CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

MEMORANDUM

TO: KEDFA Board Members

FROM: Jean R. Hale, Chairman
Kentucky Economic Development Finance Authority

DATE: June 18, 2020

SUBJECT: **KEDFA Special Board Meeting**

Due to the state of emergency declared by Governor Beshear via Executive Order 2020-15 regarding COVID-19, all previously announced in-person meetings involving the Kentucky Cabinet for Economic Development scheduled in June have been cancelled. In accordance with the provision of KRS 61.823, a special meeting of the Kentucky Economic Development Finance Authority is called for **10:00 a.m. (EDT) on Thursday, June 25, 2020**. The board meeting will be held via video teleconference at the following link:
https://us02web.zoom.us/j/89064412776

The purpose of the meeting is to consider all projects scheduled for the regular June meeting that was cancelled due to the state of emergency.

Attachment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
Old Capitol Annex
Board of Directors Conference Room
300 West Broadway
Frankfort, Kentucky

SPECIAL BOARD MEETING

Video Conference Website/Link: **https://us02web.zoom.us/j/89064412776**

AGENDA
June 25, 2020

Call to Order
Notification of Press
Roll Call

Minutes from May 28, 2020 Special KEDFA Board Meeting

Reports

Local IRB Project

EDF Projects

KEIA Projects (Extension)

KEIA Projects

KBI Project (Preliminary) & KEIA Project

KBI Projects (Preliminary)

KBI Projects (Extension)

KBI Projects (Final)

KSBTC Projects

Other Business

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL BOARD MEETING
May 28, 2020

MINUTES

Call to Order
Due to the state of emergency declared by Governor Beshear via Executive Order 2020-15 regarding COVID-19, all previously announced in-person meetings involving the Kentucky Cabinet for Economic Development scheduled in May were cancelled. In accordance with the provision of KRS 61.823, a special meeting of the Kentucky Economic Development Finance Authority (KEDFA) was called for 10:00 a.m. (EDT) May 28, 2020 via video teleconference at the following link: https://us02web.zoom.us/j/83775989717?pwd=NXMwT281ZWt1akI3OVpXd2k4UFdXUT09 to consider all projects. KEDFA convened at 10:02 a.m. EDT on May 28, 2020.

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

Roll Call
Members Present: Jean R. Hale, J. Don Goodin, Winston Miller, proxy for Secretary Holly M. Johnson, Tucker Ballinger, Chad Miller, Mike Cowles and Naashom Marx

Staff Present: Bobby Aldridge, Tim Back, Elizabeth Bishop, Sarah Butler, Brittany Cox, Martin David-Jacobs, Rachael Dever, Danielle Dunmire, Lisa Duvall, Michelle Elder, Tony Ellis, Ellen Felix, David Hamilton, Krista Harrod, James Johnson, Lucas Johnson, Craig Kelly, Brooklyn Leep, Brandon Mattingly, Jack Mazurak, Kate McCane, Craig McKinney, Kylee Palmer, Ryan Pennington, Debbie Phillips, Jason Rainey, Charlie Rowland, Angelica Sanchez Vega, Kristina Slattery, Katie Smith, Teresa Spreitzer, Jeff Taylor and Steve Vest

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Jeff McKenzie, Dentons Bingham Greenebaum; Bruce Fraley, City of Berea; Buzzy Newman, City of Henderson; Thomas Fromme, Leonard Kuntz and Larissa Simms, City of Newport; Gina Greathouse and Cheryl Klever, Commerce Lexington; Casey Bolton, Commonwealth Economics; Jason Lake, Cushman & Wakefield, Inc.; Casey Dunn, Denham-Blythe; Lucas Witt, Fortune Realty; Brad Schneider, Henderson County; Whitney Risley and Missy Vanderpool, Henderson Economic Development; Steve Austin, Simon Mortimer, Shingo Nakamura and Scott Rowell, Hitachi Electric Motor Systems; Ankur Gopal, Interapt LLC; Billy Aldridge, Kentucky Finance & Administration Cabinet, Office of Financial Management; Patrick Ford, Lebanon/Marion County Industrial Foundation; Courtney Putthoff and Kenny Ray Schomp, Longship Logistics; Zeeshan Bhatti, Louisville Forward; Bob Helton, Morehead-Rowan County Economic Development; Devon Stansbury, Northern Kentucky Tri-County Economic Development Corporation; Darrell Betz, Regal Beloit; Matt Zoellner, Scott, Murphy & Daniel, LLC; Chris Otts, WDRB; and Shaun Pan, World Peace Hospitality

Approval of Minutes

Chairman Hale entertained a motion to approve the minutes from the April 30, 2020 special KEDFA board meeting.

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

Approved/Undisbursed Report

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

Financial Statements and Monitoring Reports

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

KEDFA Industrial Revenue Bond (IRB) Project (Preliminary)

Chairman Hale called on Debbie Phillips to present a KEDFA IRB preliminary project to the Authority.

Baptist Healthcare System Obligated Group

Ms. Phillips referenced in the board material, a KEDFA bond report relating to the issuance of healthcare facilities revenue bonds in an amount not to exceed $450,000,000 on behalf of Baptist Healthcare System Obligated Group. The bond proceeds will be used to: 1) refund all of the outstanding KEDFA Variable Rate Demand Hospital Revenue Bonds, Series 2009B, currently outstanding in a total principal amount of $284,435,000, 2) refund all of the outstanding KEDFA Hospital Revenue Bonds, Series 2011, currently outstanding in a total principal amount of $140,000,000, and (iii) pay costs of issuance of the 2020B Bonds and of the Refunding. The local jurisdictions that may be impacted by the project include Lexington, Louisville, Paducah, Corbin and LaGrange, Kentucky.

A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue will be conducted by staff prior to KEDFA's adoption of a final resolution.

KEDFA's adoption of a final resolution will be contingent on the Cabinet's receipt of referral resolutions from the affected local jurisdictions requesting that KEDFA issue these bonds. KEDFA serves as the conduit issuer of the bonds. The bonds will not constitute a general obligation of KEDFA and KEDFA will not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommended the adoption of the KEDFA inducement bond resolution.

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

Tax Increment Financing (TIF) Project (Preliminary)

Chairman Hale called on Kylee Palmer to present a TIF project for preliminary approval to the Authority.

City of Newport Finance and Administration Department
World Peace Hospitality Mixed-Use Redevelopment Project
Campbell County

Ms. Palmer stated the World Peace Hospitality Mixed-Use Redevelopment Project is seeking preliminary approval as a Mixed-Use Redevelopment TIF Project. In 1999, the World Peace Bell in Newport, KY opened for the first time and remained the largest swinging bell in the world until 2006. The Bell features an inscription commemorating the Universal Declaration of Human Rights and engravings marking important events from the past 1,000 years. The Bell's tower, the bridge linking the Millennium Museum and the World Peace Bell, were produced by companies local to Newport, KY, but are deteriorating at a rapid pace. Furthermore, the parking lot adjacent to the local landmark surrounded by Monmouth, York, Fourth and Fifth streets remains vacant and is part of the revitalization of Newport's downtown.

The project consists of the redevelopment of the site to help meet public parking demand, create better connections from the city's central business district to the riverfront, and energize area business development by including a parking garage, an extended stay hotel and a mixed-use building with retail, restaurant and office space. With a well-balanced approach and keen focus on successful execution, the Project expects to create positive impacts in communities through reinvestment that maximizes long-term value in Newport. The construction is estimated to take place over the next four years.

The public infrastructure costs total approximately $7.8 million and include land preparation, curbs, sidewalks, promenades and pedways, street lighting, provision of utilities, public space or parks, parking, and easements and rights of way. The applicant, City of Newport Finance and Administration Department, estimates the project could generate $35.5 million in total economic impact over a twenty-year period.

By granting preliminary approval, KEDFA would enable staff to begin working with the Office of State Budget Director and the Finance and Administration Cabinet to create criteria for which an independent consultant would review the project’s feasibility including financing, appropriateness for the use of the TIF program and potential increments and whether the project represents a net positive impact for the Commonwealth.

Staff recommended preliminary approval of the TIF project.

Ms. Palmer introduced representatives of the project and invited them to address the board.

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

KEDFA Economic Development Fund (EDF) Projects

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

Marion County Industrial Foundation, Inc. **Martin David-Jacobs**
County of Marion, Kentucky **Kate McCane**

Martin David-Jacobs stated Marion County Industrial Foundation, Inc. (MCIF) proposes to build an access road to catalyze the balance of the 250-acre business and industrial park in Lebanon, Marion County. MCIF will match the requested Economic Development Fund grant.

The project is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project.

Mr. David-Jacobs introduced representatives of the project and invited them to address the board.

Kate McCane stated the County of Marion, Kentucky requested the use of $198,189 in EDF program funds for the benefit of Marion County Industrial Foundation, Inc. The project investment is $396,378, and the proposed EDB grant funds will be used to offset the costs associated with this project. Disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and a progress report will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

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

Staff recommended approval of the EDF project.

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

Henderson County **Martin David-Jacobs**
City of Henderson **Michelle Elder**

Mr. David-Jacobs stated the City of Henderson has committed $75,000 and Henderson Economic Development has committed $100,000 to match the Economic Development Fund Grant to extend the Henderson Municipal Gas line. This natural gas line will be extended approximately 4,400 feet to the property site along the Highway 425 Bypass. The City of Henderson and Henderson Municipal Gas staff will take the lead on this utility infrastructure improvement project to design and install the line.

This project is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project.

Mr. David-Jacobs introduced representatives of the project and invited them to address the board.

Michelle Elder stated Henderson County requested the use of $175,000 in EDF program funds for the benefit of the City of Henderson. The project investment is $350,000, and the proposed EDF grant funds will be used to offset the costs associated with this project. Disbursement requests may be submitted no more than monthly requesting funds to be disbursed on a reimbursement basis. Supporting documentation of invoices, proof of payment, matching funds, etc. and progress reports will be required to be submitted with each request. Upon staff's review and approval of all documentation, funds will be disbursed to the local government entity to provide to the project applicant.

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

Staff recommended approval of the EDF project.

Deputy Secretary Miller moved to approve the staff recommendation, as presented; Mr. Goodin seconded the motion. Motion passed; unanimous.

Kentucky Business Investment (KBI) Projects (Amendment)

Chairman Hale called on Bobby Aldridge to present the KBI project amendments to the Authority.

Frost-Arnett Company
Taylor County
Mr. Aldridge stated Company is requesting a First Amendment to Tax Incentive Agreement to reflect a change of KBI project location in Taylor County resulting in additional square footage retroactive to December 30, 2019. All other aspects remain the same.

Staff recommended approval of the KBI amendment request.

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

TechStyle, Inc.
Jefferson County
Mr. Aldridge stated TechStyle, Inc. operates a distribution center campus in Jefferson County to support the company's internet-based fashion website. The project has two approved affiliates, Fabletics, LLC and TechFab, LLC. As a result of corporate restructuring, the company transferred some employees working at the project site to JF Retail Services, LLC, a subsidiary of the parent company. Additionally, TechFab, LLC was merged into the existing business and the subsidiary was dissolved. The company is requesting that JF Retail Services, LLC be added to the project as an approved affiliate, and that TechFab, LLC be removed from the project. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Kentucky Enterprise Initiative Act (KEIA) Project (Extension)

Chairman Hale called on Mr. Aldridge to present a KEIA extension request to the Authority.

Vanderbilt Chemicals, LLC
Calloway County
Mr. Aldridge stated Vanderbilt Chemicals, LLC requested a 3 month time extension to complete its project.

Staff recommended approval of the KEIA extension request.

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

KBI (Preliminary) and KEIA Projects

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

BuildMyPlace, LLC **Martin David-Jacobs**
Jefferson County **Kate McCane**

Mr. David-Jacobs stated BuildMyPlace, LLC was established as a new e-commerce design and home improvement service company. The company is considering renovations of an existing building to establish office space and operations for a new web-based design service company.

Ms. McCane stated the project investment is $15,300,000, all of which qualifies as KBI eligible costs and $3,565,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of $28.00 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%. The company will be required to maintain 95% of the total countywide full-time, Kentucky resident employees at all affiliate locations, including the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $1,000,000 and the KEIA approved recovery amount of $50,000 for construction materials and building fixtures.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Miller seconded the motion. Motion passed; unanimous.

Hitachi Automotive Electric Motor Systems America, Inc. **Brooklyn Leep**
Madison County **Kate McCane**

Brooklyn Leep stated Hitachi Automotive Electric Motor Systems America, Inc. is a new subsidiary company of Hitachi Automotive Electric Motor Systems, Ltd. The company is considering renovating and purchasing equipment for the development, manufacture and sale of electric vehicle motors.

Ms. Leep introduced representatives of the project and invited them to address the board.

Ms. McCane stated the project investment is $86,800,000 of which $7,160,000 qualifies as KBI eligible costs and $3,400,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 162 with an average hourly wage of $27.00 including benefits. The state wage assessment participation is 3.00% and the City of Berea will participate at 1.00%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $2,950,000 and the KEIA approved recovery amount of $200,000 for construction materials and building fixtures.

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

Rajant Corporation **Brooklyn Leep**
Rowan County **Kate McCane**

Ms. Leep stated Rajant Corporation began operations in May 2002 and has since developed dozens of new products and technologies leveraging its patented InstaMesh routing protocols. The company intends to expand its product offerings to manufacture printed circuit boards and semiconductors while improving its commercial and military product lines. Rajant has outgrown its current facility and is seeking to relocate to the MMRC Spec building and make significant capital improvements to the building.

Ms. Leep introduced representatives of the project and invited them to address the board.

Ms. McCane stated the project investment is $2,000,000, all of which qualifies as KBI eligible costs and $884,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 26 with an average hourly wage of $25.00 including benefits. The state wage assessment participation is 5.00%. The company will be required to maintain a base employment equal to the greater of the number of full-time, Kentucky resident employees as of the date of preliminary approval or 28 full-time, Kentucky resident employees (base employment number required by previous project #20340).

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $300,000 and the KEIA approved recovery amount of $50,000 for construction materials and building fixtures.

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

KBI Project (Preliminary)

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

Quality Logistics LLC dba Longship Logistics **Brittany Cox**
Fayette County **Debbie Phillips**

Brittany Cox stated Quality Logistics LLC dba Longship Logistics opened for business in May 2012 as a third-party logistics company specializing in over-the-road truckloads of fresh, frozen, and dry shipments. The company is considering the relocation of its existing facility to meet customer demands.

Ms. Cox introduced representatives of the project and invited them to address the board.

Ms. Phillips stated the project investment is $4,300,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 155 with an average hourly wage of $28.00 including benefits. The state wage assessment participation is 3.00% and Lexington-Fayette Urban County Government will participate at 1.00%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $1,250,000.

Mr. Ballinger moved to approve the staff recommendation, as presented; Deputy Secretary Miller seconded the motion. Motion passed; unanimous.

Regal Beloit America Inc.
dba Regal Beloit - Power Transmission Solutions **Elizabeth Bishop**
Kenton County **Debbie Phillips**

Elizabeth Bishop stated Regal Beloit America Inc. dba Regal Beloit - Power Transmission Solutions manufactures couplings, conveying and gearing products. The Florence facility currently operates the corporate and administrative offices as well as manufacturing, warehousing and distribution of PTS products. The primary products manufactured are coupling, conveying and gearing products, including worm gear reducers, high performance disc couplings, torque monitoring and conveying equipment. The current facility is

approximately 335,000 square feet. The proposed facility modification would be approximately 34,000 square feet.

Ms. Phillips stated the project investment is $3,367,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 56 with an average hourly wage of $40.00 including benefits. The state wage assessment participation is 1.50% and Kenton County will participate at 0.50%. 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 95% of the total statewide full-time, Kentucky resident employees 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 $850,000.

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

Bastian Solutions, LLC **Martin David-Jacobs**
Jefferson County **Kate McCane**

Mr. David-Jacobs stated Bastian Solutions, LLC primarily provides canned and custom software related code writing and engineering services related to IT and software solutions for warehouse automation. The company proposes to expand its Louisville operations to meet projected growth and increase physical space capacity.

Ms. McCane stated the project investment is $5,184,000 of which $2,792,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 144 with an average hourly wage of $46.00 including benefits. The state wage assessment participation is 3.00% and Louisville/Jefferson County Metro Government will participate at 1.00%. 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, Kentucky resident employees 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 $2,200,000.

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

Creative Packaging Company **Martin David-Jacobs**
Shelby County **Kate McCane**

Mr. David-Jacobs stated Creative Packaging Company (CPCO) is a manufacturer and distributor of various product lines to service the protective packaging and temperature-controlled supply chain market. The company is considering the purchase of new equipment for the manufacturing of gel packs due to the increased growth in the meal kit marketplace.

Ms. McCane stated the project investment is $600,000 of which $550,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of $16.50 including benefits. The state wage assessment participation is 2.25% and City of Shelbyville will participate at 0.75%. 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.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $165,000.

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

KBI Projects (Extension)

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

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

Company	County	Extension
Cabot Corporation	Carroll	3 Month
Pilgrim's Pride Corporation	Graves	3 Month
Pride Industries, Inc.	Union	3 Month
Four O Corporation	Boone	6 Month
Wright-Mix Material Solutions, LLC	Greenup	6 Month
Greif Packaging LLC dba Multicorr	Jefferson	12 Month
Mayfield Consumer Products, LLC	Graves	12 Month
Michter's Distillery LLC	Jefferson	12 Month
Tri-Arrows Aluminum Inc.	Logan	12 Month

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

Chairman Hale called on Ms. Phillips to present the KBI final projects to the Authority.

Ms. Phillips stated six companies requested KBI final approval, one of which has modifications since preliminary approval. Ms. Phillips asked that all ten be presented as one motion.

No Modifications:

Project Name	County	Type Project
Adkev, Inc.	Boyle	Manufacturing
Interapt, LLC	Jefferson	Headquarters
Meggitt Aircraft Braking Systems Kentucky Corporation	Boyle	Manufacturing
Perfetti Van Melle USA Inc.	Boone	Manufacturing
Sims Bark Co. Georgia, LLC	Whitley	Manufacturing

Modifications:

Danimer Scientific Kentucky, Inc. Clark Manufacturing

Total investment and eligible costs have been updated based on the current projections. The project changed from an owned project to a leased project with no rent considered as eligible costs. 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.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Cowles seconded the motion. Motion passed, unanimous.

Kentucky Small Business Tax Credit (KSBTC) Projects

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

Mr. Back stated there are eight Kentucky small businesses, from six counties with qualifying tax credits of $70,000. The eight businesses created 20 jobs and invested $270,683 in qualifying equipment and/or technology.

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

Qualified Small Business	County	Beg. Emp.	Elig. Pos.	Average Hourly Wage	Qualifying Equipment or Technology	Tax Credit
E & E Mechanical, Inc.	Jefferson	26	1	$ 20.00	$ 40,691	$ 3,500
Eezy LLC	Warren	9	4	$ 27.56	$ 14,054	$ 14,000
Emily Brown Taylor, P.S.C.	Hopkins	4	1	$ 17.00	$ 31,920	$ 3,500
Haire Construction, LLC	Jefferson	0	7	$ 26.71	$ 94,500	$ 24,500
SiteCon Construction, LLC	Nelson	0	4	$ 33.41	$ 73,515	$ 14,000
TrinSoft, LLC	Fayette	16	1	$ 25.00	$ 5,297	$ 3,500
Williams Vintage Woodworks Limited Liability Company	Lincoln	0	1	$ 13.00	$ 5,123	$ 3,500
Work Architecture and Design, Ltd. Co.	Jefferson	4	1	$ 19.23	$ 5,583	$ 3,500

Staff recommended approval of the tax credits.

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

Other Business

Audit Communication

Chairman Hale called on Katie Smith to review the Audit Communication. Ms. Smith informed the board that MCM CPAs & Advisors will perform the audit and discussed the timing of the field work.

Adjournment

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

Mr. Miller moved to adjourn the May KEDFA board meeting; Mr. Goodin seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:01 a.m.

APPROVED
PRESIDING OFFICER:

Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

5/31/2020

Approved and Undisbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Commitment Expires	Project Amount
KEDFA LOANS					
None					
KEDFA GRANTS					
Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-21	$381,774
SMALL BUSINESS LOANS					
None					
TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)					**$381,774**

Approved and Partially Disbursed KEDFA Projects

Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
KEDFA GRANTS							
Louisville/Jefferson County Metro Government (Restaurant Supply Chain Solutions)	21636	Jefferson	May-17	Jun-20	$500,000	($375,000)	$125,000
Louisville/Jefferson County Metro Government (Res-Care, Inc.)	21990	Jefferson	Jan-18	Dec-22	$500,000	($200,000)	$300,000
TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)							**$425,000**

TOTAL KEDFA APPROVED AND NOT DISBURSED	**$806,774**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

STATEMENT OF NET POSITION

5/31/2020

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 5/31/20	OOE 5/31/20	COMBINED 5/31/20
ASSETS						
Cash & Accounts Receivable						
Operating Account	126,004.68	0.00	0.00	126,004.68	0.00	*126,004.68*
Cash	396,826.25	17,709,725.71	412,906.55	18,519,458.51	0.00	*18,519,458.51*
High Tech Construction Pool	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	2,762,174.78	*2,762,174.78*
High Tech LGEDF Pool	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*
Accounts Receivable	0.00	0.00	0.00	0.00	0.00	*0.00*
Intergovernment Receivable	806,774.00	0.00	0.00	806,774.00	98,006.21	*904,780.21*
Total Cash & Accounts Receivable	**1,329,604.93**	**17,709,725.71**	**412,906.55**	**19,452,237.19**	**3,001,724.87**	***22,453,962.06***
Accrued Interest Receivable						
Loans	33,297.24	(432.98)	0.00	32,864.26	0.00	*32,864.26*
Investments	3.22	151.19	3.41	353.30	0.00	*353.30*
Total Accrued Interest Receivable	**33,300.46**	**(281.79)**	**3.41**	**33,217.56**	**0.00**	***33,217.56***
Notes Receivable						
Loans Receivable	52,870,335.34	200,256.84	0.00	53,070,592.18	0.00	*53,070,592.18*
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	*(1,434,722.43)*
Total Notes Receivable	**52,870,335.34**	**200,256.84**	**0.00**	**51,635,869.75**	**0.00**	***51,635,869.75***
TOTAL ASSETS	***54,233,240.73***	***17,909,700.76***	***412,909.96***	***71,121,324.50***	***3,001,724.87***	***74,123,049.37***
DEFERRED OUTFLOWS OF RESOURCES:						
Deffered Outflows Pension				***1,893,000.00***	***0.00***	***1,893,000.00***
Deffered Outflows OPEB				***455,000.00***	***0.00***	***455,000.00***
LIABILITIES						
Accrued Salaries & Compensated Absences				**351,752.04**	**0.00**	***351,752.04***
Accounts Payable				**0.00**	**0.00**	***0.00***
Intergovernment Payable						***0.00***
Grants Payable				**0.00**	**0.00**	***0.00***
Pension Liability				**9,480,000.00**	**0.00**	***9,480,000.00***
OPEB Liability				**1,650,000.00**	**0.00**	***1,650,000.00***
TOTAL LIABILITIES				***11,481,752.04***	***0.00***	***11,481,752.04***
DEFERRED INFLOWS OF RESOURCES						
Deffered Inflows Pension				***133,000.00***	***0.00***	***133,000.00***
Deffered Inflows OPEB				***147,000.00***	***0.00***	***147,000.00***
NET POSITION						
Beginning Balance				**28,504,305.22**	**3,352,157.11**	***31,856,462.33***
Current Year Undivided Profits				**33,203,267.24**	**(350,432.24)**	**32,852,835.00**
TOTAL NET POSITION				***61,707,572.46***	***3,001,724.87***	***64,709,297.33***

NOTE 1 The Small Business Loan Pool is presented separately only for internal tracking purposes.

NOTE 2 The Office of Entrepreneurship (OOE) operating transactions are no longer under the direction of KEDFA and are not reflected above.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CONSOLIDATED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE MONTH ENDING AND FISCAL YTD May 31, 2020

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2019-2020 YEAR TO DATE	*FY 2018-2019 YEAR TO DATE*
Operating Revenues - KEDFA						
Interest Income/Loans	15,163.72	333.72	0.00	0.00	184,554.06	*203,648.12*
Interest Income/ Investments	3.22	151.19	3.41	0.00	195,097.04	*322,528.31*
Late Fees	0.00	0.00	0.00	0.00	0.00	*0.00*
Application Fees	16,825.00	0.00	0.00	0.00	452,955.44	*397,005.05*
Miscellaneous Income	0.30	0.00	0.00	0.00	3,084.27	*4,862.08*
Total Operating Revenues - KEDFA	**31,992.24**	**484.91**	**3.41**	**0.00**	**835,690.81**	***928,043.56***
Operating Expenses - KEDFA						
Salaries	100,329.50				1,102,788.96	*1,003,502.86*
Employee benefits	106,400.04				1,174,364.22	*1,041,078.40*
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	106.21				122,239.62	*127,451.66*
Printing Services	0.00				50.00	
Utilities and Heating Fuels	0.00				0.00	*0.00*
Rentals	0.00				0.00	*0.00*
Maintenance and Repairs	0.00				0.00	*0.00*
Postage and Related Services	0.00				0.00	*10.71*
Telecommunications	0.00				0.00	*0.00*
Computer Services	1,400.00				1,400.00	*1,400.00*
Supplies	0.00				0.00	*0.00*
Miscellaneous Services	0.00				0.00	*32.00*
Travel	0.00				3,755.88	*4,187.15*
Miscellaneous Commodities	0.00				0.00	*335.00*
Dues	0.00				2,824.89	*0.00*
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	**208,235.75**	**0.00**	**0.00**	**0.00**	**2,407,423.57**	***2,177,997.78***
Income (Loss) from Operations - KEDFA	**(176,243.51)**	**484.91**	**3.41**	**0.00**	**(1,571,732.76)**	***(1,249,954.22)***
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund	0.00				0.00	*0.00*
Operating Transfer Out - BSSC					0.00	*0.00*
Operating Transfer Out - Secretary's Office					0.00	*0.00*
Operating Transfer Out - New Business	0.00				0.00	*0.00*
Transfer Due from Bonds					35,000,000.00	*381,774.00*
Transfer Due from KSBCI	0.00				0.00	*0.00*
Grants Disbursed	0.00				(225,000.00)	*(1,558,048.79)*
Operating Transfer In - Economic Dev	0.00				0.00	*(6,760.00)*
Unrealized Gains/(Losses) on Investment	0.00				0.00	*0.00*
Realized Gains/(Losses) on Investment	0.00				0.00	*0.00*
Total Non-Operating Revenues (Expenses) -	**0.00**	**0.00**	**0.00**	**0.00**	**34,775,000.00**	***(1,183,034.79)***
CHANGE IN NET POSITION - KEDFA	**(176,243.51)**	**484.91**	**3.41**	**0.00**	**33,203,267.24**	***(2,432,989.01)***
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				0.00	0.00	*0.00*
Misc Income				0.00	0.00	*0.00*
Disbursements: Projects (Note 1)					(148,983.01)	*(90,404.18)*
Repayments received from Projects					48,550.77	*0.00*
						0.00
Non-Operating Revenues (Expenses) - OOE						*0.00*
Operating Transfer in - OOE					0.00	*0.00*
Transfer Due from Bonds					0.00	*0.00*
Operating Transfer Out - OOE				0.00	(250,000.00)	*100,000.00*
CHANGE IN NET POSITION - OOE	**0.00**	**0.00**	**0.00**	**0.00**	**(350,432.24)**	***9,595.82***
CHANGE IN NET POSITION - COMBINED	**(176,243.51)**	**484.91**	**3.41**	**0.00**	**32,852,835.00**	***(2,423,393.19)***

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

NOTE 2 Statement does not include interest income for OOE that is swept monthly to OOE's operating account

NOTE 3 The Small Business Loan Pool is presented separately only for internal tracking purposes.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
CASH POSITION STATEMENT
5/31/2020

	5/31/2019	5/31/2020
Fund A Cash Balance	$1,125,317.98	$396,826.25
Less: Approved/Undisbursed		
Total Unobligated Balance	**$1,125,317.98**	**$396,826.25**
2003 Bond Fund Cash Balance	$17,126,130.52	$17,709,725.71
Less: Approved/Undisbursed	(1,031,774.00)	(806,774.00)
Total Unobligated Balance	**$16,094,356.52**	**$16,902,951.71**
Small Business Loan Fund Cash Balance	$407,189.77	$412,906.55
Less: Approved/Undisbursed		
Total Unobligated Balance	**$407,189.77**	**$412,906.55**
Bond Funds to be Provided for Loans		
Less: Approved/Undisbursed		
Total Unobligated Balance	**$0.00**	**$0.00**
Budget: Cash to be Transferred to Other CED Programs for	**$0.00**	**$0.00**
CASH AVAILABLE	**$17,626,864.27**	**$17,712,684.51**
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	$2,902,326.80	$2,762,174.78
Less: Approved/Undisbursed	($1,017,630.00)	($578,927.24)
LGEDF Pool	$4,043.88	$4,043.88
Less: Approved/Undisbursed	$0.00	$0.00
Bond Funds to be Provided for Approved Projects	$348,006.41	$98,006.21
Bond Funds Available for Projects		
Total Unobligated Balance	**$2,374,247**	**$2,422,798**
TOTAL ALL FUNDS	**$20,001,111.36**	**$20,135,482.14**

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2020

KEDFA Meeting date	6/25/2020
Total Projects Approved Fiscal Year-to-Date	43
Number of Proposed Projects for Current Month	4

Construction Materials and Building Fixtures

Fiscal Year Cap	$20,000,000
Approved Fiscal Year-to-Date	$11,930,500
Committed Amount	$0
Balance Available for Current Month	$8,069,500
Proposed Approval for Current Month	$1,420,000
Balance Available for Remainder of Fiscal Year	$6,649,500

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap	$5,000,000
Approved Fiscal Year-to-Date	$1,837,000
Committed Amount	$0
Balance Available for Current Month	$3,163,000
Proposed Approval for Current Month	$0
Balance Available for Remainder of Fiscal Year	$3,163,000

KBI Summary

Updated June 12, 2020

Fiscal Year End Reporting

		Jobs			Wages		
Year	Number of Projects	Jobs Reported	Job Target	% Achieved	Averge 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	142	14,506	13,113	111%	$25.38	$22.38	113%
2016	196	21,251	18,665	114%	$25.05	$21.79	115%
2017	242	25,897	21,967	118%	$26.85	$21.94	122%
2018	276	30,570	25,001	122%	$26.29	$21.78	121%
2019	221	24,995	19,059	131%	$29.17	$22.64	129%
2020	19	1,374	1,323	104%	$26.90	$19.40	139%

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	$19,923,814	56%
2017	$44,822,034	$38,751,699	N/A	N/A
2018	$51,639,951	$43,810,090	N/A	N/A
2019	$59,617,486	$51,268,095	N/A	N/A
2020	$43,652,170	$36,731,541	N/A	N/A
2021	$3,335,666	$2,432,336	N/A	N/A
Grand Total	$337,464,114	$290,319,644		

- Based on actual jobs and wages reported in 2018 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is approximately $1.7 billion.

***Notes on incentives claimed:** Data is based on information provided by the Kentucky Department of Revenue. Total incentives claimed represents the total of income tax credits and wage assessments claimed through December 31, 2017.

****Due to taxpayer confidentiality, years 2010-2012 were combined.**

Project Update Report

June 2020

Project	County	Approval Date	Exit Date	Program
Duro Hilex Poly, LLC	**Boone**	**08/27/2015**	**05/31/2020**	**KBI**
The company requested to let the project expire per an email dated 5/22/2020.				
Bluegrass Supply Chain Services LLC	**Edmonson**	**05/25/2017**	**05/31/2020**	**KBI**
Company requested to let the project expire per an email dated 2/25/2020.				
Tarter Gate Company, LLC	**Casey**	**05/25/2017**	**05/31/2020**	**KRA**
Project was not complete within 3 years of Preliminary Approval, a requirement for the KRA Program. Project expired 5/31/2020.				
NSU Corporation	**Marion**	**06/30/2005**	**03/31/2019**	**KREDA**
Project has been suspended due to inability to meet minimum employment and withdrew from KREDA Program.				
Refine Tile, LLC	**Todd**	**10/25/2012**	**12/31/2018**	**KBI**
Company filed for bankruptcy and closed.				
Toyota Boshoku Kentucky, LLC	**Marion**	**05/26/2005**	**03/31/2013**	**KREDA**
Company claimed all KREDA incentives.				
Sondex, Inc.	**Jefferson**	**04/30/2015**	**05/29/2020**	**KBI**
Decided not to activate the project.				
United States Equestrian Federation	**Fayette**	**04/28/2011**	**07/9/2019**	**KBI**
The company discontinued laboratory operations and sold the assets to University of KY effective 7/9/19. The employees were rehired by UK.				

TAX-EXEMPT GOVERNMENTAL UNIT/STATUTORY AUTHORITY ISSUANCE OF INDUSTRIAL REVENUE BONDS (IRB)

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY REQUEST FOR REDUCTION IN STATE AD VALOREM TAX RATE

Date:	June 25, 2020		
Issuer:	City of Bowling Green/Warren County Fiscal Court		
Company:	CROWN Cork & Seal USA, Inc.		
City:	Bowling Green	**County:**	Warren
Project Type:	New	**Resolution #:**	LIRB-2020-01
Bus. Dev. Contact:	A. Luttner	**OFS Staff:**	D. Phillips

Project Description: CROWN Cork and Seal USA, Inc. (CROWN) is a subsidiary of CROWN Holdings, Inc., a leading manufacturer of metal beverage cans, aerosol cans, promotional packaging, metal food packaging, and closures. The company is establishing a new 327,000 square foot, state-of-the-art manufacturing facility in Bowling Green to service its growing beverage demand. The facility will manufacture metal beverage cans to supply both existing and new customers. CROWN currently has 14 beverage can plants in North America which serve their existing customer base, all of which continue to grow based on changes in market conditions. Beverage can manufacturing accounts for approximately 50% of Crown's operations and is an integral part of its near-term and long-term corporate strategy.

Proposed Issuance Date	Principal amount of IRB authorization	Term of Bond (years)
January 1, 2024	up to $175,000,000	20

New, Full-time Jobs to be Created	Average Annual Salary
126	$49,920

Anticipated Financed Project Costs

Land	$0
Building/Improvements	$41,400,000
Equipment	$133,600,000
Infrastructure	$0
TOTAL	**$175,000,000**

Active State Participation at the Project Site:

Date	Program	Status	Amount
Feb 27, 2020	KBI	Approve-Prelim	$3,000,000
Feb 27, 2020	KEIA	Approve-Final	$1,000,000

Unemployment Rate:

County: 17.9% Kentucky: 16.1%

Projected New Net Tax Revenues to be Received Over the Term of the IRB

Excluding other state tax credits and incentives approved for the project, if fully utilized by the company. These projections are provided by the company and are not verified by the Cabinet.

State Tax Revenues	$9,479,278
Local Tax Revenue	$3,325,264
TOTAL	**$12,804,542**

Requested % Reduction in the Ad Valorem Tax		**Projected Tax Savings over Bond Term**
State:	50% or 25% (see below)*	$2,155,740
Local:	100%*	$3,481,600

Payments will be made by the Company in lieu of taxes to the following:

Warren County Board of Education - School District - 100%

Recommendation:

The Staff recommends approval of the requested percentage (50% years 1 through 10 and 25% for years 11 through 20) reduction in the state ad valorem tax rate on the industrial building, equipment and proposed to be financed through the issuance of the industrial revenue bonds.

*The City of Bowling Green, Warren County Fiscal Court and the Board of Education anticipate entering into a PILOT agreement with the Company which indicates that the abatement percentage reduction rate may be adjusted by the local authorities should certain requirements not be achieved by the Company. The Warren County Fiscal Court or any other local entity involved with the PILOT Agreement will be responsible for notifying the Kentucky Department of Revenue if the local participation rate is reduced below 50% years 1 through 10 and 25% for years 11 through 20 so the state ad valorem reduction is consistent with the local participation.

Note that the KEDFA board is not making any type of determination as to the legality of the bonds to be issued by the above-referenced issuer, but is only approving the reduction on the ad valorem tax rate as provided by KRS 103.200 and KRS 132.020.

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

Date: June 25, 2020
Grantee: City of Richmond
Beneficiary: Richmond Industrial Development Corporation
City: Richmond **County:** Madison
Bus. Dev. Contact: E. Bishop **OFS Staff:** D. Phillips

Project Description: Richmond Industrial Development Corporation owns 21.4 acres of land located in the Richmond Industrial Park III at 3000 Bill Robertson Way. The City of Richmond has committed $300,000 as a local match to develop and implement a land grading plan to prepare the topography for the Industrial Site Development. All utilities services are in place on the site and the environmental and other due diligence reports have been completed. This is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project.

	Total Investment
Land	$0
Building/Site Improvements	$600,000
Equipment	$0
Other Start-up Costs	$0
TOTAL	**$600,000**

Anticipated Project Funding	Amount	% of Total
Economic Development Fund Grant (State)	$300,000	50.0%
City of Richmond	$300,000	50.0%
TOTAL	**$600,000**	100.0%

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

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **$300,000**

Recommendation:
Staff recommends approval of this EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this EDF grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the EDF funds for this project.

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

Date: June 25, 2020
Grantee: Louisville/Jefferson County Metro Government
Beneficiary: Louisville and Jefferson County Riverport Authority
City: Louisville **County:** Jefferson
Bus. Dev. Contact: M. David-Jacobs **OFS Staff:** K. McCane

Project Description: Louisville and Jefferson County Riverport Authority is seeking to enhance the availability of first class industrial land within Southwest Jefferson County. The work entails access roads, full-site storm water detention and treatment facilities, utilities to all properties and site clearing. Louisville and Jefferson County Riverport Authority has committed cash equity to match the EDF grant. This is a Product Development Initiative project recommended for approval under the EDF program. The project was identified by an independent site selection consultant contracted by the Kentucky Association for Economic Development as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned	**Total Investment**
Land	$0
Building/Site Improvements	$3,800,000
Equipment	$0
Other Start-up Costs	$0
TOTAL	**$3,800,000**

Anticipated Project Funding	**Amount**	**% of Total**
Economic Development Fund Grant (State)	$500,000	13.2%
Cash	$3,300,000	86.8%
TOTAL	**$3,800,000**	100.0%

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

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **$500,000**

Active State Participation at the Project Site: None

Recommendation:
Staff recommends approval of this EDF grant subject to the terms set forth in this report and the recommendation letter from the Secretary of the Cabinet for Economic Development (CED). In accordance with KRS 154.12-100, KEDFA's approval of this EDF grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the EDF funds for this project.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director
Compliance Division

DATE: June 25, 2020

SUBJECT: KEIA Extensions

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

Company	County	Extension
Orbis Material Handling, Inc.	Nelson	3 Months
Cabot Corporation	Carroll	6 Months
Heaven Hill Distilleries, Inc.	Nelson	6 Months
Kentucky Fresh Harvest, LLC	Lincoln	6 Months
Ironton Enterprises, LLC	McCracken	12 Months
Michter's Distillery LLC	Washington	12 Months
Piramal Pharma Solutions LLC	Fayette	12 Months

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: June 25, 2020
Approved Company: Feralloy Corporation
City: Ghent **County:** Gallatin
Activity: Manufacturing **Resolution #:** KEIA-20-23031
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: Feralloy Corporation was started in 1954 and is now one of the leading steel service centers in the country. The company has 13 locations across the United States and Mexico. The proposed project would include a buildout and renovation of a total 90,000 sf facility and the installation of new equipment.

Facility Details: Expanding existing operations

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$1,920,000	$3,200,000
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$13,000,000
Other Start-up Costs	$0	$1,300,000
TOTAL	**$1,920,000**	**$17,500,000**

Ownership (20% or more):
Publicly traded

Other State Participation: None

Unemployment Rate:
County: 14.1% Kentucky: 16.1%

Existing Presence in Kentucky: None

Approved Recovery Amount:
Construction Materials and Building Fixtures: $90,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$90,000**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: June 25, 2020
Approved Company: Proximo Distillers, LLC
City: Hebron
County: Boone
Activity: Service & Technology
Resolution #: KEIA-20-23032
Bus. Dev. Contact: A. Luttner
DFS Staff: D. Phillips

Project Description: Proximo Distillers, LLC began in Indiana in 2011 as an acquisition by Proximo Spirits, Inc. of a former Seagram's facility previously known as LDI-Lawrenceburg Distillers Indiana. The proposed project would consist of consolidation of multiple warehouses to a facility in Hebron and would include shipping operations for its nationwide and international customers.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$569,695	$813,850
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$965,100
Other Start-up Costs	$0	$735,175
TOTAL	**$569,695**	**$2,514,125**

Ownership (20% or more):
Proximo Spirits, Inc. - Jersey City, NJ

Other State Participation: None

Unemployment Rate:
County: 13.1% Kentucky: 16.1%

Existing Presence in Kentucky: None

Approved Recovery Amount:
Construction Materials and Building Fixtures: $30,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$30,000**

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: June 25, 2020
Approved Company: RB Seelbach LLC
City: Louisville **County:** Jefferson
Activity: Tourism **Resolution #:** KEIA-20-23034
Bus. Dev. Contact: B. Burton **DFS Staff:** K. McCane

Project Description: The Seelbach Hotel was founded by two brothers in 1905 and has since had numerous owners and brands. RB Seelbach LLC is seeking to renovate the historic structure of The Seelbach Hilton by restoring the original building, modernizing guest rooms, re-imaging public spaces as well as constructing a new adjacent tower with 56 rooms and a rooftop bar.

Facility Details: Expanding existing operations

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$30,165,992	$81,558,085
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$9,312,323
Other Start-up Costs	$0	$0
TOTAL	**$30,165,992**	**$90,870,408**

Ownership (20% or more):
RB Seelbach Holdings LLC - Columbus, OH

Other State Participation: None

Unemployment Rate:
County: 16.2% Kentucky: 16.1%

Existing Presence in Kentucky:
Jefferson County

Approved Recovery Amount:
Construction Materials and Building Fixtures: $800,000

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	June 25, 2020		
Approved Company:	DG Fresh Distribution TX, LLC		
City:	Bowling Green	**County:**	Warren
Activity:	Service & Technology	**Prelim Resolution #:**	KBI-I-20-23037
Bus. Dev. Contact:	B. Cox	**DFS Staff:**	D. Phillips

Project Description: Dollar General Corporation is well known for its American neighborhood general store. The company strives to make shopping hassle-free and affordable with more than 16,200 convenient, easy-to-shop stores in 46 states. DG Fresh Distribution TX, LLC, a newly and wholly owned subsidiary of Dollar General Corporation, is proposing to establish a cold storage warehousing and distribution center in Bowling Green to meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$21,000,000	$21,000,000
Equipment	$1,300,000	$5,000,000
Other Start-up Costs	$0	$0
TOTAL	**$22,300,000**	**$26,000,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	65	$20.00	
1	65	$20.00	$75,000
2	65	$20.00	$75,000
3	65	$20.00	$75,000
4	65	$20.00	$75,000
5	65	$20.00	$75,000
6	65	$20.00	$75,000
7	65	$20.00	$75,000
8	65	$20.00	$75,000
9	65	$20.00	$75,000
10	65	$20.00	$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$750,000**

Incentive Type:
Other

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

Ownership (20% or more):
Dollar General Corp. - Goodlettsville, TN

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% - City of Bowling Green

Unemployment Rate:
County: 17.9%
Kentucky: 16.1%

Existing Presence in Kentucky:
Allen County

Special Conditions:
The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company and affiliate locations, excluding the site of the project, as of the date of preliminary approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: June 25, 2020
Approved Company: DG Fresh Distribution TX, LLC
City: Bowling Green **County:** Warren
Activity: Service & Technology **Resolution #:** KEIA-20-23038
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Dollar General Corporation is well known for its American neighborhood general store. The company strives to make shopping hassle-free and affordable with more than 16,200 convenient, easy-to-shop stores in 46 states. DG Fresh Distribution TX, LLC, a newly and wholly owned subsidiary of Dollar General Corporation, is proposing to establish a cold storage warehousing and distribution center in Bowling Green to meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$12,600,000	$21,000,000
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$5,000,000
Other Start-up Costs	$0	$0
TOTAL	**$12,600,000**	**$26,000,000**

Existing Presence in Kentucky:
Allen County

Approved Recovery Amount:
Construction Materials and Building Fixtures: $500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$500,000**

See KBI file (KBI-I-20-23037) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	June 25, 2020		
Approved Company:	DG Distribution Midwest, LLC		
City:	Walton	**County:**	Boone
Activity:	Service & Technology	**Prelim Resolution #:**	KBI-I-20-23036
Bus. Dev. Contact:	B. Cox	**DFS Staff:**	D. Phillips

Project Description: Dollar General Corporation is well known for its American neighborhood general store. The company strives to make shopping hassle-free and affordable with more than 16,200 convenient, easy-to-shop stores in 46 states. DG Distribution Midwest, LLC, a newly and wholly owned subsidiary of Dollar General Corporation, is proposing to establish a new dry goods distribution center and warehouse operations in Walton to meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$42,000,000	$42,000,000
Equipment	$2,000,000	$23,000,000
Other Start-up Costs	$0	$0
TOTAL	**$44,000,000**	**$65,000,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	100	$20.00	
1	100	$20.00	$75,000
2	175	$20.00	$75,000
3	250	$20.00	$75,000
4	250	$20.00	$75,000
5	250	$20.00	$75,000
6	250	$20.00	$75,000
7	250	$20.00	$75,000
8	250	$20.00	$75,000
9	250	$20.00	$75,000
10	250	$20.00	$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$750,000**

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: None

Requested Wage Assessment / Local Participation:
State: 0.99%
Local: The City of Walton will participate with a $25,000 cash grant per year for the 10-year term, valued at $250,000.

Unemployment Rate:
County: 13.1%
Kentucky: 16.1%

Existing Presence in Kentucky:
Allen County

Special Conditions:
The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company and affiliate locations, excluding the site of the project, as of the date of preliminary approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	June 25, 2020		
Approved Company:	Contemporary Amperex Technology Co., Limited		
City:	Glasgow	**County:**	Barren
Activity:	Manufacturing	**Prelim Resolution #:**	KBI-I-20-23044
Bus. Dev. Contact:	A. Luttner	**DFS Staff:**	D. Phillips

Project Description: Contemporary Amperex Technology Co., Limited (CATL) is a global leader in the research and development and manufacturing of lithium-ion batteries. CATL is considering establishing a facility in Glasgow.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$35,798,000	$35,798,000
Equipment	$740,000	$61,428,571
Other Start-up Costs	$500,000	$500,000
TOTAL	**$37,038,000**	**$97,726,571**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	37	$25.00	
1	121	$25.00	$1,000,000
2	207	$25.00	$1,000,000
3	306	$25.00	$1,000,000
4	350	$25.00	$1,000,000
5	350	$25.00	$1,000,000
6	350	$25.00	$1,000,000
7	350	$25.00	$1,000,000
8	350	$25.00	$1,000,000
9	350	$25.00	$1,000,000
10	350	$25.00	$1,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$10,000,000**

Incentive Type:
Other

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

Ownership (20% or more):
Publicly traded on China's Shenzhen Exchange

Active State Participation at the project site: None

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

Unemployment Rate:
County: 18.5%
Kentucky: 16.1%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 25, 2020
Approved Company: Advanex Americas, Inc.
City: Franklin **County:** Simpson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-23078
Bus. Dev. Contact: B. Leep **DFS Staff:** K. McCane

Project Description: Advanex Americas, Inc. is a wholly owned subsidiary of Advanex LTD, established in 1946 and is known world-wide for custom engineered solutions involving springs, wire forms, stampings, plastic injection and assemblies. The company is considering a plant in Franklin to support its ever growing client base in the US.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$4,500,000	$4,500,000
Equipment	$1,000,000	$10,000,000
Other Start-up Costs	$1,000,000	$1,000,000
TOTAL	**$6,500,000**	**$15,500,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	$23.00	
1	50	$23.00	$90,000
2	100	$23.00	$130,000
3	100	$23.00	$130,000
4	120	$23.00	$130,000
5	150	$23.00	$130,000
6	175	$23.00	$130,000
7	200	$23.00	$130,000
8	220	$23.00	$130,000
9	250	$23.00	$150,000
10	250	$23.00	$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$1,300,000**

Incentive Type:
Other

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

Ownership (20% or more):
Publicly Traded - Tokyo Stock Exchange

Active State Participation at the project site: None

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

Unemployment Rate:
County: 19.5%
Kentucky: 16.1%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 25, 2020
Approved Company: Porter Road Butcher Meat Company LLC
City: Princeton **County:** Caldwell
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-23075
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Porter Road Butcher Meat Company LLC is a meat-processor based in Princeton that processes cuts of lamb, beef, pork and chicken. The company is considering relocating its processing operations to establish a bigger cutting room along with an expanded packaging and shipping department.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$985,960	$985,960
Equipment	$500,000	$500,000
Other Start-up Costs	$25,000	$25,000
TOTAL	**$1,510,960**	**$1,510,960**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	83	$19.46	
1	83	$19.46	$75,000
2	83	$19.46	$75,000
3	83	$19.46	$75,000
4	83	$19.46	$75,000
5	83	$19.46	$75,000
6	83	$19.46	$75,000
7	83	$19.46	$75,000
8	83	$19.46	$75,000
9	83	$19.46	$75,000
10	83	$19.46	$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$750,000**

Incentive Type:
Other

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

Ownership (20% or more):
Local Eateries, Inc. Dover, DE

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: City of Princeton- .50%
Caldwell County Fiscal Court- .50%

Unemployment Rate:
County: 14.6% Kentucky: 16.1%

Existing Presence in Kentucky:
Caldwell County

Special Conditions:
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 reported 31 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 25, 2020
Approved Company: Blue & Whitespace LLC DBA Universal Medical Supply
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-20-23022
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane

Project Description: Blue & Whitespace LLC DBA Universal Medical Supply is a wholly owned subsidiary of Made In America Supply LLC. The company is seeking to expand and manufacture N95 masks and Personal Protection Equipment.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$300,000	$600,000
Building/Improvements	$2,600,000	$2,600,000
Equipment	$660,000	$8,560,000
Other Start-up Costs	$3,063,600	$3,063,600
TOTAL	**$6,623,600**	**$14,823,600**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	33	$30.00	
1	33	$30.00	$60,000
2	88	$30.00	$160,000
3	104	$30.00	$160,000
4	123	$30.00	$240,000
5	131	$30.00	$240,000
6	131	$30.00	$240,000
7	131	$30.00	$240,000
8	131	$30.00	$240,000
9	131	$30.00	$240,000
10	131	$30.00	$180,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$2,000,000**

Incentive Type:
Other

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

Ownership (20% or more):
William Paynter - Louisville, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 1.0% Louisville/Jefferson County Metro Government

Unemployment Rate:
County: 16.2%
Kentucky: 16.1%

Existing Presence in Kentucky: None

Special Conditions:
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 reported 1 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	June 25, 2020		
Approved Company:	CSAT Solutions LP		
City:	Shepherdsville	**County:**	Bullitt
Activity:	Service & Technology	**Prelim Resolution #:**	KBI-IL-20-23062
Bus. Dev. Contact:	M. David-Jacobs	**DFS Staff:**	K. McCane

Project Description: CSAT Solutions was established in 2012 to provide repair solutions for technology,computing, network and healthcare industries clients. The company is seeking to expand its global capacity by positioning a repair operations near a global distribution hub.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$3,750,000	$7,500,000
Building/Improvements	$150,000	$150,000
Equipment	$1,450,000	$1,450,000
Other Start-up Costs	$250,000	$250,000
TOTAL	**$5,600,000**	**$9,350,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	143	$17.95	
1	258	$17.95	$300,000
2	258	$17.95	$300,000
3	258	$17.95	$300,000
4	258	$17.95	$300,000
5	258	$17.95	$300,000
6	258	$17.95	$300,000
7	258	$17.95	$300,000
8	258	$17.95	$300,000
9	258	$17.95	$300,000
10	258	$17.95	$300,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$3,000,000**

Incentive Type:
Other

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

Ownership (20% or more):
CSAT Solutions Holding Corp - Delaware
CTS General Partner Inc. - Delaware

Active State Participation at the project site: None

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

Unemployment Rate:
County: 18.3%
Kentucky: 16.1%

Existing Presence in Kentucky: None

Special Conditions: None

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder ME
Incentive Administration Division

DATE: June 25, 2020

SUBJECT: KBI Extensions

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

Company	County	Extension
Astecnos America Corporation	Jessamine	3 Month
General Motors LLC	Warren	3 Month
Stratus Plastics KY, LLC	Butler	3 Month
Bowling Green Metalforming L.L.C.	Warren	12 Month
DENSO Air Systems Michigan Inc.	Christian	12 Month
Distilled Spirits Epicenter, LLC	Jefferson	12 Month
Metalsa Structural Products, Inc.	Daviess	12 Month
ShellTech, LLC	Pulaski	12 Month
SWVA Kentucky, LLC dba Kentucky Electric Steel	Boyd	12 Month

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: June 25, 2020
Preliminary Approval: June 30, 2016
Approved Company: Beltline Electric Co. Inc.
City: Paducah
County: McCracken
Activity: Manufacturing
Final Resolution #: KBI-F-20-21151
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: Beltline Electric Co., Inc. is a heavy industrial and commercial electrical and mechanical construction contractor serving the Southeastern U.S. The company expanded its current facility in Paducah to manufacture fabrication of engineered electrical components.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$1,205,000	$1,205,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	13	$25.00	
1	13	$25.00	$25,000
2	13	$25.00	$25,000
3	14	$25.00	$25,000
4	15	$25.00	$25,000
5	15	$25.00	$25,000
6			
7			
8			
9			
10			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$125,000**

County Type:
Other

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

Special Conditions:
Maintain Statewide Employment: 144

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: June 25, 2020
Preliminary Approval: May 31, 2018
Approved Company: Four O Corporation
City: Hebron
County: Boone
Activity: Service & Technology
Final Resolution #: KBI-FL-20-22095
Bus. Dev. Contact: B. Cox
DFS Staff: D. Phillips

Project Description: RelaDyne, Inc. was founded in 2008 and is an established leader in the lubricant sales, distribution and equipment reliability services industry. These services range from lubrication best practices to hand-on implementation of lubrication process and procedure programs designed to increase efficiency and improve the profitability of its customers. Four O Corporation is the oil distributing entity of RelaDyne, Inc. The company relocated its service and distribution center from Ohio to Hebron.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	$3,461,700	$6,723,400

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	25	$29.00	
1	25	$29.00	$20,000
2	25	$29.00	$20,000
3	25	$29.00	$20,000
4	25	$29.00	$20,000
5	25	$29.00	$20,000
6	25	$29.00	$20,000
7	25	$29.00	$20,000
8	25	$29.00	$20,000
9	25	$29.00	$20,000
10	25	$29.00	$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$200,000**

County Type:
Other

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

Special Conditions: None

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: June 25, 2020
Preliminary Approval: May 26, 2016
Approved Company: Pride Industries, Inc.
City: Clay
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Union
Final Resolution #: KBI-F-20-21071
DFS Staff: M. Elder

Project Description: Pride Industries, Inc. has been a manufacturing supplier to the roofing and siding businesses for many years. The company has grown its operation to a nationally recognized brand. Pride manufactures metal roofing products and is beginning to offer a new line of ACM panels. This project consisted of the purchase of new equipment to help the meet the current demand of the ACM panels.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$150,000	$150,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$20.00	
1	10	$20.00	$10,000
2	10	$20.00	$10,000
3	10	$20.00	$10,000
4	10	$20.00	$10,000
5	10	$20.00	$10,000
6	10	$20.00	$10,000
7	10	$20.00	$10,000
8	10	$20.00	$10,000
9	10	$20.00	$10,000
10	10	$20.00	$10,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$100,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 23

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: June 25, 2020
Preliminary Approval: May 25, 2017
Approved Company: Cabot Corporation
City: Carrollton
County: Carroll
Activity: Manufacturing
Final Resolution #: KBI-FL-20-21489
Bus. Dev. Contact: A.Luttner
DFS Staff: M. Elder

Project Description: Cabot Corporation, headquartered in Boston, Massachusetts, is a global leader in the manufacturing of specialty chemicals and performance materials. The company produces fumed silica, a performance additive for a variety of applications, including adhesives, composites, coatings and silicone elastomers. Cabot expanded its fumed silica manufacturing operations in Carrollton.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	$112,000,000	$112,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	32	$41.00	
1	32	$41.00	$125,000
2	32	$41.00	$125,000
3	32	$41.00	$125,000
4	32	$41.00	$125,000
5	32	$41.00	$125,000
6	32	$41.00	$125,000
7			
8			
9			
10			
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$750,000**

County Type:
Enhanced

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

Special Conditions: None

Modifications since preliminary approval? Yes
Total investment and eligible costs have been updated based on the current projections. The project changed from an owned project to a leased project with no rent being considered as eligible costs. All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: June 25, 2020
Preliminary Approval: May 26, 2016
Approved Company: Pilgrim's Pride Corporation
City: Hickory
County: Graves
Activity: Manufacturing
Final Resolution #: KBI-F-20-21052
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: Pilgrim's Pride Corporation is one of the world's largest chicken producers and operates in twelve U.S. states as well as Mexico and Puerto Rico. The company expanded its poultry processing facility in Hickory. This project increased its deboning and marinating capacity which contributed to companywide growth across different product lines.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$4,175,770	$17,418,602

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	30	$13.00	
1	100	$13.00	$150,000
2	141	$13.00	$150,000
3	141	$13.00	$150,000
4	141	$13.00	$150,000
5	141	$13.00	$150,000
6	141	$13.00	$150,000
7	141	$13.00	$150,000
8	141	$13.00	$150,000
9	141	$13.00	$150,000
10	141	$13.00	$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$1,500,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 939

Modifications since preliminary approval? Yes
Total investment has been updated based on the current projections. All other aspects of the project remain the same.

Kentucky Small Business Tax Credit Projects
June 2020

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
Charlie Nelson Trucking & Excavating, LLC	Marshall	1	1	$14.00	$52,041	$3,500
Collier Associates, Inc.	Marshall	5	3	$42.67	$14,006	$10,500
Gutter Boyz of Kentucky, LLC	Marshall	2	3	$14.76	$17,995	$10,500
Kentuckiana Electrical Services, LLC	Bullitt	14	8	$23.97	$40,850	$25,000
Volta Inc.	Franklin	24	1	$28.13	$6,284	$3,500
5	**3**		**16**	**Total**	**$131,176**	**$53,000**

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	$1,573,600
FYTD KSFTC Approvals	$0
Current KSBTC Request	$53,000
Current KSFTC Request	$0
Remaining FY Credits	**$1,373,400**

MEMORANDUM

TO: KEDFA Board Members

FROM: Sarah Butler
Incentive Administration Division

DATE: June 25, 2020

SUBJECT: Kentucky Business Investment (KBI) Program
FY 2020-2021 Enhanced Incentive Counties

Kentucky counties are designated "enhanced incentive" eligible by meeting at least one of the three following criteria: (1) counties with an average annual unemployment rate exceeding the state average annual unemployment rate in the five preceding calendar years; (2) counties with an unemployment rate greater than 200 percent of the statewide unemployment rate for the preceding year; and (3) counties identified as one of the sixty most distressed counties based on a three part test (three-year unemployment, education attainment and road quality).

Any project located in an enhanced incentive county that has been decertified shall have until July 1st of the third year following the decertification to obtain final approval. Once a company enters into a tax incentive agreement, the company maintains its enhanced benefits for the term of the agreement regardless of any change in the county's status.

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

Caldwell, Garrard, Hancock, and Hopkins Counties meet the criteria for certification and are designated as a KBI Enhanced County as of July 1, 2020.

Staff recommends adoption of the resolution certifying the Kentucky Business Investment (KBI) Program - FY 2020-2021 Enhanced Incentive Counties.

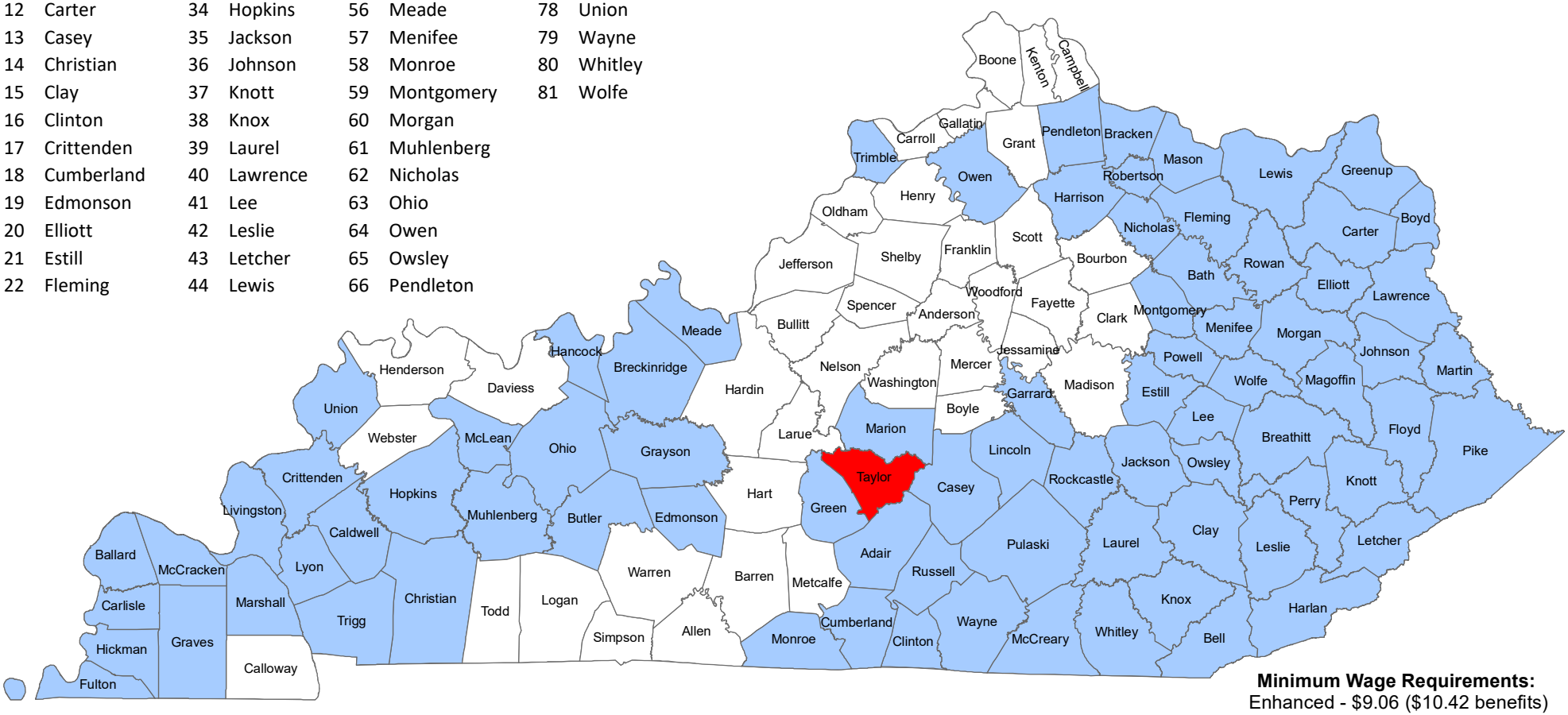
Kentucky Business Investment (KBI) Program
Enhanced Incentive Counties (2020-2021)

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

KBI Enhanced Incentive Counties

Certified as of July 1, 2020

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



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

RESOLUTION
OF THE
KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
TO RECOGNIZE THE SERVICE OF
WILLIAM RYAN PENNINGTON
AS A MEMBER OF THE CABINET

WHEREAS, WILLIAM RYAN PENNINGTON has served the people of the Commonwealth as a highly professional, dedicated employee of the Kentucky Cabinet for Economic Development since he joined the cabinet on **November 16, 2012**; and

WHEREAS, the members and staff of the Kentucky Economic Development Finance Authority desire to recognize and acknowledge the outstanding personal and professional contributions and accomplishments of WILLIAM RYAN PENNINGTON during his tenure with the Cabinet for Economic Development; and

WHEREAS, the Kentucky Economic Development Finance Authority also desires to recognize WILLIAM RYAN PENNINGTON's conscientious dedication to improving and promoting the health and general welfare of the people of the Commonwealth of Kentucky through economic development; and

WHEREAS, the Kentucky Economic Development Finance Authority desires to honor WILLIAM RYAN PENNINGTON, by adopting this Resolution as a commendation of the outstanding work he has performed;

NOW, THEREFORE, the Kentucky Economic Development Finance Authority **HEREBY RESOLVES** as follows:

WILLIAM RYAN PENNINGTON has been invaluable to the Kentucky Economic Development Finance Authority, the Cabinet for Economic Development and the People of the Commonwealth of Kentucky because of his contribution to the initiation, promotion, and implementation of economic development projects in the Commonwealth of Kentucky. The Kentucky Economic Development Finance Authority Board appreciates WILLIAM RYAN PENNINGTON's dedication to the Cabinet for Economic Development and his contributions toward making KEDFA a working success.

INTRODUCED, SECONDED, READ, and ADOPTED at a duly convened meeting of the Kentucky Economic Development Finance Authority, held on the 25th day of June 2020, signed by the Chairman as evidence of her approval, duly enrolled and declared to be in full force and effect.

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JEAN R. HALE, CHAIRMAN
Kentucky Economic Development Finance Authority