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: August 21, 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 August 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, August 27, 2020**. The board meeting will be held via video teleconference at the following link:
https://us02web.zoom.us/j/89201500814

The purpose of the meeting is to consider all projects scheduled for the regular August 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/89201500814**

AGENDA
August 27, 2020

Call to Order
Notification of Press
Roll Call

Minutes from July 30, 2020 Special KEDFA Board Meeting

Financial Statements and Reports

EDF Project

KBI Project (Amendment)

KEIA Project (Extension)

KEIA Projects

KBI Project (Preliminary) & KEIA Project

KBI Projects (Preliminary)

KBI Projects (Extension)

KBI Projects (Final)

KRA Project (Final)

IEIA Project (Extension)

KSBTC Projects

Closed Session

Adjournment

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

SPECIAL BOARD MEETING
July 30, 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 July 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) July 30, 2020 via video teleconference at the following link https://us02web.zoom.us/j/85008510775 to consider all projects. KEDFA convened at 10:00 a.m. EDT on July 30, 2020.

Notification of Press
Jean R. Hale, Chairman, received verification that the media had been notified of the KEDFA special 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, Beka Burton, Sarah Butler, Brittany Cox, Martin David-Jacobs, Michelle Elder, Tony Ellis, Ellen Felix, Annie Franklin, Krista Harrod, James Johnson, Andy Luttner, Brandon Mattingly, Jack Mazurak, Kate McCane, Craig McKinney, Kristine McNiel, Sean Muldoon, Kylee Palmer, Debbie Phillips, Dawn Powers, Charlie Rowland, Kristina Slattery, Katie Smith and Teresa Spreitzer

Others Present: Michael Kalinyak, Hurt, Deckard & May; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Billy Aldridge, Kentucky Finance & Administration Cabinet, Office of Financial Management; Jeff Hodges, Gray Construction; Sierra Enlow, Alex Giacomin and Ben Worrell, McGuire Sponsel; Devon Stansbury and Jeremy Worley, Northern Kentucky Tri-County Economic Development Corporation; Matt Zoellner, Scott, Murphy & Daniel; Sharon Butts and Carter Hendricks, South Western Kentucky Economic Development Council; Bruce Carpenter, Southeastern Kentucky Industrial Development Authority; and Jim Azbill, TPB Services, LLC

Approval of Minutes
Chairman Hale entertained a motion to approve the minutes from the June 25, 2020 special KEDFA board meeting.

Chad Miller moved to approve the minutes, as presented; Deputy Secretary Winston Miller seconded the motion. Motion passed; unanimous.

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

Financial Statements and Monitoring Reports

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

Tax Increment Financing (TIF) Project (Extension)

Chairman Hale called on Ms. Palmer to present a TIF extension request to the Authority.

West Kentucky Rural Telephone Cooperative Corporation, Inc.
Graves County

Ms. Palmer stated the applicant requested a 6-month extension to determine next steps for the WKT Technology Park Project TIF.

Staff recommended approval of the TIF extension request.

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

Economic Development Fund (EDF) Projects

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

Hopkinsville Industrial Foundation, Inc. **Andy Luttner**
Christian County **Michelle Elder**

Andy Luttner stated the South Western Kentucky Economic Development Council and the Hopkinsville Industrial Foundation, Inc. (Foundation) plan to construct a speculative building located in Hopkinsville, Christian County, Kentucky, on the 22-acre Kentucky Certified Build-Ready Site in Commerce Park. The Foundation owns the site and funded the completion of the site preparations. The Foundation, the City of Hopkinsville and Christian County will collectively commit to guaranteeing the interest payments on a bank loan for this project.

Mr. Luttner introduced Carter Hendricks and Sharon Butts and invited them to address the board regarding the project.

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.

Michelle Elder stated the City of Hopkinsville requested the use of $500,000 in EDF program funds for the benefit of Hopkinsville Industrial Foundation, Inc. The project investment is $3,166,000 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. Ms. Elder stated the Secretary’s concurrence had been received.

Staff recommended approval of the EDF request.

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

Southeast Kentucky Industrial Development Authority, Inc. **Beka Burton**
Knox County **Kate McCane**

Beka Burton stated Southeast Kentucky Industrial Development Authority, Inc. (SKIDA) is seeking to extend water and sewer infrastructure to supply speculative building #4 to improve the marketability in the industrial park. SKIDA has committed funds on hand to match the EDF grant.

Ms. Burton introduced Bruce Carpenter and invited him to address the board regarding the project.

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.

Kate McCane stated the County of Knox requested the use of $250,000 in EDF program funds for the benefit of Southeast Kentucky 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. Ms. McCane stated the Secretary's concurrence had been received.

Staff recommended approval of the EDF request.

Mr. Ballinger 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.

Bluegrass Supply Chain Services, LLC
Bullitt County

Mr. Aldridge stated Bluegrass Supply Chain Services, LLC received final approval on May 31, 2018 for a KBI expansion project to lease a new service or technology facility at 233 Omega Parkway in Shepherdsville to provide third party logistics services. The company maintained an existing leased facility at 1315 Cedar Grove Road. Together, these two facilities constituted the project site. In 2019, the company terminated both leases and leased a new, larger facility at 548 Cedar Grove Road. All the employees transferred to the new consolidated site. The company requested that 548 Cedar Grove Road be designated as the economic development project site. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Creative Realities, Inc.
Jefferson County
Mr. Aldridge stated on August 31, 2017, KEDFA granted final approval to ConeXus World Global, LLC d/b/a Creative Realities, Inc. to lease and equip a technology facility in Jefferson County to provide installation services for enterprise mobile phone technology. The company activated the project on August 31, 2019. Subsequently, it was determined that Creative Realities, Inc., a Minnesota corporation which is the sole owner of ConeXus World Global, LLC, should be the approved company with respect to the Economic Development Project. The company requested that Creative Realities, Inc. be designated as the approved company under the program. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

Wolfe Steel Acquisition, LLC #17478
Wolfe Steel Acquisition, LLC #20312
Grant County
Mr. Aldridge stated due to a recent reorganization, Wolf Steel U.S.A., Inc. requested an Amended and Restated Tax Incentive Agreement to reflect a company name and FEIN# change to Wolf Steel Acquisition, LLC retroactive to October 31, 2019.

Staff recommended approval of the KBI amendment requests.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

Mr. Aldridge stated two companies requested additional time to complete the projects and asked that both be presented as one motion.

Company	County	Extension
Heaven Hill Distilleries, Inc.	Jefferson	6 Month
Heritage Millworks LLC	Powell	12 Month

Staff recommended approval of the KEIA extension requests.

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

KBI (Preliminary) and KEIA Project

Chairman Hale called on staff to present a KBI Preliminary and KEIA project to the Authority.

Signode Industrial Group LLC **Andy Luttner**
Kenton County **Debbie Phillips**
Mr. Luttner stated Signode Industrial Group LLC (Signode) is a wholly owned subsidiary of Crown Holdings, Inc. and serves as the company's transit packaging division. Signode is a leading manufacturer of a broad spectrum of transit packaging consumables, tools, software, and equipment that optimizes end-of-line packaging operations and protects products in

transit. The company is considering an expansion of its existing facility in Florence from warehouse space to manufacturing operations.

Debbie Phillips stated the project investment is $37,200,000 of which $8,280,000 qualifies as KBI eligible costs and $3,900,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 48 with an average hourly wage of $28.90 including benefits. The state wage assessment participation is 1.50% and 50% of Kenton County Occupational Tax. 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 $500,000 and the KEIA approved recovery amount of $200,000 for construction materials and building fixtures.

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

KBI Projects (Preliminary)

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

TPB Services, LLC **Andy Luttner**
Bullitt County **Debbie Phillips**

Mr. Luttner stated TPB Services, LLC is a newly formed entity of Turning Point Brands, Inc. which manufactures and distributes tobacco products and accessories. The project would consist of the consolidation of its distribution activities and services into a central location.

Mr. Luttner introduced Jim Azbill and invited him to address the board regarding the project.

Ms. Phillips stated the project investment is $10,540,000 of which $5,870,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of $19.50 including benefits. The state wage assessment participation is 3.00% and the City of Shepherdsville will participate at 1.00%. 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.

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

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

Roll Forming Corporation **Martin David-Jacobs**
Shelby County **Kate McCane**

Martin David-Jacobs stated Roll Forming Corporation, founded in 1947, is one of the oldest manufacturers in Shelby County producing metal products. The company is considering an expansion to accommodate the growth in the material handling market.

Ms. McCane stated the project investment is $5,200,000 of which $2,400,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of $22.50 including benefits. The state wage assessment participation is 2.25% and Shelby County Fiscal Court will participate at 0.75%. 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 229 full-time, Kentucky resident

employees (the base employment number required by previous project KBI #18848). The project will include multiple locations within Shelby County. Only investment costs incurred at 1400 Isaac Shelby Drive will be considered toward 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 $800,000.

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

Wilde Brands Inc. **Annie Franklin**
Clark County **Michelle Elder**

Annie Franklin stated Wilde Brands Inc. is considering a new production facility in Clark County. This location will be the sole production and distribution facility for Wilde Chicken Chips, the #1 animal protein chip in the United States made from 100% all-natural chicken breast.

Ms. Elder stated the project investment is $9,775,000 of which $2,912,500 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of $20.00 including benefits. The state wage assessment participation is 3.00% and Clark County will participate at 1.00%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of $509,000.

Naashom Marx moved to approve the staff recommendation, as presented; Mr. Miller 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 seven companies requested additional time to complete the projects and asked that all seven be presented as one motion.

Company	County	Extension
Builders FirstSource, Inc.	Warren	6 Month
Audubon Metals LLC	Henderson	12 Month
Global Wood Company, LLC *	Pike	12 Month
Meredith Machinery, LLC	Jefferson	12 Month
ORBIS Corporation	Nelson	12 Month
The Dow Chemical Company *	Carroll	12 Month
The Hillshire Brands Company	Campbell	12 Month

***Retroactive to June 30, 2020

Staff recommended approval of the KBI extension requests.

Mr. Goodin moved to approve the staff recommendation, as presented; Mr. Miller 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, five of which have modifications since preliminary approval. Ms. Phillips asked that all six be presented as one motion.

No Modifications:

Project Name	County	Type Project
Astecnos America Corporation	Jessamine	Manufacturing

Modifications:

Patriot Brands LLC Henry Manufacturing
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

Whitworth Tool, Inc. Breckinridge Manufacturing
The total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

General Motors LLC Warren Manufacturing
The total investment has been updated based on current projections. All other aspects of the project remain the same.

Infiltrator Water Technologies, LLC Clark Manufacturing
The total investment increased from $11,341,048 to $67,410,493; eligible costs increased from $11,341,048 to $21,171,526; the job target increased from 39 to 80; and the total negotiated tax incentive increased from $700,000 to $1,200,000. All other aspects of the project remain the same.

Summit Biosciences Inc. Fayette Manufacturing
The total investment increased from $7,946,000 to $19,053,600; the eligible costs increased from $2,346,000 to $9,776,800; the job target increased from 21 to 78; the average hourly wage target increased from $22.00 to $28.00; the recovery term increased from 5 years to 10 years; and the total negotiated tax incentive increased from $550,000 to $1,500,000. 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.

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

KEDFA Loan (Modification)

Chairman Hale called on Sarah Butler to present the KEDFA loan modification to the Authority.

The Thompson Group
Henderson County
Ms. Butler stated The Thompson Group is composed of several companies that manufacture mining related equipment in Henderson, KY sold worldwide. The companies have been KEDFA borrowers since 1988.

In 1998, KEDFA approved the restructuring of loans with the borrower. This consolidated several loans into a single loan for $3,097,000 with a 7% interest rate and a maturity of September 2018. In March 2015, the mining industry began to decline and KEDFA approved the borrower's request to restructure repayments.

In March 2018, KEDFA approved an increase in monthly principal plus 4% interest for five years. The company's managing principal, Clifford Thompson, also provided an unlimited personal guarantee. The current loan balance is $646,267. Security for the loan is a combination of mortgages and equipment liens. The current tax assessed value of the real estate is $1,105,000.

The borrower requested relief due to COVID-19 to defer the monthly principal payment and pay interest only through December 31, 2020. The principal payment of $3,500 plus interest shall resume as regularly scheduled in January 2021 and shall remain until the end of the term on March 29, 2023.

Staff recommended approval of the KEDFA loan modification request.

After discussion, Mr. Goodin moved to approve the staff recommendation, as presented; Chad Miller 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 nine Kentucky small businesses, from eight counties with qualifying tax credits of $92,000. The nine businesses created 28 jobs and invested $323,970 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
B & N Excavating, LLC	McCracken	1	1	$ 20.25	$ 10,000	$ 3,500
Churchill McGee, LLC	Fayette	11	8	$ 30.57	$ 63,997	$ 25,000
Groff Engineering & Consulting LLC	Montgomery	1	1	$ 36.90	$ 6,695	$ 3,500
John Myers, Inc.	Calloway	2	1	$ 30.00	$ 29,099	$ 3,500
Landworx, LLC	Boone	5	3	$ 29.38	$ 70,000	$ 10,500
Pediatric Dental Center, Inc.	Campbell	5	2	$ 71.00	$ 51,643	$ 7,000
Pure Blue Pools, LLC	Boone	7	3	$ 20.57	$ 58,920	$ 10,500
S. Rays, Inc.	Shelby	1	8	$ 22.44	$ 27,989	$ 25,000
The Mirazon Group, LLC	Jefferson	26	1	$ 28.85	$ 5,627	$ 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.

Kentucky Selling Farmer Tax Credit (KSFTC) Projects

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

Mr. Back stated there are three Kentucky selling farmers who have sold qualifying agricultural assets totaling $790,673 to eligible beginning farmers. The three Kentucky selling farmers qualify to receive a total of $39,532 in tax credits.

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

SellingFarmer	County	Qualifying Agricultural Assets	Tax Credit
Robert H. Ballard	Garrard	$ 220,336	$ 11,016
Dora Dean Ballard Trust U/W	Garrard	$ 220,337	$ 11,016
John Andrew Martin and Shannon N. Martin	Todd	$ 350,000	$ 17,500

Staff recommended approval of the tax credits.

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

Other Business

Quarterly Report - Kentucky Small Business Credit Initiative (KSBCI)

Chairman Hale called on Ms. Palmer to review the KSBCI Quarterly Funding Report for the period ending June 30, 2020.

After review, the Authority accepted the report as presented.

KEDFA Resolution

Chairman Hale called on Katie Smith to present a Resolution for the Board's consideration.

Pursuant to the authority in KRS Chapter 39A, KRS Chapter 154, and Executive Order 2020-243, a resolution was included in the board material proposing KEDFA's authorization for the deferment of certain job and wage requirements and extending certain final approval and activation date requirements.

Staff recommended approval of the proposed KEDFA Resolution.

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

Adjournment

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

Mr. Miller moved to adjourn the July KEDFA special board meeting; Deputy Secretary Miller seconded the motion. Motion passed; unanimous.

The meeting adjourned at 10:40 a.m.

APPROVED
PRESIDING OFFICER:

Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED
7/31/2020

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

7/31/2020

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 7/31/20	OOE 7/31/20	COMBINED 7/31/20
ASSETS						
Cash & Accounts Receivable						
Operating Account	126,021.31	0.00	0.00	126,021.31	0.00	*126,021.31*
Cash	468,373.45	17,310,522.40	412,913.26	18,191,809.11	0.00	*18,191,809.11*
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	2,756,785.45	*2,756,785.45*
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	0.00	*806,774.00*
Total Cash & Accounts Receivable	**1,401,168.76**	**17,310,522.40**	**412,913.26**	**19,124,604.42**	**2,898,329.33**	***22,022,933.75***
Accrued Interest Receivable						
Loans	32,766.50	255.57	0.00	33,022.07	0.00	*33,022.07*
Investments	3.82	149.13	3.41	156.36	0.00	*156.36*
Total Accrued Interest Receivable	**32,770.32**	**404.70**	**3.41**	**33,178.43**	**0.00**	***33,178.43***
Notes Receivable						
Loans Receivable	52,830,309.41	199,756.84	0.00	53,030,066.25	0.00	*53,030,066.25*
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	*(1,434,722.43)*
Total Notes Receivable	**52,830,309.41**	**199,756.84**	**0.00**	**51,595,343.82**	**0.00**	***51,595,343.82***
TOTAL ASSETS	***54,264,248.49***	***17,510,683.94***	***412,916.67***	***70,753,126.67***	***2,898,329.33***	***73,651,456.00***
DEFERRED OUTFLOWS OF RESOURCES:						
Deffered Outflows Pension				***1,827,000.00***	***0.00***	***1,827,000.00***
Deffered Outflows OPEB				***558,000.00***	***0.00***	***558,000.00***
LIABILITIES						
Accrued Salaries & Compensated Absences				386,246.54	0.00	*386,246.54*
Accounts Payable				0.00	0.00	*0.00*
Intergovernment Payable						*0.00*
Grants Payable				0.00	0.00	*0.00*
Pension Liability				10,070,000.00	0.00	*10,070,000.00*
OPEB Liability				1,585,000.00	0.00	*1,585,000.00*
TOTAL LIABILITIES				***12,041,246.54***	***0.00***	***12,041,246.54***
DEFERRED INFLOWS OF RESOURCES						
Deffered Inflows Pension				***47,000.00***	***0.00***	***47,000.00***
Deffered Inflows OPEB				***280,000.00***	***0.00***	***280,000.00***
NET POSITION						
Beginning Balance				**61,062,465.62**	**2,988,556.40**	***64,051,022.02***
Current Year Undivided Profits				(292,585.49)	(90,227.07)	(382,812.56)
TOTAL NET POSITION				***60,769,880.13***	***2,898,329.33***	***63,668,209.46***

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 July 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	16,058.46	355.16	0.00	0.00	16,413.62	*17,889.38*
Interest Income/ Investments	3.82	149.13	3.41	0.00	156.36	*31,272.00*
Late Fees	0.00	0.00	0.00	0.00	0.00	*0.00*
Application Fees	5,260.00	0.00	0.00	0.00	5,260.00	*9,955.00*
Miscellaneous Income	0.00	0.00	0.00	0.00	0.00	*477.03*
Total Operating Revenues - KEDFA	**21,322.28**	**504.29**	**3.41**	**0.00**	**21,829.98**	***59,593.41***
Operating Expenses - KEDFA						
Salaries	146,570.26				146,570.26	*138,572.61*
Employee benefits	160,045.21				160,045.21	*152,436.03*
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	7,800.00				7,800.00	*7,896.83*
Computer Services	0.00				0.00	*0.00*
Travel	0.00				0.00	*0.00*
Dues	0.00				0.00	*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	**314,415.47**	**0.00**	**0.00**	**0.00**	**314,415.47**	***298,905.47***
Income (Loss) from Operations - KEDFA	(293,093.19)	**504.29**	**3.41**	**0.00**	(292,585.49)	*(239,312.06)*
Non-Operating Revenues (Expenses) - KEDFA						
Operating Transfer Out - General Fund	0.00				0.00	*0.00*
Operating Transfer Out - BSSC					0.00	*0.00*
Transfer Due from Bonds					0.00	*0.00*
Grants Disbursed	0.00				0.00	*0.00*
Operating Transfer In - Economic Dev	0.00				0.00	*(125,000.00)*
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**	**0.00**	*(125,000.00)*
CHANGE IN NET POSITION - KEDFA	(293,093.19)	**504.29**	**3.41**	**0.00**	(292,585.49)	*(364,312.06)*
Operating Revenues (Expenses) - OOE						
Interest Income - Loans				0.00	0.00	*0.00*
Misc Income				0.00	0.00	*0.00*
						0.00
Disbursements: Projects (Note 1)					0.00	*0.00*
Repayments received from Projects				7,779.14	7,779.14	*0.00*
						0.00
Non-Operating Revenues (Expenses) - OOE						*0.00*
Operating Transfer in - OOE					0.00	*0.00*
Transfer Due from Bonds				(98,006.21)	(98,006.21)	*0.00*
Operating Transfer Out - OOE				0.00	0.00	*0.00*
CHANGE IN NET POSITION - OOE	**0.00**	**0.00**	**0.00**	(90,227.07)	(90,227.07)	***0.00***
CHANGE IN NET POSITION - COMBINED	(293,093.19)	**504.29**	**3.41**	(90,227.07)	(382,812.56)	*(364,312.06)*

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
7/31/2020

	7/31/2019	7/31/2020
Fund A Cash Balance	$823,853.99	$468,373.45
Less: Approved/Undisbursed		
Total Unobligated Balance	**$823,853.99**	**$468,373.45**
2003 Bond Fund Cash Balance	$17,256,730.16	$17,310,522.40
Less: Approved/Undisbursed	(906,774.00)	(806,774.00)
Total Unobligated Balance	**$16,349,956.16**	**$16,503,748.40**
Small Business Loan Fund Cash Balance	$408,566.08	$412,913.26
Less: Approved/Undisbursed		
Total Unobligated Balance	**$408,566.08**	**$412,913.26**
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	**$17,582,376.23**	**$17,385,035.11**
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	$2,862,607.02	$2,756,785.45
Less: Approved/Undisbursed	($977,910.00)	($467,752.54)
LGEDF Pool	$4,043.88	$4,043.88
Less: Approved/Undisbursed	$0.00	$0.00
Bond Funds to be Provided for Approved Projects	$348,006.21	
Bond Funds Available for Projects		
Total Unobligated Balance	**$2,374,247**	**$2,430,577**
TOTAL ALL FUNDS	**$19,956,623.34**	**$19,815,611.90**

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal 2020

KEDFA Meeting date	8/27/2020
Total Projects Approved Fiscal Year-to-Date	1
Number of Proposed Projects for Current Month	3

Construction Materials and Building Fixtures

Fiscal Year Cap	$20,000,000
Approved Fiscal Year-to-Date	$200,000
Committed Amount	$0
Balance Available for Current Month	$19,800,000
Proposed Approval for Current Month	$246,500
Balance Available for Remainder of Fiscal Year	$19,553,500

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

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

KBI Summary

Updated August 13, 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	3	212	212	100%	$38.20	$30.56	125%
2012	12	959	841	114%	$27.80	$25.47	109%
2013	41	4501	4087	110%	$24.77	$24.71	100%
2014	68	7950	7541	105%	$25.01	$24.02	104%
2015	109	12235	10722	114%	$24.96	$23.17	108%
2016	168	19548	16429	119%	$24.55	$22.21	111%
2017	217	24460	20105	122%	$26.56	$22.12	120%
2018	261	29327	23559	124%	$26.26	$21.98	119%
2019	252	27988	21716	129%	$28.37	$22.23	128%
2020	33	2625	2266	116%	$27.50	$18.60	148%

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	$24,481,261	63%
2018	$51,673,284	$43,843,423	$27,541,782	63%
2019	$59,917,486	$51,568,095	$19,275,560	37%
2020	$46,505,237	$39,499,095	N/A	N/A
2021	$4,313,999	$3,410,669	N/A	N/A
Grand Total	**$341,628,847**	**$294,398,864**	**$131,144,191**	

- 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, 2019.

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

Project Update Report

August 2020

Project	County	Approval Date	Exit Date	Program
AHF, LLC	**Pulaski**	**6/25/2015**	**12/31/2018**	**KBI**

Company withdrew due to market shift to a different type of product without capability to make at this site. As a result, company advised they will not become compliant. (Due to inability to meet the minimum employment requirement, company has been suspended since 1/1/2018 and has not claimed any incentives under this project). Company provided an email on 7/21/2020 withdrawing 12/31/2018 (last reporting requirement submitted).

T.RAD North America, Inc.	**Christian**	**6/29/2017**	**6/29/2017**	**KBI**

Despite repeated written and verbal requests the company failed to activate the project.

Genova Products, Inc.	**McCracken**	**5/26/2016**	**12/4/2019**	**KBI**

Company laid off employees and ceased operations at the end of 2019. The assets have been purchased by a Utah-based company, Plastic Services and Products, which plans to reestablish production at the site.

MSSC US Inc.	**Christian**	**4/27/2017**	**7/28/2020**	**KBI**

Changed status to IA No Project per an email from the Company dated 7/17/2020 stating they did not wish to pursue incentives due to plans to close the facility.

Beam Technologies LLC	**Boone**	**7/27/2017**	**7/31/2020**	**KBI**

The company requested to let the project expire in an email dated 7/13/2020.

Jacobs & Thompson Ltd	**Greenup**	**7/30/2015**	**7/31/2020**	**KBI**

Several attempts to contact the Company with no response. The project expired on 7/31/2020.

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

Date: August 27, 2020
Grantee: City of Bowling Green
Beneficiary: CROWN Cork & Seal USA, Inc.
City: Bowling Green **County:** Warren
Activity: Manufacturing
Bus. Dev. Contact: A. Luttner **OFS Staff:** D. Phillips

Project Description: CROWN Cork & Seal USA, Inc. 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 considering establishing a metal beverage cans manufacturing facility in Bowling Green to serve existing and new customers. The EDF funds will be used to offset the capital/fixed-asset investment costs associated with the project.

Anticipated Project Investment - Owned	**Total Investment**
Land	
Building/Improvements	$41,400,000
Equipment	$98,400,000
Other Start-up Costs	$7,750,000
TOTAL	**$147,550,000**

Anticipated Project Funding	**Amount**	**% of Total**
Economic Development Fund Grant (State)	$250,000	0.2%
Bank Loan	$50,000,000	33.9%
Local Grant		0.0%
Company Equity	$97,300,000	65.9%
Other		0.0%
TOTAL	**$147,550,000**	100.0%

Job and Wage Requirement Table

Compliance Date	Full-time, Kentucky-Resident Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2023	126	Create	$31.00	Total Hourly Compensation (includes benefits)
12/31/2024	126	Create	$31.00	Total Hourly Compensation (includes benefits)
12/31/2025	126	Create	$31.00	Total Hourly Compensation (includes benefits)
12/31/2026	126	Create	$31.00	Total Hourly Compensation (includes benefits)

* Compliance periods will be annually and first compliance period may be accelerated. Subsequent compliance periods will be adjusted if acceleration occurs.

Collateral Required: Not applicable - Grant is performance-based and disbursement will not occur until after annual compliance is confirmed.

Job Penalty Provision: $496 per job not created or maintained

Wage Penalty Provision: pro rata portion of EDF grant based on a formula outlined in the EDF grant agreement

Disbursement: Disbursement of grant funds may occur after each annual compliance period when requirements have been reviewed by the Cabinet. Funds will flow through the Grantee/local government entity to the Beneficiary/company.

12/31/2023	$62,500
12/31/2024	$62,500
12/31/2025	$62,500
12/31/2026	$62,500

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **$250,000**

Ownership (20% or more):

CROWN Holdings, Inc. - Morrisville, PA

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: 5.2% Kentucky: 4.8%

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

FROM: Robert Aldridge, Director
Compliance Division

DATE: August 27, 2020

SUBJECT: KBI Amendment
Midea America Corp (Jefferson County)
KBI Project #20349

Midea America Corp established a research and development center in Louisville in 2015 to focus on product innovation and development for the North American appliance market. From January 2016 through December 2019, the company participated in a co-employment agreement with ADP TotalSource FL XVI, Inc. (ADP), a professional employer organization, for management of payroll and certain other employer responsibilities. The company terminated the agreement with ADP at the end of 2019 and transferred the employees back to direct employment with Midea America Corp.

This amendment recognizes the co-employment relationship with ADP for the period from January 1, 2016 to December 31, 2019. All other aspects of the project remain the same.

Staff recommends approval.

MEMORANDUM

TO: KEDFA Board Members

FROM: Robert Aldridge, Director RA
Compliance Division

DATE: August 27, 2020

SUBJECT: KEIA Extensions

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

Company	County	Extension
Heaven Hill Distilleries	Nelson	3 Months
Dameron Alloy Foundries	Jefferson	12 Months
Distilled Spirits Epicenter, LLC	Jefferson	12 Months
Extiel-Advantage, Somerset 1, LLC	Pulaski	12 Months
Lakeshore Equipment Company	Woodford	12 Months
Lakeshore Equipment Company dba Lakeshore Learning Materials	Woodford	12 Months

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: August 27, 2020
Approved Company: Atkore Plastic Pipe Corporation
City: Louisville **County:** Jefferson
Activity: Manufacturing **Resolution #:** KEIA-21-23124
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane

Project Description: Atkore Plastic Pipe Corporation designs and manufactures galvanized steel tubing and pipe products as well as various electrical support system products. The company is seeking an expansion of its Louisville facility to increase production volume.

Facility Details: Expanding existing operations

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building Construction	$576,061	$635,078
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$2,311,972
Other Start-up Costs	$0	$290,000
TOTAL	**$576,061**	**$3,237,050**

Ownership (20% or more):
Publicly Traded

Other State Participation: None

Unemployment Rate:
County: 5.2% Kentucky: 4.8%

Existing Presence in Kentucky:
Jefferson County

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

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

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	August 27, 2020		
Approved Company:	Clermont Distillery, LLC		
City:	Shepherdsville	**County:**	Bullitt
Activity:	Manufacturing	**Prelim Resolution #:**	KBI-I-20-23122
Bus. Dev. Contact:	A. Franklin	**DFS Staff:**	M. Elder

Project Description: Clermont Distillery, LLC is considering a location in Bullitt county to bring a new bourbon product to the market. The company plans to be an active member of the Bourbon Trail.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$2,500,000	$2,500,000
Building/Improvements	$7,124,820	$7,124,820
Equipment	$200,000	$3,033,290
Other Start-up Costs	$742,614	$742,614
TOTAL	**$10,567,434**	**$13,400,724**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$56.00	
1	14	$56.00	$80,000
2	22	$56.00	$80,000
3	22	$56.00	$80,000
4	22	$56.00	$80,000
5	22	$56.00	$80,000
6	22	$56.00	$80,000
7	22	$56.00	$80,000
8	22	$56.00	$80,000
9	22	$56.00	$80,000
10	22	$56.00	$80,000

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

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: $10.88

Total hourly compensation: $12.51

Ownership (20% or more):

Lee Wilburn Louisville, KY

William "Bill" LaRue Weller Louisville, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: Bullitt County- Cash Grant of $200,000 at the rate of $20,000 per year for 10 years in lieu of the 1%

Unemployment Rate:

County: 4.5% Kentucky: 4.8%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date:	August 27, 2020		
Approved Company:	Clermont Distillery, LLC		
City:	Shepherdsville	**County:**	Bullitt
Activity:	Manufacturing	**Resolution #:**	KEIA-21-23123
Bus. Dev. Contact:	A. Franklin	**DFS Staff:**	M. Elder

Project Description: Clermont Distillery, LLC is considering a location in Bullitt county to bring a new bourbon product to the market. The company plans to be an active member of the Bourbon Trail.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$2,500,000
Building Construction	$4,914,000	$7,124,820
Electronic Processing Equipment	$0	$20,000
Research & Development Equipment	$0	$38,500
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$2,974,790
Other Start-up Costs	$0	$742,614
TOTAL	**$4,914,000**	**$13,400,724**

Approved Recovery Amount:

Construction Materials and Building Fixtures: $200,000

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

See KBI file (KBI-I-20-23122) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 27, 2020
Approved Company: Southern Harvest Services, LLC
City: Olive Hill **County:** Carter
Activity: Agribusiness **Prelim Resolution #:** KBI-I-20-23023
Bus. Dev. Contact: B. Burton **DFS Staff:** K. McCane

Project Description: Southern Harvest Services, LLC specializes in providing essential support services for farmers and processors in the hemp industry. The company is proposing to build a hemp drying facility to help ensure the success of local hemp farmers.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$500,000	$500,000
Building/Improvements	$650,000	$650,000
Equipment	$9,780,000	$9,780,000
Other Start-up Costs	$0	$0
TOTAL	**$10,930,000**	**$10,930,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	24	$17.16	
1	64	$17.16	$160,000
2	112	$17.16	$160,000
3	160	$17.16	$160,000
4	160	$17.16	$160,000
5	160	$17.16	$160,000
6	160	$17.16	$160,000
7	160	$17.16	$160,000
8	160	$17.16	$160,000
9	160	$17.16	$160,000
10	160	$17.16	$160,000
11	160	$17.16	$160,000
12	160	$17.16	$160,000
13	160	$17.16	$160,000
14	160	$17.16	$160,000
15	160	$17.16	$160,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$2,400,000**

Incentive Type:
Enhanced

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

Ownership (20% or more):
Dusty Garus - Ridgeville, SC
Tanner Garrett - Ridgeville, SC
Synergy3 Investments LLC - Keizer, OR

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 6.9% Kentucky: 4.8%

Existing Presence in Kentucky: None

Special Conditions: None

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT

Date: August 27, 2020
Approved Company: Southern Harvest Services, LLC
City: Olive Hill **County:** Carter
Activity: Agribusiness **Resolution #:** KEIA-21-23024
Bus. Dev. Contact: B. Burton **DFS Staff:** K. McCane

Project Description: Southern Harvest Services, LLC specializes in providing essential support services for farmers and processors in the hemp industry. The company is proposing to build a hemp drying facility to help ensure the success of local hemp farmers.

Facility Details: Locating in a new facility

Anticipated Project Investment	**Eligible Costs**	**Total Investment**
Land	$0	$500,000
Building Construction	$275,000	$650,000
Electronic Processing Equipment	$0	$0
Research & Development Equipment	$0	$0
Flight Simulation Equipment	$0	$0
Other Equipment	$0	$9,780,000
Other Start-up Costs	$0	$0
TOTAL	**$275,000**	**$10,930,000**

Approved Recovery Amount:

Construction Materials and Building Fixtures: $16,500

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$16,500**

See KBI file (KBI-I-20-23023) for Ownership, Other State Participation and Unemployment Rate.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	August 27, 2020		
Approved Company:	Danieli Corporation		
City:	Ashland	**County:**	Boyd
Activity:	Manufacturing	**Prelim Resolution #:**	KBI-IL-20-23131
Bus. Dev. Contact:	B. Leep	**DFS Staff:**	K. McCane

Project Description: Danieli Corporation is a subsidiary of Danieli Group which designs, manufactures and installs specialized machines and plants for the metallurgical industry, with technologies and products that cover the entire iron and steel production cycles from ore extraction to finished products. The company is seeking to expand and create a one-stop shop to provide major equipment refurbishment service for all North American-based Flat Products producers.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased	**Eligible Costs**	**Total Investment**
Rent	$0	$0
Building/Improvements	$500,000	$500,000
Equipment	$11,600,000	$11,600,000
Other Start-up Costs	$150,000	$150,000
TOTAL	**$12,250,000**	**$12,250,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	13	$31.00	
1	13	$31.00	$125,000
2	31	$31.00	$125,000
3	44	$31.00	$125,000
4	52	$31.00	$125,000
5	53	$31.00	$125,000
6	53	$31.00	$125,000
7	53	$31.00	$125,000
8	53	$31.00	$125,000
9	53	$31.00	$125,000
10	53	$31.00	$125,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$1,250,000**

Incentive Type:
Enhanced

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

Ownership (20% or more):
Danieli Holdings Inc. - Cranberry Township, PA

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 6.0%
Kentucky: 4.8%

Existing Presence in Kentucky:
Boyd 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 3 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	August 27, 2020		
Approved Company:	IT Supply Solutions LLC		
City:	Florence	**County:**	Kenton
Activity:	Service or Technology	**Prelim Resolution #:**	KBI-I-20-23119
Bus. Dev. Contact:	B. Cox	**DFS Staff:**	D. Phillips

Project Description: IT Supply Solutions LLC offers businesses a sustainable business model for its electronics that allows for refurbishment and remarketing of used computer equipment. The business model allows many companies and school systems to buy like new equipment at reduced costs to fulfill computer needs. The company is considering an expansion to accommodate the significant growth it has over the past 5 years as well as accommodate forecasted future growth.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$200,000	$200,000
Building/Improvements	$1,665,000	$1,665,000
Equipment	$0	$0
Other Start-up Costs	$0	$0
TOTAL	**$1,865,000**	**$1,865,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$28.00	
1	10	$28.00	$25,000
2	13	$28.00	$25,000
3	13	$28.00	$25,000
4	13	$28.00	$25,000
5	13	$28.00	$25,000
6	13	$28.00	$25,000
7	15	$28.00	$25,000
8	15	$28.00	$25,000
9	15	$28.00	$25,000
10	15	$28.00	$25,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$250,000**

Incentive Type:
Other

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

Ownership (20% or more):
Richard A. Dunaway - Edgewood, KY
John Bays - New Port Richey, FL

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 1.5%
Local: 0.5% - City of Independence

Unemployment Rate:
County: 4.4%
Kentucky: 4.8%

Existing Presence in Kentucky:
Kenton 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 13 full-time, Kentucky resident employees as of the application date.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date:	August 27, 2020		
Approved Company:	HVAC Distributing LLC		
City:	Hickory	**County:**	Graves
Activity:	Service or Technology	**Prelim Resolution #:**	KBI-I-20-23129
Bus. Dev. Contact:	C. Peek	**DFS Staff:**	M. Elder

Project Description: HVAC Distributing LLC is a national wholesale distributor of heating and air conditioning equipment. The company carries top brands including Amana, ClimateMaster, GeoCool and Mr. Cool. The company is considering purchasing an additional building in Graves County to accommodate recent and future growth.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$4,500,000	$4,500,000
Equipment	$1,000,000	$1,000,000
Other Start-up Costs	$1,500,000	$1,500,000
TOTAL	**$7,000,000**	**$7,000,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$20.00	
1	21	$20.00	$50,000
2	32	$20.00	$50,000
3	43	$20.00	$100,000
4	54	$20.00	$100,000
5	65	$20.00	$100,000
6	76	$20.00	$100,000
7	87	$20.00	$100,000
8	98	$20.00	$100,000
9	109	$20.00	$150,000
10	120	$20.00	$150,000
11	131	$20.00	$150,000
12	142	$20.00	$150,000
13	153	$20.00	$150,000
14	164	$20.00	$150,000
15	175	$20.00	$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$1,750,000**

Incentive Type:
Enhanced

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

Ownership (20% or more):

Doug Ingram	Hickory, KY
Jason Ingram	Boaz, KY

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 4.2% Kentucky: 4.8%

Existing Presence in Kentucky:
Graves 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 108 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Graves county/city of Hickory. Only investment costs incurred at 401 Centech Drive will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: August 27, 2020
Approved Company: American Wood Fibers, Inc.
City: Lebanon **County:** Marion
Activity: Manufacturing **Prelim Resolution #:** KBI-I-20-23121
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane

Project Description: American Wood Fibers, Inc. opened its Lebanon facility in October 1990 converting low value wood by-products into added value consumer products for pet retail and industrial markets. The company is seeking to replace the existing conventional rotary drum dryer with a new concept unit named "DryerOne" which operates at higher capacity and with lower emissions.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned	**Eligible Costs**	**Total Investment**
Land	$0	$0
Building/Improvements	$1,950,000	$1,950,000
Equipment	$3,256,000	$3,256,000
Other Start-up Costs	$35,000	$35,000
TOTAL	**$5,241,000**	**$5,241,000**

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$21.25	
1	17	$21.25	$30,000
2	23	$21.25	$30,000
3	23	$21.25	$30,000
4	23	$21.25	$30,000
5	23	$21.25	$30,000
6	23	$21.25	$30,000
7	23	$21.25	$30,000
8	23	$21.25	$30,000
9	23	$21.25	$30,000
10	23	$21.25	$30,000
11			
12			
13			
14			
15			

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

Incentive Type:
Enhanced

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

Ownership (20% or more):
Joy Faehner - Brinklow, MD

Active State Participation at the project site: Yes

Date	Program	Status / Jobs Required	Amount
Sep 26, 2013	KBI	Monitor/59	$200,000

Requested Wage Assessment / Local Participation:
State: 5.0%

Unemployment Rate:
County: 4.3% Kentucky: 4.8%

Existing Presence in Kentucky:
Marion 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 99 full-time, Kentucky resident employees as of the application date.

MEMORANDUM

TO: KEDFA Board Members

FROM: Michelle Elder ME
Incentive Administration Division

DATE: August 27, 2020

SUBJECT: KBI Extensions

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

Company	County	Extension
Chewy, Inc.	Jefferson	3 Month
Bed Wood and Parts, LLC	Christian	12 Month
CTI - Clinical Trial Services, Inc.	Kenton	12 Month
Gibbs Die Casting Corporation	Henderson	12 Month
Gryphon Environmental, LLC	Daviess	12 Month
Jet.com, Inc.	Bullitt	12 Month
Prolocity Technology Solutions LLC	Kenton	12 Month
The Recon Group Inc.	Franklin	12 Month

Staff recommends approval.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: August 27, 2020
Preliminary Approval: August 31, 2017
Approved Company: WPT Corporation
City: Beaver Dam
County: Ohio
Activity: Manufacturing
Final Resolution #: KBI-F-20-21742
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: WPT Corporation, a nonwoven fabric manufacturer, has been in business since 2008. The company expanded its manufacturing capabilities by installing a state of the art nonwoven production line that will focus on the hygiene and filtration media sectors. This location is WPT's second facility in Ohio County.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$4,934,000	$4,934,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	$17.00	
1	20	$17.00	$50,000
2	30	$17.00	$50,000
3	40	$17.00	$50,000
4	40	$17.00	$50,000
5	40	$17.00	$50,000
6	40	$17.00	$50,000
7	40	$17.00	$50,000
8	40	$17.00	$50,000
9	40	$17.00	$50,000
10	40	$17.00	$50,000
11	40	$17.00	$50,000
12	40	$17.00	$50,000
13	40	$17.00	$50,000
14	40	$17.00	$50,000
15	40	$17.00	$50,000

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

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 55

Modifications since preliminary approval? No

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: August 27, 2020
Preliminary Approval: August 25, 2016
Approved Company: American Howa Kentucky, Inc.
City: Bowling Green
County: Warren
Activity: Manufacturing
Final Resolution #: KBI-F-20-21211
Bus. Dev. Contact: C. Peek
DFS Staff: M. Elder

Project Description: American Howa Kentucky, Inc.(AHK) is an automotive parts manufacturing company with plants located across the world. The company is a Tier 1 supplier to most Japanese Automotive Manufacturers and some U.S. auto manufacturers. AHK expanded its Bowling Green location to meet the increased demand of its Tier 1 products to OEM"s.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$3,546,876	$7,586,727

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	44	$18.00	
1	44	$18.00	$60,000
2	44	$18.00	$60,000
3	44	$18.00	$60,000
4	44	$18.00	$60,000
5	44	$18.00	$60,000
6	44	$18.00	$60,000
7	44	$18.00	$60,000
8	44	$18.00	$60,000
9	44	$18.00	$60,000
10	44	$18.00	$60,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$600,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 173

Modifications since preliminary approval? Yes
The statewide maintenance requirement has been removed from the project. All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - FINAL APPROVAL

Date: August 27, 2020
Preliminary Approval: July 25, 2019
Approved Company: Wolf Steel Acquisition, LLC
City: Crittenden
County: Grant
Activity: Manufacturing
Final Resolution #: KBI-F-20-22653
Bus. Dev. Contact: B. Cox
DFS Staff: D. Phillips

Project Description: Wolf Steel Acquisition, LLC manufactures fireplaces, stoves, grills and accessories. The project included an expansion of its current facility in Crittenden by acquiring additional adjacent land, adding square footage to its manufacturing facility and improvements to its warehouse operations.

	Eligible Costs	Total Investment
Anticipated Project Investment - Owned	$3,500,000	$5,950,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	15	$19.00	
1	15	$19.00	$35,000
2	30	$19.00	$35,000
3	30	$19.00	$35,000
4	30	$19.00	$35,000
5	30	$19.00	$35,000
6	30	$19.00	$35,000
7	30	$19.00	$35,000
8	30	$19.00	$35,000
9	30	$19.00	$35,000
10	30	$19.00	$35,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$350,000**

County Type:
Other

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

Special Conditions:
Maintain Base Employment: 85

Modifications since preliminary approval? Yes

The company is requesting a name change from Wolf Steel U.S.A. Inc. to Wolf Steel Acquisition, LLC. All other aspects of the project remain the same.

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KRA REPORT - FINAL APPROVAL

Date: August 27, 2020
Preliminary Approval: August 31, 2017
Approved Company: Aristech Surfaces LLC
City: Florence **County:** Boone
Final Resolution #: KRA-F-20-21753
Bus. Dev. Contact: K. Slattery **OFS Staff:** D. Phillips

Project Description: Aristech Surfaces LLC is a leader manufacturer of continuous cast acrylic sheet, and 100% acrylic and specialty blend solid surface products. The company produces acrylic and solid surface sheets used for a broad variety of horizontal, vertical and 3-dimentional applications used for hot tubs, bath shells, wall panels, countertops and signage applications.

The project included significant improvements and upgrades to equipment at the Florence headquarters and manufacturing facility. These improvements and upgrades increased efficiencies, production output, decrease costs and allow the company to enter into new product markets.

Current number of full-time jobs at the project location: 186

Required number of full-time jobs to retain at the project location: **168**

Preliminarily Approved Anticipated Costs	**Eligible Costs**	**Total Investment**
Equipment and Related Costs	$8,950,000	$17,900,000
Training Costs	$0	$0
TOTAL	**$8,950,000**	**$17,900,000**

Actual Costs Expended	**Eligible Costs**	**Total Investment**
Equipment and Related Costs	$4,894,385.59	$9,788,771.18
Training Costs	$0	$0
TOTAL	**$4,894,385.59**	**$9,788,771.18**

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **$375,000**

Modifications since preliminary approval? No

MEMORANDUM

TO: KEDFA Board Members

FROM: Kylee Palmer
Department for Financial Services

DATE: August 27, 2020

SUBJECT: IEIA Extension

The following company has previously received IEIA preliminary approval and is requesting approval of a time extension:

Company	County	Extension
RCC Big Shoal, LLC	Pike	12-month

Staff recommends approval.

Kentucky Small Business Tax Credit (KSBTC) Projects Report
August 2020

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/ Technology	Tax Credit Amount
Beaumont Homes, LLC	Boone	2	5	$31.43	$26,000	$17,500
Cadres, Inc.	Henry	3	3	$13.06	$18,244	$10,500
Lexington Podiatry, PSC	Fayette	27	3	$13.98	$24,000	$10,500
3	**3**		**11**	**Total**	**$68,244**	**$38,500**

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	$92,000
FYTD KSFTC Approvals	$39,532
Current KSBTC Request	$38,500
Current KSFTC Request	$0
Remaining FY Credits	**$2,829,968**