

# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

## BOARD MEETING

August 25, 2022

## MINUTES

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### Call to Order

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:00 a.m. on August 25, 2022, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

### Notification of Press

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

### Roll Call

J. Don Goodin, Secretary Holly Johnson, Mike Cowles and Naashom Marx

**Staff Present:** Tim Back, Tim Bates, David Brock, Phyllis Bruning, Sarah Butler, David Brock, Ashlee Chilton, Michael Crabtree, Stephanie Cullen, Rachael Dever, Danielle Dunmire, Michelle Elder, Ellen Felix, Joseph Gearon, James Johnson, Malcolm Jollie, Craig Kelly, Jacob Leigh, Keaton Lowe, Andy Luttner, Brandon Mattingly, Gabrielle McGee, Conner McJunkin, Craig McKinney, Kristine McNeil, Jerod Metz, Danielle Milbern, Amy Mills, Kylee Palmer, Corky Peek, Debbie Phillips, Monique Quarterman, Jenny Schenkenfelder, Foster Shrou, Kristina Slattery, Katie Smith, Christopher Snyder, Beth Sturm, Danielle Tibbitts, Maurice Walker, Connor Wall, Matthew Wingate, Dan Wood, Tori Wood, Ashiq Zaman

**Others Present:** Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Mike Kalinyak, Hurt, Deckard, & May; Matt Zoellner, Scott, Murphy & Daniel; Gregg Fowler, C&I Engineering; Shane Noem, Roebing Solutions; Traci Knutson, Jill Costelow, and Doug Herald, Covenant Manufacturing LLC; Bruce Carpenter, Southeast Kentucky Industrial Development Authority; Michelle Hamm and Ashely Hansel, Highlands Diversified Services, Inc.; David Bertram, Wrigley Media Group; Nick Taylor, M&P Logistics; Jack Cook, A Soul To Squeeze LLC; Jordin Gargano, Aware Recovery Care of Kentucky; Casey Dunn, Denham Blythe; Cheryl Klever, Commerce Lexington; Ron Burse, Louisville Forward; Jenni Hampton, Office of Employer & Apprenticeship Services; Dan Mastel, Delavan Ag Pumps; Kevin Oh, ANP USA Inc.; Ben Worrell and Reid Pittard, Atomic Brands, Inc.; Brad Stephens, John Renfro Supply, Inc.; Tony Prim, SWK; Kimberly Hall and Steven Hall, Mackenzie and Paige Logistics, LLC; J.J. Duval, Mayor of Radcliff KY; Casey Bolton, Commonwealth Economics; Jeffrey Markowitz, Space Tango LLC; Lucas Witt; Candise Caylao; Jeff McKenzie; Jeff Hodges; Rick Games; Andy Games; Matt Valenti; Johnathon Shelton; Jeremy Worley; Suzie Eastman

### Approval of Minutes

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

Naashom Marx moved to approve the minutes, as presented; Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

## **Approved/Undisbursed Report**

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

## **Financial Statements and Monitoring Reports**

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

## **Tax Increment Financing (TIF) Project (Final)**

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

### **Radcliff City Finance Office**

#### **Radcliff Mixed-Use Redevelopment Project at Fort Knox Hardin County**

**Kylee Palmer**

Kylee Palmer stated Radcliff Mixed-Use Redevelopment Project at Fort Knox is a Mixed-Use Redevelopment in Blighted Urban Areas TIF project. The development is expected to include 81,601-sf of new office space, 241 new hotel rooms, 10,000-sf of new retail, 100 new residential units, 18,000-sf of new restaurant and public infrastructure. The construction is estimated to begin in the spring of 2023 with all phases of the project completed by the spring of 2025.

The applicant, Radcliff City Finance Office, requested final approval of the Radcliff Mixed-Use Redevelopment Project at Fort Knox TIF project. The total estimated cost of the project is \$94,824,969 of which approximately \$14,125,000 is estimated for eligible public infrastructure. The applicant is eligible to recover a negotiated tax incentive amount up to \$12,000,000 for public infrastructure through a 60% recovery on withholding, sales, and property taxes. Only amounts deemed as eligible public infrastructure costs that occur within the state footprint are eligible for recovery through increments. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (not to exceed \$200,000,000) has been verified as being invested in the development area.

Total cumulative investment of \$94,824,969, excluding financing costs, must be achieved to be eligible for the maximum total incentive of \$12,000,000. The actual project completion percentage of the investment will be applied annually to the total incentive approved of \$12,000,000 to determine the maximum total incentive available/earned for the project during the term of the agreement.

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

## **Economic Development Fund (EDF) Projects**

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

### **Paradise Park Regional Industrial Development Authority, Inc. Muhlenberg County**

**Foster Shroul  
Debbie Phillips**

Foster Shroul stated Paradise Park Regional Industrial Development Authority, Inc. has pursued grant funds to extend water and wastewater utilities to 620 acres in the Industrial Business Park as well as enhance the entrance. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Debbie Phillips stated the County of Muhlenberg requested the use of \$250,000 in EDF program funds for the benefit of Paradise Park Regional Industrial Development Authority, Inc. The project investment is \$500,000, and the proposed EDF grant funds will be used to offset the costs associated with this project.

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

Staff recommended approval of the EDF request.

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

**Ohio County Industrial Development Authority, Inc.  
Ohio County**

**Corky Peek  
Michelle Elder**

Corky Peek stated the Ohio County Fiscal Court in partnership with the Ohio County Development Authority, Inc. is considering upgrading its electric to 9.5MW at Bluegrass Crossings. Ohio County Fiscal Court has committed funds to match the Economic Development Fund. This project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Michelle Elder stated Ohio County Fiscal Court requested the use of \$300,000 in EDF program funds for the benefit of Ohio County Industrial Development Authority, Inc. The project investment is \$600,000, and the proposed EDF grant funds will be used to offset the costs associated with this project.

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

Staff recommended approval of the EDF request.

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

**Kentucky Business Investment (KBI) Projects (Amendment)**

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

**American Metal Supply Company  
Jefferson County**

**Rachael Dever**

Rachael Dever stated American Metal Supply Company ("American Metal") was approved April 30, 2015 for an expansion of a manufacturing facility located in Louisville. The project activated on April 26, 2016. Subsequent to activation, the company notified KEDFA that its employees are subject to a co-employment relationship with Sheakley HR, LLC, a professional employment organization, and has requested that the Tax Incentive Agreement be modified to recognize the relationship. The company has also advised that the economic development project definition should consist of the original manufacturing facility in addition to the adjacent expansion facility and has requested that the project be recognized as a campus, incorporating both buildings. Lastly, the company wishes to adopt the revised definition of "Full Time Job" as approved by KEDFA Resolution 2021-0624.

The above changes have been incorporated in the Amended and Restated Tax Incentive Agreement. All other aspects remain the same.

Staff recommended approval of the KBI amendment request.

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

**Skilcraft, LLC  
Boone County**

**Beth Sturm**

Beth Sturm stated Skilcraft, LLC is a manufacturer and provider of custom metal fabrication for a broad range of industries and OEM markets, including the aerospace industry. The company was approved for a KBI project in 2016 to expand its operations in Boone County. The project is a campus and has two locations in Boone County, one in Hebron and one in Burlington. The project activated March 24, 2017. On June 30, 2021, the company was acquired by O’Neal Industries, Inc., and through subsequent restructuring, changed from Skilcraft LLC, a Kentucky limited liability company to Skilcraft, LLC, a Delaware limited liability company. Effective July 31, 2022, the company transferred the employees located at the Burlington site into an affiliated entity, O’Neal Manufacturing Services, LLC. The company is requesting that the project be assigned to Skilcraft, LLC, a Delaware LLC, and that O’Neal Manufacturing Services, LLC be added to the project as an Approved Affiliate. In addition, the company wishes to adopt the revised definition of “Full-time job” as approved by KEDFA Resolution 2021-0624.

The above changes have been incorporated into the Amended and Restated Tax Incentive Agreement. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

Mike Cowles moved to approve the staff recommendation, as presented; Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

**Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)**

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

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

<b><u>Company</u></b>	<b><u>County</u></b>	<b><u>Extension</u></b>
The Bardstown Bourbon Company, LLC	Nelson	4 Months
C-Forward, LLC	Kenton	6 Months
Commonwealth Analytics, LLC	Fayette	12 Months
Distilled Spirits Epicenter, LLC	Jefferson	12 Months
SMS Group, Inc.	Meade	12 Months
Taylor Communications, Inc.	Hardin	12 Months
Union Underwear Company, Inc. dba Fruit of the Loom	Warren	12 Months

Staff recommended approval of the KEIA extension requests.

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

## **KEIA Projects**

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

### **Vanderbilt Chemicals, LLC Calloway County**

**Jerod Metz  
Debbie Phillips**

Jerod Metz stated Vanderbilt Chemicals, LLC provides finished products such as rubber, plastics, paint and petroleum additives and bentonite clay-based products to its customers. The project would include a 2,100-sf expansion to its existing facility in Murray and include 60,000 gallons of tankage and processing equipment.

Debbie Phillips stated the project investment is \$5,204,000 of which \$1,831,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$75,000 for construction materials and building fixtures.

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

### **Big Sandy Distribution, Inc. Boyd County**

**Andy Luttner  
Debbie Phillips**

Andy Luttner stated Big Sandy Distribution, Inc. is engaged in the distribution and sale of furniture, appliances, electronics, and other home furnishings. The company is considering the expansion of its headquarters operations which provides administrative services/support to its retail stores.

Debbie Phillips stated the project investment is \$1,220,000 of which \$800,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$45,000 for construction materials and building fixtures

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

## **KBI (Preliminary) and KEIA Projects**

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

### **John Renfro Supply, Inc. Whitley County**

**Foster ShROUT  
Debbie Phillips**

Foster ShROUT stated John Renfro Supply, Inc. is a distributor of goods to local convenience stores, drug stores, schools, campgrounds, churches, state parks, and various other businesses. The company is considering construction of a new facility in Williamsburg to meet growing demands.

Debbie Phillips stated the project investment is \$8,497,407, all of which qualifies as KBI eligible costs and \$3,716,203 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$20.00 including benefits. The state wage assessment participation is 5.0%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The project will include multiple locations within Whitley County/the City of Williamsburg. Only investment costs incurred at Savory Clear Creek Road will be considered towards calculating eligible costs. Employees and their respective wages at the locations in the project definition will be eligible for compliance.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000 and the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

**ANP USA Inc.  
Hardin County**

**Andy Luttner  
Debbie Phillips**

Andy Luttner stated ANP USA Inc. specializes in carbon battery nanomaterials as conductive materials for both cathode and anode which are critical components in an electrical vehicle battery. The company is considering locating a manufacturing facility in Elizabethtown to meet growing demands.

Debbie Phillips stated the project investment is \$49,600,000 of which \$21,240,000 qualifies as KBI eligible costs and \$12,140,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 93 with an average hourly wage of \$40.00 including benefits. The state wage assessment participation is 3.0% and the City of Elizabethtown will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,600,000 and the KEIA approved recovery amount of \$325,000 for construction materials and building fixtures and \$75,000 for research and development and/or electronic processing equipment.

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

**IJW Whiskey Company, LLC  
Shelby County**

**Ashlee Chilton  
Michelle Elder**

Ashlee Chilton stated IJW Whiskey Company, LLC is considering purchasing property to develop a distillery and bottling and storage facilities for bourbon whiskeys and other products. The company hopes to produce spirits and house the finished products in its storage facilities to expand its involvement in the bourbon industry.

Michelle Elder stated the project investment is \$200,000,000 of which \$170,520,000 qualifies as KBI eligible costs and \$84,700,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 99 with an average hourly wage of \$35.00 including benefits. The state wage assessment participation is 2.25% and the City of Shelbyville will participate at 0.75%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,500,000 and the KEIA approved recovery amount of \$1,000,000 for construction materials and building fixtures.

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

**Blue Run Spirits, LLC  
Scott County**

**Ashlee Chilton  
Michelle Elder**

Ashlee Chilton stated Blue Run Spirits, LLC, founded in 2019, is considering a location in Georgetown for its future distillery and headquarters. The location in Scott County will be its first vertically integrated distilling facility to assist Blue Run by not only expanding its whiskey offering in the United States and Canada, but also drive the development and expansion of the whiskey portfolio as a whole.

Michelle Elder stated the project investment is \$50,976,430 of which \$31,862,000 qualifies as KBI eligible costs and \$10,000,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 45 with an average hourly wage of \$31.92 including benefits. The state wage assessment participation is 3.0% and the City of Georgetown and Scott County Fiscal Court will each participate at 0.50%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$700,000 and the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures.

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

**Mills Supply Company, Inc.  
Jefferson County**

**Ashlee Chilton  
Michelle Elder**

Ashlee Chilton stated Mills Supply Company, Inc. is considering building a new fabrication facility in order to grow its manufacturing business. The company will engineer and equip the facility with machinery and equipment for the production of custom rebar fabrication as well as other masonry components.

Michelle Elder stated the project investment is \$10,576,000, all of which qualifies as KBI eligible costs and \$3,800,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 66 with an average hourly wage of \$42.00 including benefits. The state wage assessment participation is 3.0% and Louisville Metro Government will participate at 1.0%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$550,000 and the KEIA approved recovery amount of \$150,000 for construction materials and building fixtures

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

**Covenant Manufacturing LLC  
Owen County**

**Malcolm Jollie  
Michelle Elder**

Malcolm Jollie stated Covenant Manufacturing LLC was started between three business associates all with a passion for food and beverage manufacturing. The company is considering Owenton to locate and grow its food and beverage manufacturing facility.

Michelle Elder stated the project investment is \$25,641,420, all of which qualifies as KBI eligible costs and \$8,500,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 350 with an average hourly wage of \$21.00 including benefits. The state wage assessment participation is 5.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$3,200,000 and the KEIA approved recovery amount of \$300,000 for construction materials and building fixtures.

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

**KBI Projects (Preliminary)**

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

**Mackenzie and Paige Logistics, LLC  
Boone County**

**Andy Luttner  
Debbie Phillips**

Andy Luttner stated Mackenzie and Paige Logistics, LLC works with shipping and distribution companies to find strategic ways to deliver products to customers nationwide. The company is considering locating a headquarters operation in Florence to accommodate growing demands.

Debbie Phillips stated the project investment is \$3,957,500, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 120 with an average hourly wage of \$24.20 including benefits. The state wage assessment participation is 3.0%, Boone County will participate at 0.2143% and the City of Florence will participate at 0.7857%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,650,000.

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

**Space Tango LLC  
Fayette County**

**Jerod Metz  
Debbie Phillips**

Jerod Metz stated Space Tango LLC provides payload engineering and space products and serves businesses in the world by manufacturing technologies on the ISS for several pharmaceutical and biotechnological use cases. The company has outgrown its current location and is considering an expansion and relocation which will include engineering stations and science labs to provide for continued growth.

Debbie Phillips stated the project investment is \$2,480,000 of which \$1,490,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 16 with an



average hourly wage of \$66.42 including benefits. The state wage assessment participation is 3.0% and Lexington-Fayette Urban County Government will participate at 1.0%.

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

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

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

**Delavan AG Pumps  
Todd County**

**Ashlee Chilton  
Michelle Elder**

Ashlee Chilton stated Delavan was started in 1941 in Des Moines, IA, initially manufacturing nozzles, Ag Spray and Fuel Burner. Pumps were added to the family of products at a later date. Delavan was rebuilt into Delevan Ag Pumps, Inc. and added pumps and hydraulics to its product line. The company recently expanded its lawn and garden product line and needs new production and warehousing equipment to move this production to Kentucky.

Michelle Elder stated the project investment is \$2,228,000 of which \$1,084,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$28.49 including benefits. The state wage assessment participation is 3.0%, the City of Elkton and Todd County will each participate at .50%.

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

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

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

**Highlands Diversified Services, LLC  
Laurel County**

**Ashlee Chilton  
Michelle Elder**

Ashlee Chilton stated Highlands Diversified Services, Inc. (HDS) is a vertically integrated contract manufacturing company specializing in metal stamping, welding, power coat painting, assembly, warehousing, and distribution. HDS is considering property to support the new business it has been awarded. This property will allow the company to add additional manufacturing space.

Michelle Elder stated the project investment is \$5,075,000 all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$17.52 including benefits. The state wage assessment participation is 5.0%.

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. This project will include multiple locations within London/Laurel County. Only investment costs incurred at 420 Tobacco Road will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

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

Mike Cowles moved to approve the staff recommendation, as presented; Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

**Chemical and Industrial Engineering, Inc.  
Jefferson County**

**Malcolm Jollie  
Michelle Elder**

Malcolm Jollie stated Chemical and Industrial Engineering, Inc. (C&I) includes process design, as well as a range of mechanical, electrical, and civil/structural specialties. C&I provides services to a range of industries, recently with distilled spirits, chemical, food and beverage, consumer packaged goods and utilities markets. The company is considering its proposed project to expand its business with its clients in these markets as well as the western part of the United States.

Michelle Elder stated the project investment is \$264,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 24 with an average hourly wage of \$55.00 including benefits. The state wage assessment participation is 3.0% and Louisville Metro Government will participate at 1.0%.

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

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

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

**Atomic Brands Inc.  
Jefferson County**

**Malcolm Jollie  
Michelle Elder**

Malcolm Jollie stated Atomic Brands Inc., a privately owned beverage alcohol company founded in 2007, is considering a location in Jefferson County to continue its rapid growth. The company's award-winning products help several developing brands flourish in new and existing markets. Atomic Brands Inc. is considering Louisville to continue to serve as a good corporate citizen in a new location.

Michelle Elder stated the project investment is \$5,184,084 of which \$1,988,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 29 with an average hourly wage of \$38.25 including benefits. The state wage assessment participation is 3.0% and Louisville Metro Government will participate at 1.0%.

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

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

**Worldwide Technologies, LLC  
Barren County**

**Corky Peek  
Michelle Elder**

Corky Peek stated Worldwide Technologies, LLC has been manufacturing in Franklin, KY since 2012. The company provides parts and service to customers for heavy truck parts, gun parts, medical parts, and job shop services. Due to increased business opportunities Worldwide is considering locating and equipping a building in Glasgow to allow the company to help meet customer demand.

Michelle Elder stated the project investment is \$1,260,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 16 with an average hourly wage of \$27.00 including benefits. The state wage assessment participation is 3.0% and the City of Glasgow will participate at 1.0%.

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

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$150,000.

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

**Aware Recovery Care of Kentucky, LLC  
Jefferson County**

**Andy Luttner  
Debbie Phillips**

Andy Luttner stated Aware Recovery Care of Kentucky, LLC provides in-home treatment, medically integrated, multimodal treatment for the chronic disease of substance use disorder, maximizing access to care while minimizing interruptions to daily life. The company is considering a headquarters operation in Louisville to meet client demands.

Debbie Phillips stated the project investment is \$1,275,000, of which \$775,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 149 with an average hourly wage of \$32.00 including benefits. The state wage assessment participation is 3.0% and Louisville Metro Government will participate at 1.0%.

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

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

**KBI Projects (Extension)**

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

Michelle Elder stated 3 companies requested additional time to complete the projects and asked that all be presented as one motion.

<u>Company</u>	<u>County</u>	<u>Extension</u>
Zivo Inc. dba Zelios	Fayette	3 Month
Joe Leasure & Sons, Inc.	Hopkins	12 Month
Smiley Monroe Inc.	Simpson	12 Month

Staff recommended approval of the KBI extension requests.

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

### **KBI Projects (Final)**

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

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

#### **Modifications:**

**Tiffany and Company Jewelers, Inc.      Fayette      Manufacturing**  
Total investment and eligible costs have been updated based on the current projections.  
All other aspects of the project remain the same.

**Tokai Carbon GE LLC      Fulton      Manufacturing**  
Total investment and eligible costs have been updated based on the current projections.  
All other aspects of the project remain the same.

**PBR Inc. dba SKAPS Industries      Henderson      Manufacturing**  
Total investment and eligible costs have been updated based on the current projections.  
All other aspects of the project remain the same.

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

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

### **Kentucky Rural Hospital Loan Program (KRHLP)**

Vice-Chair Goodin called on Kylee Palmer to present the Kentucky Rural Hospital Loan Program project to the Authority.

Kylee Palmer stated the Ohio County Hospital Corporation requested loan proceeds from the KRHLP in the amount of \$999,705 to replace an MRI, CT, two ultrasounds and x-ray equipment. The terms of the loan include an interest rate of 1.0% and the retention of 352 full-time employees at the facility over the 5-year term. Collateral will be a lien on the equipment. Monthly principal and interest payments via ACH will begin the earlier of the last day of the month following the final reimbursement request or August 31, 2023. All project costs must be incurred by July 31, 2023 and all supporting documentation including invoices and proof of payment will be submitted no later than August 31, 2023.  
Staff recommended approval.

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

### **Kentucky Small Business Tax Credit (KSBTC) Projects**

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

Tim Back stated there are 8 Kentucky small businesses, from 5 counties with qualifying tax credits of \$73,500. The 8 businesses created 21 jobs and invested \$271,809 in qualifying equipment and/or technology.

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

<b>Small Business</b>	<b>County</b>	<b>Beginning Employment</b>	<b>Eligible Positions</b>	<b>Average Hourly Wage</b>	<b>Qualifying Equipment/Technology</b>	<b>Tax Credit Amount</b>
Ballast, Inc.	Fayette	8	1	\$52.43	\$6,787	\$3,500
Broker House Lending, LLC	Jefferson	5	1	\$21.00	\$49,999	\$3,500
Butts Golf, LLC	Livingston	2	2	\$20.00	\$64,241	\$7,000
Davis Jewelers, Inc.	Jefferson	13	3	\$25.53	\$27,394	\$10,500
Noble View Veterinary Clinic, LLC	Scott	4	2	\$30.14	\$21,850	\$7,000
Ryder Advising, LLC	Fayette	0	1	\$19.23	\$49,225	\$3,500
Teeters & May, PLLC	Johnson	0	4	\$24.16	\$20,384	\$14,000
West Sixth Brewing Company, LLC	Fayette	33	7	\$19.52	\$31,929	\$24,500

Staff recommended approval of the tax credits.

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

### **Kentucky Angel Investment Act Projects**

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

Tim Back stated there are 3 Kentucky Angel Investment Act projects representing 1 Kentucky business and 3 investors for a total projected investment of \$125,092 with eligible tax credits of \$31,273. The investor will have 80 calendar days in which to make the planned investment and submit proof of the investment before receiving the tax credit.

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

<b>Qualified Investor</b>	<b>Qualified Small Business</b>	<b>County</b>	<b>Projected Investment</b>	<b>Potential Tax Credit</b>
Jason Edward Wulfeck	Wendal Inc	Kenton	\$80,036	\$20,009
Mark J. Becker	Wendal Inc	Kenton	\$20,020	\$5,005
David P. Heidrich	Wendal Inc	Kenton	\$25,036	\$6,259

Staff recommended approval of the proposed Angel Investment tax credits.

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

## **Kentucky Entertainment Incentive (KEI) Projects (Final)**

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

### **Leading to Love LLC Leading to Love**

**Kylee Palmer**

Kylee Palmer stated that Leading to Love LLC plans to produce a Feature-Length Film, Leading to Love in Jefferson and Oldham Counties. Production is set to begin as early as September 15, 2022 and is anticipated to end by December 30, 2022. The Company anticipates \$1,541,261 in qualifying payroll expenditures and \$1,494,050 in qualifying non-payroll expenditures for a total of \$3,035,311. The company also anticipates employing 57 Kentucky resident crew members and 30 Non-Kentucky resident crew members for a total production crew of 87.

Staff recommended a total negotiated tax incentive amount of \$942,150.

Mike Cowles moved to approve the staff recommendation, as presented. Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

### **BBBFILM LLC Bang Bang**

**Tim Bates**

Tim Bates stated that BBBFILM LLC plans to produce a Feature-Length Film, Bang Bang, in Bracken, Kenton, Madison, Mason and Robertson Counties. Production is set to begin as early as September 5, 2022 and is anticipated to end by November 18, 2022. The Company anticipates \$1,004,982 in qualifying payroll expenditures and \$389,083 in qualifying non-payroll expenditures for a total of \$1,394,065. The company also anticipates employing 221 Kentucky resident crew members and 14 Non-Kentucky resident crew members for a total production crew of 235.

Staff recommended a total negotiated tax incentive amount of \$475,994.

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

### **A Soul to Squeeze LLC A Soul To Squeeze**

**Joseph Gearon**

Joseph Gearon stated that A Soul to Squeeze LLC plans to produce a Feature-Length Film, A Soul To Squeeze in Campbell, Grant, Kenton, and Owen Counties. Production is set to begin as early as October 31, 2022 and is anticipated to end by September 1, 2023. The Company anticipates \$1,980,008 in qualifying payroll expenditures and \$251,000 in qualifying non-payroll expenditures for a total of \$2,231,008. The company also anticipates employing 35 Kentucky resident crew members and 28 Non-Kentucky resident crew members for a total production crew of 63.

Staff recommended a total negotiated tax incentive amount of \$733,052.

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

**Sunshine Films Florida LLC**  
**Nanny Beware**

**Kylee Palmer**

Kylee Palmer stated that Sunshine Films Florida LLC plans to produce a Feature- Length Film, Nanny Beware, in Jefferson County. Production is set to begin as early as September 20, 2022 and is anticipated to end by November 15, 2022. The Company anticipates \$385,000 in qualifying payroll expenditures and \$149,000 in qualifying non-payroll expenditures for a total of \$534,000. The company also anticipates employing 15 Kentucky resident crew members and 21 Non-Kentucky resident crew members for a total production crew of 36.

Staff recommended a total negotiated tax incentive amount of \$163,550.

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

**Unsung Hero Movie, LLC**  
**Unsung Hero**

**Kylee Palmer**

Kylee Palmer stated that Unsung Hero Movie, LLC plans to produce a Feature-Length Film, Unsung Hero, in Edmonson, Jefferson and Woodford Counties. Production is set to begin as early as August 25, 2022 and is anticipated to end by March 29, 2023. The Company anticipates \$3,445,830 in qualifying payroll expenditures and \$1,457,647 in qualifying non-payroll expenditures for a total of \$4,903,477. The company also anticipates employing 66 Kentucky resident crew members and 61 Non-Kentucky resident crew members for a total production crew of 127.

Staff recommended a total negotiated tax incentive amount of \$1,538,405.

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

**Warm Springs Productions LLC**  
**Into the Wild Frontier (Season 3)**

**Joseph Gearon**

Joseph Gearon stated that Warm Springs Productions LLC plans to produce a Television Program, Into the Wild Frontier (Season 3), in Bourbon, Clark, Fayette, Grant, Madison, Mercer, Shelby and Spencer Counties. Production is set to begin as early as September 6, 2022 and is anticipated to end by November 14, 2022. The Company anticipates \$724,712 in qualifying payroll expenditures and \$330,940 in qualifying non-payroll expenditures for a total of \$1,055,652. The company also anticipates employing 25 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 40.

Staff recommended a total negotiated tax incentive amount of \$330,129.

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

**Flannery Film LLC**  
**Wildcat**

**Tim Bates**

Tim Bates stated that Flannery Film LLC plans to produce a Feature Length Film, Wildcat, in Bullitt, Henry, Jefferson, Nelson, Oldham, Shelby, Spencer, and Washington Counties. Production is set to begin as early as August 29, 2022 and is anticipated to end by February 28, 2023. The Company anticipates \$6,121,168 in qualifying payroll expenditures and

\$2,918,549 in qualifying non-payroll expenditures for a total of \$9,039,717. The company also anticipates employing 649 Kentucky resident crew members and 36 Non-Kentucky resident crew members for a total production crew of 685.

Staff recommended a total negotiated tax incentive amount of \$2,890,136.

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

**UNFF Production LLC  
Love is Brewing**

**Kylee Palmer**

Kylee Palmer stated that UNFF Production LLC plans to produce a Feature-Length Film, Love is Brewing, in Jefferson County. Production is set to begin as early as October 1, 2022 and is anticipated to end by October 23, 2022. The Company anticipates \$653,000 in qualifying payroll expenditures and \$234,000 in qualifying non-payroll expenditures for a total of \$887,000. The company also anticipates employing 61 Kentucky resident crew members and 28 Non-Kentucky resident crew members for a total production crew of 89.

Staff recommended a total negotiated tax incentive amount of \$269,075.

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

**Post Time Audiovisual Services, Inc. d/b/a Wrigley Media Group  
Kentucky Derby Episodic Series (WT)**

**Tim Bates**

Tim Bates stated that Post Time Audiovisual Services, Inc. d/b/a Wrigley Media Group plans to produce a Television Program, Kentucky Derby Episodic Series (WT) in Bourbon, Clark, Fayette, Jefferson, Oldham, Scott, Spencer, and Woodford Counties. Production is set to begin as early as September 1, 2022 and is anticipated to end by April 30, 2024. The Company anticipates \$1,200,000 in qualifying payroll expenditures and \$800,000 in qualifying non-payroll expenditures for a total of \$2,000,000. The company also anticipates employing 17 Kentucky resident crew members and 1 Non-Kentucky resident crew members for a total production crew of 18.

Staff recommended a total negotiated tax incentive amount of \$655,000.

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

**Finding Love In Sisters OR LLC  
Finding Love in Sisters OR**

**Joseph Gearon**

Joseph Gearon stated that Finding Love in Sisters OR LLC plans to produce a Feature-Length Film, Finding Love in Sisters OR, in Warren and Wolfe Counties. Production is set to begin as early as October 5, 2022 and is anticipated to end by November 5, 2022. The Company anticipates \$392,032 in qualifying payroll expenditures and \$149,181 in qualifying non-payroll expenditures for a total of \$541,213. The company also anticipates employing 26 Kentucky resident crew members and 2 Non-Kentucky resident crew members for a total production crew of 28.

Staff recommended a total negotiated tax incentive amount of \$177,919.



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

**Road D LLC**

**Tim Bates**

**Desperation Road**

Tim Bates stated that ROAD D LLC plans to produce a Feature-Length Film, Desperation Road, in Jefferson County. Production is set to begin as early as September 1, 2022 and is anticipated to end by September 1, 2023. The Company anticipates \$3,926,309 in qualifying payroll expenditures and \$659,683 in qualifying non-payroll expenditures for a total of \$4,585,992. The company also anticipates employing 246 Kentucky resident crew members and 15 Non-Kentucky resident crew members for a total production crew of 261

Staff recommended a total negotiated tax incentive amount of \$1,401,906.

Don Goodin moved to approve the staff recommendation, as presented. Secretary Holly Johnson seconded the motion. Motion passed; unanimous.

**Adjournment**

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

Mike Cowles moved to adjourn the August KEDFA board meeting; Naashom Marx seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:25 a.m.

**APPROVED  
PRESIDING OFFICER:**



Jean R. Hale, Chairman