



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
Department for Financial Services *KS*

DATE: February 17, 2023

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **February 23, 2023** 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/84833437541>

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

AGENDA

February 23, 2023

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/89463244407>

Call to Order

Notification of Press

Roll Call

Minutes

Minutes from January 26, 2023 KEDFA Board Meeting

Reports

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

KEDFA Grant Amendment

Kylee Palmer

Knox County Fiscal Court	Knox
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KEIA Projects (Extension)

Craig Kelly

J.W. Rutledge Distillery, LLC	Woodford
Kentucky Cooperage LP, Ltd	Marion
Meggitt Aircraft Braking Systems Kentucky Corporation	Boyle
Universal Piping Industries, Inc.	Scott

KEIA Projects (Final)

Lakeshore Learning Materials, LLC	Woodford	Colin Dodd/Michelle Elder
iVCP Athens South LLC	Fayette	Malcolm Jollie/Brandon Combs

KBI Projects (Preliminary) & KEIA Projects

Heaven Hill Distilleries, Inc.	Nelson	Colin Dodd/Michelle Elder
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KBI Projects (Preliminary)

AGI Polymatrix LLC	Hardin	Cate Prather/Michelle Elder
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AP Electric, Inc.	Jefferson	Cate Prather/Michelle Elder
Fort Dearborn Company	Jefferson	Cate Prather/Michelle Elder
Lamiflex Inc.	Fayette	Colin Dodd/Michelle Elder
Neogen Corporation	Fayette	Colin Dodd/Michelle Elder
29th Street Property Management, LLC	Jefferson	Malcolm Jollie/Brandon Combs
Houston-Johnson, Inc.	Jefferson	Malcolm Jollie/Brandon Combs
Steelblue Building Components LLC	Scott	Ashlee Chilton/Brandon Combs

KBI Projects (Extension)

Michelle Elder

C & C Industrial, LLC	Montgomery
Envision Modular LLC	Hancock
LHC Group, Inc.	Jefferson
T. Marzetti Company	Hart

KBI Projects (Final)

Brandon Combs

Confluent Health, LLC	Jefferson
Independent Stave Company, LLC	Rowan
Meyer Tool, Inc.	Boone

KEI Projects

Tim Bates

CFA Touring LLC	McCracken
Dreams LLC	Jefferson, Oldham, Trimble
Night Lily Movie 23 LLC	Pulaski
Sparks Movie 23 LLC	Pulaski

Kentucky Small Business Tax Credit

Tim Back

Advanced Dental Center, Inc.	Jefferson
Bozz's Excavating, LLC	Daviess
Clique Boutique LLC	Jefferson
Collier Associates, Inc.	Marshall
Collier Electrical Service, Inc.	Marshall
Dennis L. Thomas & Company, PLLC.	Jefferson
JC Brewer Construction, Inc.	Warren
LJS Transport LLC	Graves
REB Architects, PLLC	Jessamine
Waityn4JC Mobilization LLC	Anderson

Kentucky Selling Farmer Tax Credit

Tim Back

Jackson S. Armour, Madisen Armour, David Shane Armour, Kelly Jo Armour	McLean
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Closed Session

Other Business

KSBCI 2.0 Resolution

Kylee Palmer

Resolution of Recognition

Jean Hale

Adjournment

KEDFA APPROVED AND NOT DISBURSED

1/31/2023

Approved and Undisbursed KEDFA Projects

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

Envision AESC Bowling Green, LLC	117498	Warren	Dec-22	Dec-29	\$116,800,000
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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					<u>\$117,181,774</u>
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RURAL HOSPITAL LOANS

Baptist Health Deaconess Madisonville, Inc.	102793	Hopkins	Mar-22	Mar-23	\$975,000
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Deaconess Union County Hospital, Inc.	117619	Union	Jan-23	Jan-23	\$1,000,000
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TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)-KRHLF FUND					<u>\$1,975,000</u>
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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 LOANS

BlueOval SK, LLC	117499	Hardin	Dec-22	Dec-26	\$250,000,000	(\$225,000,000)	\$25,000,000
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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							<u>\$25,100,000</u>
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Crittenden Community Hospital, LLC	102956	Crittenden	Jun-22	Jun-23	\$998,392	(\$342,130)	\$656,262
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Ohio County Hospital Corporation	103043	Ohio	Aug-22	Aug-23	\$999,705	(\$108,974)	\$890,731
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TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)-KRHLF FUND							<u>\$1,546,992.86</u>
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TOTAL KEDFA APPROVED AND NOT DISBURSED-FUND E**\$142,281,774****TOTAL KEDFA APPROVED AND NOT DISBURSED-KRHLF FUND****\$3,521,993**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

STATEMENT OF NET POSITION

12/31/2022

	FUND A	BOND FUND	Small Bus. Loan Pool	KRHLP FUND	GENERAL FUND	KEDFA 12/31/22	OOE 12/31/22	COMBINED 12/31/22
<u>ASSETS</u>								
Cash & Accounts Receivable								
Operating Account	37,534.20	0.00	0.00	0.00	0.00	37,534.20	0.00	37,534.20
Cash	19,655,743.57	12,937,315.32	418,306.84	2,713,162.00	0.00	35,724,527.73	0.00	35,724,527.73
Cash - Restricted	15,000,000.00	0.00	0.00	0.00	0.00	15,000,000.00	0.00	15,000,000.00
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	142,281,774.00	0.00	0.00	1,000,000.00	0.00	143,281,774.00	0.00	143,281,774.00
Total Cash & Accounts Receivable	176,975,051.77	12,937,315.32	418,306.84	3,713,162.00	0.00	194,043,835.93	2,670,674.52	196,714,510.45
Accrued Interest Receivable								
Loans	33,903.03	(634.08)	0.00	6,307.20	0.00	39,576.15	0.00	39,576.15
Investments	114,501.81	42,935.52	1,384.92	8,974.33	0.00	167,796.58	0.00	167,796.58
Total Accrued Interest Receivable	148,404.84	42,301.44	1,384.92	15,281.53	0.00	207,372.73	0.00	207,372.73
Notes Receivable								
Loans Receivable	254,968,391.90	156,250.00	0.00	2,572,328.89	0.00	257,696,970.79	0.00	257,696,970.79
(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	254,968,391.90	156,250.00	0.00	2,572,328.89	0.00	256,219,162.36	0.00	256,219,162.36
TOTAL ASSETS	432,091,848.51	13,135,866.76	419,691.76	6,300,772.42	0.00	450,470,371.02	2,670,674.52	453,141,045.54
DEFERRED OUTFLOWS OF RESOURCES:								
<i>Deferred Outflows Pension</i>						791,000.00	0.00	791,000.00
<i>Deferred Outflows OPEB</i>						687,000.00	0.00	687,000.00
<u>LIABILITIES</u>								
Accrued Salaries & Compensated Absences						343,544.51	0.00	343,544.51
Accounts Payable							0.00	0.00
Intergovernment Payable								0.00
Grants Payable						0.00	0.00	0.00
Pension Liability						11,941,000.00	0.00	11,941,000.00
OPEB Liability						2,033,000.00	0.00	2,033,000.00
TOTAL LIABILITIES						14,317,544.51	0.00	14,317,544.51
DEFERRED INFLOWS OF RESOURCES								
<i>Deferred Inflows Pension</i>						595,000.00	0.00	595,000.00
<i>Deferred Inflows OPEB</i>						534,000.00	0.00	534,000.00
<u>NET POSITION</u>								
Beginning Balance						52,010,062.21	2,670,674.52	54,680,736.73
Current Year Undivided Profits						384,491,764.30	0.00	384,491,764.30
TOTAL NET POSITION						436,501,826.51	2,670,674.52	439,172,501.03

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 January 31, 2023

	FUND A	BOND FUND	Small Bus Loan Pool	KRHLP FUND	GENERAL FUND	OOE FUND	FY 2022-2023 YEAR TO DATE	FY 2021-2022 YEAR TO DATE
Operating Revenues - KEDFA								
Interest Income/Loans	8,132.12	243.34	0.00	1,710.07	0.00	0.00	72,049.97	72,746.15
Interest Income/ Investments	114,501.81	42,935.52	1,384.92	8,974.33	0.00	0.00	692,141.10	1,284.99
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	40,839.98	0.00	0.00	0.00	0.00	0.00	509,842.57	254,220.01
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	0.00	318.57	1.83
Total Operating Revenues - KEDFA	163,473.91	43,178.86	1,384.92	10,684.40	0.00	0.00	1,274,352.21	328,252.98
Operating Expenses - KEDFA								
Salaries	120,253.85				9,987.32		814,182.52	709,130.88
Employee benefits	106,379.78				10,107.16		798,956.39	749,754.86
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	10,178.07						103,672.09	85,312.91
Maintenance and Repairs	0.00						0.00	0.00
Computer Services	0.00						0.00	0.00
Supplies	1,245.00						1,245.00	0.00
Miscellaneous Services	0.00						0.00	0.00
Travel	35.20						1,859.81	16.00
Dues	0.00						0.00	2,595.00
Commodities Expense	0.00						0.00	0.00
Bad Debt Expense	0.00						0.00	0.00
Grant Disbursement	0.00						0.00	0.00
Total Operating Expenses - KEDFA	238,091.90	0.00	0.00	0.00	20,094.48	0.00	1,719,915.81	1,547,260.65
Income (Loss) from Operations - KEDFA	(74,617.99)	43,178.86	1,384.92	10,684.40	(20,094.48)	0.00	(445,563.60)	(1,219,007.67)
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
Repayments Received from Projects							15,000,000.00	
Grants Disbursed							0.00	0.00
Operating Transfer In - General Fund				1,000,000.00	20,094.48		369,937,327.90	1,093,261.91
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	1,000,000.00	20,094.48	0.00	384,937,327.90	1,093,261.91
CHANGE IN NET POSITION - KEDFA	(74,617.99)	43,178.86	1,384.92	1,010,684.40	0.00	0.00	384,491,764.30	(125,745.76)
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	0.00
Repayments received from Projects							0.00	0.00
Non-Operating Revenues (Expenses) - OOE								
Operating Transfer in - OOE							0.00	0.00
Transfer Due from Bonds							0.00	0.00
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	0.00
CHANGE IN NET POSITION - COMBINED	(74,617.99)	43,178.86	1,384.92	1,010,684.40	0.00	0.00	384,491,764.30	(125,745.76)

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
1/31/2023

	<u>1/31/2022</u>	<u>1/31/2023</u>
Fund A Cash Balance	\$3,727,370.34	\$34,655,743.57
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	<u>\$3,727,370.34</u>	<u>\$34,655,743.57</u>
 2003 Bond Fund Cash Balance	 \$14,141,854.79	 \$12,937,315.32
Less: Approved/Undisbursed	(581,774.00)	(142,281,774.00)
Total Unobligated Balance	<u>\$13,560,080.79</u>	<u>(\$129,344,458.68)</u>
 Small Business Loan Fund Cash Balance	 \$412,977.78	 \$418,306.84
Less: Approved/Undisbursed	0.00	
Total Unobligated Balance	<u>\$412,977.78</u>	<u>\$418,306.84</u>
 Kentucky Rural Hospital Loan Fund Cash Balance	 \$35,550.86	 \$2,713,162.00
Less: Approved/Undisbursed	0.00	(3,521,993.00)
Total Unobligated Balance	<u>\$35,550.86</u>	<u>(\$808,831.00)</u>
 Bond Funds to be Provided for Loans	 \$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>\$142,800,000.00</u>
 CASH AVAILABLE	 <u><u>\$17,735,979.77</u></u>	 <u><u>\$47,720,760.73</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	\$2,529,130.64	\$2,529,130.64
Less: Approved/Undisbursed	\$0.00	\$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>\$2,670,675</u>	<u>\$2,670,675</u>
 TOTAL ALL FUNDS	 <u><u>\$20,406,654.29</u></u>	 <u><u>\$50,391,435.25</u></u>

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal Year End 2023

KEDFA Meeting date	2/23/2023
Total Projects Approved Fiscal Year-to-Date	36
Number of Proposed Projects for Current Month	3
<u>Construction Materials and Building Fixtures</u>	
Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$11,875,000
Committed Amount	\$0
Balance Available for Current Month	\$8,125,000
Proposed Approval for Current Month	\$ 300,000
Balance Available for Remainder of Fiscal Year	<u><u>\$7,825,000</u></u>
<u>Research & Development and Electronic Processing Equipment, Flight Simulation Equipment</u>	
Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$325,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$4,675,000
Proposed Approval for Current Month	<u>\$75,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$4,600,000</u></u>

KBI Summary

Updated February 8, 2023

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	290	31,594	25,634	123%	\$26.24	\$21.77	121%
2019	331	35,397	29,299	121%	\$27.88	\$22.38	125%
2020	347	38,950	32,645	119%	\$29.44	\$22.99	128%
2021	345	36,267	33,021	110%	\$30.69	\$23.61	130%
2022	128	12,150	11,801	103%	\$30.14	\$23.67	127%

Annual Maximums and Incentives Claimed

Year	Approved Annual Maximum	Earned Annual Maximum	Incentives Claimed*	Utilization Rate
2010-2012**	\$5,182,833	\$4,914,663	\$2,104,094	43%
2013	\$15,611,951	\$13,992,639	\$6,601,085	47%
2014	\$27,405,836	\$23,759,875	\$13,131,631	55%
2015	\$45,896,940	\$39,276,598	\$18,084,965	46%
2016	\$40,299,248	\$35,382,109	\$20,566,525	58%
2017	\$44,952,034	\$38,751,699	\$24,998,373	65%
2018	\$52,273,284	\$44,172,090	\$30,799,074	70%
2019	\$63,703,319	\$54,270,834	\$30,127,116	56%
2020	\$58,022,165	\$50,354,387	\$27,654,834	55%
2021	\$38,116,690	\$36,709,711	\$27,933,846	76%
2022	\$30,076,581	\$29,806,614	\$3,058,600	10%
Grand Total	\$421,540,880	\$371,391,218	\$205,060,142	

- Based on actual jobs and wages reported in 2021 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 Entertainment Incentive (KEI) Projects
Calendar Year 2023**

KEDFA Meeting date	2/23/2023
Total Projects Approved Fiscal Year-to-Date	5
Number of Proposed Projects for Current Month	4
Calendar Year Cap	\$75,000,000
Approved Calendar Year-to-Date	\$2,312,082
Balance Available for Current Month	\$72,687,918
Proposed Approval for Current Month	<u>\$1,532,700</u>
Balance Available for Remainder of Calendar Year	<u><u>\$71,155,218</u></u>

Project Update Report

February 2023

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	Ironton Enterprises LLC	McCracken	12/7/2017	Project expired due to no response from the company.
KBI	Stryker Logistics, LLC	Warren	6/28/2018	Project expired due to no response from the company.
KBI	Stratus Plastics KY, LLC	Butler	6/29/2017	Project expired due to no response from the company.
KBI	LORD Corporation	Warren	2/7/2019	Company sent email to withdraw from the KBI project.


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
KREDA	Outdoor Venture	McCreary	5/27/2010	Yes	Company sent an email concluding KREDA project 12/31/2021
KBI	3M Company	Harrison	4/26/2018	Yes	Company sent email to withdraw from the program due to not being able to meet the statewide employment level.
KBI	Neogen Corporation	Fayette	6/26/2014	Yes	Withdrew to start a new KBI
KBI	Owensboro Grain Bio Based Products	Daviess	7/30/2015	Yes	Company sent email to withdraw from the program due to not being able to meet the statewide employment level

MEMORANDUM

TO: KEDFA Board

FROM: Kylee D. Palmer 

DATE: February 23, 2023

SUBJECT: Second Amendment to the KEDFA Grant Agreement with Corbin Tri-County Joint Industrial Development Authority

The Corbin Tri-County Joint Industrial Development Authority is requesting a second amendment to the KEDFA Grant Agreement to change the approved grantee and reduce the eligible grant amount of the project. The project was originally approved at the October 29, 2015 KEDFA meeting for a \$381,774 KEDFA Grant to make road infrastructure improvements in the industrial park. These improvements would allow roadway access to a new harness racing track and entertainment center in Corbin, Knox County, Kentucky. A first amendment to the project was approved at the September 30, 2021 KEDFA meeting for a three-year time extension to October 31, 2024 for the completion of the roadwork.

Construction of a Standardbred Horse Racing and Entertainment Facility is underway with anticipated completion by summer of 2023 and races planned for fall of 2023. This project was delayed due to litigation regarding objections to HHR (historical horse racing). With the passage of SB 120 in February 2021, legalizing HHR machines, this project is now back on track.

The project is anticipated to include the development and construction of a 5/8-mile oval Standardbred-style racetrack with a grandstand, horse receiving barn, and approximately a 6,000 square foot entertainment center. The facility will include a bar and concessions and would be the main location at the track for wagering with 51 historical racing terminals. Cumberland Run will be the third Standardbred track in Kentucky, including The Red Mile and Oak Grove.

The total investment for the project will exceed \$25,000,000 and will create approximately 57 new jobs for the region. Today, the project reports it is 75% completed with the majority of the spend on land improvements.

To access the site, road improvements were needed to accommodate the anticipated increased traffic flow. The Kentucky Transportation Cabinet (KYTC) committed \$550,000 in FD39 Funds and the remaining funds (\$381,774) were approved through this KEDFA Grant. Additional funding for the road infrastructure has been obtained but there are currently no funds available to complete the utility infrastructure on the project site. The utility infrastructure must be completed before the roadwork can be completed

within the industrial park. This request is to reallocate the grant funds from the road infrastructure project to the utility infrastructure project.

Corbin Tri-County Joint Industrial Development Authority and the Knox County Fiscal Court are requesting to amend the KEDFA Grant Agreement to assign the grant from the Corbin Tri-County Joint Industrial Development Authority to the Knox County Fiscal Court and reduce the grant from \$381,774 to \$310,050 for expenses related to the utility infrastructure project. Disbursement of the KEDFA funds will be on a reimbursement basis.

Staff recommends approval to amend the KEDFA Grant.

MEMORANDUM

TO: KEDFA Board Members

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

DATE: February 23, 2023

SUBJECT: KEIA Extensions

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

Company	County	Extension
J.W. Rutledge Distillery, LLC	Woodford	12 Months
Kentucky Cooperage LP, Ltd	Marion	12 Months
Meggitt Aircraft Braking Systems Kentucky Corporation	Boyle	12 Months
Universal Piping Industries, Inc.	Scott	12 Months

Staff recommends approval.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: February 23, 2023
Approved Company: Lakeshore Learning Materials, LLC
City: Midway **County:** Woodford
Activity: Non-Retail Service or Technology **Resolution #:** KEIA-23-117648
Bus. Dev. Contact: B. Dickinson **DFS Staff:** M. Elder

Project Description: Founded in 1954, Lakeshore Learning Materials is the leading U.S. developer of educational materials and classroom furniture & supplies. Over the last decade, Lakeshore's business has grown at a remarkable rate and its site in Midway is already nearing capacity. The company is considering adding an additional 360,000 square foot distribution location to meet customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment

	Eligible Costs	Total Investment
Land	\$0	\$0
Building Construction	\$14,050,000	\$23,000,000
Electronic Processing Equipment	\$456,700	\$456,700
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$3,770,000
Other Start-up Costs	\$0	\$100,000
TOTAL	\$14,506,700	\$27,326,700

Ownership (20% or more):

Michael Kaplan Hermosa Beach, CA
Charles Kaplan Santa Monica, CA

Other State Participation: None

Unemployment Rate:

County: 2.4%

Kentucky: 3.4%

Existing Presence in Kentucky:

Woodford County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$100,000
R&D and/or Electronic Processing Equipment: \$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$125,000

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: February 23, 2023
Approved Company: iVCP Athens South LLC
City: Lexington
Activity: Tourism
Bus. Dev. Contact: M. Jollie

County: Fayette
Resolution #: KEIA-23-117653
DFS Staff: B. Combs

Project Description: iVCP Athens South LLC will lead the development of a state of the art training and tournament sports field complex in Fayette County. The proposed sports complex will serve multiple purposes for teams around the city, state, and region.

Facility Details: Locating in a new facility

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$2,600,000
\$19,421,700	\$32,369,500
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$127,000
\$19,421,700	\$35,096,500

Ownership (20% or more):

William J. Shively Lexington, KY
Stephen Dawahare Lexington, KY

Unemployment Rate:

County: 2.6%

Kentucky: 3.4%

Existing Presence in Kentucky:

None

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL

Date: February 23, 2023
Approved Company: Heaven Hill Distilleries, Inc.
City: Bardstown **County:** Nelson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-23-117654
Bus. Dev. Contact: C. Dodd **DFS Staff:** M. Elder

Project Description: Heaven Hill Distilleries, Inc. is the nation's second largest family owned producer and marketer of distilled spirits. The company is considering increasing its capacity of its barreling capabilities in order to increase production capacity.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$7,294,080	\$7,294,080
\$200,000	\$9,893,424
\$217,496	\$217,496
\$7,711,576	\$17,405,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$33.62	
1	10	\$33.62	\$25,000
2	15	\$33.62	\$25,000
3	15	\$33.62	\$25,000
4	15	\$33.62	\$25,000
5	15	\$33.62	\$25,000
6	15	\$33.62	\$25,000
7	15	\$33.62	\$25,000
8	15	\$33.62	\$25,000
9	15	\$33.62	\$25,000
10	15	\$33.62	\$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):

Ellen S. Miller - Bardstown, KY

Adam R. Shapira - Bardstown, KY

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status / Jobs Required</u>	<u>Amount</u>
Mar 31, 2022	KBI	Approve-Prelim/585	\$1,250,000
Mar 31, 2022	KEIA	Approval-Final	\$250,000

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: .50% City of Bardstown

Unemployment Rate:

County: 2.9%

Kentucky: 3.4%

Existing Presence in Kentucky:

Jefferson and Nelson Counties

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 585 full-time employees subject to Kentucky income tax as of the application date.

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.

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: February 23, 2023
Approved Company: Heaven Hill Distilleries, Inc.
City: Bardstown
Activity: Manufacturing
Bus. Dev. Contact: C. Dodd
County: Nelson
Resolution #: KEIA-23-117655
DFS Staff: M. Elder
Project Description: Heaven Hill Distilleries, Inc. is the nation's second largest family owned producer and marketer of distilled spirits. The company is considering increasing its capacity of its barreling capabilities in order to increase production capacity.

Facility Details: Expanding existing operations

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$0
\$5,825,000	\$7,294,080
\$1,400,000	\$1,400,000
\$0	\$0
\$0	\$0
\$0	\$8,493,424
\$0	\$217,496
\$7,225,000	\$17,405,000

Approved Recovery Amount:

R&D and/or Electronic Processing Equipment: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000

See KBI file (KBI-I-23-117654) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: February 23, 2023
Approved Company: AGI Polymatrix LLC
City: Elizabethtown
Activity: Manufacturing
Bus. Dev. Contact: C. Prather

County: Hardin
Prelim Resolution #: KBI-IL-23-117658
DFS Staff: M. Elder

Project Description: AGI Polymatrix LLC, an injection molding facility, manufactures "consumer packaging goods" and "light industrial" plastic injection molded products to complement the core offering of rigid media packaging. The company is considering purchasing new machines and infrastructure improvements to help meet customer demand.

Facility Details:

Anticipated Project Investment - Leased

Rent
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$446,461	\$446,461
\$400,000	\$6,957,082
\$0	\$0
\$846,461	\$7,403,543

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$24.74	
1	20	\$24.74	\$25,000
2	20	\$24.74	\$25,000
3	20	\$24.74	\$25,000
4	20	\$24.74	\$25,000
5	20	\$24.74	\$25,000
6	20	\$24.74	\$25,000
7	20	\$24.74	\$25,000
8	20	\$24.74	\$25,000
9	20	\$24.74	\$25,000
10	20	\$24.74	\$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):

LEP Westfall Holdings LLC New York, NY

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

State: 3.0%

Local: 1.0% City of Elizabethtown

Unemployment Rate:

County: 3.5%

Kentucky: 3.4%

Existing Presence in Kentucky:

Hardin 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 82 full-time employees subject to Kentucky income tax as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL

Date: February 23, 2023
Approved Company: AP Electric, Inc.
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-23-117659
Bus. Dev. Contact: C. Prather **DFS Staff:** M. Elder

Project Description: AP Electric, Inc., founded in 2017, provides services to customers in Industrial, Automotive & Manufacturing, Healthcare, Power Generation, Waste Water, Temperature Controls, Industrial Controls and commercial sectors. The company is considering constructing an additional property and equipment upgrades to help meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

	Eligible Costs	Total Investment
Land	\$0	\$0
Building/Improvements	\$1,700,000	\$1,700,000
Equipment	\$200,000	\$500,000
Other Start-up Costs	\$0	\$0
TOTAL	\$1,900,000	\$2,200,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$44.00	
1	20	\$44.00	\$50,000
2	30	\$44.00	\$50,000
3	30	\$44.00	\$50,000
4	30	\$44.00	\$50,000
5	30	\$44.00	\$50,000
6	30	\$44.00	\$50,000
7	30	\$44.00	\$50,000
8	30	\$44.00	\$50,000
9	30	\$44.00	\$50,000
10	30	\$44.00	\$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

Incentive Type:
Other

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

Ownership (20% or more):
Andy Paschal Louisville, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% City of Louisville

Unemployment Rate:
County: 2.9% Kentucky: 3.4%

Existing Presence in Kentucky:
Jefferson County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 100 full-time employees subject to Kentucky income tax as of the application date.

The project will include multiple locations within Jefferson County/Louisville. Only investment costs incurred at 6300 Fern Valley Pass 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: February 23, 2023
Approved Company: Fort Dearborn Company
Approved Affiliate(s): Multi-Color Corporation
City: Louisville
Activity: Manufacturing
Bus. Dev. Contact: C. Prather

County: Jefferson
Prelim Resolution #: KBI-IL-23-117656
DFS Staff: M. Elder

Project Description: Multi-Color Corporation, which combined with Fort Dearborn Company in 2021, is one of the largest label companies in the world. The company operates over 100 label producing operations in over 29 countries. Due to increased demand, the Louisville facility has outgrown its current location and is considering a new location in order to increase its manufacturing space.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$7,746,465	\$15,492,930
\$3,300,000	\$3,300,000
\$1,800,000	\$3,400,000
\$750,000	\$750,000
\$13,596,465	\$22,942,930

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	90	\$31.25	
1	90	\$31.25	\$140,000
2	90	\$31.25	\$140,000
3	90	\$31.25	\$140,000
4	90	\$31.25	\$140,000
5	90	\$31.25	\$140,000
6	90	\$31.25	\$140,000
7	90	\$31.25	\$140,000
8	90	\$31.25	\$140,000
9	90	\$31.25	\$140,000
10	90	\$31.25	\$140,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT**\$1,400,000**

Incentive Type:
Other

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

Ownership (20% or more):
Multi-Color Corporation Batavia, OH

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% City of Louisville

Unemployment Rate:
County: 2.9% Kentucky: 3.4%

Existing Presence in Kentucky:
Clark, Jefferson, Todd and Warren Counties

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 120 full-time employees subject to Kentucky income tax as of the application date.

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.

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(s) recognized above.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL****Date:** February 23, 2023**Approved Company:** Lamiflex Inc.**City:** Lexington**County:** Fayette**Activity:** Manufacturing**Prelim Resolution #:** KBI-IL-23-117650**Bus. Dev. Contact:** C. Dodd**DFS Staff:** M. Elder

Project Description: The Lamiflex Group is a world-leading supplier of transport packaging solutions mainly in the steel, aluminum and cable industries. Headquartered in Sweden, the company supports customers in the US from its manufacturing facilities in Europe and Asia. The company is considering developing a manufacturing location in Lexington in order to service the rapidly growing needs in the steel and metal industries.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$725,625	\$1,451,250
\$75,000	\$75,000
\$200,000	\$850,000
\$50,000	\$50,000
\$1,050,625	\$2,426,250

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$33.40	
1	20	\$33.40	\$25,000
2	20	\$33.40	\$25,000
3	20	\$33.40	\$25,000
4	20	\$33.40	\$25,000
5	20	\$33.40	\$25,000
6	20	\$33.40	\$25,000
7	20	\$33.40	\$25,000
8	20	\$33.40	\$25,000
9	20	\$33.40	\$25,000
10	20	\$33.40	\$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):

The Lamiflex Group Nykoping, Sweden

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

State: 3.0%

Local: 1.0% Lexington-Fayette Urban County Government

Unemployment Rate:

County: 2.6%

Kentucky: 3.4%

Existing Presence in Kentucky: None**Special Conditions:** None

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

Date: February 23, 203
Approved Company: Neogen Corporation
City: Lexington
Activity: Manufacturing
Bus. Dev. Contact: C. Dodd

County: Fayette
Prelim Resolution #: KBI-I-23-117630
DFS Staff: M. Elder

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

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$4,000,000	\$4,000,000
\$500,000	\$2,000,000
\$0	\$0
\$4,500,000	\$6,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	\$23.34	
1	40	\$23.34	\$53,000
2	72	\$23.34	\$83,000
3	72	\$23.34	\$83,000
4	72	\$23.34	\$83,000
5	72	\$23.34	\$83,000
6	72	\$23.34	\$83,000
7	72	\$23.34	\$83,000
8	72	\$23.34	\$83,000
9	72	\$23.34	\$83,000
10	72	\$23.34	\$83,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$800,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Publicly Traded

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status / Jobs Required</u>	<u>Amount</u>
Jun 24, 2021	KBI	Approve-Prelim/79	\$1,500,000
Jun 24, 2021	KEIA	Approve- Final	\$50,000

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Lexington- Fayette Urban County Government

Unemployment Rate:

County: 2.6%

Kentucky: 3.4%

Existing Presence in Kentucky:

Fayette and Montgomery Counties

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 103 full-time employees subject to Kentucky income tax as of the application date.

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.

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

Date: February 23, 2023
Approved Company: 29th Street Property Management, LLC
City: Louisville **County:** Jefferson
Activity: Headquarters Operations **Prelim Resolution #:** KBI-IL-23-11760
Bus. Dev. Contact: M. Jollie **DFS Staff:** B. Combs
Project Description: 29th Street Property Management, LLC is a national professional services firm looking to establish a larger headquarters in a new location.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$975,000	\$1,950,000
Building/Improvements	\$125,000	\$125,000
Equipment	\$100,000	\$100,000
Other Start-up Costs	\$50,000	\$50,000
TOTAL	\$1,250,000	\$2,225,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$43.27	
1	16	\$43.27	\$16,000
2	31	\$43.27	\$30,000
3	46	\$43.27	\$44,000
4	61	\$43.27	\$80,000
5	61	\$43.27	\$80,000
6	61	\$43.27	\$80,000
7	61	\$43.27	\$80,000
8	61	\$43.27	\$80,000
9	61	\$43.27	\$80,000
10	61	\$43.27	\$80,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$650,000

Incentive Type:
Other

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

Ownership (20% or more):
Robert Bollhoffer Hinsdale, IL

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1 % City of Louisville

Unemployment Rate:
County: 2.9%
Kentucky: 3.4%

Existing Presence in Kentucky:
Jefferson County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time 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.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL****Date:** February 23, 2023**Approved Company:** Houston-Johnson, Inc.**City:** Louisville**County:** Jefferson**Activity:** Non-Retail Service or
Technology**Prelim Resolution #:** KBI-IL-23-117647**Bus. Dev. Contact:** M. Jollie**DFS Staff:** B. Combs

Project Description: Houston-Johnson, Inc. is a third-party logistics company that provides material management solutions for businesses in multiple market segments. The company is conducting a national search for an expansion site and Kentucky is the preferred location.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$5,647,185	\$11,294,370
\$1,000,000	\$1,000,000
\$200,000	\$2,300,000
\$130,000	\$130,000
\$6,977,185	\$14,724,370

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$33.88	
1	26	\$33.88	\$30,000
2	51	\$33.88	\$50,000
3	76	\$33.88	\$90,000
4	76	\$33.88	\$90,000
5	76	\$33.88	\$90,000
6	76	\$33.88	\$90,000
7	76	\$33.88	\$90,000
8	76	\$33.88	\$90,000
9	76	\$33.88	\$90,000
10	76	\$33.88	\$90,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$800,000**

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more): C. Lynn Houston Moore Prospect, KY

Natalie Houston Daniels Prospect, KY

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1% City of Louisville

Unemployment Rate:

County: 2.9%

Kentucky: 3.4%

Existing Presence in Kentucky:

Jefferson and Bullitt Counties

Special Conditions:

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.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**KBI REPORT - PRELIMINARY APPROVAL****Date:** February 23, 2023**Approved Company:** SteelBlue Building Components LLC**City:** Georgetown**County:** Scott**Activity:** Manufacturing**Prelim Resolution #:** KBI-IL-23-117651**Bus. Dev. Contact:** A. Chilton**DFS Staff:** B. Combs

Project Description: SteelBlue Building Components LLC is a manufacturer of metal products for the building industry. The company is considering a location in Georgetown to serve as a central location in the United States to better serve its customers.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$3,420,000	\$6,840,000
\$0	\$0
\$200,000	\$7,500,000
\$450,000	\$450,000
\$4,070,000	\$14,790,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$34.00	
1	25	\$34.00	\$100,000
2	40	\$34.00	\$100,000
3	50	\$34.00	\$100,000
4	53	\$34.00	\$100,000
5	63	\$34.00	\$100,000
6	70	\$34.00	\$100,000
7	81	\$34.00	\$100,000
8	81	\$34.00	\$100,000
9	81	\$34.00	\$100,000
10	81	\$34.00	\$100,000

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

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: 0.5% Scott County Fiscal Court

Unemployment Rate:

County: 2.6%

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 65 full-time employees subject to Kentucky income tax as of the application date.

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder 
Incentive Administration Division

DATE: February 23, 2023

SUBJECT: KBI Extensions

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

Company	County	Extension
C&C Industrial, LLC	Montgomery	12 Month
Envision Modular LLC	Hancock	12 Month
LHC Group, Inc.	Jefferson	12 Month
T. Marzetti Company	Hart	12 Month

Staff recommends approval.

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

Date: February 23, 2023
Preliminary Approval: January 27, 2022
Approved Company: Confluent Health, LLC
City: Louisville
Activity: Headquarters
Bus. Dev. Contact: M. Jollie

County: Jefferson
Final Resolution #: KBI-F-23-23752
DFS Staff: M. Elder

Project Description: Confluent Health, LLC is a family of physical therapy and occupational therapy companies transforming healthcare by strengthening private practice, developing and educating highly effective clinicians and lowering healthcare costs through workplace wellness and injury prevention. Due to growth, the company expanded its corporate headquarters location in Jefferson County.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$13,688,152	\$13,688,152

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	70	\$37.50	
1	100	\$37.50	\$220,000
2	130	\$37.50	\$240,000
3	160	\$37.50	\$280,000
4	190	\$37.50	\$310,000
5	220	\$37.50	\$330,000
6	250	\$37.50	\$360,000
7	280	\$37.50	\$390,000
8	310	\$37.50	\$420,000
9	340	\$37.50	\$460,000
10	350	\$37.50	\$490,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,500,000

County Type:
Other

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

Special Conditions:

Maintain Base Employment: 100

Modifications since preliminary approval? Yes

Total investment and eligible costs have been updated based on the current projections. The project changed from a leased project to an owned project. All other aspects of the project remain the same.

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

Date: February 23, 2023

Preliminary Approval: March 29, 2018

Approved Company: Independent Stave Company, LLC

City: Morehead

County: Rowan

Activity: Manufacturing

Final Resolution #: KBI-F-23-22019

Bus. Dev. Contact: C. Peek

DFS Staff: M. Elder

Project Description: Independent Stave Company, LLC, founded in 1912, has grown into the largest barrel manufacturer in the world, marketing its products in over 19 countries. The company purchased land and constructed a cooperage in order to increase its capacity to help achieve the growth needed as well as created more production flexibility in an area closer to where the raw materials were sourced.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$64,092,860	\$64,092,860

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	136	\$24.00	
1	190	\$24.00	\$200,000
2	190	\$24.00	\$200,000
3	190	\$24.00	\$200,000
4	190	\$24.00	\$200,000
5	210	\$24.00	\$200,000
6	210	\$24.00	\$200,000
7	215	\$24.00	\$200,000
8	215	\$24.00	\$200,000
9	215	\$24.00	\$200,000
10	215	\$24.00	\$200,000
11	220	\$24.00	\$200,000
12	220	\$24.00	\$200,000
13	220	\$24.00	\$200,000
14	220	\$24.00	\$200,000
15	220	\$24.00	\$200,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,000,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Statewide Employment: 621

Modifications since preliminary approval? Yes

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.

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

Date: February 23, 2023

Preliminary Approval: February 28, 2019

Approved Company: Meyer Tool, Inc.

City: Erlanger

Activity: Manufacturing

Bus. Dev. Contact: C. Prather

County: Boone

Final Resolution #: KBI-F-23-22469

DFS Staff: M. Elder

Project Description: Meyer Tool, Inc. supplies a variety of precision components to the aerospace and gas turbine engine industries. The company is recognized as a world leader in both electrical discharge machining and waterjet manufacturing processes. Meyer Tool expanded its footprint in the aerospace industry in Boone County.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$3,822,878	\$17,943,667

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	48	\$35.00	
1	48	\$35.00	\$125,000
2	55	\$35.00	\$125,000
3	65	\$35.00	\$125,000
4	82	\$35.00	\$125,000
5	85	\$35.00	\$125,000
6	85	\$35.00	\$125,000
7	90	\$35.00	\$125,000
8	100	\$35.00	\$125,000
9	100	\$35.00	\$125,000
10	100	\$35.00	\$125,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,250,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Special Conditions:

Maintain Statewide Employment: 117

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
KEI REPORT**

Date: February 23, 2023
Approved Company: CFA Touring LLC
Project Name: Come From Away

Counties Where Filming or Production Will Occur: McCracken

Activity: National Touring
 Broadway Show

DFS Staff: Tim Bates

Project Description: CFA Touring LLC is a single purpose entity created for the production of "Come From Away."

On the morning of September 11, 2001, the townsfolk of Gander describe life in Newfoundland and how they learn of the terrorist attacks taking place in New York City, Washington, D.C., and Shanksville, Pennsylvania.

Production is set to begin as early as July 8, 2023 and is anticipated to end by July 23, 2023.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew	\$0		\$0
Non-KY Resident, Above-the-line Production Crew	\$150,423		\$150,423
KY Resident, Below-the-line Production Crew	\$9,960		\$9,960
Non-KY Resident, Below-the-line Production Crew	\$165,000		\$165,000
Total Qualifying Payroll Expenditures	\$325,383	\$0	\$325,383
Total Qualifying Non-payroll Expenditures	\$129,930	\$0	\$129,930
TOTAL	\$455,313	\$0	\$455,313

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	57	57
Below-the-line Production Crew	65	10	75
Total Production Crew Members	65	67	132

Ownership (20% or more):

NETworks Presentations, LLC

100%

Other State Participation:DateProgramStatusAmount

None

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$159,360**

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: February 23, 2023
Approved Company: Dreams LLC
Project Name: Dreams

Counties Where Filming or Production Will Occur: Jefferson, Oldham, Trimble

Activity: Feature-length Film

DFS Staff: Tim Bates

Project Description: Dreams LLC is a single purpose entity created for the production of "Dreams."

When an aspiring dancer is dropped by her partner days before her big performance, she'll need to teach a down-and-out boxer some moves to win the prize money and open her dream dance studio. But will their onstage chemistry lead to some off-stage romance?

Production is set to begin as early as March 1, 2023 and is anticipated to end by August 31, 2023.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew	\$717,750		\$717,750
Non-KY Resident, Above-the-line Production Crew	\$775,000	\$38,701	\$813,701
KY Resident, Below-the-line Production Crew		\$105,277	\$105,277
Non-KY Resident, Below-the-line Production Crew		\$135,815	\$135,815
Total Qualifying Payroll Expenditures	\$1,492,750	\$279,793	\$1,772,543
Total Qualifying Non-payroll Expenditures	\$1,441,915	\$101,450	\$1,543,365
TOTAL	\$2,934,665	\$381,243	\$3,315,908

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	5	8
Below-the-line Production Crew	69	28	97
Total Production Crew Members	72	33	105

Ownership (20% or more):

Avocado Toast Corp

99%

Other State Participation:DateProgramStatusAmount

None

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**\$1,146,770**

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: February 23, 2023
Approved Company: Night Lily Movie 23 LLC
Project Name: Night Lily

**Counties Where Filming
or Production Will Occur:** Pulaski

Activity: Feature-length Film

DFS Staff: Tim Bates

Project Description: Night Lily Movie 23 LLC is a single purpose entity created for the production of "Night Lily."

Advertising creative director Lily Loftus is at the top of her game having made the cover of Advantage Advertising magazine. Her personal life is far from the glitz and glamour her career is enjoying. When her boss, Henry finds his green roots while on vacation in Big Bear, he decides that he is going to retire and sets Lily against her nemesis at the company Victor for the top job. Now, Lily must fight for the job she has always dreamed of against Victor and his cunning assistant Maria while simultaneously making time for her new love interest, Ben.

Production is set to begin as early as March 27, 2023 and is anticipated to end by April 12, 2023.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew	\$19,324		\$19,324
Non-KY Resident, Above-the-line Production Crew	\$54,030		\$54,030
KY Resident, Below-the-line Production Crew	\$85,894		\$85,894
Non-KY Resident, Below-the-line Production Crew	\$28,686		\$28,686
Total Qualifying Payroll Expenditures	\$187,934	\$0	\$187,934
Total Qualifying Non-payroll Expenditures	\$135,738		\$135,738
TOTAL	\$323,672	\$0	\$323,672

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	3	5
Below-the-line Production Crew	20	3	23
Total Production Crew Members	22	6	28

Ownership (20% or more):

William John Mehrer III	50%
Daniel T. Roth	50%

Other State Participation:

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

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$113,285

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEI REPORT**

Date: February 23, 2023
Approved Company: Sparks Movie 23 LLC
Project Name: Sparks

**Counties Where Filming
or Production Will Occur:** Pulaski

Activity: Feature-length Film

DFS Staff: Tim Bates

Project Description: Sparks Movie 23 LLC is a single purpose entity created for the production of "Sparks."

Female auto mechanic, Nikki, is great at her job but is not so great with men. She is awkward and easily embarrassed. Nikki is love crazy but never quite does the right thing. That is until she meets Jeremy, a client of her boss. Jeremy is kind, beautiful, and successful. When Nikki is forced to spend time with Jeremy beyond the working relationship, will sparks fly?

Production is set to begin as early as April 24, 2023 and is anticipated to end by May 10, 2023.

Anticipated Qualifying Project Expenditures:

	Enhanced Incentive County Expenditures	Other County Expenditures	Total Expenditures
KY Resident, Above-the-line Production Crew	\$19,324		\$19,324
Non-KY Resident, Above-the-line Production Crew	\$54,030		\$54,030
KY Resident, Below-the-line Production Crew	\$85,894		\$85,894
Non-KY Resident, Below-the-line Production Crew	\$28,686		\$28,686
Total Qualifying Payroll Expenditures	\$187,934	\$0	\$187,934
Total Qualifying Non-payroll Expenditures	\$135,738		\$135,738
TOTAL	\$323,672	\$0	\$323,672

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	3	5
Below-the-line Production Crew	20	3	23
Total Production Crew Members	22	6	28

Ownership (20% or more):

William John Mehrer III	50%
Daniel T. Roth	50%

Other State Participation:

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

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$113,285

Kentucky Small Business Tax Credit (KSBTC) Projects Report

February 2023

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
Advanced Dental Center, Inc.	Jefferson	7	7	\$36.43	\$66,391	\$24,500
Bozz's Excavating, LLC	Daviess	0	1	\$17.31	\$8,500	\$3,500
Clique Boutique LLC	Jefferson	12	2	\$17.75	\$9,048	\$7,000
Collier Associates, Inc.	Marshall	10	2	\$67.25	\$42,990	\$7,000
Collier Electrical Service, Inc.	Marshall	36	2	\$34.72	\$7,800	\$7,000
Dennis L. Thomas & Company, PLLC.	Jefferson	0	3	\$32.54	\$7,005	\$7,000
JC Brewer Construction, Inc.	Warren	21	2	\$26.50	\$12,650	\$7,000
LJS Transport LLC	Graves	5	1	\$66.79	\$105,900	\$3,500
REB Architects, PLLC	Jessamine	7	1	\$17.63	\$5,015	\$3,500
Waityn4JC Mobilization LLC	Anderson	18	2	\$18.29	\$89,000	\$7,000
10	7		23	Total	\$354,299	\$77,000

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

Fiscal Year Credit Limit	\$3,000,000
FYTD KSBTC Approvals	\$1,048,700
FYTD KSFTC Approvals	\$45,000
Current KSBTC Request	\$77,000
Current KSFTC Request	\$25,000
Remaining FY Credits	\$1,804,300

Kentucky Selling Farmer Tax Credit (KSFTC) Projects Report

February 2023

Selling Farmer	County	Qualifying Agricultural Assets	Tax Credit Amount
Jackson S. Armour, Madisen Armour, David Shane Armour and Kelly Jo Armour	McLean	\$800,000	\$25,000
1	1	\$800,000	\$25,000

Note: The tax credit amount will be equal to 5% of the total qualifying agricultural assets amount, with a maximum tax credit of \$25,000 per applicant for each calendar year and \$100,000 lifetime. Per KRS 154.60-020, the total sum of tax credits awarded for Kentucky Small Business Tax Credit (KSBTC) and Kentucky Selling Farmer Tax Credit (KSFTC) projects in each state fiscal year shall be capped at \$3,000,000.

Fiscal Year Credit Limit	\$3,000,000
FYTD KSBTC Approvals	\$1,048,700
FYTD KSFTC Approvals	\$45,000
Current KSBTC Request	\$77,000
Current KSFTC Request	\$25,000
Remaining FY Credits	\$1,804,300

Guidelines:

Kentucky Collateral Support Program (KYCSP)

February 2023

The Kentucky Collateral Support Program (KYCSP) (the “Program”) provides a pledged asset (cash collateral account) to an enrolled lender of up to twenty percent (20%) of their loan to enhance the collateral coverage of a small business borrower that is otherwise qualified but unable to meet the lender’s security requirements. The cash collateral account will then be pledged as collateral on behalf of the borrower on a transaction-by-transaction basis and located at the participating lending institution or at another designated insured depository financial institution in the name of the Kentucky Economic Development Finance Authority (the Authority).

Eligible Lenders	Eligible lenders include any federally insured financial institution, minority-serving institutions, and federally insured credit unions, in good standing with its regulating authority and Community Development Financial Institutions (CDFIs), with sufficient commercial lending experience, financial and management capacity, and operational skills to meet the objectives of KYCSP.
Eligible Borrowers	Eligible borrowers include corporations, partnerships, joint ventures, sole proprietorships, state-designated charitable, religious, and other nonprofits, government-owned corporations, consumer and marketing cooperatives, and faith-based organizations, provided the loan is for an eligible business purpose. An eligible borrower, including its affiliates and subsidiaries, must have five hundred (500) or fewer employees at the time the loan is enrolled in KYCSP. Eligible borrowers must use the funds in this program for investments in Kentucky.
Owned and Controlled	The term “owned and controlled” means, if privately owned, 51 percent is owned by such individuals; if publicly owned, 51 percent of the stock is owned by such individuals; and in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of such individuals.
Socially and Economically Disadvantaged (SEDI)-owned Business	SEDI-owned Business means a business that is owned and controlled by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances, due to their (1) membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society; (2) gender; (3) veteran status;

	(4) limited English proficiency; (5) physical handicap; (6) long-term residence in an environment isolated from the mainstream of American society; (7) membership of a federally or state-recognized Indian Tribe; (8) long-term residence in a rural community; (9) residence in a U.S. territory; (10) residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization); or (11) membership of another “underserved community” as defined in Executive Order 13985; (12) business enterprises that certify that they are owned and controlled by individuals whose residences are in CDFI Investment Areas; (13) business enterprises that certify that they will operate a location in a CDFI Investment Area ; or (14) business enterprises that are located in CDFI Investment Areas .
Very Small Business (VSB)	A Very Small Business (VSB) means a business with fewer than 10 employees at the time of the loan support and includes independent contractors and sole proprietors. A business that has 10 or more employees following a transaction will not be considered a VSB for purposes of subsequent loans or investments.
Disaster Relief Affected Business	Disaster Relief Affected Business is a business that is located in or planning to locate in a county declared as a Disaster Relief Area by any state or federal agency, as of or after December 1, 2021.

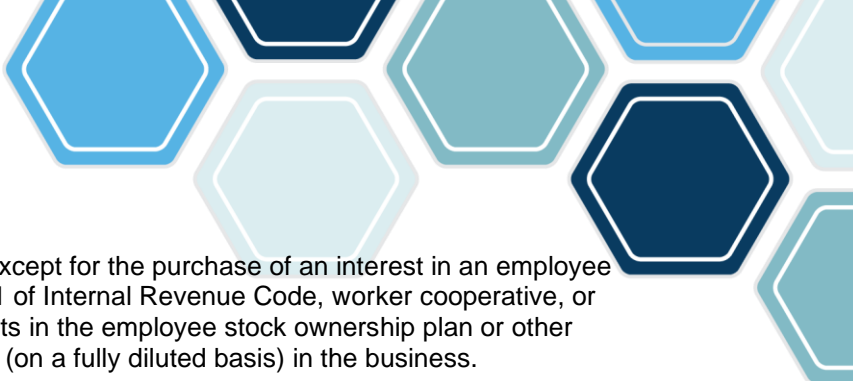
Program Requirements

Eligible Business Purposes

The loan proceeds must be used for a business purpose, including, but not limited to start-up costs; working capital; franchise fees; and acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business’s goods or services, or in the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. Passive real estate is defined as investment in real estate acquired and held primarily for sale, lease, or future investment. Passive real estate investment includes most real estate development (including construction) in which the developer does not intend to occupy or actively use the resulting real property. Passive real-estate projects are eligible under certain conditions, however, speculative investment projects are not eligible. KYCSP funds may be used to purchase any tangible or intangible assets except goodwill. KYCSP cannot be used in conjunction with any federal loan programs specifically prohibited by Treasury guidelines.

Ineligible Business Purposes

The loan proceeds cannot be used: to repay delinquent federal or state income taxes unless the borrower has a payment plan in place with the relevant taxing authority; to repay taxes held in trust or escrow (e.g. payroll or sales taxes); to reimburse funds owed to any owner, including any equity injection or injection of capital for the business’s continuance; or, to purchase any portion of the



ownership interest of any owner of the business except for the purchase of an interest in an employee stock ownership plan qualifying under Section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business.

Additional ineligible purposes include: acquiring or holding passive investments such as commercial real estate; pyramid schemes; speculative activities; illegal products or activities; legal products used for illegal purposes; the purchase of securities; legal or illegal gambling, except as provided above; or evangelizing, proselytizing, or lobbying.

Eligible Loan Amount

For the KYCSP Program, the maximum aggregate outstanding loan amount(s) that may be enrolled for any single borrower or any common enterprise in which the borrower has an ownership interest is \$20,000,000. Any commitment of lending support assistance for any one borrower in an amount over \$1,000,000 will require approval from the Authority on a loan by loan basis at a duly constituted meeting of its Board.

The State's maximum participation cannot exceed twenty percent (20%) of the total loan amount. The entire proceeds of the credit facility must be used for projects within the Commonwealth of Kentucky.

The State may participate up to fifty percent (50%) if the loan is used to meet the needs of a certified SEDI-owned business, a Very Small Business (VSB), or a Disaster Relief Affected Business locating or planning to locate in the counties declared Disaster Relief Areas by a state or federal agency as of or after December 1, 2021. Evidence of eligibility will be requested.

Security

Corporate or personal guarantees or other security acceptable to the Authority are required from any individual holding a twenty percent (20%) or more ownership interest of the borrower and includes secondary collateral for the project at the time of closing.

Eligible Loan Term

Although the lender may have a longer maturity term and amortization period, the maximum period a regular loan is covered under the program is ten (10) years from the date of the loan, and the maximum period a line of credit is covered is seven (7) years from the time of loan. Lenders may extend lines of credit under the Program if the maximum term of the lines enrolled under the Program does not exceed seven (7) years, and the lines of credit are subject to annual credit review and renewal process. Lenders may restructure the term of the loan; however, lenders may not request to extend the term of the support once the loan has closed.

Lender Certification

To be eligible, a lender must certify the following:

- Lender will certify that it will be participating at no less than twenty percent (20%), unless a waiver has been granted; and
- Complied with all federal statutes relating to non-discrimination including, but not limited to, Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin.
- Adopted its own Title VI Implementation Plan, which will be made available for review by the

Kentucky Cabinet for Economic Development's Title VI Coordinator or agrees to adopt the Title VI Implementation Plan of the Cabinet.

- The supported loan is not being made in order to place under the protection of the approved program prior debt that is not covered under the approved program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender.
- The supported loan is not a refinancing of a loan previously made to the borrower by the financial institution lender or an affiliate of the financial institution lender and complies with all applicable requirements related to refinancing.
- No principal of the financial institution lender has been convicted of a sex offense against a minor (42 U.S.C. § 16911). For the purposes of this certification, "principal" is defined as if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.

Borrower Certification

To be eligible, a borrower must certify the following:

- No principal of the financial institution lender has been convicted of a sex offense against a minor (42 U.S.C. § 16911). For the purposes of this certification, "principal" is defined as if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.
- If SEDI-owned business, certify that the SEDI-owned business is the business that receives a loan and KYCSP proceeds are for that loan.
- If a Very Small Business (VSB), certify that the business has fewer than 10 employees at the time of the loan support.
- If Disaster Relief Affected Business, certify that the business is in or planning to locate in a county declared as a Disaster Relief Area by any state or federal agency.

Ineligible Borrowers

Borrowers may not be:

- Executive officers, directors, or principal shareholders of the financial institution enrolling the loan; a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution enrolling the loan; or a related interest of such an executive officer, director, principal shareholder, or member of the immediate family. (Same relationship to a financial institution as described in Part 215 or any successor to such part.).
- A business engaged in speculative activities that develops profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil or dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business.
- A business that earns more than half of its annual net revenue from lending activities unless the business is a non-bank or non-bank holding company or Community Development Financial Institution.
- A business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants.
- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (this includes businesses that make, sell, service, or distribute products or services used in connection with illegal activity, unless

such use can be shown to be completely outside of the business's intended market); this category of businesses includes direct and indirect marijuana businesses, as defined in SBA Standard Operating Procedure 50 10 6;

- A business engaged in legal or illegal gambling enterprises. Provided however, a business that is an outlet for State lottery activities may be eligible if it earns less than thirty-three percent (33%) of its annual net revenue from State lottery sales. A business deriving more than one-third of gross annual revenue from legal gambling activities; or

Loan Refinances

Loans with the same lender or its affiliate may not be refinanced and enrolled in the Program. A loan refinanced from a different lender may be enrolled in the program.

Lines of Credit Balances

For the purposes of the KYCSP Program, fluctuations in the outstanding balance of a line of credit, without increasing the covered amount under the Program, will not be deemed to be a refinancing of the loan.

Termination as an Enrolled Loan

If the outstanding balance of a loan, which is not a line of credit, is reduced to zero (0), that loan will no longer be considered a KYCSP loan. If a loan that is a line of credit has an outstanding balance of zero (0) for twelve (12) consecutive months, it will no longer be considered a KYCSP loan, unless, before the expiration of the twelve (12) month period, the lender has reaffirmed in writing to the borrower that the line of credit will remain open, and the borrower has acknowledged that reaffirmation in writing to the lender and the Authority.

Cash Collateral Account

Payments and Transfers to Cash Collateral Account

The lender may request a deposit to the cash collateral account by the Authority, up to twenty percent (20%) of the original principal amount of the loan or up to fifty percent (50%) of the principal amount of the loan for SEDI, VSBs, or Disaster Relief Affected Businesses. The lender's potential risk of loss not covered by KYCSP funds will be a minimum of twenty percent (20%) of the loan.

Ownership, Control, and Investments of Cash Collateral Account

All funds transferred to a cash collateral account will be the property of, and solely controlled by, the Authority. Interest or income earned on the funds will be credited to the account. The Authority is authorized to withdraw at any time from a cash collateral account all interest or income that has been credited to the account. Interest or income withdrawals may be used for any purpose in connection with the Program. The cash collateral account may be reduced proportionately with the principal reduction of the loan, on an annual basis or sooner if the loan is paid off.

Claims by Lender against Cash Collateral Account

After a lender charges off all or part of an enrolled loan and after making other efforts to collect upon the enrolled loan, including but not limited to seeking judgment and levying against collateral, the lender may file a claim with the Authority by submitting a completed claim form bearing the signature of an authorized officer of the lender. The lender's claim may include the amount of the enrolled principal left unpaid by lender's collection efforts plus up to ninety (90) days of accrued interest, and fifty percent (50%) of the reasonable, documented out-of-pocket expenses incurred by the lender, but not paid by the borrower, in pursuing collection efforts, including the preservation of collateral. The lender will determine when and how much to charge off on a KYCSP Loan in a manner consistent

with its usual and customary method for making such determinations on business loans that are not enrolled in the program.

Disbursement of Cash Collateral Account

Upon receipt and acceptance by the Authority of a claim filed by the lender, the Authority will promptly pay the claim as submitted solely from funds in the cash collateral account for that particular loan. Provided, however, that the Authority may reject a claim if the terms of the KYCSP agreement have been violated.

Collection Rights and Recovery by Lender Subsequent to Claim

If after payment of a claim by the Authority, the lender recovers from a borrower any amount for which payment of the claim was made, the lender shall promptly pay to the Authority the amount recovered, less its reasonable, documented out-of-pocket expenses. The lender shall retain documentation in its files of those expenses. The lender will only be required to pay to the Authority amounts more than the amount needed to fully cover the lender's loss on a KYCSP loan.

Excess Cash Collateral Account

If a KYCSP loan that is a line of credit remains unfunded or not fully funded for twelve (12) months, the Authority may withdraw a portion or all funds from the cash collateral account. The cash collateral account shall not cover more than the corresponding percentage of eligibility for KYCSP support of the outstanding balance on the line of credit.

Maintenance of the Cash Collateral Account

For efficiency and administrative convenience, each cash collateral account for participating lenders will be established in the name of the Authority and maintained at that lender or at another designated insured depository financial institution. If the cash collateral accounts for each lender exceed the federally insured amount, lenders will provide pledged assets sufficient for compliance with state law regarding state deposits over the federally insured amount.

The cash collateral accounts are to be interest bearing, and participating lenders may not charge the Authority for any fees related to KYCSP transactions or for the maintenance of a cash collateral account.

Reporting Requirements

Lender Reports

The lender will be required to report quarterly to the Authority on all enrolled loans.

Cash Collateral Account Statement

The lender is to submit to the Authority a monthly account statement which reflects all activity for the period under the cash collateral account within ten (10) days of the previous calendar month's end. Account fees and services charges associated with the cash collateral account are unallowable and if charged must be refunded on a quarterly basis.

Closing Fee

The Lender shall pay the Authority a closing fee equal to one percent (1%) of the initial deposit into the cash collateral account for a loan with a term of less than three (3) years; two percent (2%) for a loan with a term of three (3) years or greater but less than five (5) years; and three percent (3%) for a loan with a term of five (5) years or greater. However, the maximum closing fee is \$50,000. The closing fee shall be paid to the Authority at closing.

If the loan is a line of credit, the closing fee will be based upon the maximum amount of collateral support to be made available for the line of credit. The lender may be reimbursed for the closing fee by the borrower.

Title VI

The Authority operates its programs and services without regard to race, color or national origin and in compliance with Title VI of the Civil Rights Act of 1964.

Application Process

Prior to enrolling any loans in the KYCSP Program, the participating lender must:

- Submit application and certification for program consideration.
- Receive approval of lender participation from the Cabinet for Economic Development.
- For each loan in the KYCSP Program, the participating lender shall:
- Approve the loan. Request the collateral support amount for the cash collateral account. The Authority does not participate in the lender's loan approval decision. All lending decisions are left to the lender and should be based upon their underwriting and loan policy guidelines.
- Review the borrower certification and other relevant documents with the borrower.
- Submit the loan for review and approval by Authority staff. Provide a disclosure statement from both the lender and the borrower.
- For loans in which the state's participation will exceed \$1,000,000, submit its application to the Authority's Board for review and approval.
- Enter a KYCSP cash collateral deposit agreement (includes lender's assurances and borrower's assurances) with the Authority.
- After written approval from the Authority, the lender may close the loan and obtain the borrower's signature and required information on the KYCSP cash collateral deposit agreement and borrower's assurances.
- Pay closing fee. Collateral support funds will be transferred electronically into the cash collateral account.

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To learn more, contact:
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Guidelines:

Kentucky Loan Participation Program (KYLPP)

February 2023

The Kentucky Loan Participation Program (KYLPP) (the “Program”) allows the Kentucky Economic Development Finance Authority (the Authority) to purchase up to twenty percent (20%) of a small business loan to support a participating lender to originate much larger loans that, on its own, would not have been possible.

Eligible Lenders	Eligible lenders include any federally insured financial institution, minority-serving institutions, and federally insured credit unions, in good standing with its regulating authority and Community Development Financial Institutions (CDFIs), with sufficient commercial lending experience, financial and management capacity, and operational skills to meet the objectives of KYLPP.
Eligible Borrowers	Eligible borrowers include corporations, partnerships, joint ventures, sole proprietorships, state-designated charitable, religious, and other nonprofits, government-owned corporations, consumer and marketing cooperatives, and faith-based organizations, provided the loan is for an eligible business purpose. An eligible borrower, including its affiliates and subsidiaries, must have five hundred (500) or fewer employees at the time the loan is enrolled in KYLPP. Eligible borrowers must use the funds in this program for investments in Kentucky.
Owned and Controlled	The term “owned and controlled” means, if privately owned, 51 percent is owned by such individuals; if publicly owned, 51 percent of the stock is owned by such individuals; and in the case of a mutual institution, a majority of the board of directors, account holders, and the community which the institution services is predominantly comprised of such individuals.
Socially and Economically Disadvantaged (SEDI)-owned Business	SEDI-owned Business means a business that is owned and controlled by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances, due to their (1) membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society; (2) gender; (3) veteran status; (4) limited English proficiency; (5) physical handicap;

	(6) long-term residence in an environment isolated from the mainstream of American society; (7) membership of a federally or state-recognized Indian Tribe; (8) long-term residence in a rural community; (9) residence in a U.S. territory; (10) residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization); or (11) membership of another “underserved community” as defined in Executive Order 13985; (12) business enterprises that certify that they are owned and controlled by individuals whose residences are in CDFI Investment Areas; (13) business enterprises that certify that they will operate a location in a CDFI Investment Area ; or (14) business enterprises that are located in CDFI Investment Areas .
Very Small Business (VSB)	A Very Small Business (VSB) means a business with fewer than 10 employees at the time of the loan support and includes independent contractors and sole proprietors. A business that has 10 or more employees following a transaction will not be considered a VSB for purposes of subsequent loans or investments.
Disaster Relief Affected Business	Disaster Relief Affected Business is a business that is located in or planning to locate in a county declared as a Disaster Relief Area by any state or federal agency, as of or after December 1, 2021.

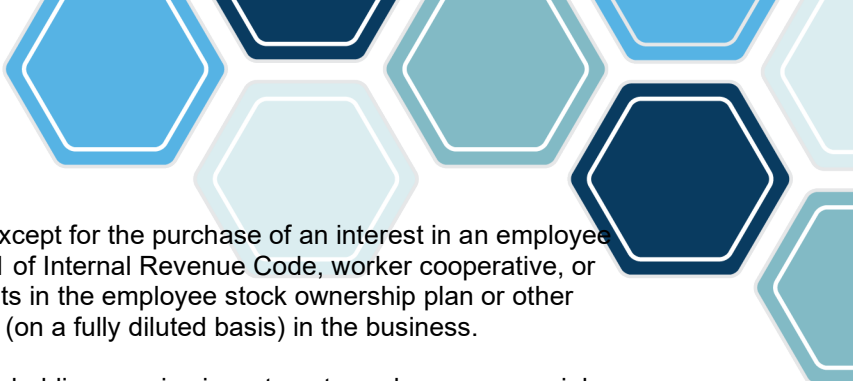
Program Requirements

Eligible Business Purposes

The loan proceeds must be used for a business purpose, including, but not limited to start-up costs; working capital; franchise fees; and acquisition of equipment, inventory, or services used in the production, manufacturing, or delivery of a business’s goods or services, or in the purchase, construction, renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment purposes. Passive real estate is defined as investment in real estate acquired and held primarily for sale, lease, or future investment. Passive real estate investment includes most real estate development (including construction) in which the developer does not intend to occupy or actively use the resulting real property. Passive real-estate projects are eligible under certain conditions, however, speculative investment projects are not eligible. KYLPP funds may be used to purchase any tangible or intangible assets except goodwill. KYLPP cannot be used in conjunction with any federal loan programs specifically prohibited by Treasury guidelines.

Ineligible Business Purposes

The loan proceeds cannot be used: to repay delinquent federal or state income taxes unless the borrower has a payment plan in place with the relevant taxing authority; to repay taxes held in trust or escrow (e.g. payroll or sales taxes); to reimburse funds owed to any owner, including any equity injection or injection of capital for the business’s continuance; or, to purchase any portion of the



ownership interest of any owner of the business except for the purchase of an interest in an employee stock ownership plan qualifying under Section 401 of Internal Revenue Code, worker cooperative, or related vehicle, provided that the transaction results in the employee stock ownership plan or other employee-owned entity holding a majority interest (on a fully diluted basis) in the business.

Additional ineligible purposes include: acquiring or holding passive investments such as commercial real estate; pyramid schemes; speculative activities; illegal products or activities; legal products used for illegal purposes; the purchase of securities; legal or illegal gambling, except as provided above; or evangelizing, proselytizing, or lobbying.

Eligible Loan Amount

For the KYLPP, the maximum aggregate outstanding loan amount(s) that may be enrolled for any single borrower or any common enterprise in which the borrower has an ownership interest is \$20,000,000. Any commitment of lending support assistance for any one borrower in an amount over \$1,000,000 will require approval from the Authority on a loan by loan basis at a duly constituted meeting of its Board.

The State's maximum participation cannot exceed twenty percent (20%) of the total loan amount. The entire proceeds of the credit facility must be used for projects within the Commonwealth of Kentucky. The State may participate up to fifty percent (50%) if the loan is used to meet the needs of a certified SEDI-owned business, a Very Small Business (VSB), or a Disaster Relief Affected Business locating or planning to locate in the counties declared Disaster Relief Areas by a state or federal agency as of or after December 1, 2021. Evidence of eligibility will be requested.

Security

Corporate or personal guarantees or other security acceptable to the Authority are required from any individual holding a twenty percent (20%) or more ownership interest of the borrower and includes secondary collateral for the project at the time of closing.

Eligible Loan Term

Although the lender may have a longer maturity term and amortization period, the maximum period a regular loan is covered under the program is ten (10) years from the date of the loan, and the maximum period a line of credit is covered is seven (7) years from the time of loan. Lenders may extend lines of credit under the Program if the maximum term of the lines enrolled under the Program does not exceed seven (7) years, and the lines of credit are subject to annual credit review and renewal process. Lenders may restructure the term of the loan; however, lenders may not request to extend the term of the support once the loan has closed.

Lender Certification

To be eligible, a lender must certify the following:

- At least twenty percent (20%) of its own capital at risk in any loan enrolled in the Program, unless a waiver has been granted; and
- Complied with all federal statutes relating to non-discrimination including, but not limited to, Title VI of the Civil Rights Act of 1964, which prohibits discrimination on the basis of race, color, or national origin.
- Adopted its own Title VI Implementation Plan, which will be made available for review by the Kentucky Cabinet for Economic Development's Title VI Coordinator or agrees to adopt the Title VI Implementation Plan of the Cabinet.
- The supported loan is not being made in order to place under the protection of the approved

program prior debt that is not covered under the approved program and that is or was owed by the borrower to the financial institution lender or to an affiliate of the financial institution lender.

- The supported loan is not a refinancing of a loan previously made to the borrower by the financial institution lender or an affiliate of the financial institution lender and complies with all applicable requirements related to refinancing.
- No principal of the financial institution lender has been convicted of a sex offense against a minor (42 U.S.C. § 16911). For the purposes of this certification, “principal” is defined as if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.

Borrower Certification

To be eligible, a borrower must certify the following:

- No principal of the financial institution lender has been convicted of a sex offense against a minor (42 U.S.C. § 16911). For the purposes of this certification, “principal” is defined as if a sole proprietorship, the proprietor; if a partnership, each partner; if a corporation, limited liability company, association, development company, or other entity, each director, each of the five most highly compensated executives, officers, or employees of the entity, and each direct or indirect holder of 20 percent or more of the ownership stock or stock equivalent of the entity.
- If SEDI-owned business, certify that the SEDI-owned business is the business that receives a loan and KYLPP proceeds are for that loan.
- If a Very Small Business (VSB), certify that the business has fewer than 10 employees at the time of the loan support.
- If Disaster Relief Affected Business, certify that the business is in or planning to locate in a county declared as a Disaster Relief Area by any state or federal agency.

Ineligible Borrowers

Borrowers may not be:

- Executive officers, directors, or principal shareholders of the financial institution enrolling the loan; a member of the immediate family of an executive officer, director, or principal shareholder of the financial institution enrolling the loan; or a related interest of such an executive officer, director, principal shareholder, or member of the immediate family. (Same relationship to a financial institution as described in Part 215 or any successor to such part.)
- A business engaged in speculative activities that develops profits from fluctuations in price rather than through normal course of trade, such as wildcatting for oil or dealing in commodities futures, unless those activities are incidental to the regular activities of the business and part of a legitimate risk management strategy to guard against price fluctuations related to the regular activities of the business.
- A business that earns more than half of its annual net revenue from lending activities unless the business is a non-bank or non-bank holding company or Community Development Financial Institution.
- A business engaged in pyramid sales, where a participant's primary incentive is based on the sales made by an ever-increasing number of participants.
- A business engaged in activities that are prohibited by federal law or applicable law in the jurisdiction where the business is located or conducted. (this includes businesses that make, sell, service, or distribute products or services used in connection with illegal activity, unless such use can be shown to be completely outside of the business's intended market); this category of businesses includes direct and indirect marijuana businesses, as defined in SBA Standard Operating Procedure 50 10 6;

- A business engaged in legal or illegal gambling enterprises. Provided however, a business that is an outlet for State lottery activities may be eligible if it earns less than thirty-three percent (33%) of its annual net revenue from State lottery sales. A business deriving more than one-third of gross annual revenue from legal gambling activities; or

Loan Refinances

Loans with the same lender or its affiliate may not be refinanced and enrolled in the Program. A loan refinanced from a different lender may be enrolled in the program.

Lines of Credit Balances

For the purposes of the KYLPP, fluctuations in the outstanding balance of a line of credit, without increasing the covered amount under the Program, will not be deemed to be a refinancing of the loan.

Termination as an Enrolled Loan

If the outstanding balance of a loan, which is not a line of credit, is reduced to zero (0), that loan will no longer be considered a KYLPP loan. If a loan that is a line of credit has an outstanding balance of zero (0) for twelve (12) consecutive months, it will no longer be considered a KYLPP loan, unless, before the expiration of the twelve (12) month period, the lender has reaffirmed in writing to the borrower that the line of credit will remain open, and the borrower has acknowledged that reaffirmation in writing to the lender and the Authority.

Loan Participation

Authority's Loan Participation

The Authority may purchase up to twenty percent (20%) of the original principal amount of the loan. The lender's potential risk of loss not covered by KYLPP funds will be twenty percent (20%) or greater. The Authority's terms for participation for each loan are negotiable, including its position with respect to the collateral. The repayment terms and amortization period will be commensurate with the lending institution's loan.

The State may participate up to fifty percent (50%) if the loan is used to meet the needs of a certified SEDI-owned business, a Very Small Business (VSB), or a Disaster Relief Affected Business locating or planning to locate in the counties declared Disaster Relief Areas by a state or federal agency as of or after December 1, 2021. Evidence of eligibility will be requested.

Multiple Lenders

When multiple lenders are involved in one project, there will be a lead bank that will originate the loan, service the loan, organize and manage the participation and deal directly with the borrower. The repayment terms and amortization period will be commensurate with the lead bank loan.

Fees

Closing fees and late fees will be shared pro-rata with the lender, with a maximum fee to KEDFA of \$50,000.

Collection Rights and Recovery

The Authority will hold a security interest in the collateral securing the loan based upon its percentage of participation in the loan and its negotiated position with respect to the collateral. The lender will be required to diligently pursue collection of the total loan amounts owed to both KEDFA and the lender.

Reporting Requirements

Lender Reports

The lender will be required to report quarterly to the Authority on all enrolled loans.

Loan Activity Account Statement

The lender is to submit to the Authority a monthly account statement which reflects all loan activity for the period within ten (10) days of the previous calendar month's end. Interest, fees and service charges associated with the loan must be remitted on a pro rata basis.

Title VI

The Authority operates its programs and services without regard to race, color or national origin and in compliance with Title VI of the Civil Rights Act of 1964.

Application Process

Prior to enrolling any loans in the KYLPP, the participating lender must:

- Submit application and certification for program consideration.
- Receive approval of lender participation from the Cabinet for Economic Development.
- For each loan in the KYLPP, the participating lender shall:
- Approve the loan. The Authority does not participate in the lender's loan approval decision. All lending decisions are left to the lender and should be based upon their underwriting and loan policy guidelines.
- Submit the loan for review and approval by staff. Provide all certifications and disclosure statements from both the lender and the borrower.
- For loans in which the state's participation will exceed \$1,000,000, submit its application for KEDFA consideration at the next available meeting.
- Enter into a KYLPP participation agreement (includes lender's assurances and borrower's assurances).
- After written approval, the lender may close the loan.
- Remit fees. Loan Participation funds will be transferred electronically to the lender.

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