



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Larry Hayes
Interim Secretary

MEMORANDUM

TO: KEDFA Members

FROM: Katie Smith, Commissioner
Department for Financial Services *KS*

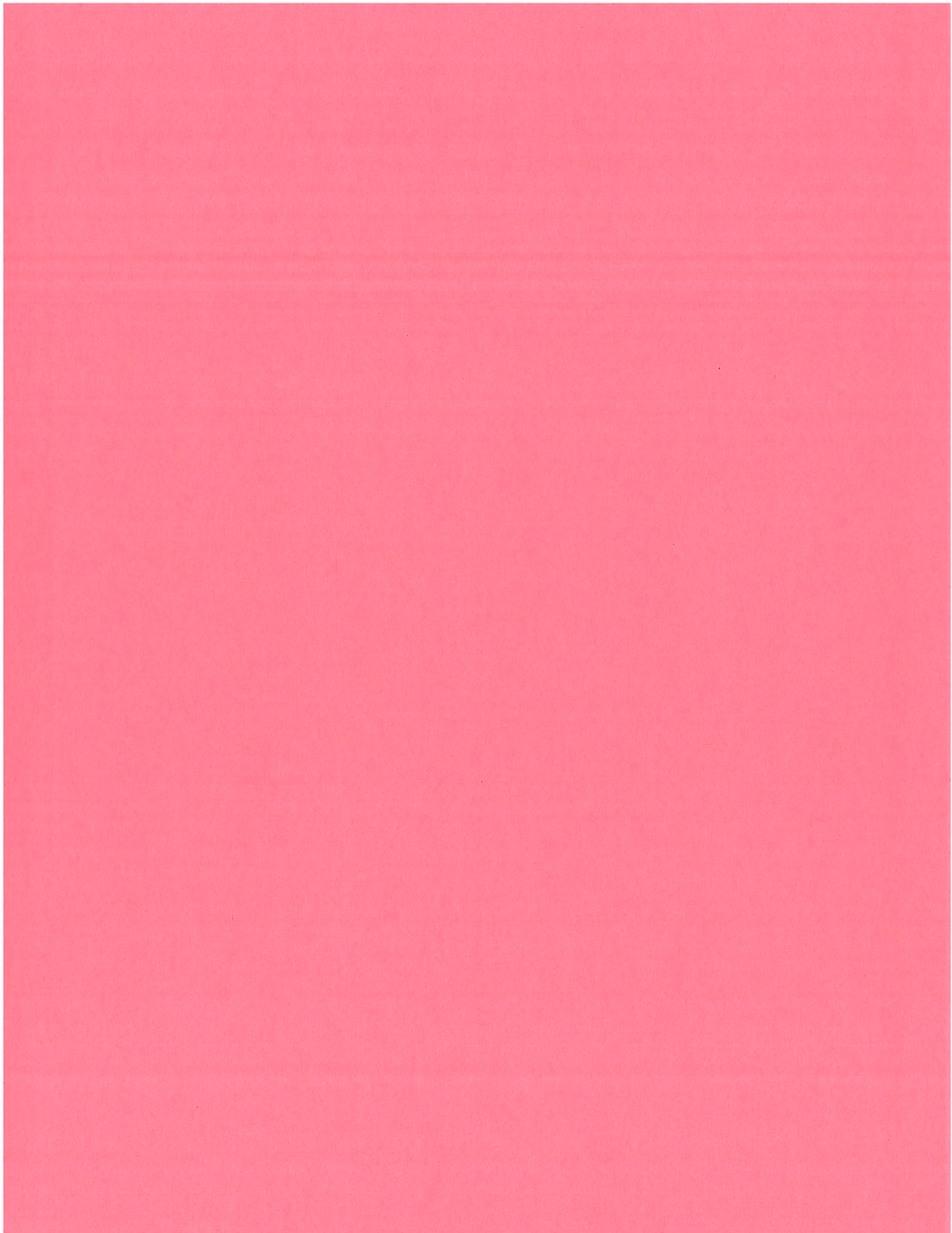
DATE: September 24, 2021

SUBJECT: KEDFA Board Meeting

The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, September 30, 2021** at 10:00 a.m. (ET) through both in person attendance and video conference. The primary location for the meeting where all members can be seen and heard and the public may attend in accordance with KRS 61.826 and 61.810 will be in the Board of Directors Conference Room at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. While participants, media and members of the public may attend the board meeting in person at the primary location, attendees are also encouraged to join the meeting virtually and can access the video teleconference at the following link:

<https://us02web.zoom.us/j/82947248959>

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



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
AGENDA
September 30, 2021

PRIMARY LOCATION:

Where all members can be seen and heard and the public may attend in accordance with KRS 61.826 & 61.840

Board of Directors Conference Room
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky

ALSO AVAILABLE VIA ZOOM: <https://us02web.zoom.us/j/82947248959>

Call to Order

Notification of Press

Roll Call

Minutes

Minutes from August 26, 2021 KEDFA Board Meeting
Minutes from August 26, 2021 KEDFA Executive Session

Reports

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

KEDFA Grant (Amendment)

	Kylee Palmer
Corbin Tri-County Joint Industrial Development Authority	Knox

Kentucky Rural Hospital Loan Program (KRHLP)

	Kylee Palmer
Kentucky Rural Hospital Loan Program Guidelines	

KSBCI Project

	Kylee Palmer
Traditional Bank Inc. - Thind & Manak Investment, LLC	Clark

Local IRB

	Michelle Elder
Ball Metal Beverage Container Corp.	Warren

EDF Project

	Corky Peek / Debbie Phillips
Marshall County Industrial Development Authority	Marshall

KEIA Projects (Extension)

	Craig Kelly
Pitman Creek Wholesale LLC	Lincoln
Stelised, Inc	Shelby
Bluegrass Roller Service	Shelby
Fresh Bourbon Inc. dba Edwards Spirit Company	Fayette

KEIA Projects (Final)

Global Mail, Inc. dba DHL eCommerce Solutions	Boone	Craig McKinney / Michelle Elder
Continental Refining Company LLC	Pulaski	Annie Franklin / Michelle Elder
Rut 'N Strut Distillery, LLC	Shelby	Annie Franklin / Michelle Elder

KBI Projects (Preliminary) & KEIA Projects

Harbor Steel & Supply Corporation	Warren	Corky Peek / Michelle Elder
Harbor Steel & Supply Corporation		

KBI Projects (Preliminary)

Summit Packaging Solutions, LLC	Boone	Brittany Cox / Debbie Phillips
Russellville Dental Lab, LLC	Logan	Corky Peek / Michelle Elder
Community Wellness--KY, LLC	Boyle	Martin David-Jacobs / Kate McCane

KBI Projects (Extension)

Michelle Elder

Ag Science Solutions, Inc.	Simpson
Froedge Machine and Supply Co., Inc.	Barren
IJW Whiskey Company, LLC	Jefferson
Sazerac North America, Inc.	Jefferson
Strigiformes, LLC	Nelson
Taeyang America Corp.	Simpson
The Hollaender Manufacturing Company	Pulaski
Tiffany and Company Jewelers, Inc.	Fayette
UPS Supply Chain Solutions, Inc.	Jefferson

KBI Projects (Final)

Debbie Phillips

STEP CG, LLC	Kenton
American Wood Fibers, Inc.	Marion
Healthcare Asset Network, INC. dba HANDLE	Jefferson
NX Development Corp.	Fayette
Comprehensive Medical Management, LLC	Campbell
Gryphon Environmental, LLC	Daviess
Xooker, LLC	Fayette
United Systems & Software, Inc.	Marshall

Kentucky Small Business Tax Credits (KSBTC)

Tim Back

Advanced Dental Center, Inc.	Jefferson
Capital Recovery Group Technologies, LLC	Jefferson
DawnBland.com, LLC	Breckinridge
Mill Ridge Farm, LLLP	Fayette
MRCOOL LLC Limited Liability Company	Graves
Quantum Ink Company	Jefferson
Willow Hill Supply, LLC	Clark

Kentucky Angel Investment Tax Credits

Tim Back

Aneeta R. Bhatia

Jefferson

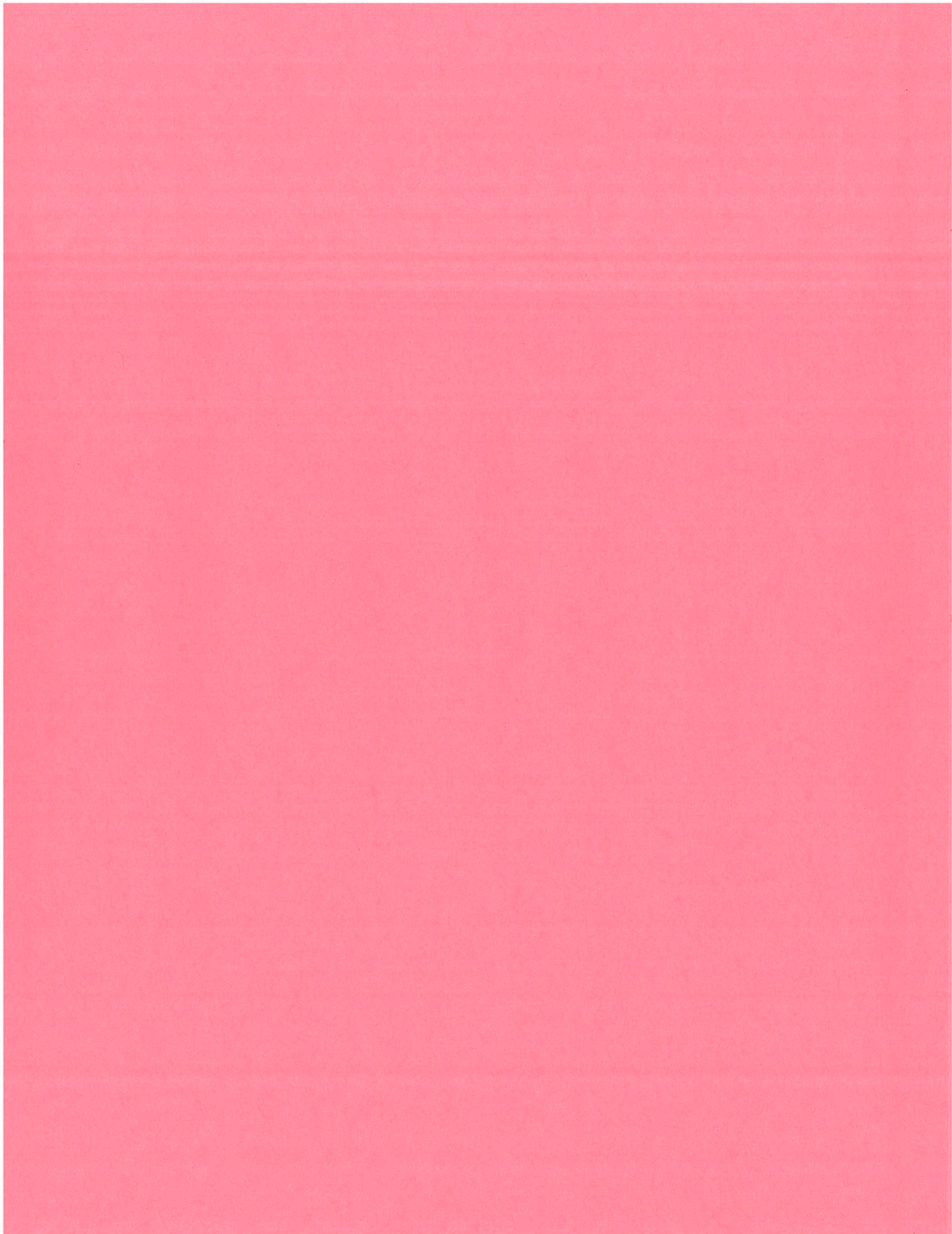
Martin N. McClelland

Fayette

Other Business

Audit Report & Auditor's Communication

Adjournment



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

BOARD MEETING

August 26, 2021

MINUTES

Call to Order

KEDFA convened at 10:00 a.m. on August 26, 2021.

Notification of Press

J. Don Goodin, Vice Chairman, received verification that the media had been notified of the KEDFA board meeting.

Roll Call

Jean Hale, J. Don Goodin, Secretary Holly Johnson, Tucker Ballinger, Mike Cowles.

Staff Present: Tim Back, Elizabeth Bishop, Sarah Butler, Brittany Cox, Rachael Dever, Danielle Dunmire, Lisa Duvall, Michelle Elder, Tony Ellis, Ellen Felix, Annie Franklin, David Hamilton, Krista Harrod, Martin David-Jacobs, James Johnson, Malcolm Jollie, Craig Kelly, Andy Luttner, Brandon Mattingly, Kate McCane, Kylee Palmer, Corky Peek, Debbie Phillips, Charlie Rowland, Jenny Schenkenfelder, Matt Simms, Kristina Slattery, Katie Smith, Jeff Taylor and Steve Vest.

Others Present: Michael Kalinyak, Hurt, Deckard & May PLLC; Mike Herrington, Stites & Harbison; Jamie Brodsky, Stoll Keenon Ogden; Matt Zoeller, Scott, Murphy and Daniel; Ben Pratt and Charles Helms, Greater Louisville, Inc.; Andrew Miller and Tyler Theile, Anderson Economic Group; Matthew Feltner, Kentucky Finance and Administration Cabinet; Lee Pan and Shaun Pan, World Peace Hospitality LLC; Elena Caminer, Michael Lampl and Geoff Dickinson, SB Friedman Development Advisors; Bill Sandell, Kentucky Education & Workforce Development Cabinet; Michael Crabtree and Tim Bates, Office of Film and Tourism; William Campbell, Chapin International; James Parsons, Keating Muething & Klekamp PLL; Michael Mead and Jim Broz, Setco; Alexander Gardner, Jackson Kelly PLLC; Howell Holbrook, Rockcastle County Judge Executive; Jeff AnHook, Rockcastle Industrial Development Authority; Sierra Enlow and Zeeshan Bhatti, McGuire Sponsel; Larisa Sims, City of Newport; Wayne Hendrix, Bigelow Tea; Sara Bowman, Alex Mercer and Jacob Medely, Louisville Forward; Devon Stansbury, Northern Kentucky Tri-Ed; Helen Costello, Tyler Ridner and Kazuki Inuzuka, Fuel Total Systems; Casey Bolton, Commonwealth Economics; Frank Pentrini, Chad Donovan and Frank Marfisi, SMS Group; David Godfrey; Luke Schmidt, L.B. Schmidt & Associates, LLC; Christy Lanier-Robinson, LDG Multifamily, LLC and Jeff Hodges, Gray Construction.

Approval of Minutes

Vice Chairman Goodin entertained a motion to approve the minutes from the July 29, 2021 KEDFA board meeting.

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

Approved/Undisbursed Report

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

Financial Statements and Monitoring Reports

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

KEDFA Grant (Amendment)

Vice Chairman Goodin called on Kylee Palmer to present the KEDFA grant amendment to the Authority.

Louisville/Jefferson County Metro Government

Louisville Regional Airlift Development

Jefferson County

Ms. Palmer stated the Louisville/Jefferson County Metro Government and Louisville Regional Airlift Development, Inc. (LRAD) are requesting a second amendment to the KEDFA Grant Agreement to extend the term of the project and provide additional time to attract another commercial air service non-stop domestic route. The project was originally approved at the July 27, 2017 KEDFA meeting and amended at the October 25, 2018 KEDFA meeting.

The project consists of up to \$1,330,000 to support the development of a new commercial air service non-stop route to/from the Louisville International Airport (SDF) by providing a two-year minimum revenue guarantee (MRG), not to exceed \$665,000 per year. LRAD previously provided an Air Service Agreement with American Airlines which included a two-year MRG for a non-stop route to/from Los Angeles Airport (LAX). Due to the COVID-19 pandemic, the full eligible amount of the MRG was utilized during the first year of the Air Service Agreement, and the Air Service Agreement was suspended and terminated before the second year of the MRG began. Thus, the funds for the second year of the MRG remain in escrow.

LRAD is requesting to hold the funds for the second year of the MRG (\$665,000) in escrow and allow a time extension until December 31, 2024 to attract and enter into another Air Service Agreement for another new commercial air service non-stop route to/from SDF. LRAD will be required to provide annual progress/status reports as of December 31st of each year. Should a new Air Service Agreement become effective, LRAD will be required to provide a copy of the executed agreement and submit the required monthly and annual reports as outlined in the KEDFA Grant Agreement related to the MRG and escrow funds. If a new Air Service Agreement is not effective by December 31, 2024, KEDFA's portion of the escrow funds (\$665,000) will be returned no later than January 31, 2025.

Staff recommends approval to amend the KEDFA Grant with Louisville/Jefferson County Metro Government for the benefit of Louisville Regional Airlift Development, Inc.

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

Kentucky Enterprise Initiative Act (KEIA) Projects (Extension)

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

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

Company	County	Extension
Signode Industrial Group LLC	Kenton	3 Months
Bendix Spicer Foundation Brake LLC	Warren	12 Months
Bespoke Ventures & Investments, LLC	Grant	12 Months
Distilled Spirits Epicenter, LLC	Jefferson	12 Months
Hyland Equipment Co II LLC	Rockcastle	12 Months
Jim Beam Brands Co.	Bullitt	12 Months
Lakeshore Equipment Company	Woodford	12 Months
Lakeshore Equipment Company dba Lakeshore Learning Materials	Woodford	12 Months
PACCAR Inc.	Jefferson	12 Months

Staff recommended approval of the KEIA extension requests with Bendix Spicer Foundation Brake LLC request retroactive to January 31, 2021 and Bespoke Ventures & Investments, LLC, Hyland Equipment Co II LLC and PACCAR Inc. extension requests retroactive to March 31, 2021.

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

KEIA Projects

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

SMS Group Inc. Meade County

**Martin David-Jacobs
Kate McCane**

Martin David-Jacobs stated SMS Group Inc. is a leader in adding value to metallurgical operations by assisting metal producers and processors to extend equipment campaigns, reduce maintenance cost and provide solutions to production challenges. The company is seeking to construct an on-site fully equipped facility at Nucor Corporation to manufacture and refurbish parts and service the caster machine that makes the steel in order to minimize disruption and down time.

Kate McCane stated the project investment is \$17,800,000 of which \$13,000,000 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$700,000 for Construction Materials & Building Fixtures.

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

C-Forward Kenton County

**Brittany Cox
Debbie Phillips**

Brittany Cox stated C-Forward, Inc. is an IT managed service provider that provides outsourced IT services to small and medium sized businesses in the Cincinnati, Ohio, Lexington and Louisville, Kentucky regions. The project will include upgrades and improvements to make its office space more functional.

Debbie Phillips stated the project investment is \$2,342,500 of which \$967,500 qualifies as KEIA eligible costs.

Staff recommended the KEIA approved recovery amount of \$50,000 for Construction Materials & Building Fixtures.

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

KBI Project Modification

Vice Chairman Goodin called on staff to present the KBI project modification to the Authority.

Chapin International, Inc. Rockcastle County

Kate McCane

Kate McCane stated Chapin International, Inc. received preliminary approval on September 24, 2020. The company is requesting the following modifications to their approved project. An increase in investment and eligible costs from \$5,495,000 to \$13,900,000; an increase in the job target from 100 to 200; an increase in the term of the Agreement from 10 years to 15 years; an increase in the total negotiated tax incentive amount from \$1,000,000 to \$3,750,000 and a requirement to maintain statewide employment across the Commonwealth.

Staff recommended approval of the modification request from Chapin International, Inc.

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

KBI (Preliminary) and KEIA Projects

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

Martinrea Hopkinsville, LLC Christian County

**Corky Peek
Michelle Elder**

Corky Peek stated Martinrea International, Inc. is a global-leading tier one automotive supplier in lightweight structures and propulsion systems. Martinrea operates in ten countries with four business units operating 57 locations with a very diverse product portfolio supplying all major automotive OEM's. The company is considering an expansion to one of its North American press shop operations to support continued business growth with current and new OEM's. One of the locations that can potentially support this type of expansion is the Hopkinsville location. This expansion would add additional square footage and equipment.

Michelle Elder stated the project investment is \$31,174,000, all of which qualifies as KBI eligible costs and \$5,580,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 33 with an average hourly wage of \$28.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 498 full-time employees subject to Kentucky individual income tax. The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$750,000 and the KEIA approved recovery amount of \$100,000 for Construction Materials and Building Fixtures.

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

**R.C. Bigelow, Inc.
Jefferson County**

**Matt Simms
Kate McCane**

Matt Simms stated R.C. Bigelow, Inc. is a family owned, three generational company producing two billion tea bags annually. The company is considering moving its existing Kentucky facility into a new facility to continue its rapid growth.

Kate McCane stated the project investment is \$53,000,000 of which \$37,480,000 qualifies as KBI eligible costs and \$19,900,000 qualifies as KEIA eligible costs. The highest job target over the term of the agreement is 31 with an average hourly wage of \$28.15 including benefits. The state wage assessment participation is 3.0% and Louisville/Jefferson County Metro Government will participate at 1.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 124 full-time employees subject to Kentucky individual income tax.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$500,000 and the KEIA approved recovery amount of \$900,000 for Construction Materials and Building Fixtures.

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

KBI Projects (Preliminary)

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

**Load Covering Solutions, Inc.
Trigg County**

**Corky Peek
Michelle Elder**

Corky Peek stated Load Covering Solutions, Inc. is a producer and supplier of engineered tarping systems for the transportation industry. The company is considering purchasing land to construct a new manufacturing and installation facility.

Michelle Elder stated the project investment is \$1,666,700 all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$26.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 1 full-time employee subject to Kentucky individual income tax.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$600,000.

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

**Faurecia Automotive Seating LLC
Shelby County**

**Andy Luttner
Debbie Phillips**

Andy Luttner stated Faurecia Automotive Seating LLC manufactures and sells automotive seats primarily to Ford, GM Stellantis (Jeep), Nissan and John Deere. The company is considering an expansion at its Simpsonville facility by adding additional equipment to meet customer demands.

Debbie Phillips stated the project investment is \$5,531,000 of which \$2,000,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of \$23.50 including benefits. The state wage assessment participation is 2.25% and the City of Simpsonville will participate at 0.25% and Shelby County will participate at 0.50% for a combined total of 0.75%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 410 (job requirement for previous project) full-time employees subject to Kentucky individual income tax. The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,200,000.

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

**Setco Sales Company
Boone County**

**Martin David-Jacobs
Kate McCane**

Martin David-Jacobs stated Setco Sales Company is a global leader in the design, manufacture and service of high-performance precision spindles, repair and service, slides milling heads and precision parts and specialty products. The company is considering expanding its worldwide headquarters and manufacturing facility in Hebron.

Kate McCane stated the project investment is \$6,250,000, of which \$3,950,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 30 with an average hourly wage of \$45.00 including benefits. The state wage assessment participation is 3.0% and Boone County will participate at 0.8%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 6 full-time employees subject to Kentucky individual income tax.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$700,000.

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

**Fuel Total Systems Kentucky Corporation
Marion County**

**Martin David-Jacobs
Kate McCane**

Martin David-Jacobs stated Fuel Total Systems Kentucky Corporation was established to manufacture and sell plastic fuel tanks for the automotive industry. The company is considering expanding its production abilities to meet demand.

Kate McCane stated the project investment is \$11,090,791, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 25 with an average hourly wage of \$29.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 163 (job requirement for previous project) full-time employees subject to Kentucky individual income tax.

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

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

LDG Multifamily, LLC
Jefferson County

Malcom Jollie
Kate McCane

Malcom Jollie stated LDG Multifamily, LLC has developed more than 17,000 high quality affordable housing units that span across eight states. The company is considering establishing its headquarters in Louisville.

Kate McCane stated the project investment is \$10,750,000 of which \$10,450,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 50 with an average hourly wage of \$49.00 including benefits. The state wage assessment participation is 3.0% and Louisville/ Jefferson County Metro Government will participate at 1.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 32 full-time employees subject to Kentucky individual income tax.

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

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

LetsGetChecked
Jefferson County

Martin David-Jacobs
Kate McCane

Martin David-Jacobs stated LetsGetChecked provides private and home-based testing for general health. The company is seeking to establish a second lab and fulfillment center in Louisville.

Kate McCane stated the project investment is \$5,391,590 of which \$3,405,795 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 146 with an average hourly wage of \$30.00 including benefits. The state wage assessment participation is 3.0% and Louisville/Jefferson County Metro Government will participate at 1.0%.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$2,000,000.

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

Lighthouse Transportation Services, LLC
Kenton County

Brittany Cox
Debbie Phillips

Brittany Cox stated Lighthouse Transportation Services, LLC provides traditional logistic services to shippers and carriers within the United States. The company is considering moving to a new location in Covington to better serve growing demands.

Debbie Phillips stated the project investment is \$400,000, all of which qualifies as KBI eligible costs. The highest job target over the term of the agreement is 64 with an average hourly wage of \$27.00 including benefits. The state wage assessment participation is 3.0% and the City of Covington will participate at 1.0%. The company will be required to maintain a base employment equal to the greater of the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval or 23 full-time employees subject to Kentucky individual income tax.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$350,000.

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

**Chapin International, Inc.
Boyle County**

**Andy Luttner
Kate McCane**

Andy Luttner stated Chapin International, Inc. is a leading manufacturer of sprayers and spreaders used in lawn and garden, light agriculture and construction. The company is considering an additional facility in Danville for logistics management, storage, sub-assembly and specific manufacturing.

Kate McCane stated the project investment is \$8,250,000 of which \$7,950,000 qualifies as KBI eligible costs. The highest job target over the term of the agreement is 100 with an average hourly wage of \$24.95 including benefits. The state wage assessment participation is 3.0% and the City of Danville and Boyle County will each participate at 0.5%. The company will be required to maintain 90% of the total statewide full-time employees subject to Kentucky income tax at all company locations, excluding the site of the project, as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,050,000.

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

KBI Projects (Extension)

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

Michelle Elder stated eleven (11) companies requested additional time to complete the projects and asked that all eleven (11) be presented as one motion.

Company	County	Extension
Chewy, Inc.	Jefferson	6 Months
CTI-Clinical Trial Services, Inc.	Kenton	6 Months
The Recon Group Inc.	Franklin	6 Months
Gryphon Environmental, LLC	Daviess	6 Months
Bed Wood and Parts, LLC	Christian	12 Months
Joe Leasure & Sons, Inc.	Hopkins	12 Months
PBR Inc. dba SKAPS Industries	Henderson	12 Months
Prairie Farms Dairy, Inc.	Pulaski	12 Months
Prolocity Technology Solutions LLC	Kenton	12 Months
Smiley Monroe Inc.	Simpson	12 Months
Zivo Inc. dba Zelios	Fayette	12 Months

Staff recommended approval of the KBI extension requests.

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

KBI Projects (Final)

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

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

Modifications:

Sister Schubert's Homemade Rolls, Inc. Hart Manufacturing

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

TPG Plastics, LLC Calloway Manufacturing

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

Walmart Inc. Bullitt Service & Technology

The company name has changed from Jet.com, Inc. to Walmart Inc. Wal-mart Associates, Inc. has been added as an affiliate. Rent is no longer an eligible expense and the total investment and eligible costs have been updated based on current projections. All other aspects of the project remain the same.

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

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

Kentucky Small Business Tax Credit (KSBTC) Projects

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

Mr. Back stated there are ten (10) Kentucky small businesses, from seven (7) counties with qualifying tax credits of \$112,400. The ten businesses created 33 jobs and invested \$579,704 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.	Qualifying Average Hourly Wage	Equipment or Technology	Tax Credit
Integrated Medical Solutions LLC	Jefferson	22	8	\$45.05	\$ 27,309	\$25,000
Machine and Components Industries, Inc.	Jefferson	8	4	\$29.48	\$280,000	\$14,000
Major Holdings LLC	Jefferson	0	2	\$25.24	\$ 6,926	\$ 6,900
Mark R. Collett P.S.C.	Kenton	6	1	\$18.00	\$ 22,900	\$ 3,500
Service Specialties, LLC	Clark	10	2	\$25.00	\$ 9,882	\$ 7,000
Southern Kentucky Industrial Equipment LLC	Pulaski	3	2	\$16.50	\$ 29,399	\$ 7,000
Strategic Communications, LLC	Jefferson	22	5	\$26.04	\$ 20,241	\$17,500
Volta, Inc.	Franklin	25	3	\$27.36	\$ 36,666	\$10,500
West Sixth Brewing Company, LLC	Fayette	29	4	\$18.03	\$129,031	\$14,000
Wilder Iron Works	Campbell	3	2	\$15.00	\$ 17,350	\$ 7,000

Staff recommended approval of the tax credits.

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

Kentucky Angel Investment Act Projects

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

Mr. Back stated there are three (3) Kentucky Angel Investment Act projects representing two (2) Kentucky businesses and three (3) investors for a total projected investment of \$150,000 with eligible tax credits of \$37,500. The investor will have 80 calendar days in which to make the planned investment and submit proof of the investment before receiving the tax credit.

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

Qualified Small Business Qualified Investor(s)	County	Projected Investment	Tax Credit
<u>MEP Equine Solutions, LLC</u>	Fayette		
Jonathan F. Chait		\$ 50,000	\$12,500
Larry A. Jakobi		\$ 50,000	\$12,500
<u>RedLeaf Biologics, Inc.</u>	Fayette		
Marc-Antoine Olive		\$ 50,000	\$12,500

Staff recommended approval of the proposed Angel Investment tax credits.

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

Closed Session

Pursuant to KRS Section 61.810 (1) (g), Vice Chairman Goodin entertained a motion to enter into Executive Session to discuss a specific business proposal.

Secretary Holly Johnson made a motion to enter Executive Session, Tucker Ballinger seconded the motion. Motion passed; unanimous.

The board entered into executive session at 10:50 a.m.

Regular Session

Vice Chairman Goodin entertained a motion to return to Regular Session.

Mike Cowles moved to return to regular session; Tucker Ballinger seconded the motion. Motion passed; unanimous.

The board returned to regular session at 11:11 a.m.

Other Business

None


Adjournment

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

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

The meeting adjourned at 11:13 a.m.

**APPROVED
PRESIDING OFFICER:**



Jean R. Hale, Chairman

KEDFA APPROVED AND NOT DISBURSED

8/31/2021

Approved and Undisbursed KEDFA Projects

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

None

KEDFA GRANTS

Corbin Tri-County Joint Industrial Development Authority	22283	Knox	Oct-15	Oct-21	\$381,774
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SMALL BUSINESS LOANS

None

TOTAL APPROVED AND UNDISBURSED KEDFA PROJECT(S)					<u>\$381,774</u>
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Approved and Partially Disbursed KEDFA Projects

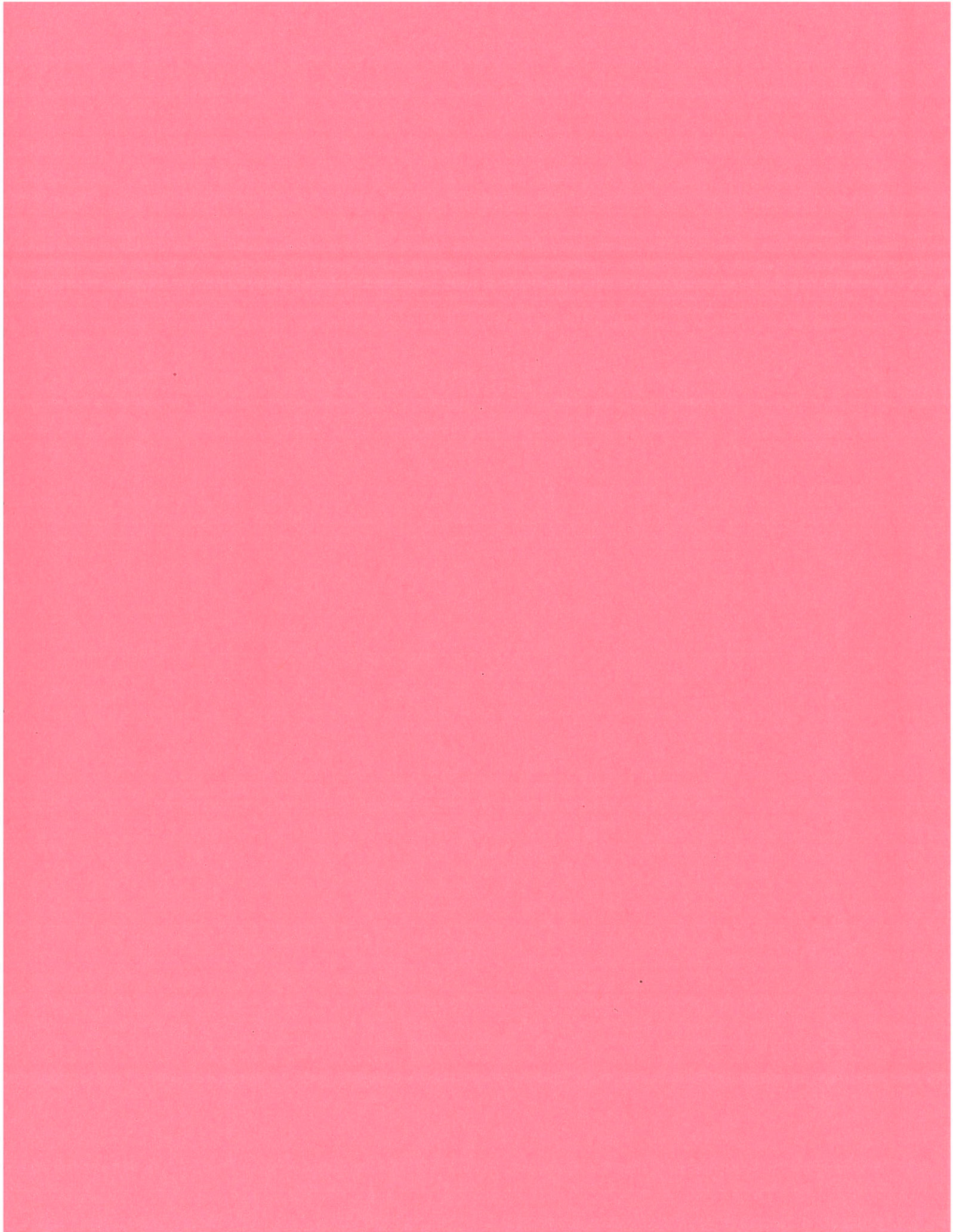
Applicant	Form #	County	Date Approved	Closing Date	Project Amount	Disbursed to Date	Remaining Balance
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KEDFA GRANTS

Louisville/Jefferson County Metro Government (Res-Care, Inc.)	21990	Jefferson	Jan-18	Dec-22	\$500,000	(\$300,000)	\$200,000
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TOTAL APPROVED AND PARTIALLY DISBURSED KEDFA PROJECT(S)							<u>\$200,000</u>
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TOTAL KEDFA APPROVED AND NOT DISBURSED**\$581,774**



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

STATEMENT OF NET POSITION

8/31/2021

	FUND A	BOND FUND	Small Bus. Loan Pool	KEDFA 8/31/21	OOE 8/31/21	COMBINED 8/31/21
<u>ASSETS</u>						
Cash & Accounts Receivable						
Operating Account	147,485.61	0.00	0.00	147,485.61	0.00	147,485.61
Cash	3,607,917.91	14,937,100.57	412,956.82	18,957,975.30	0.00	18,957,975.30
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	2,529,130.64	2,529,130.64
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	581,774.00	0.00	0.00	581,774.00	0.00	581,774.00
Total Cash & Accounts Receivable	4,337,177.52	14,937,100.57	412,956.82	19,687,234.91	2,670,674.52	22,357,909.43
Accrued Interest Receivable						
Loans	26,031.20	(419.60)	0.00	25,611.60	0.00	25,611.60
Investments	30.64	128.23	3.41	162.28	0.00	162.28
Total Accrued Interest Receivable	26,061.84	(291.37)	3.41	25,773.88	0.00	25,773.88
Notes Receivable						
Loans Receivable	49,873,957.40	179,750.00	0.00	50,053,707.40	0.00	50,053,707.40
(Allowance for Doubtful Accounts)	0.00	0.00	0.00	(1,434,722.43)	0.00	(1,434,722.43)
Total Notes Receivable	49,873,957.40	179,750.00	0.00	48,618,984.97	0.00	48,618,984.97
TOTAL ASSETS	54,237,196.76	15,116,559.20	412,960.23	68,331,993.76	2,670,674.52	71,002,668.28
DEFERRED OUTFLOWS OF RESOURCES:						
Deferred Outflows Pension				1,248,000.00	0.00	1,248,000.00
Deferred Outflows OPEB				668,000.00	0.00	668,000.00
LIABILITIES						
Accrued Salaries & Compensated Absences				389,874.56	0.00	389,874.56
Accounts Payable					0.00	0.00
Intergovernment Payable						0.00
Grants Payable				0.00	0.00	0.00
Pension Liability				11,405,000.00	0.00	11,405,000.00
OPEB Liability				2,044,000.00	0.00	2,044,000.00
TOTAL LIABILITIES				13,838,874.56	0.00	13,838,874.56
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows Pension				316,000.00	0.00	316,000.00
Deferred Inflows OPEB				289,000.00	0.00	289,000.00
NET POSITION						
Beginning Balance				56,269,167.62	2,670,674.52	58,939,842.14
Current Year Undivided Profits				(465,048.42)	0.00	(465,048.42)
TOTAL NET POSITION				55,804,119.20	2,670,674.52	58,474,793.72

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 August 31, 2021

	FUND A	BOND FUND	Small Bus Loan Pool	OOE FUND	FY 2021-2022 YEAR TO DATE	FY 2020-2021 YEAR TO DATE
Operating Revenues - KEDFA						
Interest Income/Loans	9,571.88	289.69	0.00	0.00	22,359.39	30,741.91
Interest Income/ Investments	30.64	128.23	3.41	0.00	317.97	310.57
Late Fees	0.00	0.00	0.00	0.00	0.00	0.00
Application Fees	26,685.00	0.00	0.00	0.00	38,314.00	29,487.50
Miscellaneous Income	0.61	0.00	0.00	0.00	0.61	0.61
Total Operating Revenues - KEDFA	36,288.13	417.92	3.41	0.00	60,991.97	60,540.59
Operating Expenses - KEDFA						
Salaries	108,419.50				248,012.85	243,030.17
Employee benefits	99,272.82				256,219.41	263,216.79
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	18,621.91				18,973.33	18,956.84
Maintenance and Repairs	0.00				0.00	0.00
Computer Services	0.00				0.00	0.00
Travel	239.80				239.80	0.00
Dues	1,600.00				2,595.00	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	228,154.03	0.00	0.00	0.00	526,040.39	525,203.80
Income (Loss) from Operations - KEDFA	(191,865.90)	417.92	3.41	0.00	(465,048.42)	(464,663.21)
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
Operating Transfer In - Economic Dev	0.00				0.00	0.00
Unrealized Gains/(Losses) on Investment	0.00				0.00	0.00
Realized Gains/(Losses) on Investment	0.00				0.00	0.00
Total Non-Operating Revenues (Expenses) -	0.00	0.00	0.00	0.00	0.00	0.00
CHANGE IN NET POSITION - KEDFA	(191,865.90)	417.92	3.41	0.00	(465,048.42)	(464,663.21)
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)					0.00	(14,927.42)
Repayments received from Projects					0.00	7,779.14
Non-Operating Revenues (Expenses) - OOE						
Operating Transfer in - OOE					0.00	0.00
Transfer Due from Bonds					0.00	(98,006.21)
Operating Transfer Out - OOE				0.00	0.00	0.00
CHANGE IN NET POSITION - OOE	0.00	0.00	0.00	0.00	0.00	(105,154.49)
CHANGE IN NET POSITION - COMBINED	(191,865.90)	417.92	3.41	0.00	(465,048.42)	(569,817.70)

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
8/31/2021

	<u>8/31/2020</u>	<u>8/31/2021</u>
Fund A Cash Balance	\$520,802.88	\$3,607,917.91
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$520,802.88</u>	<u>\$3,607,917.91</u>
2003 Bond Fund Cash Balance	\$17,111,920.31	\$14,937,100.57
Less: Approved/Undisbursed	(806,774.00)	(581,774.00)
Total Unobligated Balance	<u>\$16,305,146.31</u>	<u>\$14,355,326.57</u>
Small Business Loan Fund Cash Balance	\$412,916.67	\$412,956.82
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$412,916.67</u>	<u>\$412,956.82</u>
Bond Funds to be Provided for Loans		
Less: Approved/Undisbursed		
Total Unobligated Balance	<u>\$0.00</u>	<u>\$0.00</u>
Budget: Cash to be Transferred to Other CED Programs for		
	<u>\$0.00</u>	<u>\$0.00</u>
CASH AVAILABLE	<u><u>\$17,238,865.86</u></u>	<u><u>\$18,376,201.30</u></u>
OCI Fund Cash Balance		
High Tech Construction Pool	\$137,500.00	\$137,500.00
Less: Approved/Undisbursed	\$0.00	\$0.00
High Tech Investment Pool	\$2,741,858.03	\$2,529,130.64
Less: Approved/Undisbursed	(\$452,822.93)	\$0.00
LGEDF Pool	\$4,043.88	\$4,043.88
Less: Approved/Undisbursed	\$0.00	\$0.00
Bond Funds to be Provided for Approved Projects		
Bond Funds Available for Projects		
Total Unobligated Balance	<u>\$2,430,579</u>	<u>\$2,670,675</u>
TOTAL ALL FUNDS	<u><u>\$19,669,444.84</u></u>	<u><u>\$21,046,875.82</u></u>

Kentucky Enterprise Initiative Act (KEIA) Projects
Fiscal Year End 2022

KEDFA Meeting date	9/30/2021
Total Projects Approved Fiscal Year-to-Date	7
Number of Proposed Projects for Current Month	4

Construction Materials and Building Fixtures

Fiscal Year Cap	\$20,000,000
Approved Fiscal Year-to-Date	\$5,520,000
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$14,480,000
Proposed Approval for Current Month	<u>\$300,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$14,180,000</u></u>

Research & Development and Electronic Processing Equipment, Flight Simulation Equipment

Fiscal Year Cap	\$5,000,000
Approved Fiscal Year-to-Date	\$0
Committed Amount	<u>\$0</u>
Balance Available for Current Month	\$5,000,000
Proposed Approval for Current Month	<u>\$1,500,000</u>
Balance Available for Remainder of Fiscal Year	<u><u>\$3,500,000</u></u>

KBI Summary

Updated September 14, 2021

Fiscal Year End Reporting

Year	Number of Projects	Jobs			Wages		
		Jobs Reported	Job Target	% Achieved	Average Wage Reported	Wage Target	% Achieved
2010	1	40	51	78%	\$11.42	\$11.00	104%
2011	5	269	257	105%	\$35.00	\$28.90	121%
2012	18	1,264	1,154	110%	\$25.30	\$23.23	109%
2013	58	5,908	5,395	110%	\$24.85	\$23.35	106%
2014	94	10,024	9,525	105%	\$24.85	\$22.98	108%
2015	143	14,617	13,193	111%	\$25.32	\$22.32	113%
2016	196	21,251	18,665	114%	\$25.05	\$21.79	115%
2017	245	26,094	22,067	118%	\$26.81	\$21.93	122%
2018	289	31,573	25,624	123%	\$26.25	\$21.77	121%
2019	324	37,930	28,766	132%	\$28.18	\$22.32	126%
2020	302	34,937	29,407	119%	\$29.33	\$22.28	132%
2021	35	3,195	2,456	130%	\$30.27	\$19.35	156%

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	\$44,952,034	\$38,751,699	\$25,013,664	65%
2018	\$52,273,284	\$44,172,090	\$28,966,688	66%
2019	\$62,953,319	\$53,535,834	\$27,803,849	52%
2020	\$56,510,737	\$49,115,959	\$14,494,163	30%
2021	\$26,953,190	\$25,641,498	N/A	N/A
Grand Total	\$378,039,371	\$328,542,963	\$156,123,952	

- Based on actual jobs and wages reported in 2019 by companies approved to claim incentives, the estimated payroll for new, full-time Kentucky resident jobs is over \$2.2 billion.

***Notes on incentives claimed:** Data is based on information provided by the Kentucky Department of Revenue.

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

Project Update Report

September 2021

PROJECT UPDATES – PRELIMINARY APPROVAL

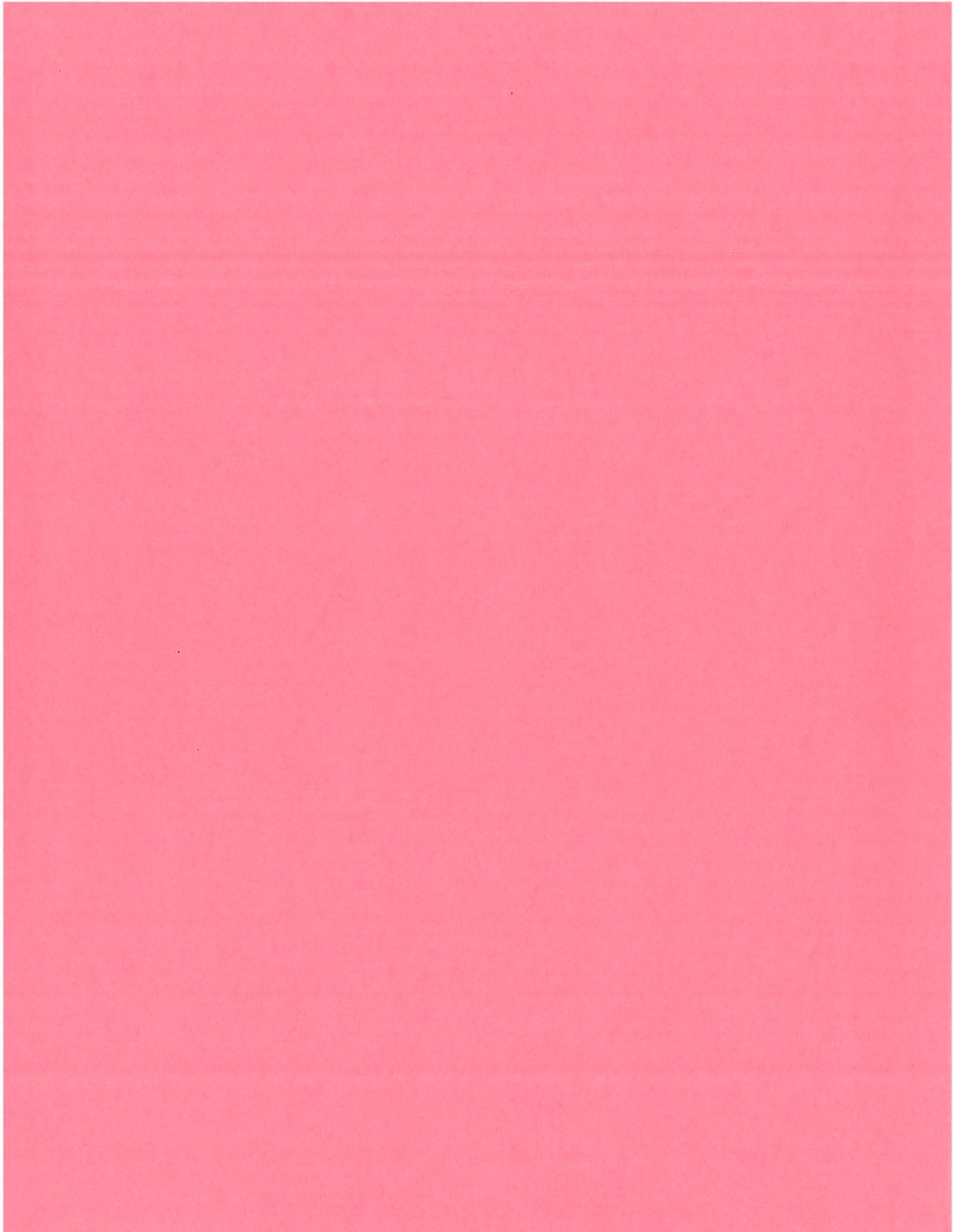
The following update(s) have occurred to project(s) that received preliminary approval. Please note the project(s) were not eligible for incentives because final approval did not occur.

Program	Project	County	Preliminary Approval Date	Status Update
KBI	Webasto Roof Systems, Inc.	Fayette	08/30/2018	The Company decided not to move forward with the project at this time and withdrew from the KBI Program per an email dated May 28, 2021.
KBI	US Medical Glove Company L.L.C.	Bourbon	10/29/2020	The Company requested to withdraw from the KBI Program per an email dated August 5, 2021.
KBI	Kroger Limited Partnership / dba Kroger Special	Jefferson	9/24/2020	In an email dated August 13, 2021, the company reported they had no plans to move forward with the KBI project.
KBI	Gibbs Die Casting Corporation	Henderson	8/25/2016	The Company decided not to move forward with the project at this time and per an email dated July 22, 2021 requested to let the project expire.
KBI	Brad Ragan Recycling, Inc.	Barren	08/30/2018	Several attempts to contact the company with no response. The project expired on August 31, 2021.

PROJECT UPDATES – FINAL APPROVAL


The following update(s) have occurred to project(s) that received final approval. Please note projects would not qualify for incentives if the project did not meet initial requirements, such as job creation, wages, investment or other, as required by the program.

Program	Project	County	Final Approval Date	Did the Project Qualify for Incentives?	Status Update
KBI	Safai Enterprises, Inc.	Jefferson	April 25, 2019	No	The company was sold and will not be able to activate the project.



MEMORANDUM

TO: KEDFA Board

FROM: Kylee D. Palmer 

DATE: September 30, 2021

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

The Corbin Tri-County Joint Industrial Development Authority is requesting an amendment to the KEDFA Grant Agreement to extend the term of the project. The project was originally approved at the October 29, 2015 KEDFA meeting for a \$381,774 KEDFA Grant to make road improvements in the industrial park. These improvements will allow roadway access to a new harness racing track and entertainment center in Corbin, Knox County, Kentucky.

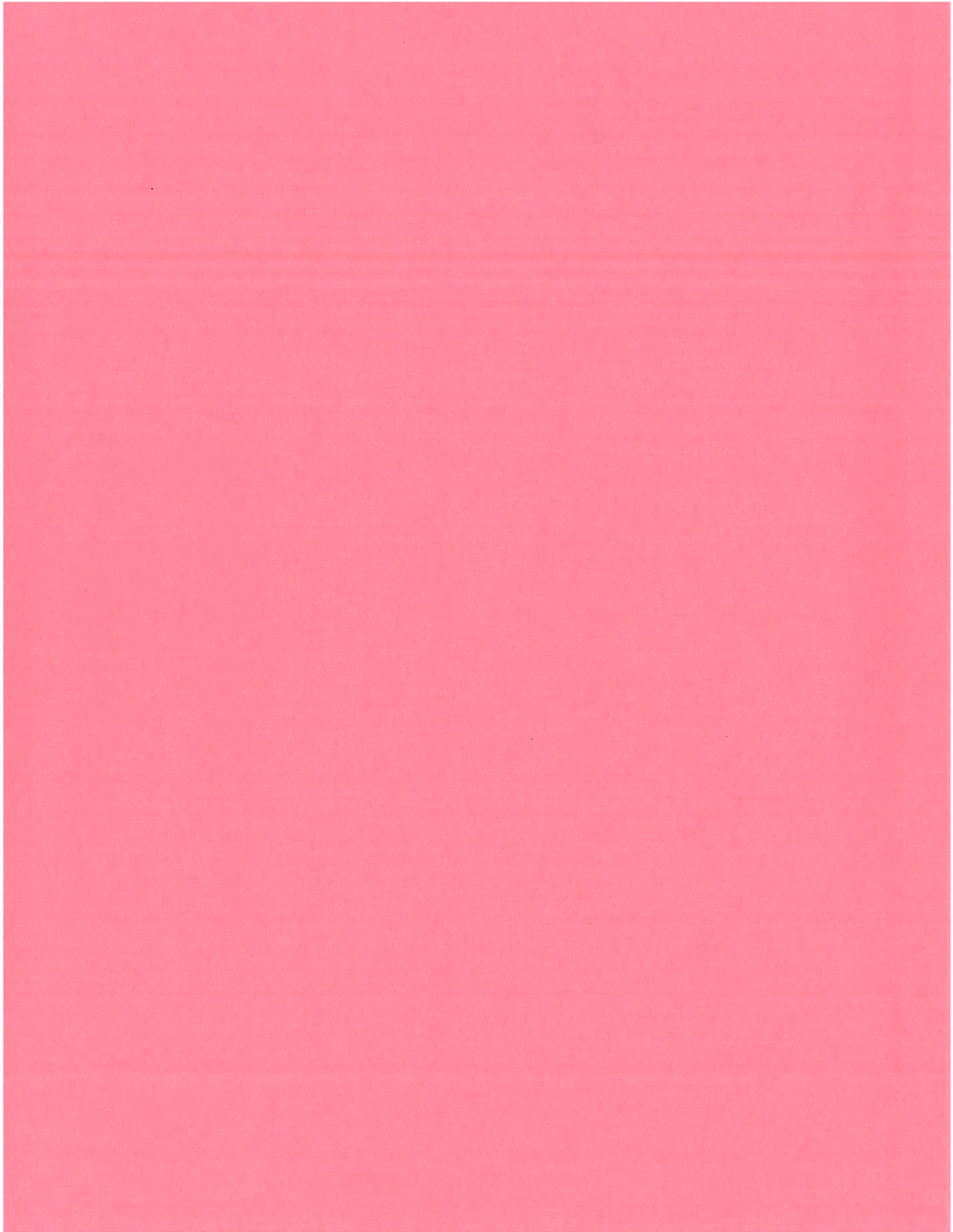
This project plans to develop a Standardbred Horse Racing and Entertainment Facility with construction slated to begin on or before October 1, 2021. This project was delayed due to litigation regarding objections to HHR (historical horse racing). With the passage of SB 120 in February, legalizing HHR machines, this project is now back on track.

The project is anticipated to include the development and construction of a 5/8-mile oval Standardbred-style racetrack with a grandstand, horse receiving barn, and approximately a 12,000 square foot entertainment center. The facility will include a bar and concessions and would be the main location at the track for wagering with 100 historical racing terminals. Cumberland Run will be the third Standardbred track in Kentucky, including The Red Mile and Oak Grove.

The total investment for the project will be \$20,000,000 and will create approximately 57 new jobs for the region.

To access the site, road improvements are needed to accommodate the anticipated increased traffic flow. The Kentucky Department of Transportation (DOT) has committed \$550,000 in FD39 Funds and the remaining funds (\$381,774) were approved through this KEDFA Grant. Corbin Tri-County Joint Industrial Development Authority is requesting a three-year extension on the KEDFA grant to allow the roadwork to be completed. Disbursement of the KEDFA funds will be on a reimbursement basis and will only be available after all of the DOTs funds have been expended.

Staff recommends approval to amend the KEDFA Grant with Corbin Tri-County Joint Industrial Development Authority for a three-year time extension to October 31, 2024 for the completion of the roadwork.



MEMORANDUM

TO: KEDFA Board Members
FROM: Kylee Palmer
Incentive Administration Division
DATE: September 30, 2021
SUBJECT: Kentucky Rural Hospital Loan Program (KRHLP)

During the 2020 Regular Session of the General Assembly, House Bill 387 was authorized creating a rural hospital operations and facilities revolving loan fund (KRS 154.20-190), but no funding was appropriated to the new program. During the 2021 Regular Session of the General Assembly, House Bill 556 appropriated \$20 million to fund the program. KEDFA will be responsible for reviewing and approving projects applying for funding under the new program.

Cabinet staff prepared proposed guidelines for the Kentucky Rural Hospital Loan Program (KRHLP) outlining the terms, conditions, requirements and process for loans to rural hospitals (see attachment). Cabinet staff will also be responsible for monitoring the performance of loans funded under the program and reporting annually on the program to the legislature.

Staff recommends approval of the Kentucky Rural Hospital Loan Program Guidelines.

Attachment



Guidelines:

Kentucky Rural Hospital Loan Program (KRHLP)

September 2021

During the 2020 Regular Session of the General Assembly, KRS 154.20-190 was enacted to establish a revolving loan fund program for rural hospital operations and facilities. The Cabinet for Economic Development and KEDFA administer the program and funds for the purposes of providing needed direct health care services for the citizens of the Commonwealth by:

1. Maintaining or upgrading the hospital's facilities;
2. Maintaining or increasing the current staff of the rural hospital; or
3. Providing health care services that are not currently available to citizens.

Rural Hospital Eligibility

An eligible Rural Hospital is a hospital located within a county of the Commonwealth having a population of less than 50,000 according to the most recent annual estimates of the resident population issued by the United States Census Bureau. "Hospital" means a facility licensed by the Cabinet for Health and Family Services under KRS Chapter 216B for the operation of a hospital and the basic services provided by a hospital.

Provided is a link from the Cabinet for Health and Family Services of the [Kentucky Hospital Directory by County](#).

The following counties meet the population requirement based on the [2020 States Census Bureau data](#).

Eligible Rural Hospitals must be registered and in good standing with the Kentucky Secretary of State's Office and in good standing with the Kentucky Cabinet for Health and Family Services.

Loan Terms

The loan terms to be considered by KEDFA may require the following:

- To qualify for financing, a Rural Hospital must request funds for any of the following projects:
 - To maintain or upgrade the existing Rural Hospital's facilities
 - To maintain or increase the current staff of the Rural Hospital
 - To provide health care services that are not currently available to citizens
- Participation in projects for up to 100% of the projected eligible costs, matching obligations may be imposed
 - Eligible costs include building improvements, equipment, furniture, fixtures, other fixed asset costs, working capital
 - Loan amount for working capital may not exceed 10% of the hospital's annual operating expenses
 - Refinancing is not eligible
 - Costs incurred prior to approval of the loan by KEDFA are not eligible.
- Loan amount ranging from \$25,000 to \$1,000,000 per hospital facility
- Term of up to twenty (20) years, subject to the life of the collateral
 - Working capital – up to 5 year term
 - Medical equipment – up to 10 year term
 - Building and improvements – up to 20 year term

- Principal and interest payments will be required monthly starting no later than the following:
 - Final disbursement of loan funds, or
 - One year from KEDFA approval, maximum repayment of 19 years
- Interest rate may be fixed and equal to 1%
 - Interest will begin accruing no later than the following:
 - Final disbursement of loan funds, or
 - One year from KEDFA approval
- Security/collateral will be required
 - Corporate and/or personal guarantees may be required
 - Types of collateral include:
 - Letter of credit / certification of deposit
 - Mortgage
 - Lien on equipment
- 100% of the project costs must be incurred within one year of the loan approval
- Covenants may require retaining at least 85% of the full-time employees as of the loan approval date annually throughout the term of the loan agreement. “Full-time employee” means an individual employed by the Rural Hospital for a minimum of thirty-five (35) hours per week. This does not include temporary, temp-to-hire, part-time workers, or travel medical professionals.

KEDFA may extend a loan to a Rural Hospital provided the underwriting and financial analysis is satisfactory to KEDFA. In addition, the Rural Hospital may be subject to other underwriting and financial measurements and annual monitoring as deemed acceptable to KEDFA. A Rural Hospital Loan may not be combined with any other incentive programs offered by the Cabinet and approved by KEDFA.

Process

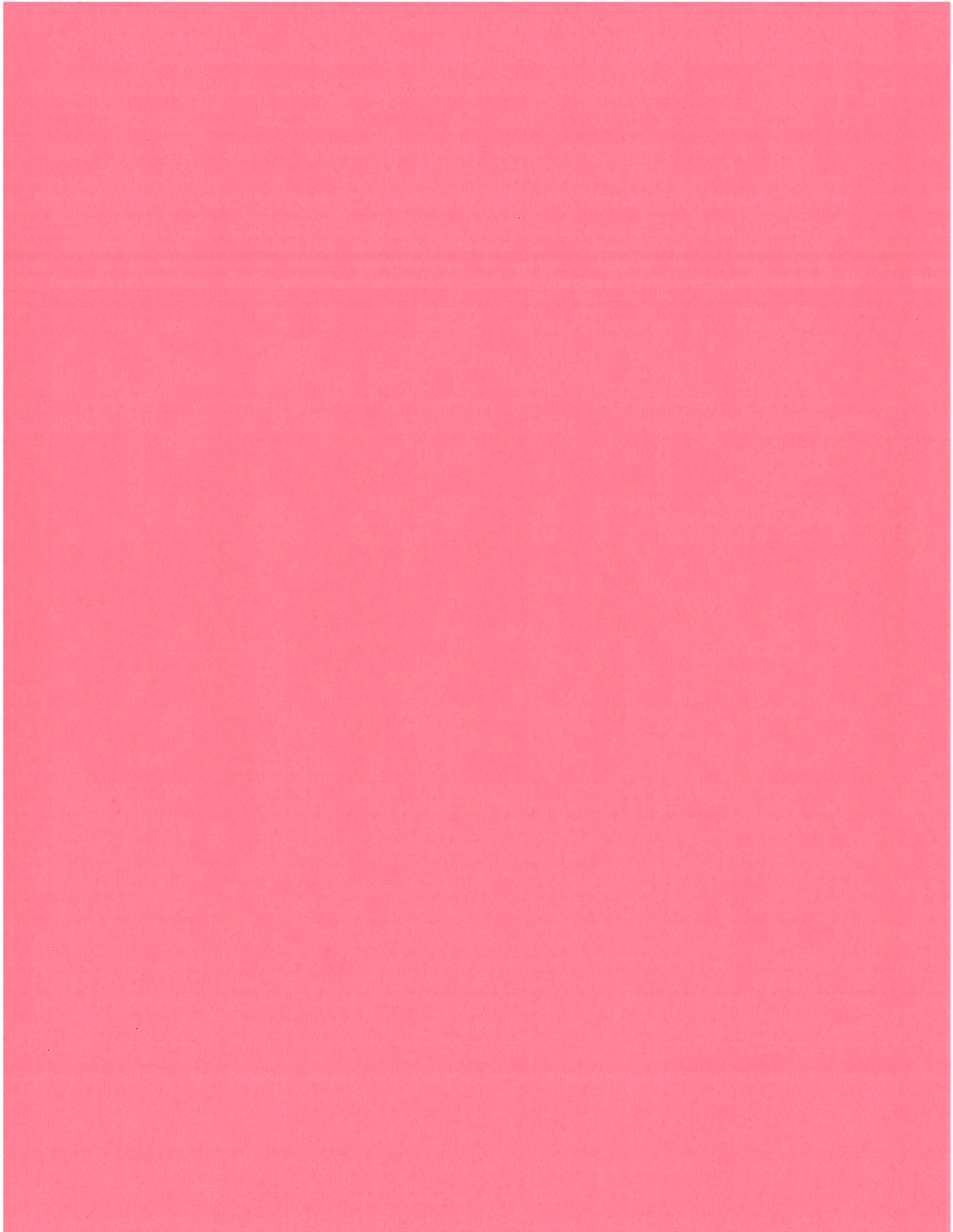
- Applicant should contact its bank/financial institution to discuss any other financing needed to fund the project.
- Cabinet staff is contacted to discuss project eligibility, proposed financing structure, collateral requirements and any other terms of the project.
- If the project is eligible, Cabinet staff will share an application with the project for completion.
- Applicant completes and submits application with required attachments to Cabinet staff.
 - Application fee of \$1,000 is required at the time of submission and may be paid online.
- Cabinet staff will review applications for eligibility, completeness and accuracy and verify the underwriting calculations.
- Upon completion of staff's review and subject to fund availability, a draft KEDFA Board Report indicating the amount of loan, terms and conditions to be extended and any other requirements will be sent to the company for review and acceptance.
- Once the draft KEDFA Board Report is accepted, the Cabinet's legal counsel will be engaged to draft the loan documents, including the promissory note and loan agreement.
 - Loan documents will be provided to applicant for review.
 - The borrower will pay all closing fees, legal fees, including expenses of counsel to KEDFA, necessary for the preparation of the loan documents.
- Upon receipt of the executed loan documents from the applicant, the project will be presented to KEDFA at its monthly board meeting.
- After KEDFA approval, KEDFA staff will sign the loan documents and provide copies of the agreement and documents to the applicant.
 - A commitment/closing fee of one percent (1%), with a minimum of \$1,000, is due prior to KEDFA approval.
 - Eligible spending may begin after approval of the loan by KEDFA.

- Upon completion of the loan documents, requests for disbursement of the loan funds may be submitted no more than one per month. Each request will be reviewed for required supporting documentation, including invoices and proof of payment.
- The Rural Hospital will be required to provide financials and status reports annually to the Cabinet to monitor for compliance.
- The Cabinet will provide an annual report of all outstanding loans to the Interim Joint Committee on Appropriations and Revenue.

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To learn more, contact
Sarah Butler
Sarah.Butler@ky.gov
Phone: (502) 564-7670

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**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KENTUCKY SMALL BUSINESS CREDIT INITIATIVE (KSBCI)**

Date: September 30, 2021
Bank: Traditional Bank Inc.
Borrower: Thind & Manak Investment, LLC
Co-Borrowers: Mustangs Mart #, LLC
Mustangs Liquor #, LLC
Guarantors: Parminder Manak
Mandeep Thind
Location: 1467 Lexington Road, Winchester, KY 40391
Program Type: Kentucky Collateral Support Program (KYCSP)
Total Project: \$ 2,630,908.00 **Collateral Assistance:** \$ 396,082.00
Loan Term: 60 months
Collateral Support Term: 59 months **DFS Staff:** Kylee Palmer

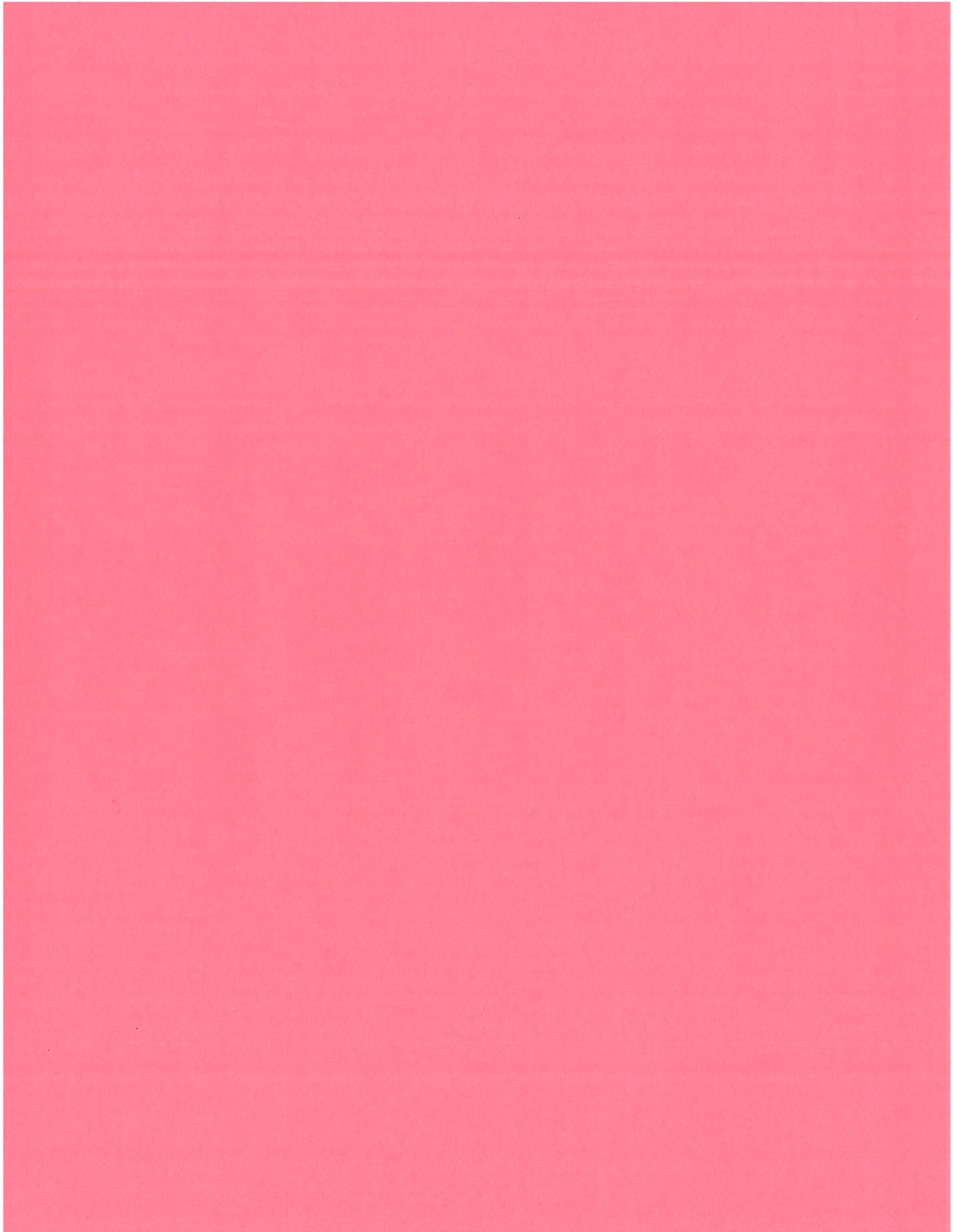
Project Description: Traditional Bank has requested approval for the use of the KSBCI Collateral Support Program to enroll a \$2,104,000 loan for demolition and construction of a convenient store, liquor store and upgrade/replace fuel pumps in Winchester, KY. Thind & Manak Investment, LLC is the holding company. New operating companies (co-borrowers) will be created prior to closing. The new building will be repositioned on the lot to provide better service and access to the building and fuel pumps. The new location will also include a separate entrance full service liquor store with drive thru.

Impact: The borrower anticipates having 11 full time and 6 part time positions.

Traditional Bank has requested collateral assistance on its \$2,104,000 loan to the company. The Borrowers' equity injection is \$526,908, for a total project of \$2,630,908. The bank has requested KEDFA approval for \$396,082 from the Kentucky Collateral Support Program, which is 18.8% of the loan amount.

The bank will be secured with a first mortgage on the property.

Approval: Staff recommends approval of the bank request for up to \$396,082 in support from the KSBCI Kentucky Collateral Support Program.



**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: September 30, 2021
Issuer: City of Bowling Green/Warren County Fiscal Court
Company: Ball Metal Beverage Container Corp.
City: Bowling Green **County:** Warren
Project Type: New **Resolution #:** LIRB-2021-03
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Founded over 100 years ago, the Ball Corporation is one of the world's leading suppliers of aluminum packaging for beverages, foods, and household products. In 2019, the company produced and shipped approximately 48 billion recyclable aluminum beverage containers across North America, accounting for nearly 42% of all aluminum beverage containers produced on the continent that year. Today the company has more than 100 locations and 10,000 employees worldwide. Ball Metal Beverage Container Corp., a wholly owned subsidiary of Ball Corporation, is considering constructing a new production plant in Bowling Green.

Proposed Issuance Date	Principal amount of IRB authorization	Term of Bond (years)
October 1, 2021	Up to \$400,000,000	20

New, Full-time Jobs to be Created	Average Annual Salary
198	\$71,655

Anticipated Financed Project Costs

Land	\$0
Building/Improvements	\$60,000,000
Equipment	\$340,000,000
Infrastructure	\$0
TOTAL	\$400,000,000

Active State Participation at the Project Site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Jan 07, 2021	KBI	Approve-Prelim	\$6,000,000
Jan 07, 2021	KEIA	Approve- Final	\$1,300,000
Mar 25, 2021	EDF	Monitor	\$500,000

Unemployment Rate:

County: 4.2%

Kentucky: 4.7%

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	\$18,836,216
Local Tax Revenue	\$9,114,480
TOTAL	\$27,950,696

Requested % Reduction in the Ad Valorem

State: 100%

Local: 100%

Projected Tax Savings over Bond Term

\$5,566,080

\$1,953,000

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

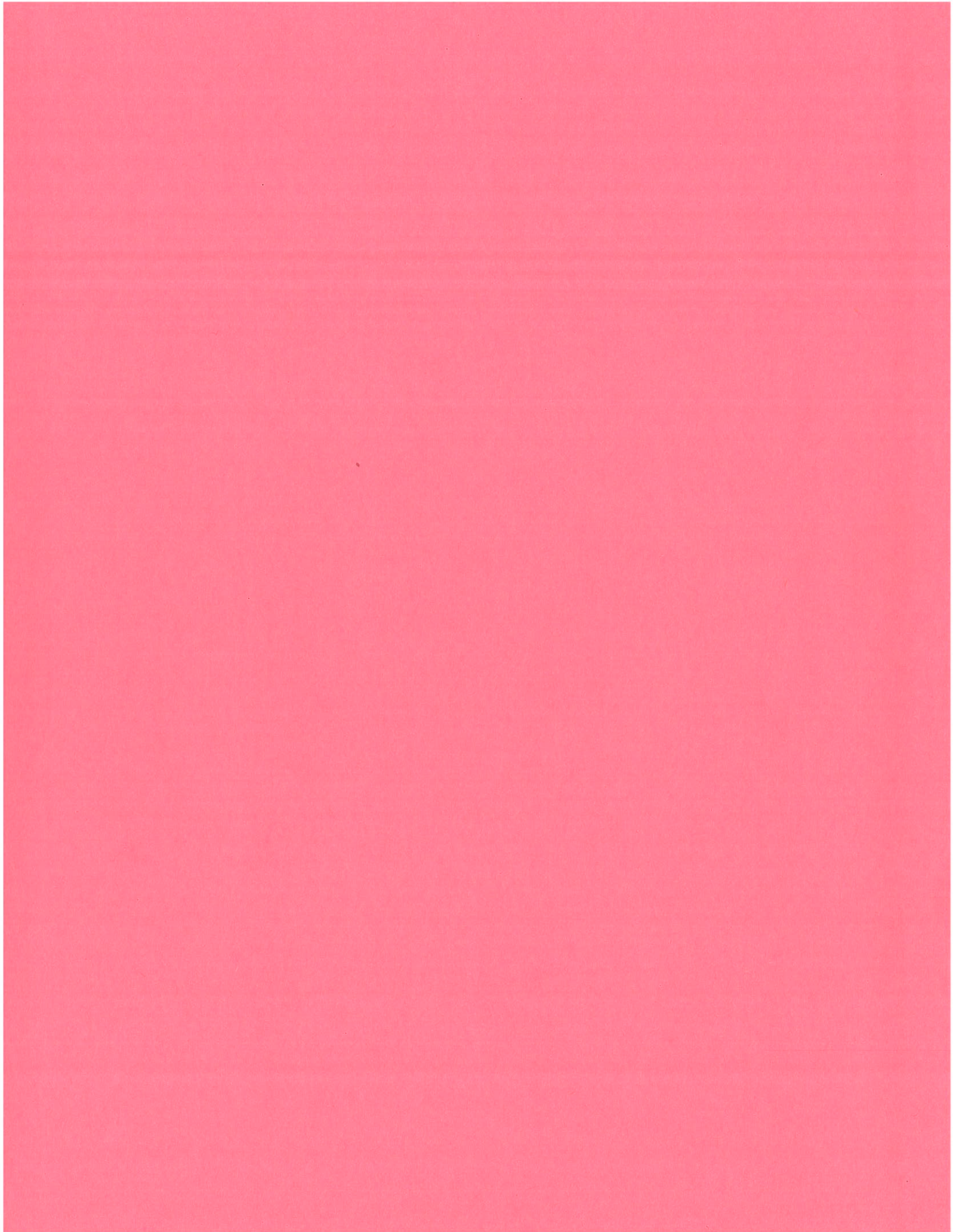
Warren County Board of Education- School District -100%

Recommendation:

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

*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 100% years 1 through 10 and 50% years 11 through 20 so that 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: September 30, 2021
Grantee: Marshall County Fiscal Court
Beneficiary: Marshall County Industrial Development Authority, Inc.
City: Benton **County:** Marshall
Activity: Manufacturing
Bus. Dev. Contact: C. Peek **OFS Staff:** D. Phillips

Project Description: The Marshall County Industrial Development Authority (MCIDA) has worked with local, regional, state and federal partners in developing infrastructure at Southwest One Industrial Park. The PDI-EDF project would include the dense grade extension of Southwest One Boulevard and include an aluminum box culvert across Gain Branch and the construction of an expandable 120,000 sf pad ready site.

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.

Select Owned or Leased

Land
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Total Investment
\$570,482
\$570,482

Anticipated Project Funding

Economic Development Fund Grant (State)
Bank Loan
Local Grant
Company Equity
Other
TOTAL

Amount	% of Total
\$285,241	50.0%
	0.0%
\$285,241	50.0%
	0.0%
	0.0%
\$570,482	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.

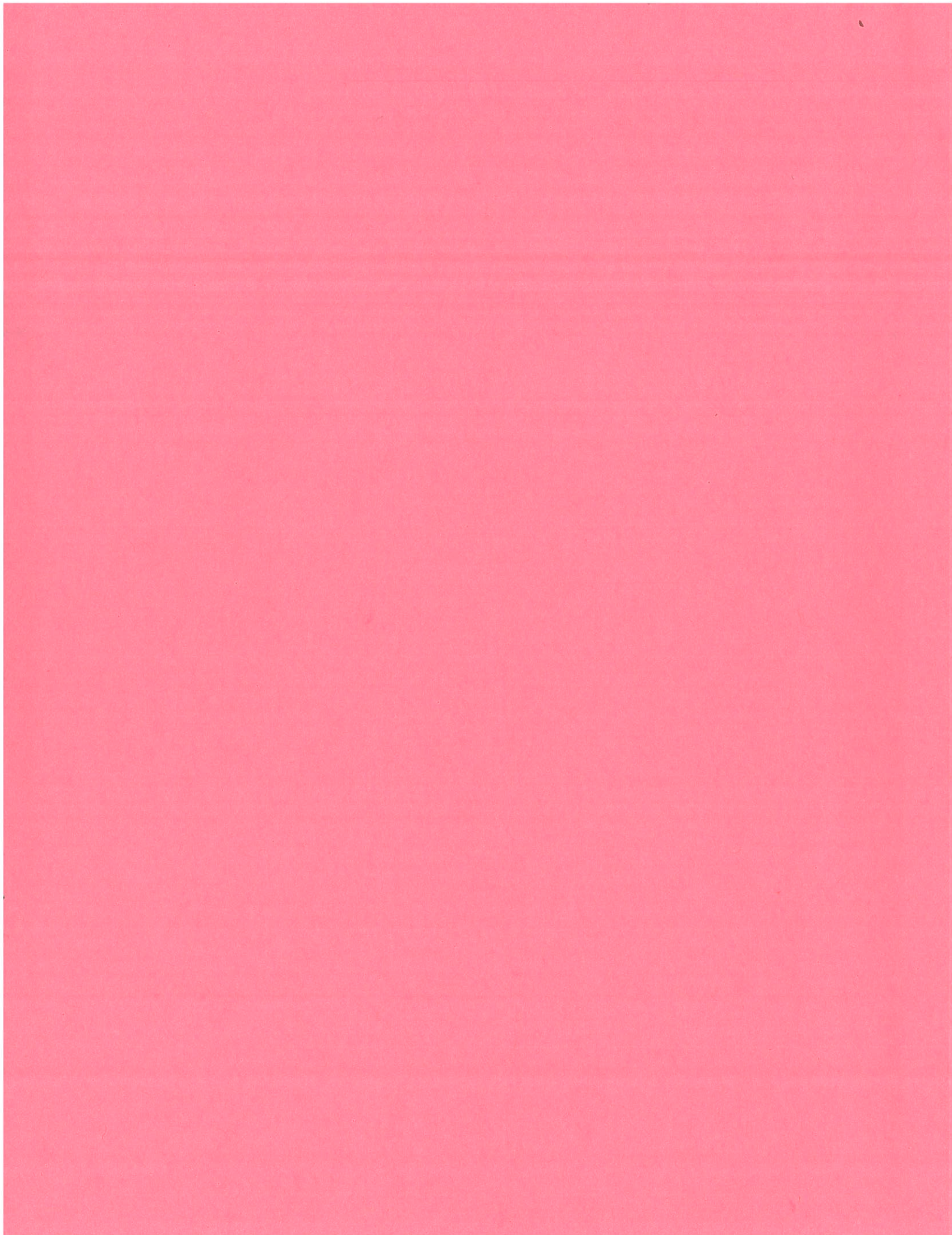
RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:

\$285,241

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: Craig Kelly, Compliance Manager *CK*
Compliance Division

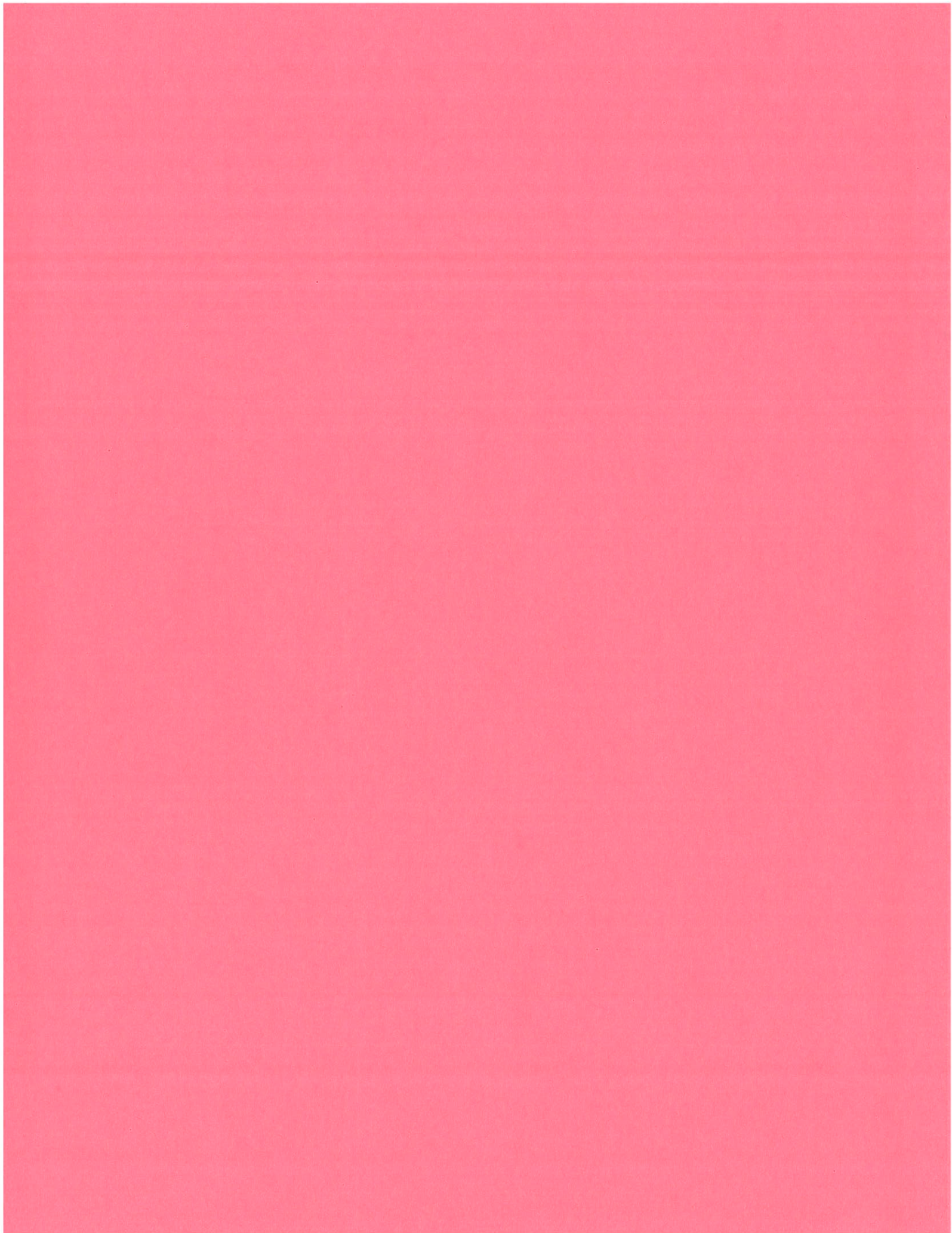
DATE: September 30, 2021

SUBJECT: KEIA Extensions

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

Company	County	Extension
Pitman Creek Wholesale, LLC	Lincoln	3 Months
Stelised, Inc.	Shelby	3 Months
Bluegrass Roller Service	Shelby	12 Months
Fresh Bourbon Inc. dba Edwards Spirit Company	Fayette	12 Months
The Sherwin-Williams Company	Madison	12 Months

Staff recommends approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: September 30, 2021
Approved Company: Global Mail, Inc. dba DHL eCommerce Solutions
City: Hebron **County:** Boone
Activity: Service or Technology **Resolution #:** KEIA-22-23587
Bus. Dev. Contact: C. McKinney **DFS Staff:** M. Elder

Project Description: DHL eCommerce provides standard domestic and international parcel pick-up and return solutions for business customers. In addition, the company provides logistics in selected markets with the Americas, Asia Pacific and the Middle East/Africa. Global Mail, Inc. dba DHL eCommerce Solutions is considering constructing a new facility in Hebron to help meet customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$5,000,000
\$0	\$20,000,000
\$30,000,000	\$30,000,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$0
\$30,000,000	\$55,000,000

Ownership (20% or more):

DPWN Holdings (USA), Inc. Plantation, FL

Other State Participation: None

Unemployment Rate:

County: 3.7%

Kentucky: 4.7%

Existing Presence in Kentucky:

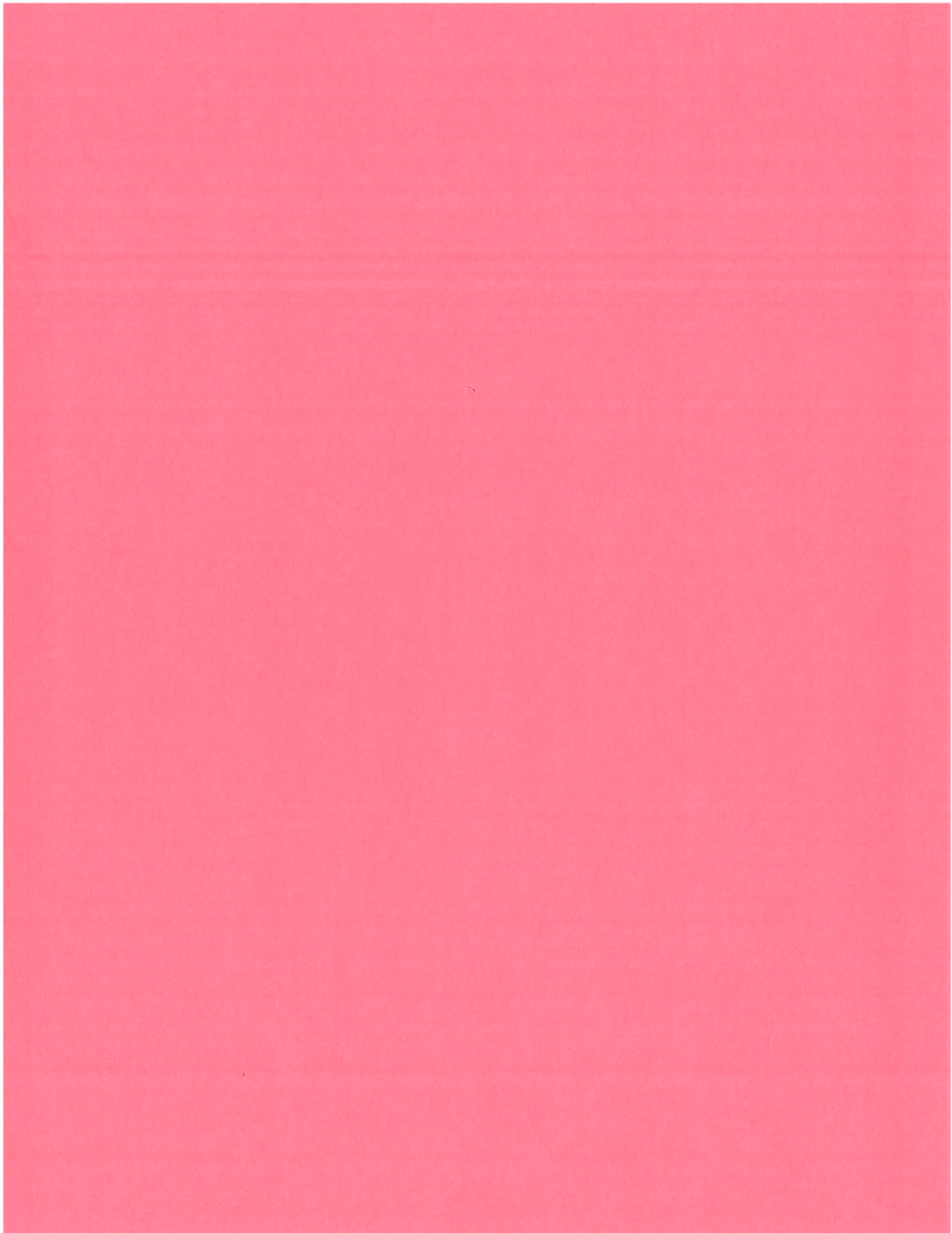
Boone County

Approved Recovery Amount:

R&D and/or Electronic Processing Equipment: \$1,500,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,500,000



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: September 30, 2021
Approved Company: Continental Refining Company LLC
City: Somerset **County:** Pulaski
Activity: Alternate **Resolution #:** KEIA-22-23602
Fuel/Gasification
Bus. Dev. Contact: A. Franklin **DFS Staff:** M. Elder
Project Description: Continental Refining Company LLC began operations in 2011 by purchasing the Somerset Refinery that opened for business in 1932. The facility is an icon in Somerset. The company is considering constructing an additional building on its current property which will consist of a soybean crush operation, a biodiesel production facility, and a terminal.

Facility Details: Expanding existing operations

Anticipated Project Investment

Land

Building Construction

Electronic Processing Equipment

Research & Development Equipment

Flight Simulation Equipment

Other Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$4,219,439	\$11,519,439
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$12,297,668
\$0	\$3,026,169
\$4,219,439	\$26,843,276

Ownership (20% or more):

Demetrios Haseotes Somerset, KY

Other State Participation: None

Unemployment Rate:

County: 4.9%

Kentucky: 4.7%

Existing Presence in Kentucky:

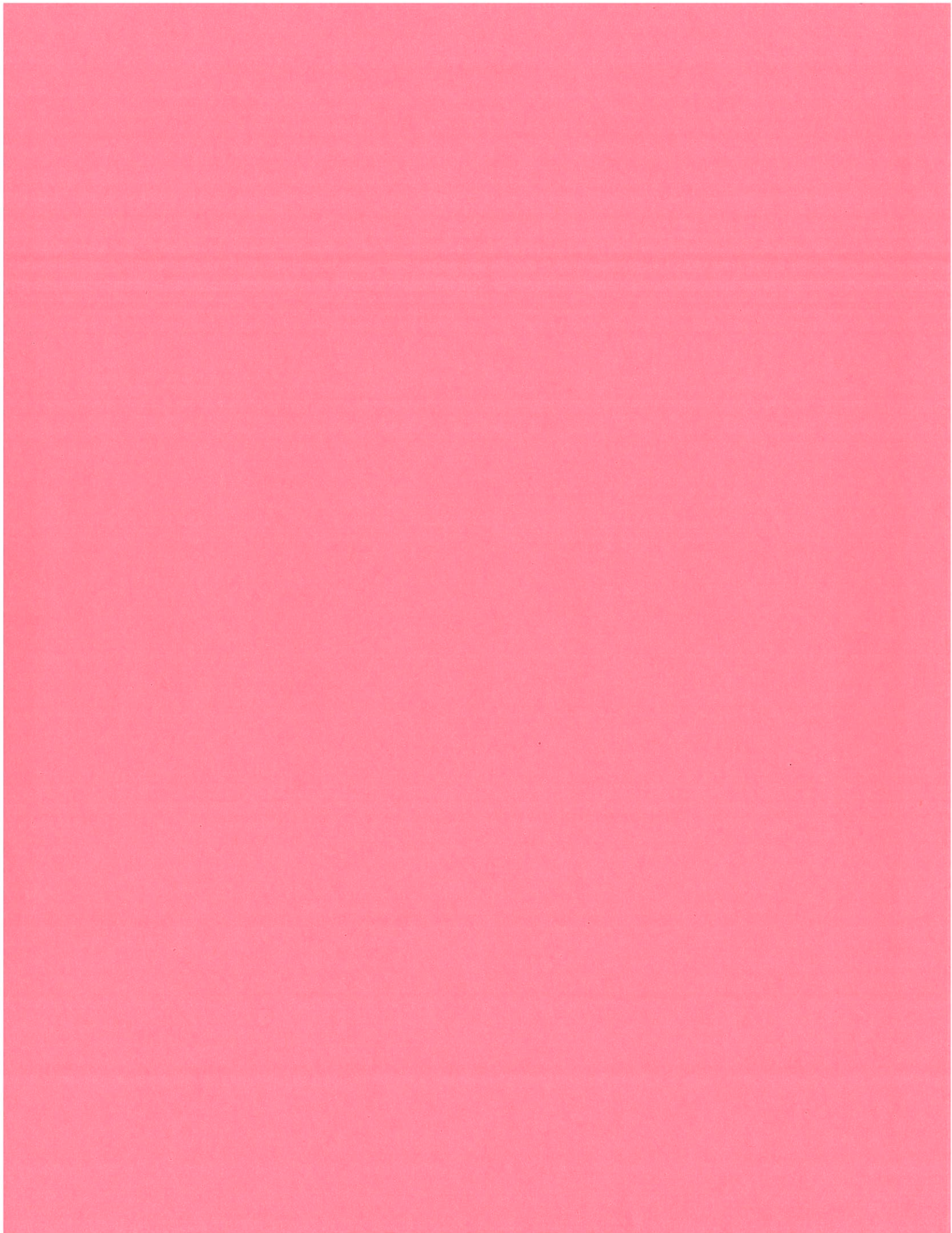
Pulaski County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$150,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$150,000



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: September 30, 2021
Approved Company: Rut 'N Strut Distillery, LLC
City: Shelbyville
County: Shelby
Activity: Manufacturing
Resolution #: KEIA-22-23601
Bus. Dev. Contact: A. Franklin
DFS Staff: M. Elder

Project Description: Rut 'N Strut Distillery, LLC opened for business in 2016 as a bourbon distillery and visitor destination. The company has grown tremendously since then. Rut 'N Strut is considering constructing a new barrel rickhouse to age bourbon. The building will hold approximately 20,000 barrels of bourbon and will greatly increase aging capacity. The increased aging capacity will allow the company to produce more bourbon to help meet customer demand.

Facility Details: Expanding existing operations

Anticipated Project Investment

	Eligible Costs	Total Investment
Land	\$0	\$0
Building Construction	\$1,987,149	\$3,311,915
Electronic Processing Equipment	\$0	\$0
Research & Development Equipment	\$0	\$0
Flight Simulation Equipment	\$0	\$0
Other Equipment	\$0	\$50,000
Other Start-up Costs	\$0	\$0
TOTAL	\$1,987,149	\$3,361,915

Ownership (20% or more):

Joyce Nethery Shelbyville, KY

Other State Participation:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Dec 07, 2017	KBI	Monitor	\$150,000

Unemployment Rate:

County: 4.1%

Kentucky: 4.7%

Existing Presence in Kentucky:

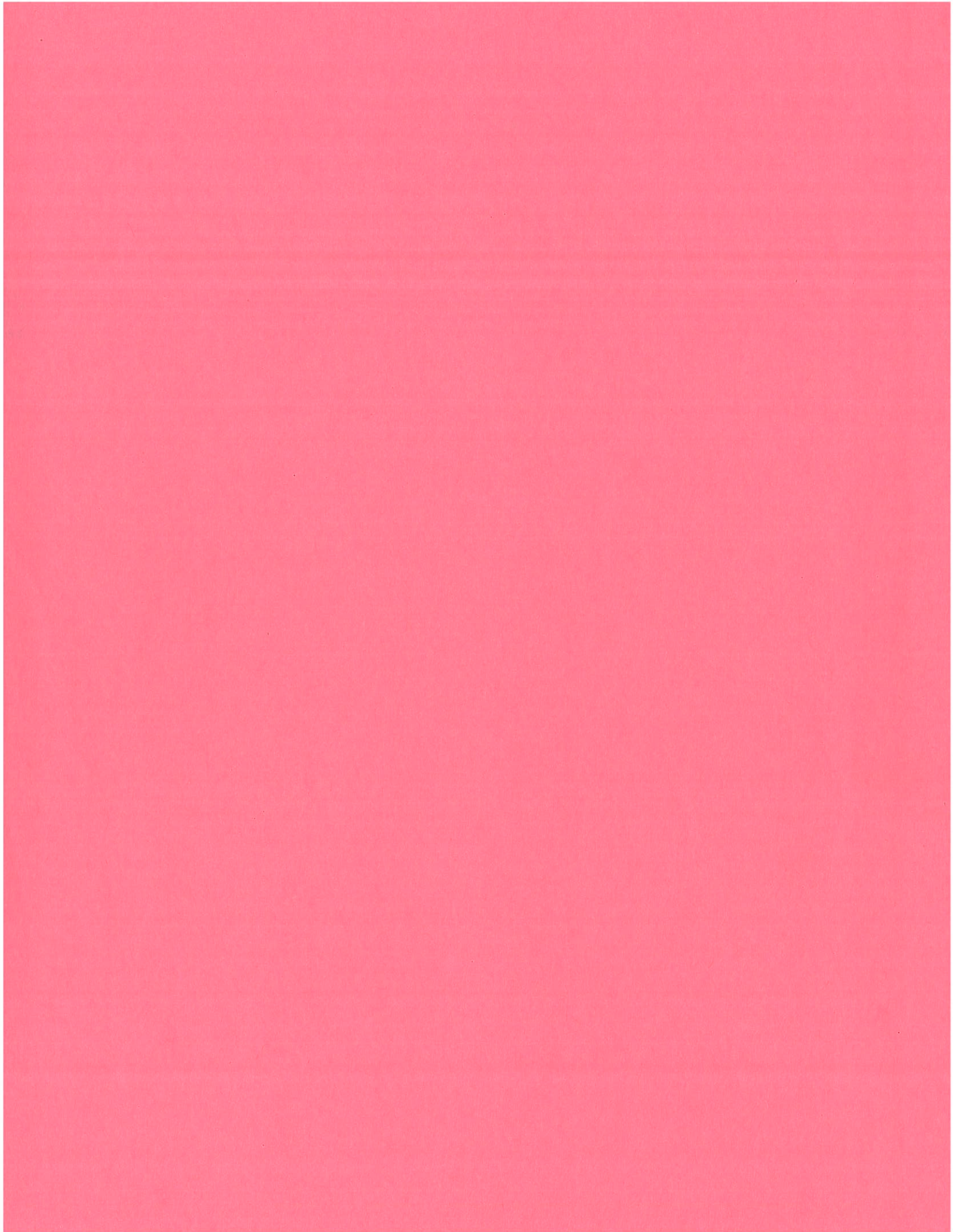
Shelby County

Approved Recovery Amount:

Construction Materials and Building Fixtures: \$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$50,000



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

Date: September 30, 2021
Approved Company: Harbor Steel & Supply Corporation
City: Bowling Green **County:** Warren
Activity: Manufacturing **Prelim Resolution #:** KBI-I-21-23581
Bus. Dev. Contact: C. Peek **DFS Staff:** M. Elder

Project Description: Harbor Steel & Supply Corporation is a Michigan-based manufacturer of fabricated steel products, specializing in processed sheet and plate for a variety of markets. Driven by the continuing growth and success of its Lexington, KY location, the company is considering adding an additional location in Bowling Green to help meet customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$1,000,000	\$1,000,000
\$5,000,000	\$5,000,000
\$240,000	\$1,750,000
\$250,000	\$250,000
\$6,490,000	\$8,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	12	\$30.00	
1	15	\$30.00	\$20,000
2	18	\$30.00	\$25,000
3	20	\$30.00	\$30,000
4	23	\$30.00	\$30,000
5	25	\$30.00	\$50,000
6	25	\$30.00	\$55,000
7	25	\$30.00	\$60,000
8	25	\$30.00	\$70,000
9	25	\$30.00	\$75,000
10	25	\$30.00	\$85,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$500,000

Incentive Type:
Other

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

Ownership (20% or more):

Cindy Haverkamp Grand Rapids, MI
Todd Folkert Spring Lake, MI

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: 4.2%

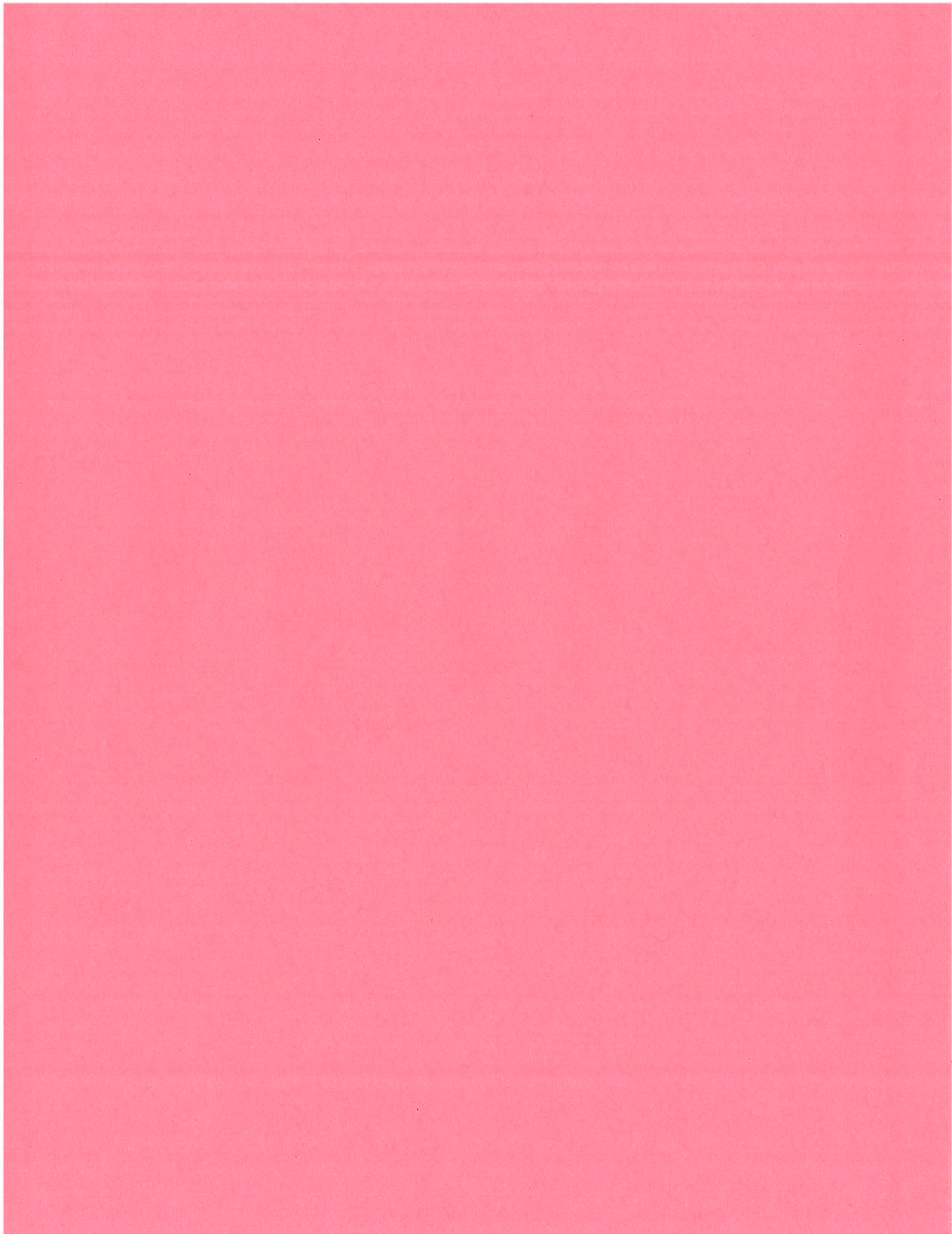
Kentucky: 4.7%

Existing Presence in Kentucky:

Fayette County

Special Conditions:

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



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KEIA REPORT**

Date: September 30, 2021
Approved Company: Harbor Steel & Supply Corporation
City: Bowling Green
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Warren
Resolution #: KEIA-22-23582
DFS Staff: M. Elder

Project Description: Harbor Steel & Supply Corporation is a Michigan-based manufacturer of fabricated steel products, specializing in processed sheet and plate for a variety of markets. Driven by the continuing growth and success of its Lexington, KY location, the company is considering adding an additional location in Bowling Green to help meet customer demand.

Facility Details: Locating in a new facility

Anticipated Project Investment

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

Eligible Costs	Total Investment
\$0	\$1,000,000
\$4,000,000	\$5,000,000
\$0	\$0
\$0	\$0
\$0	\$0
\$0	\$1,750,000
\$0	\$250,000
\$4,000,000	\$8,000,000

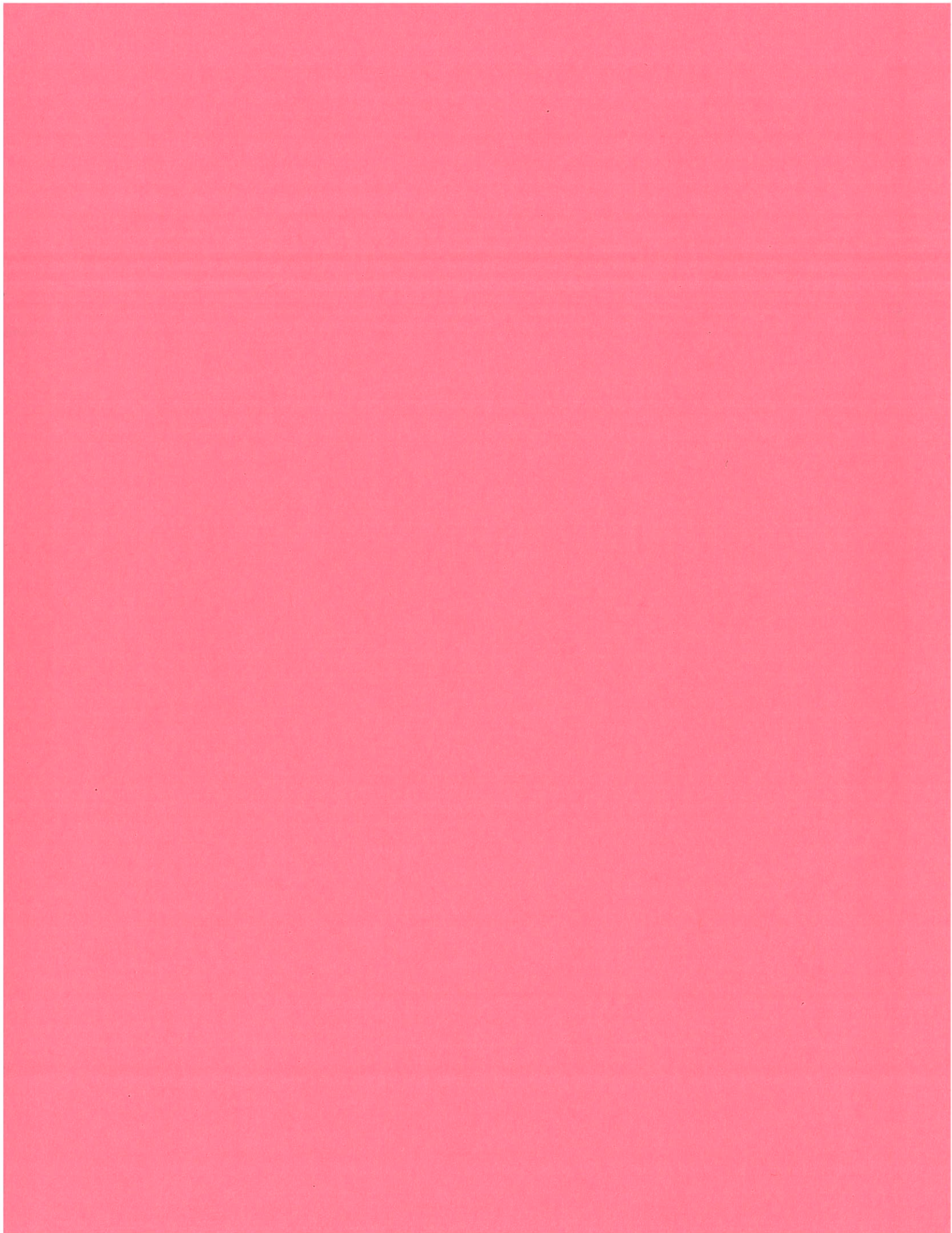
Approved Recovery Amount:

Construction Materials and Building Fixtures: \$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$100,000

See KBI file (KBI-I-21-23581) for Ownership, Other State Participation and Unemployment Rate.



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

Date: September 30, 2021
Approved Company: Summit Packaging Solutions, LLC
City: Hebron **County:** Boone
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-21-23590
Bus. Dev. Contact: B. Cox **DFS Staff:** D. Phillips

Project Description: Summit Packaging Solutions, LLC is a full-service manufacturing packaging company and renowned as a preferred global supply chain partner providing end-to-end solutions for some of the nation's most recognized brands. The company is considering adding its fourth manufacturing location in the Midwest region to meet customer demands.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$8,000,000	\$16,000,000
\$480,000	\$480,000
\$820,000	\$1,681,000
\$185,000	\$185,000
\$9,485,000	\$18,346,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	41	\$34.00	
1	56	\$34.00	\$75,000
2	69	\$34.00	\$75,000
3	69	\$34.00	\$75,000
4	69	\$34.00	\$75,000
5	69	\$34.00	\$75,000
6	69	\$34.00	\$75,000
7	69	\$34.00	\$75,000
8	69	\$34.00	\$75,000
9	69	\$34.00	\$75,000
10	69	\$34.00	\$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):

The Canaan Company, LLC - Alpharetta, GA

Hammel Companies Inc. - Pittsburgh, PA

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

State: 1.5%

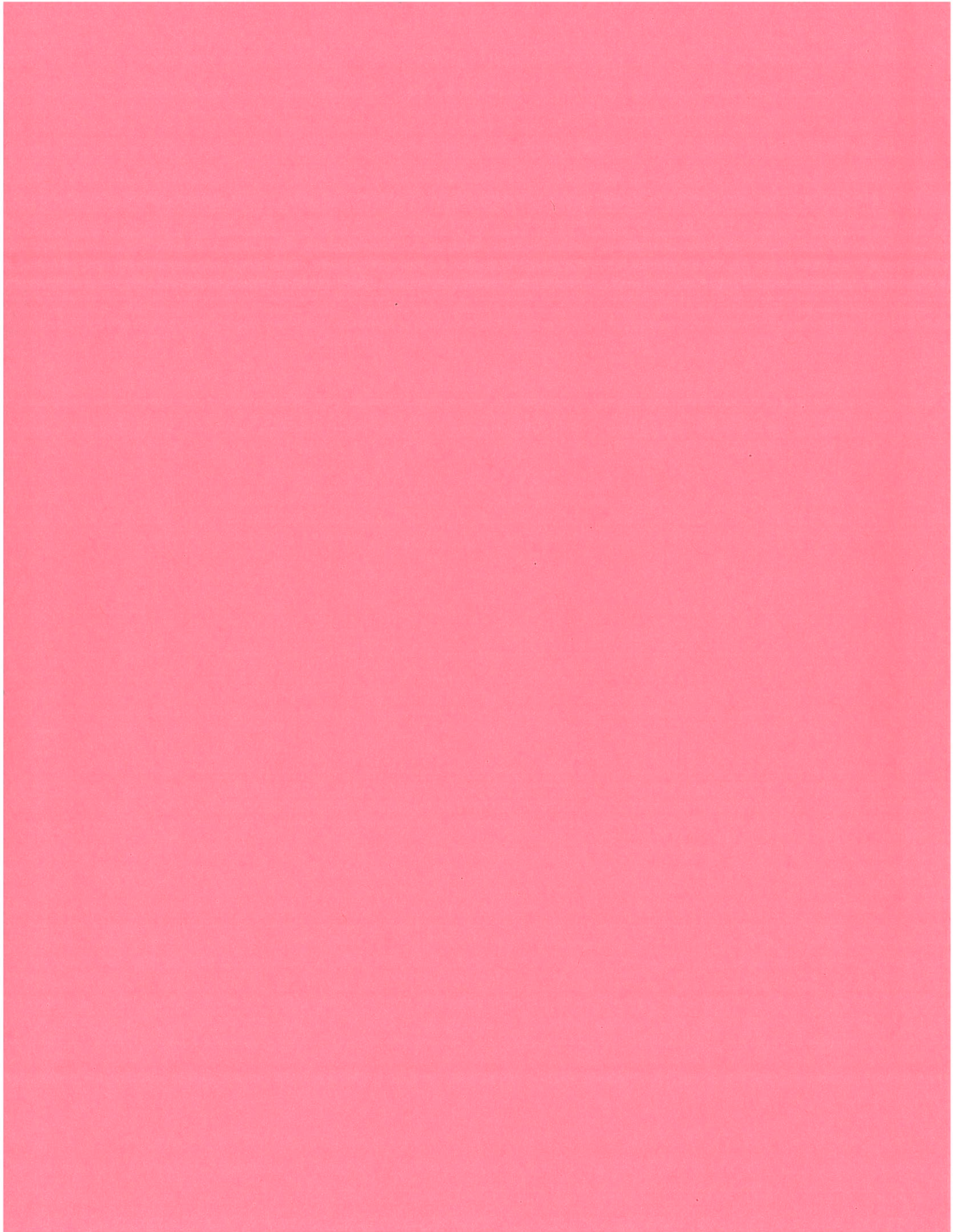
Local: 0.4% - Boone County

Unemployment Rate:

County: 3.7%

Kentucky: 4.7%

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



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

Date: September 30, 2021
Approved Company: Russellville Dental Lab, LLC
City: Russellville **County:** Logan
Activity: Manufacturing **Prelim Resolution #:** KBI-IL-21-23584
Bus. Dev. Contact: C.Peek **DFS Staff:** M. Elder

Project Description: Russellville Dental Lab, LLC produces customized medical devices for dental professionals across the US. Some of their products include implants, dentures, crowns and bridges, ceramics and orthodontics. The company is considering relocating to a larger facility to help meet the needs of its customer base.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased

Rent
Building/Improvements
Equipment
Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$420,000	\$840,000
\$350,000	\$350,000
\$200,000	\$200,000
\$200,000	\$200,000
\$1,170,000	\$1,590,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	11	\$26.00	
1	14	\$26.00	\$20,000
2	16	\$26.00	\$20,000
3	18	\$26.00	\$40,000
4	20	\$26.00	\$40,000
5	22	\$26.00	\$40,000
6	24	\$26.00	\$40,000
7	26	\$26.00	\$50,000
8	28	\$26.00	\$50,000
9	30	\$26.00	\$50,000
10	32	\$26.00	\$50,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$400,000

Incentive Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

Lee Coursey Russellville, KY

Kevin Coursey Lewisburg, KY

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

State: 3.0%

Local: City of Russellville- .73%

Logan County- .27%

Unemployment Rate:

County: 4.0%

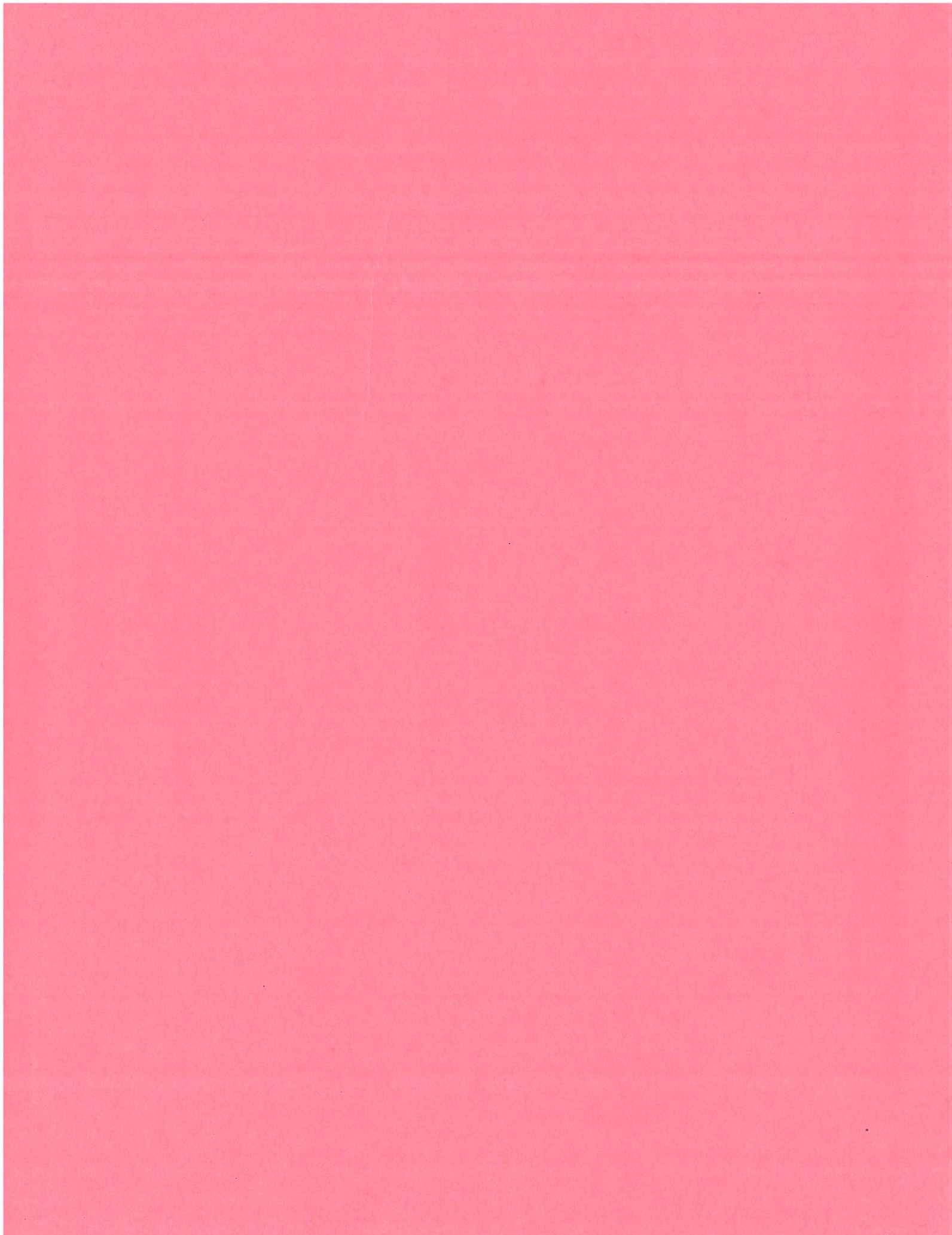
Kentucky: 4.7%

Existing Presence in Kentucky:

Logan County

Special Conditions:

The company will be required to maintain a base employment equal to the number of full-time employees subject to Kentucky income tax as of the date of preliminary approval. The company reported 21 full-time employees subject to Kentucky income tax as of the application date.



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

Date: September 30, 2021
Approved Company: Community Wellness--KY, LLC
City: Danville **County:** Boyle
Activity: Non-Retail Service or Technology **Prelim Resolution #:** KBI-IL-21-23605
Bus. Dev. Contact: M. David-Jacobs **DFS Staff:** K. McCane
Project Description: Community Wellness Technology Inc. is the industry leader in developing comprehensive and fully integrated RPM and behavioral health solutions for chronic condition management and preventative health measures. Community Wellness--KY, LLC is seeking to lease a facility in Boyle county to begin operations of a remote patient monitoring and training center.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

	Eligible Costs	Total Investment
Rent	\$700,000	\$1,400,000
Building/Improvements	\$1,000,000	\$1,000,000
Equipment	\$350,000	\$350,000
Other Start-up Costs	\$250,000	\$250,000
TOTAL	\$2,300,000	\$3,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	57	\$35.83	
1	57	\$35.83	\$20,000
2	270	\$35.83	\$40,000
3	397	\$35.83	\$60,000
4	422	\$35.83	\$80,000
5	445	\$35.83	\$100,000
6	445	\$35.83	\$200,000
7	445	\$35.83	\$300,000
8	445	\$35.83	\$375,000
9	445	\$35.83	\$400,000
10	445	\$35.83	\$425,000

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):
Community Wellness - Campbell, CA

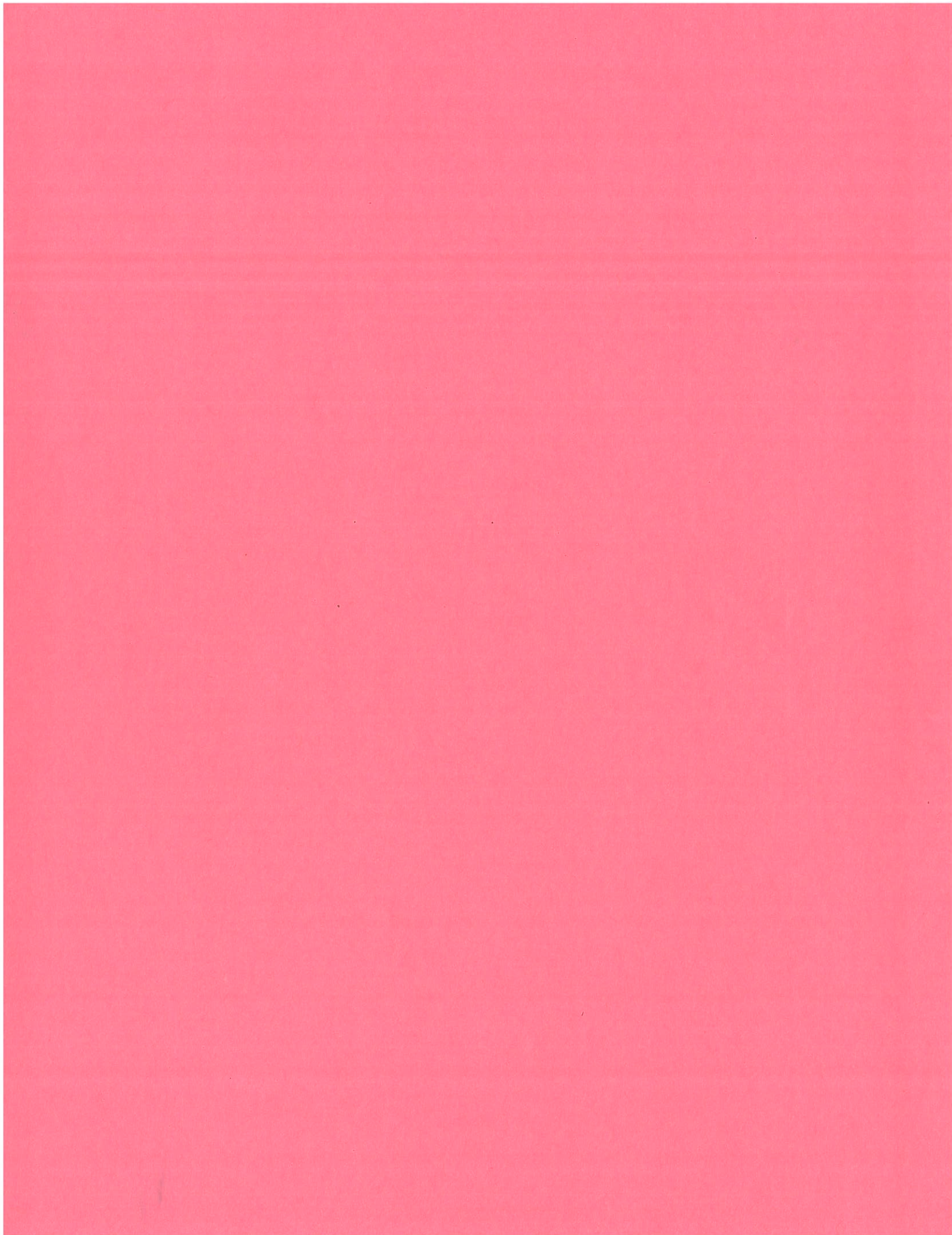
Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:
State: 3.0%
Local: 0.5% City of Danville
0.5% Boyle County Fiscal Court


Unemployment Rate:
County: 5.0% Kentucky: 4.7%

Existing Presence in Kentucky: None

Special Conditions: None



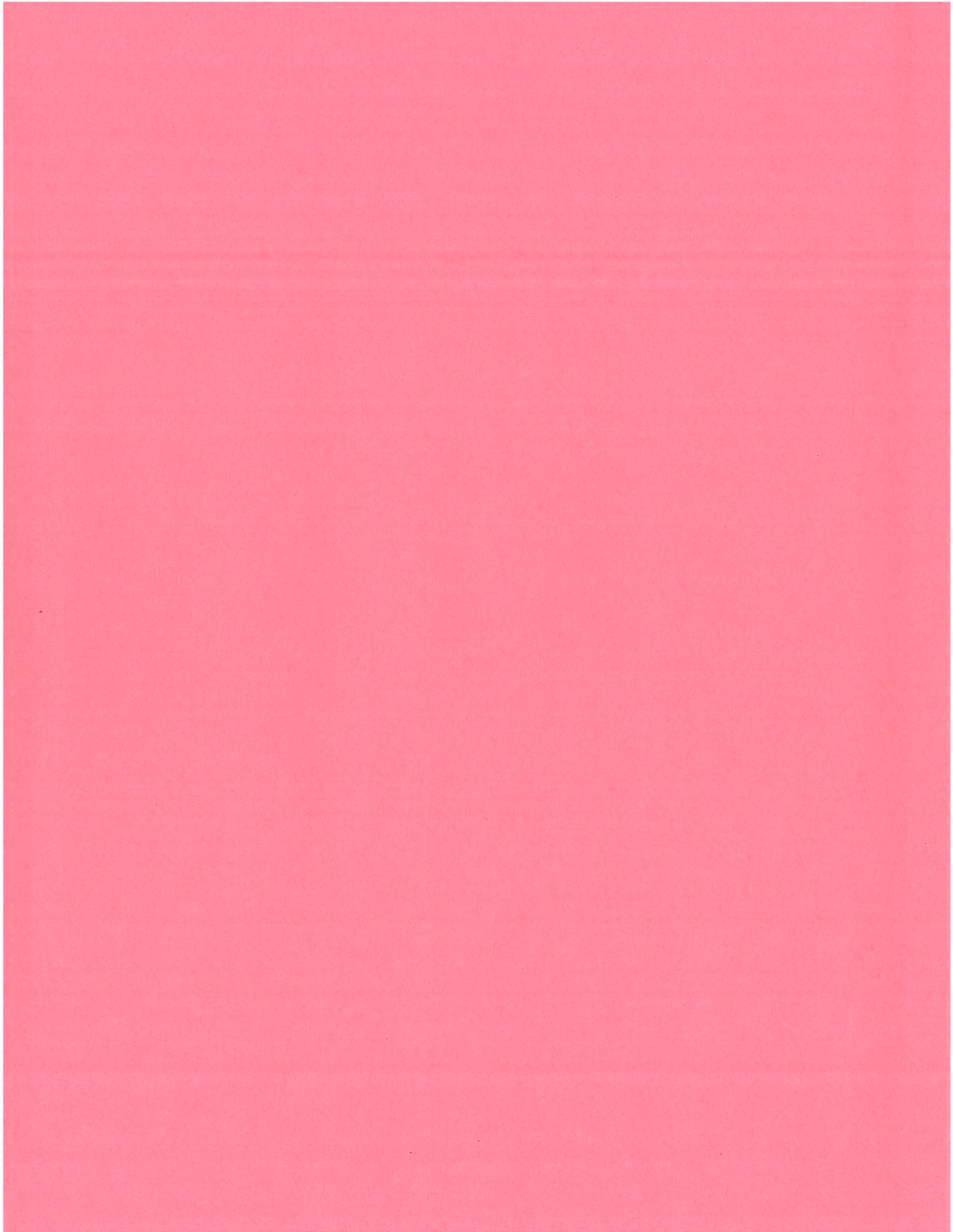
MEMORANDUM

TO: KEDFA Board Members
FROM: Michelle Elder 
Incentive Administration Division
DATE: September 30, 2021
SUBJECT: KBI Extensions

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

Company	County	Extension
Ag Science Solutions, Inc.	Simpson	12 Month
Froedge Machine and Supply Co., Inc.	Barren	12 Month
IJW Whiskey Company, LLC	Jefferson	12 Month
Sazerac North America, Inc.	Jefferson	12 Month
Strigiformes, LLC	Nelson	12 Month
Taeyang America Corp.	Simpson	12 Month
The Hollaender Manufacturing Company	Pulaski	12 Month
Tiffany and Company Jewelers, Inc.	Fayette	12 Month
UPS Supply Chain Solutions, Inc.	Jefferson	12 Month

Staff recommends approval.



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

Date: September 30, 2021
Preliminary Approval: February 27, 2020
Approved Company: STEP CG, LLC
City: Covington
Activity: Headquarters
Bus. Dev. Contact: B. Cox

County: Kenton
Final Resolution #: KBI-FL-21-22917
DFS Staff: D. Phillips

Project Description: STEP CG, LLC is a nationwide technology engineering firm that provides a full portfolio of networking, voice, security and professional service solutions to healthcare, education, manufacturing, financial, retail, legal government and service providers. The project included the relocation of its existing operation in Covington and the addition of additional office space.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$1,584,465	\$5,293,930

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$38.00	
1	20	\$38.00	\$90,000
2	30	\$38.00	\$90,000
3	40	\$38.00	\$90,000
4	50	\$38.00	\$90,000
5	83	\$38.00	\$90,000
6	83	\$38.00	\$90,000
7	83	\$38.00	\$90,000
8	83	\$38.00	\$90,000
9	83	\$38.00	\$90,000
10	83	\$38.00	\$90,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$900,000

County Type:
Other

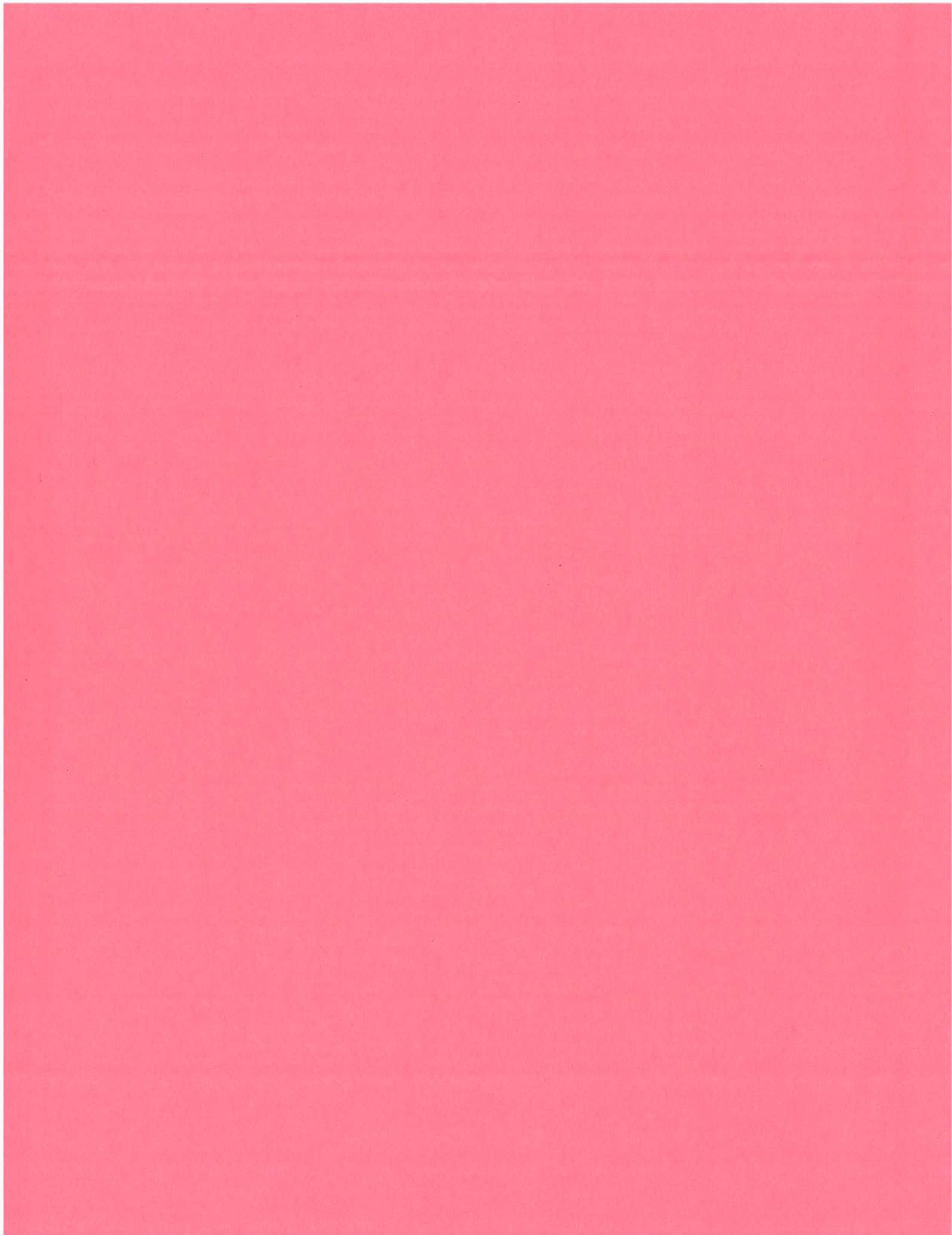
Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 19

Modifications since preliminary approval? No



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

Date: September 30, 2021
Preliminary Approval: August 27, 2020
Approved Company: American Wood Fibers, Inc.
City: Lebanon
Activity: Manufacturing
Bus. Dev. Contact: M. David-Jacobs

County: Marion
Final Resolution #: KBI-F-21-23121
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 replaced the existing conventional rotary drum dryer with a new concept unit named "DryerOne" which operates at higher capacity and with lower emissions.

Anticipated Project Investment - Owned

Eligible Costs	Total Investment
\$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			
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15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$300,000

County Type:
Enhanced

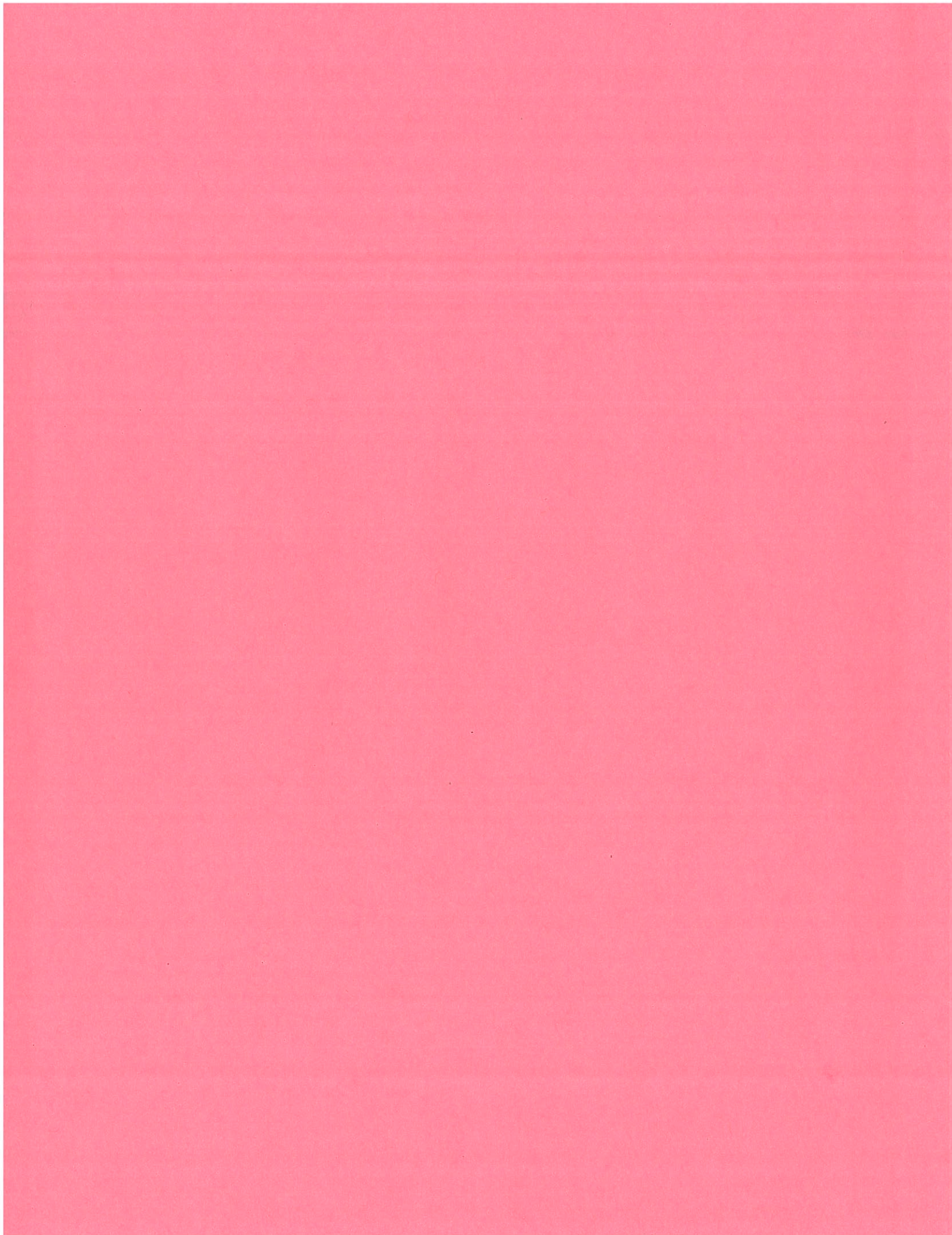
Statutory Minimum Wage Requirements:

Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Special Conditions:

Maintain Base Employment: 101

Modifications since preliminary approval? No



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

Date: September 30, 2021
Preliminary Approval: October 29, 2020
Approved Company: Healthcare Asset Network, INC. d.b.a. HANDLE
City: Louisville **County:** Jefferson
Activity: Service or Technology **Final Resolution #:** KBI-FL-21-23159
Bus. Dev. Contact: A. Luttner **DFS Staff:** D. Phillips

Project Description: Healthcare Asset Network, INC. d.b.a. HANDLE provides healthcare supply chain analytics and solutions platform. The company works with the Federal Government and the private sector to bring efficiency to the healthcare industry. The project included an expansion of its headquarter operations and warehouse capabilities to further growth in the Commonwealth.

	Eligible Costs	Total Investment
Anticipated Project Investment - Leased	\$2,176,182	\$4,041,182

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$49.00	
1	14	\$49.00	\$140,000
2	39	\$49.00	\$140,000
3	54	\$49.00	\$140,000
4	69	\$49.00	\$140,000
5	80	\$49.00	\$140,000
6	80	\$49.00	\$140,000
7	80	\$49.00	\$140,000
8	80	\$49.00	\$140,000
9	80	\$49.00	\$140,000
10	80	\$49.00	\$140,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,400,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 15

Modifications since preliminary approval? Yes

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

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

Date: September 30, 2021
Preliminary Approval: December 7, 2017
Approved Company: NX Development Corp.
City: Lexington
Activity: Service or Technology
Bus. Dev. Contact: B. Cox

County: Fayette
Final Resolution #: KBI-FL-21-21932
DFS Staff: D. Phillips

Project Description: NX Development Corp. (NXDC) is a virtual pharmaceutical company with headquarters in Lexington. NXDC has licensed the right to 5-ALA, a compound that has been sold as Gliolan® in Europe and Asia for the isolation of brain tumors during surgery for over 20 years. The project included an expansion of a fully-staffed pharmaceutical facility for sales, marketing, and quality assurance operations.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$537,111	\$882,111

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$30.00	
1	10	\$30.00	\$20,000
2	12	\$30.00	\$20,000
3	12	\$30.00	\$20,000
4	15	\$30.00	\$20,000
5	15	\$30.00	\$20,000
6	15	\$30.00	\$20,000
7	15	\$30.00	\$20,000
8	15	\$30.00	\$20,000
9	20	\$30.00	\$20,000
10	20	\$30.00	\$20,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$200,000

County Type:
Other

Statutory Minimum Wage Requirements:

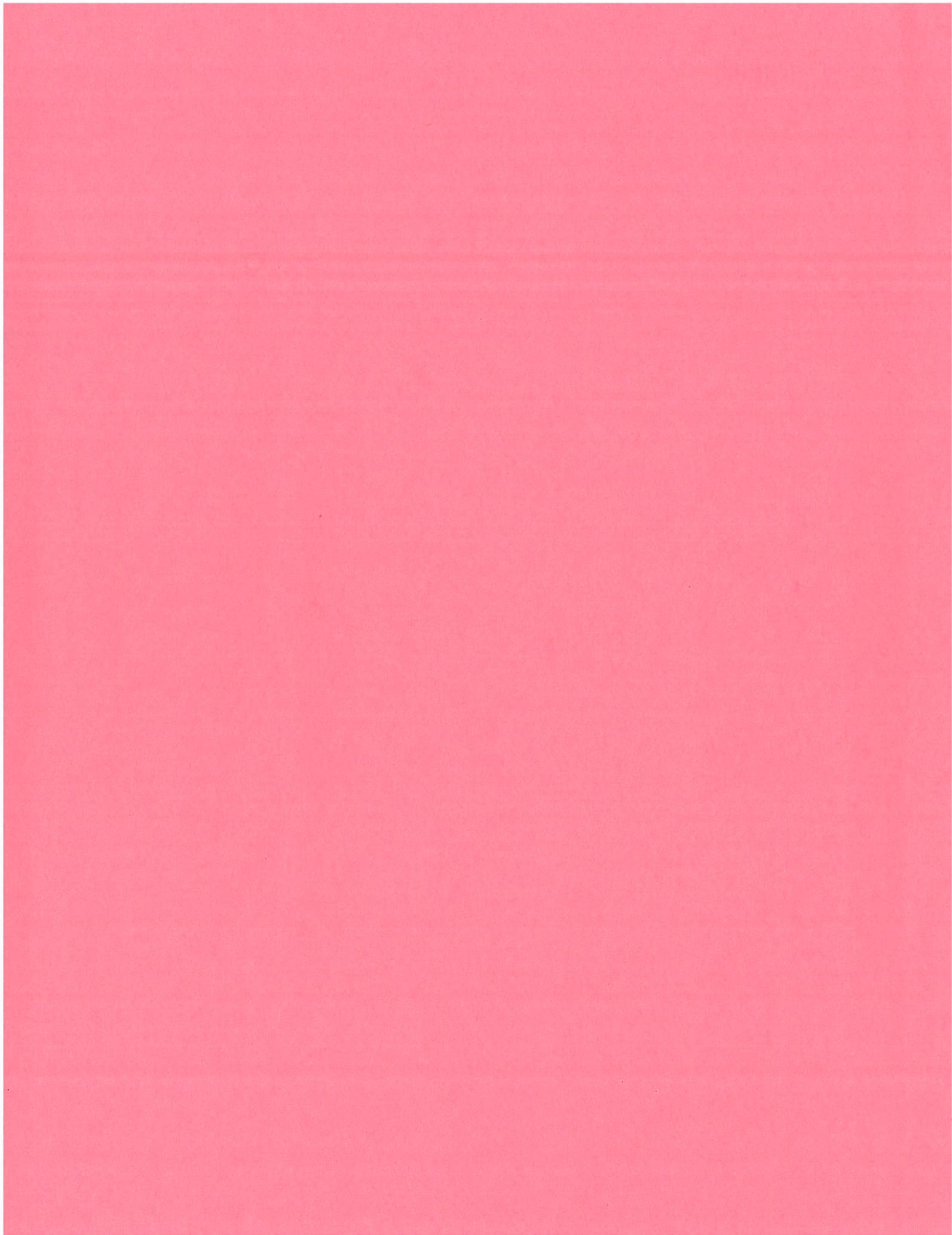
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 1

Modifications since preliminary approval? Yes

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



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

Date: September 30, 2021
Preliminary Approval: April 25, 2019
Approved Company: Comprehensive Medical Management, LLC
City: Newport **County:** Campbell
Activity: Service or Technology **Final Resolution #:** KBI-FL-21-22531
Bus. Dev. Contact: E. Bishop **DFS Staff:** K. McCane

Project Description: Comprehensive Medical Management, LLC is a multi-specialty medical billing and practice management company currently serving a wide variety of healthcare specialties. The company made improvements and added equipment to meet demand for the additional staff and processing needs due to increasing revenue from new and existing clients.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$751,687	\$754,098

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$22.00	
1	30	\$22.00	\$70,000
2	50	\$22.00	\$70,000
3	80	\$22.00	\$70,000
4	120	\$22.00	\$70,000
5	150	\$22.00	\$70,000
6	150	\$22.00	\$70,000
7	150	\$22.00	\$70,000
8	150	\$22.00	\$70,000
9	150	\$22.00	\$70,000
10	150	\$22.00	\$70,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$700,000

County Type:
Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88
Total hourly compensation: \$12.51

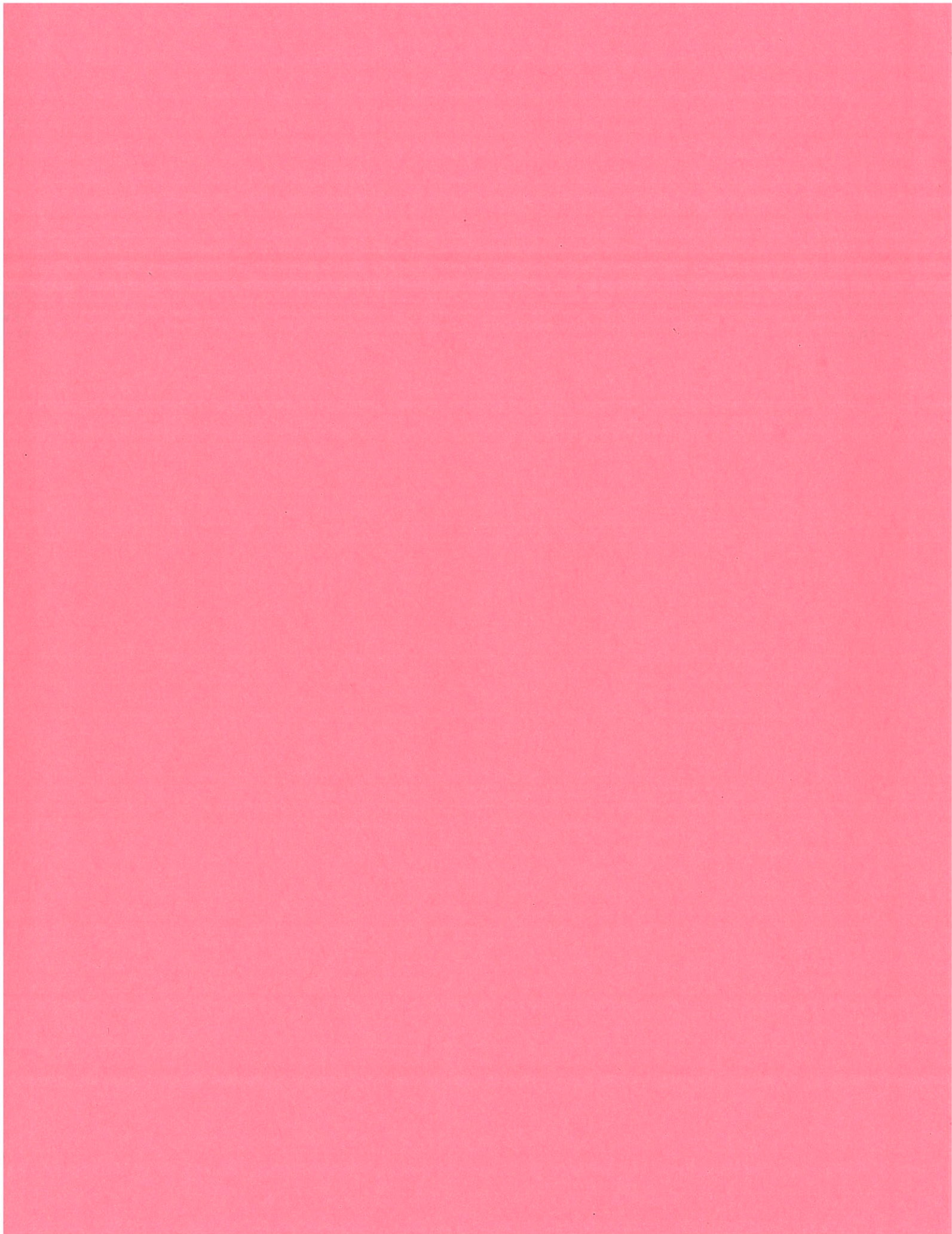
Special Conditions:

Maintain Base Employment: 79

Modifications since preliminary approval? Yes

Total investment and eligible costs have been updated based on the current projections. Rent is no longer an eligible cost. The tax incentive amount decreased from \$850,000 to \$700,000.

All other aspects of the project remain the same.



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

Date: September 30, 2021
Preliminary Approval: August 31, 2017
Approved Company: Gryphon Environmental, LLC
City: Owensboro
Activity: Manufacturing
Bus. Dev. Contact: C. Peek

County: Daviess
Final Resolution #: KBI-FL-21-21739
DFS Staff: M. Elder

Project Description: Gryphon Environmental LLC builds advanced drying systems to remove water from biomass, sludge, plastics and proteins. The company's technology is used by large industry, municipalities and research professionals worldwide. The company relocated its production facility which increased its manufacturing space as well made room for future growth.

Anticipated Project Investment - Leased	Eligible Costs	Total Investment
	\$910,020	\$1,760,040

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$30.00	
1	15	\$30.00	\$40,000
2	20	\$30.00	\$40,000
3	20	\$30.00	\$40,000
4	20	\$30.00	\$40,000
5	20	\$30.00	\$40,000
6	20	\$30.00	\$40,000
7	20	\$30.00	\$40,000
8	20	\$30.00	\$40,000
9	20	\$30.00	\$40,000
10	20	\$30.00	\$40,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$400,000

County Type:
Other

Statutory Minimum Wage Requirements:

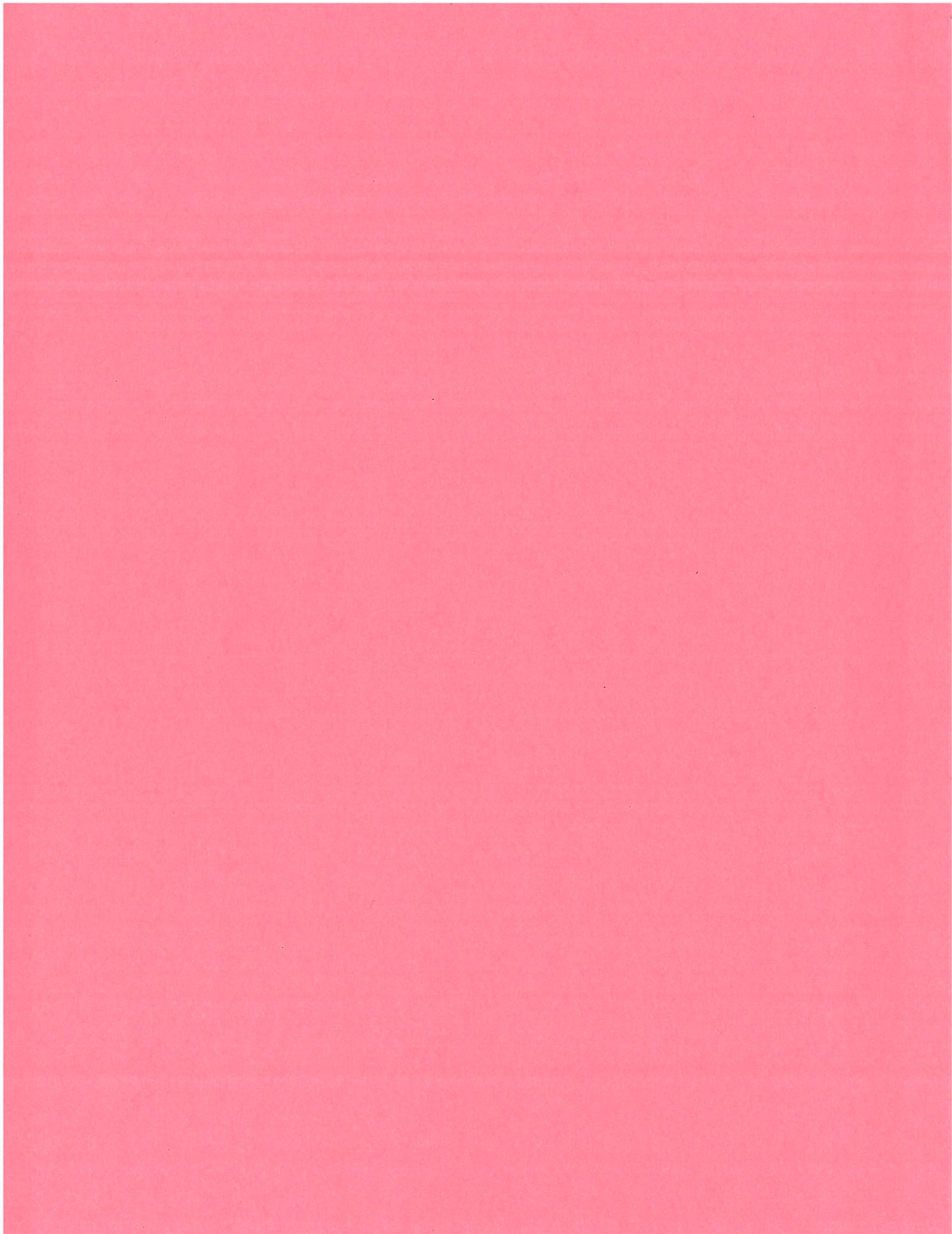
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 7

Modifications since preliminary approval? Yes

Local participation changed from 1.0% from the City of Owensboro to 0.5% from Daviess County, which is 71% of their local occupational tax. Therefore the states portion is now 2.14%. Total participation is 2.64%. All other aspects of the project remain the same.



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

Date: September 30, 2021
Preliminary Approval: September 28, 2017
Approved Company: Xooker, LLC
City: Lexington
Activity: Service or Technology
Bus. Dev. Contact: B. Cox

County: Fayette
Final Resolution #: KBI-FL-21-21801
DFS Staff: M. Elder

Project Description: Xooker is a free app, available on both iPhone and Android, for consumers to be able to find great deals and specials from their favorite restaurants and shops. Xooker's primary focus is the small and medium-sized businesses that are seeking to attract and retain customers through their mobile devices. The company entered into several new markets across the country, which consisted of new hires for each market.

Anticipated Project Investment - Leased

Eligible Costs	Total Investment
\$2,206,600	\$2,858,200

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	35	\$28.00	
1	55	\$28.00	\$100,000
2	75	\$28.00	\$100,000
3	95	\$28.00	\$100,000
4	100	\$28.00	\$100,000
5	100	\$28.00	\$100,000
6	100	\$28.00	\$100,000
7	100	\$28.00	\$100,000
8	100	\$28.00	\$100,000
9	100	\$28.00	\$100,000
10	100	\$28.00	\$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,000,000

County Type:
Other

Statutory Minimum Wage Requirements:

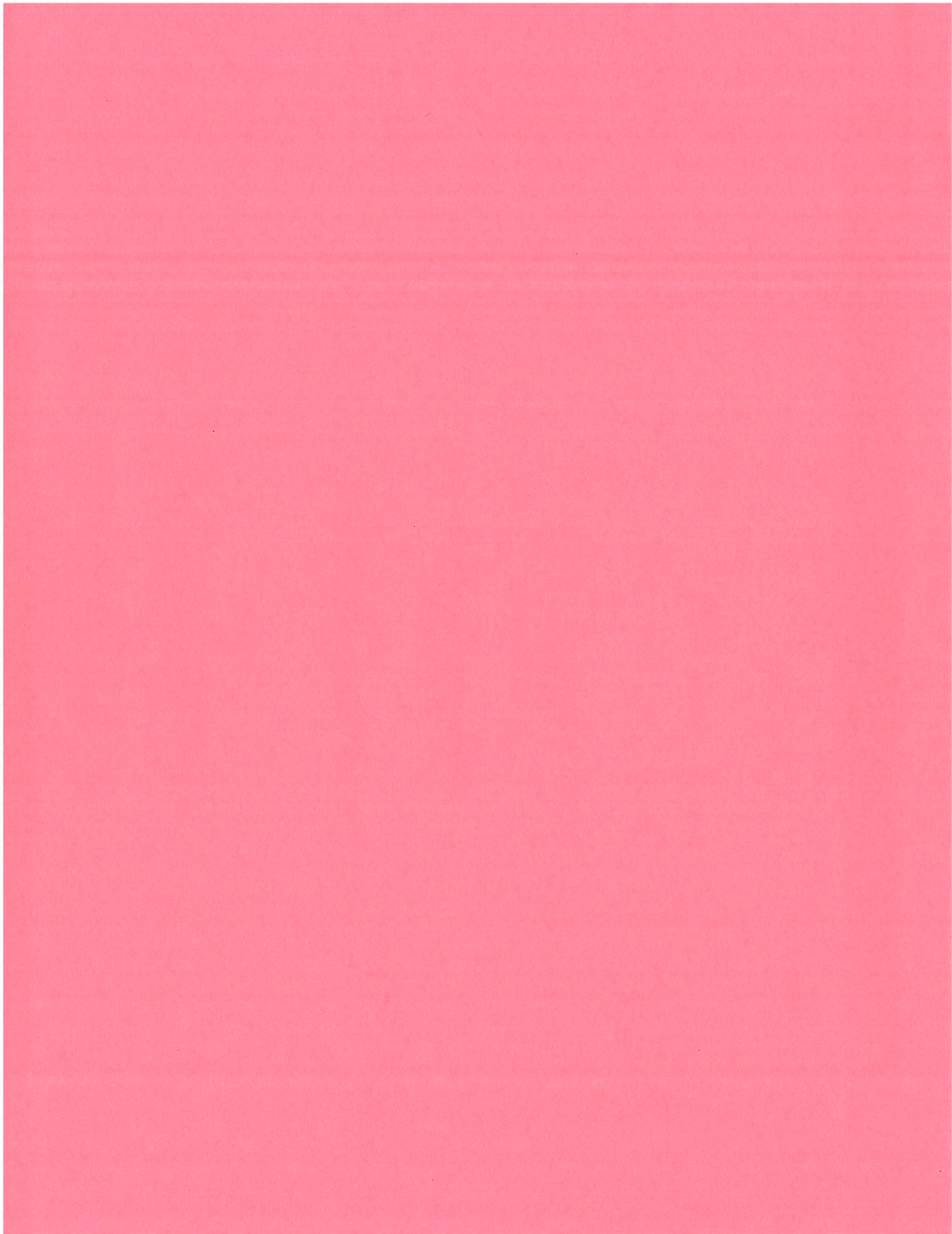
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Special Conditions:

Maintain Base Employment: 6

Modifications since preliminary approval? Yes

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



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

Date: September 30, 2021
Preliminary Approval: September 27, 2018
Approved Company: United Systems & Software, Inc.
City: Benton
Activity: Service or Technology
Bus. Dev. Contact: C. Peek

County: Marshall
Final Resolution #: KBI-F-21-22225
DFS Staff: M. Elder

Project Description: United Systems & Software, Inc. is a technical services firm that specializes in software development and information technology for utilities and local governments. Due to the company running out of space at its former location United Systems constructed a new facility as well as purchased new equipment.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$5,562,808	\$5,562,808

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$45.00	
1	30	\$45.00	\$100,000
2	40	\$45.00	\$100,000
3	40	\$45.00	\$100,000
4	40	\$45.00	\$100,000
5	40	\$45.00	\$100,000
6	40	\$45.00	\$100,000
7	50	\$45.00	\$100,000
8	50	\$45.00	\$100,000
9	50	\$45.00	\$100,000
10	50	\$45.00	\$100,000
11			
12			
13			
14			
15			

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,000,000

County Type:
Enhanced

Statutory Minimum Wage Requirements:

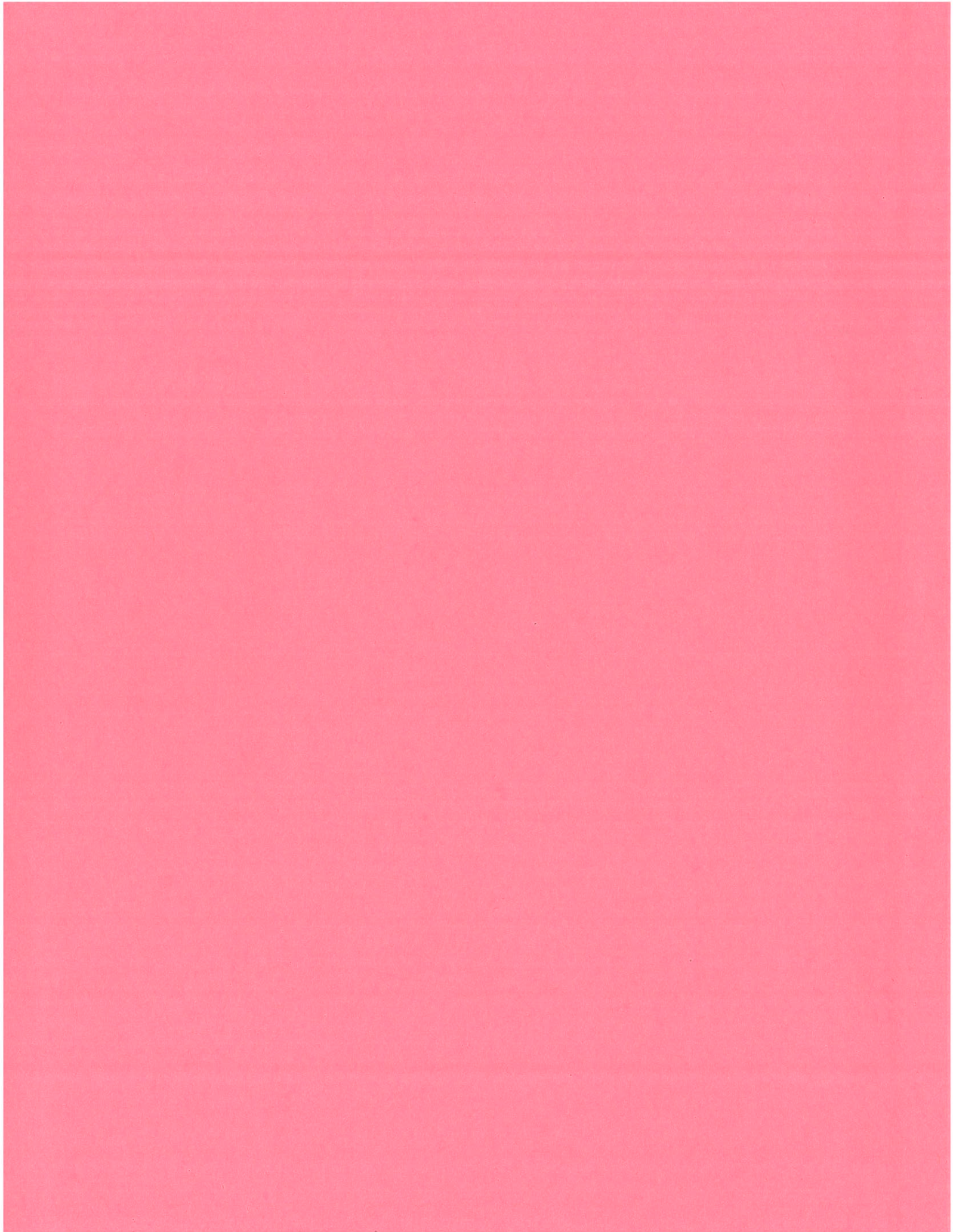
Base hourly wage: \$9.06
Total hourly compensation: \$10.42

Special Conditions:

Maintain Base Employment: 33

Modifications since preliminary approval?

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



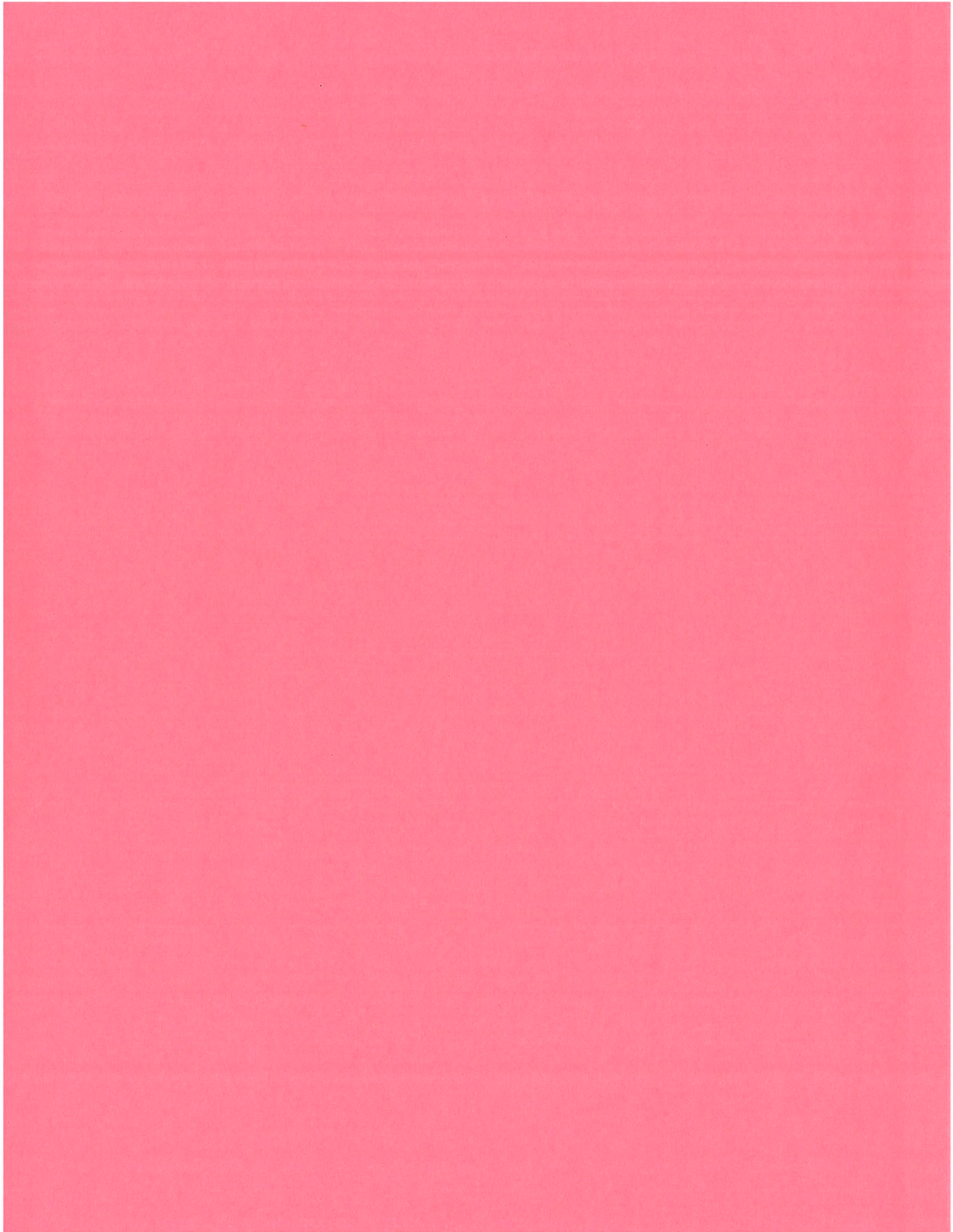
Kentucky Small Business Tax Credit (KSBTC) Projects Report

September 2021

Small Business	County	Beginning Employment	Eligible Positions	Average Hourly Wage	Qualifying Equipment/Technology	Tax Credit Amount
Advanced Dental Center, Inc.	Jefferson	0	7	\$27.02	\$27,900	\$24,500
Capital Recovery Group Technologies, LLC	Jefferson	7	8	\$53.25	\$62,633	\$25,000
DawnBland.com, LLC	Breckinridge	3	2	\$13.00	\$8,786	\$7,000
Mill Ridge Farm, LLLP	Fayette	35	1	\$20.96	\$7,089	\$3,500
MRCOOL LLC Limited Liability Company	Graves	17	4	\$23.20	\$12,673	\$12,600
Quantum Ink Company	Jefferson	29	3	\$18.77	\$38,698	\$10,500
Willow Hill Supply, LLC	Clark	2	5	\$13.70	\$67,996	\$17,500
7	5		30	Total	\$225,775	\$100,600

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	\$143,900
FYTD KSFTC Approvals	\$25,000
Current KSBTC Request	\$100,600
Current KSFTC Request	\$0
Remaining FY Credits	\$2,730,500



Kentucky Angel Investment Tax Credit Projects Report

September 2021

Qualified Investor	Qualified Small Business	County	Projected Investment	Potential Tax Credit
Aneeta R. Bhatia	CPA Innovations, LLC	Jefferson	\$39,861	\$9,965
Martin N. McClelland	Thynk Health, LLC	Fayette	\$100,000	\$25,000
2 Projects	2	2	\$139,861	\$34,965
2 Investors				

Note: For each calendar year, the total amount of tax credits available for the Kentucky Angel Investment Act program shall not exceed \$3,000,000. The total amount of tax credits approved for an individual Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.

Projected Credits - To Date	(\$1,741,957)
Reclaimed Credits	\$661,265
Net Obligated Credits	(\$1,080,692)
Credit Limit	\$3,000,000
Net Obligated Credits	(\$1,080,692)
Remaining Credits	\$1,919,308