive sites and to improve economic growth. Additionally, an economic development project has been identified to locate in the industrial park and will not be able to proceed without the access road.

Michelle Elder stated Simpson County Fiscal Court requested the use of \$2,400,000 in EDF program funds for the benefit of Franklin Simpson County Industrial Authority. The project investment is \$2,700,000, and the proposed EDF grant funds will be used to offset the costs associated with this project.

Please note KRS 45.247 previously permitted the Kentucky Transportation Cabinet's Highway Construction Contingency Account to be used to cover industrial access. CED and KYTC agreed funds used from this account must be tied to an economic development project that will create net new jobs and new investment in the Commonwealth. During the 2022 Regular Session of the General Assembly, KRS 45.247 was modified and removed the permission to utilize the account for industrial access roads. Thus, the EDF program is now being requested to fund industrial access road projects.

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. Michelle Elder stated the Secretary's concurrence had been received.

Staff recommended approval of the EDF request.

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

Christian County Fiscal Court Christian County

**Corky Peek
Michelle Elder**

Michelle Elder stated the Christian County Fiscal Court in partnership with the City of Hopkinsville is considering funding infrastructure improvements necessary for the location of Ascend Elements, Inc.'s EV recycling project in Commerce Park II. Infrastructure improvements required for the project include grading of the site and construction of an industrial access road. The funds from this project are critical to provide access for this

economic development project as well as to provide more competitive sites and to improve economic growth.

Michelle Elder stated City of Hopkinsville requested the use of \$7,000,000 in EDF program funds for the benefit of Christian County Fiscal Court. The project investment is \$11,000,000, and the proposed EDF grant funds will be used to offset the costs associated with the industrial access road portion of the project. House Bill 1 of the 2022 Regular Session of the General Assembly authorized a total of \$100,000,000 to support approved mega-development projects. Mega economic development projects are ones that are already of interest to a company seeking to locate or expand in Kentucky and that have infrastructure costs exceeding \$10,000,000 at the potential location. This project will be funded from this source of funds through the EDF program.

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 and Secretary of Transportation Cabinet's concurrence to CED's use of the EDF for this project. Michelle Elder stated the Secretary's concurrences had been received.

Staff recommended approval of the EDF request.

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

Local Industrial Revenue Bond (IRB) Project

Chairman Hale called on Michelle Elder to present the Local IRB project to the Authority.

North American Stainless Carroll County

Michelle Elder stated in accordance with KRS 103.210, Carroll County requested KEDFA review and approve a one hundred percent (100%) reduction in the state ad valorem tax rate on the industrial building and equipment which North American Stainless proposes to be financed through the issuance of industrial revenue bonds by the Carroll County. The company proposed the installation of additional manufacturing processes to enhance production capacity. The principal amount of the IRB authorization is up to \$80,000,000 for a term of 22 years. A Payment in Lieu of Tax Agreement will be required with the Carroll County Board of Education.

Prior Industrial Revenue Bonds issued for North American Stainless, Inc. through Carroll County are being amended to extend the maturity dates. The Series 1994-2005 Bonds will be reissued with maturity dates extended 10 years to January 1, 2034. The Series 2006 Bonds will be reissued with a maturity date extended 3 years to January 1, 2034.

Staff recommended approval of the requested percentage reduction in the state ad valorem tax rate on the industrial building and equipment proposed to be financed through the issuance of the industrial revenue bonds.

Note: The KEDFA board did not make any type of determination as to the legality of the bonds to be issued by the Carroll County, but only approved the reduction on the ad valorem tax rate as provided by KRS 103.200 and KRS 132.020.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Amendment)

Chairman Hale called on Craig Kelly to present the KEIA project amendment to the Authority.

ANP ENERTECH, Inc.

Hardin County

Craig Kelly stated ANP USA, Inc. was approved for KEIA on August 25, 2022. Subsequent to approval, the company has assigned the project to ANP ENERTECH, Inc. effective August 26, 2022. All other aspects of the project remain the same.

Staff recommended approval of the KEIA amendment request.

Chad Miller moved to approve the staff recommendation, as presented; Mike Cowles 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 7 companies requested additional time to complete the projects and asked that all 7 be presented as one motion.

Company	County	Extension
Blueframe Design + Build LLC	Madison	9 Months
Kentucky Green Harvest LLC	Lincoln	11 Months
The Hillshire Brands Corporation	Campbell	12 Months
Green Bomber Spirits Company	Garrard	12 Months
Heaven Hill Distilleries, Inc.	Nelson	12 Months
Logan Corporation	Magoffin	12 Months
Novelis Corporation	Todd	12 Months

Staff recommended approval of the KEIA extension requests.

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

KEIA Projects

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

Buffalo Trace Distillery, Inc.

Franklin County

Jerod Metz 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.

Brandon Combs stated the project investment is \$51,600,000 of which \$8,000,000 qualifies as KEIA eligible costs.

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

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

Jerod Metz

Brandon Combs

**Water Solutions Unlimited Inc.
Grayson County**

**Colin Dodd
Brandon Combs**

Colin Dodd stated Water Solutions Unlimited Inc. offers a wide variety of treatment methods for municipal water/wastewater treatment, industrial water treatment, and agricultural services. The company's new Leitchfield facility will increase the capacity to blend and manufacture non-hazardous chemicals needed to combat dirty water and corrosion.

Brandon Combs stated the project investment is \$3,000,000 of which \$1,200,000 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; Don Goodin seconded the motion. Motion passed; unanimous.

**Asahi Forge of America Corporation
Madison County**

**Foster ShROUT
Brandon Combs**

Foster ShROUT stated Asahi Forge of America Corporation, established in 2003, is a forging manufacturer of spindle and outer ring bearing components. The company is considering expanding its current tool and die shop as well as adding heat treat furnaces to help meet customer demand.

Brandon Combs stated the project investment is \$1,536,000 of which \$700,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$25,000 for construction materials and building fixtures.

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

KBI (Preliminary) and KEIA Projects

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

**LioChem e-Materials LLC
Simpson County**

**Corky Peek
Brandon Combs**

Corky Peek stated LioChem e-Materials LLC is considering establishing new operations in Simpson County to support the growing demand for EV batteries. The company plans to renovate an existing building footprint and would also expand the property over time. The proposed facility will produce and distribute a liquid dispersion of carbon nanotubes that contributes to the production of more durable, high-capacity, and higher-output EV batteries.

Brandon Combs stated the project investment is \$104,420,000 of which \$17,240,000 qualifies as KBI eligible costs and \$3,600,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 141 with an average hourly wage of \$29.00 including benefits. The state wage assessment participation is 3.0% and the City of Franklin will participate at 1.0%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$4,000,000 and the KEIA approved recovery amount of \$200,000 for construction materials and building fixtures.

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

**North American Stainless
Simpson County**

**Ashlee Chilton
Brandon Combs**

Ashlee Chilton stated North American Stainless, founded in 1990, has become the largest, fully integrated stainless-steel producer in the United States and remains focused on being the leading producer of high-quality stainless steel. The company is considering the installation of additional manufacturing processes to enhance production capacity.

Brandon Combs stated the project investment is \$244,000,000 all of which qualifies as KBI eligible costs and \$60,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 70 with an average hourly wage of \$36.79 including benefits. The state wage assessment participation is 4.5%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. 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 \$2,500,000 and the KEIA approved recovery amount of \$400,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

**Carter Lumber Company
Warren County**

**Corky Peek
Michelle Elder**

Corky Peek stated Carter Lumber Company, founded in 1932, is the nation's 4th largest lumberyard with over 170 locations across 13 states. Carter Lumber acquired the Kight Home Center brand in 2005 and this proposed Bowling Green location will operate under the Kight name. This new location will allow Carter to add manufacturing capabilities of roof and floor trusses, wall panels, and carry engineered wood products.

Michelle Elder stated the project investment is \$8,100,000 of which \$7,490,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 86 with an average hourly wage of \$33.00 including benefits. The state wage assessment participation is 3.0% and the City of Bowling Green 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 \$750,000.

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

**Henderson Distilling Company, LLC
Henderson County**

**Corky Peek
Michelle Elder**

Corky Peek stated Henderson Distilling Company, LLC is considering a new distilled spirits plant in Henderson. The company would like to breathe new economic life into a downtown facility long occupied by Henderson Municipal Power & Light. The rehabilitation of the government building will include a full production facility along with corresponding tourism and retail space.

Michelle Elder stated the project investment is \$5,000,000, of which \$4,140,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 12 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 3.0% and Henderson County will give \$300,000.

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

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

**Precision Sonar and Outdoors LLC
Marshall County**

**Corky Peek
Michelle Elder**

Corky Peek stated Precision Sonar and Outdoors LLC is the industry-leading manufacturer of GPS/sonar mounting systems. The company is considering building a new facility in order to serve its customers with the same high-quality craftsmanship while becoming more efficient with more space and a floor plan to assist in getting orders out quicker.

Michelle Elder stated the project investment is \$2,196,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 12 with an average hourly wage of \$23.00 including benefits. The state wage assessment participation is 4.5%.

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

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

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

**White Drive Motors and Steering LLC
Christian County**

**Ashlee Chilton
Michelle Elder**

Ashlee Chilton stated White Drive Motors and Steering LLC is a dynamic global business specialized in hydraulic fluid power and high-pressure pumps. The company is considering

moving its production lines from Parchim, Germany to Hopkinsville. White Drive hopes to expand the building as well as add equipment for the increased business.

Michelle Elder stated the project investment is \$10,194,000, 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 \$34.00 including benefits. The state wage assessment participation is 4.5%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$475,000.

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

**Avantor Performance Materials LLC
Bourbon County**

**Foster ShROUT
Michelle Elder**

Foster ShROUT stated Avantor Performance Materials LLC is considering an expansion to its Bourbon County facility. This investment will create and support best-in-class chemical manufacturing operations.

Michelle Elder stated the project investment is \$11,500,000 of which \$2,200,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 10 with an average hourly wage of \$29.00 including benefits. The state wage assessment participation is 3.0%. The City of Paris and Bourbon County will both participate at 0.5% for a combined total of 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 \$150,000.

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

**INFAC North America Inc
Taylor County**

**Foster ShROUT
Michelle Elder**

Foster ShROUT stated INFAC North America Inc opened its first U.S. operation in 2008, the company has outgrown this location multiple times. INFAC is considering expanding this location to help meet customers' demand.

Michelle Elder stated the project investment is \$58,607,317, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 210 with an average hourly wage of \$18.46 including benefits. The state wage assessment participation is 4.5%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$3,000,000.

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

**Multitech Industries Incorporated
Simpson County**

**Cate Prather
Michelle Elder**

Cate Prather stated Multitech Industries Incorporated, founded in 1993, is a top provider of highly engineered metal components and assemblies. The company is considering expanding its current manufacturing location to include an in-house tool room, state of the art quality and testing laboratory as well as a start-of-the-art software system for its progressive die stamping production equipment.

Michelle Elder stated the project investment is \$3,609,353 of which \$2,132,953 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 20 with an average hourly wage of \$27.24 including benefits. The state wage assessment participation is 3.0% and Simpson 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$275,000.

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

KBI Projects (Extension)

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

Michelle Elder stated 7 companies requested additional time to complete the projects and asked that all 7 be presented as one motion.

Company	County	Extension
AgTech Scientific, LLC	Bourbon	12 Months
Blockware Mining, LLC	McCracken	12 Months
Bluegrass Roller Service, Inc.	Shelby	12 Months
Green Bomber Kentucky, LLC	Garrard	12 Months
MHS Equipment, LLC	Warren	12 Months
OFS Brand Holdings, Inc.	Grayson	12 Months
Weiland North America, Inc.	Jefferson	12 Months

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

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

Modifications:

Diageo Americas Supply, Inc.

Marion

Manufacturing

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

ISCO Industries, Inc.

Jefferson

Manufacturing

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

Neat Distributing, LLC

Russell

Manufacturing

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

Novelis Corporation

Todd

Manufacturing

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

Process Solutions and Services Inc.

Jefferson

Manufacturing

Total investment and eligible cost have been updated based on the current projections. The project will now include multiple locations in Jefferson County, only investment at the project location will be considered towards calculating eligible costs. All other aspects of the project remain the same.

Signode Industrial Group LLC

Kenton

Manufacturing

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

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

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

Kentucky Rural Hospital Loan Program (KRHLP)

Chairman Hale called on Kylee Palmer to present the Kentucky Rural Hospital Loan Program project to the Authority.

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

**Kristina Slattery
Kylee Palmer**

Kylee Palmer stated Deaconess Union County Hospital, Inc. opened in 1946 and serves the Morganfield, KY community. The acute care hospital has a 25-bed acute care wing and offers a 24-hour emergency department, a hospital-based ambulance service and a full range of diagnostic services including lab, imaging, and mammography, as well as physical therapy, cardiopulmonary care, and surgical services.

Deaconess Union County Hospital is requesting loan proceeds from the Kentucky Rural Hospital Loan Program to renovate the existing surgery space and support space to include an Endoscopy room, OR, PACU, Prep Area, Sterile Supply and Processing and all required support space to meet code requirements. The term of the loan includes an interest rate of 1.0% and the retention of 77 full-time employees at the facility over the 20-year term of the loan. Collateral will be a Letter of Credit. Monthly principal and interest payments via ACH will begin no later than January 31, 2024. All project cost must be incurred and all supporting

documentation, including invoices and proof of payment, must be submitted no later than January 31, 2024.

Staff Recommended approval.

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

Kentucky Entertainment Incentive (KEI) Projects (Final)

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

A Royal Christmas Surprise LLC

Tim Bates

A Royal Christmas Surprise

Tim Bates stated that a Royal Christmas Surprise LLC plans to produce a Feature-Length Film, A Royal Christmas Surprise, in Barren County. Production is set to begin as early as February 1, 2023 and is anticipated to end by December 31, 2023. The Company anticipates \$432,920 in qualifying payroll expenditures and \$226,213 in qualifying non-payroll expenditures for a total of \$659,133. The company also anticipates employing 31 Kentucky resident crew members and 6 Non-Kentucky resident crew members for a total production crew of 37.

Staff recommended a total negotiated tax incentive amount of \$208,863.

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

Amish Movie 23 LLC

Tim Bates

Amish Christmas

Tim Bates stated that Amish Movie 23 LLC plans to produce a Feature-Length Film, Amish Christmas, in Pulaski County. Production is set to begin as early as March 6, 2023 and is anticipated to end by March 22, 2023. The Company anticipates \$187,934 in qualifying payroll expenditures and \$135,738 in qualifying non-payroll expenditures for a total of \$323,672. The company also anticipates employing 22 Kentucky resident crew members and 6 Non-Kentucky resident crew members for a total production crew of 28.

Staff recommended a total negotiated tax incentive amount of \$113,285.

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

Interstate 35 The Movie LLC

Joseph Gearon

Interstate 35

Joseph Gearon stated that Interstate 35 The Movie LLC plans to produce a Feature-Length Film, Interstate 35, in Boone, Campbell and Kenton Counties. Production is set to begin as early as January 30, 2023 and is anticipated to end by April 7, 2023. The Company anticipates \$825,167 in qualifying payroll expenditures and \$310,792 in qualifying non-payroll expenditures for a total of \$1,135,959. The company also anticipates employing 180 Kentucky resident crew members and 14 Non-Kentucky resident crew members for a total production crew of 194.

Staff recommended a total negotiated tax incentive amount of \$360,203.

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

**Leader Films LLC
The Leader**

Joseph Gearon

Joseph Gearon stated that Leader Films LLC plans to produce a Feature-Length Film, The Leader, in Jefferson County. Production is set to begin as early as January 26, 2023 and is anticipated to end by August 14, 2023. The Company anticipates \$2,939,471 in qualifying payroll expenditures and \$761,317 in qualifying non-payroll expenditures for a total of \$3,700,788. The company also anticipates employing 102 Kentucky resident crew members and 32 Non-Kentucky resident crew members for a total production crew of 134.

Staff recommended a total negotiated tax incentive amount of \$1,154,815.

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

**MetaFrame Media LLC
Mr. Manhattan**

Joseph Gearon

Joseph Gearon stated that MetaFrame Media LLC plans to produce a Feature-Length Film, Mr. Manhattan, in Fayette and Jessamine Counties. Production is set to begin as early as January 26, 2023 and is anticipated to end by June 30, 2024. The Company anticipates \$1,224,420 in qualifying payroll expenditures and \$268,785 in qualifying non-payroll expenditures for a total of \$1,493,205. The company also anticipates employing 100 Kentucky resident crew members and 14 Non-Kentucky resident crew members for a total production crew of 114.

Staff recommended a total negotiated tax incentive amount of \$474,916.

Geri Grigsby moved to approve the staff recommendation, as presented. Mike Cowles 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 5 Kentucky small businesses, from 4 counties with qualifying tax credits of \$50,200. The 5 businesses created 15 jobs and invested \$386,317 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
Automotive Service Products, Inc.	Boone	30	4	\$17.75	\$15,940	\$14,000
Cornerstone Sign and Decal, Inc.	Jefferson	7	2	\$18.45	\$185,750	\$7,000

Ingenium Solutions, LLC	Jefferson	6	5	\$28.40	\$15,254	\$15,200
Knox Professional Pharmacy, Inc.	Knox	2	2	\$16.00	\$132,900	\$7,000
Volta Inc.	Franklin	29	2	\$49.76	\$36,473	\$7,000

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

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

Tim Back stated there are 2 Kentucky Angel Investment Act projects representing 2 Kentucky businesses and 1 investor for a total projected investment of \$150,000 with eligible tax credits of \$37,500. 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
Roy T. Toutant	PowerTech Water, Inc.	Fayette	\$75,000	\$18,750
Roy T. Toutant	Thynk Health, LLC	Fayette	\$75,000	\$18,750

Staff recommended approval of the proposed Angel Investment tax credits.

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

Other Business

Quarterly Report - Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Kylee Palmer to review the KSBCI Quarterly Funding Report for the period ending December 31, 2022. After review, the Authority accepted the report as presented

Quarterly Amendments

Chairman Hale called on Angelica Sanchez-Vega to review the Quarterly Amendment Report ending January 26, 2023.

Angelica Sanchez-Vega stated the Bylaws of the Board of Directors of KEDFA grant authority to the Commissioner of the Department of Financial Services to effectuate minor

changes or modifications to existing agreements with approved companies that do not substantively modify contract terms.

Angelica Sanchez-Vega noted the following amendment has been executed.

KBI

Gryphon Environmental, Inc.

Letter Amendment to KBI agreement for company name change due to merger.

Staff recommended the authority accept the amendment report and adopt the resolution to ratify the amendment.

Don Goodin 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.

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

The meeting adjourned at 11:09 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman