

MEMORANDUM

TO: KEDFA Board Members

FROM: Jean Hale, Chairman
Kentucky Economic Development Finance Authority



DATE: August 12, 2016

SUBJECT: KEDFA Special Meeting

A special meeting of the Kentucky Economic Development Finance Authority is called for 10:00 a.m. (EDT) on Wednesday, August 17, 2016 via video conference.

Meeting locations are as follows:

- Frankfort
Kentucky Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway, Board of Directors Conference Room
- Florence
Mazak Corporation, 6850 Industrial Road, Conference Room B
- Pikeville
Community Trust Bank, Inc., 346 North Mayo Trail, 5th Floor Conference Room

The purpose of the meeting is to consider a Kentucky Business Investment (KBI) project in Kenton County. The agenda is attached for your review.

Attachment



KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

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

SPECIAL MEETING
August 17, 2016
10:00 a.m. EDT

AGENDA

Call to Order
Notification of Press
Roll Call

- 1. KBI Project (Preliminary) - Kenton County**
Presented by Marlene Duffy and Debbie Phillips

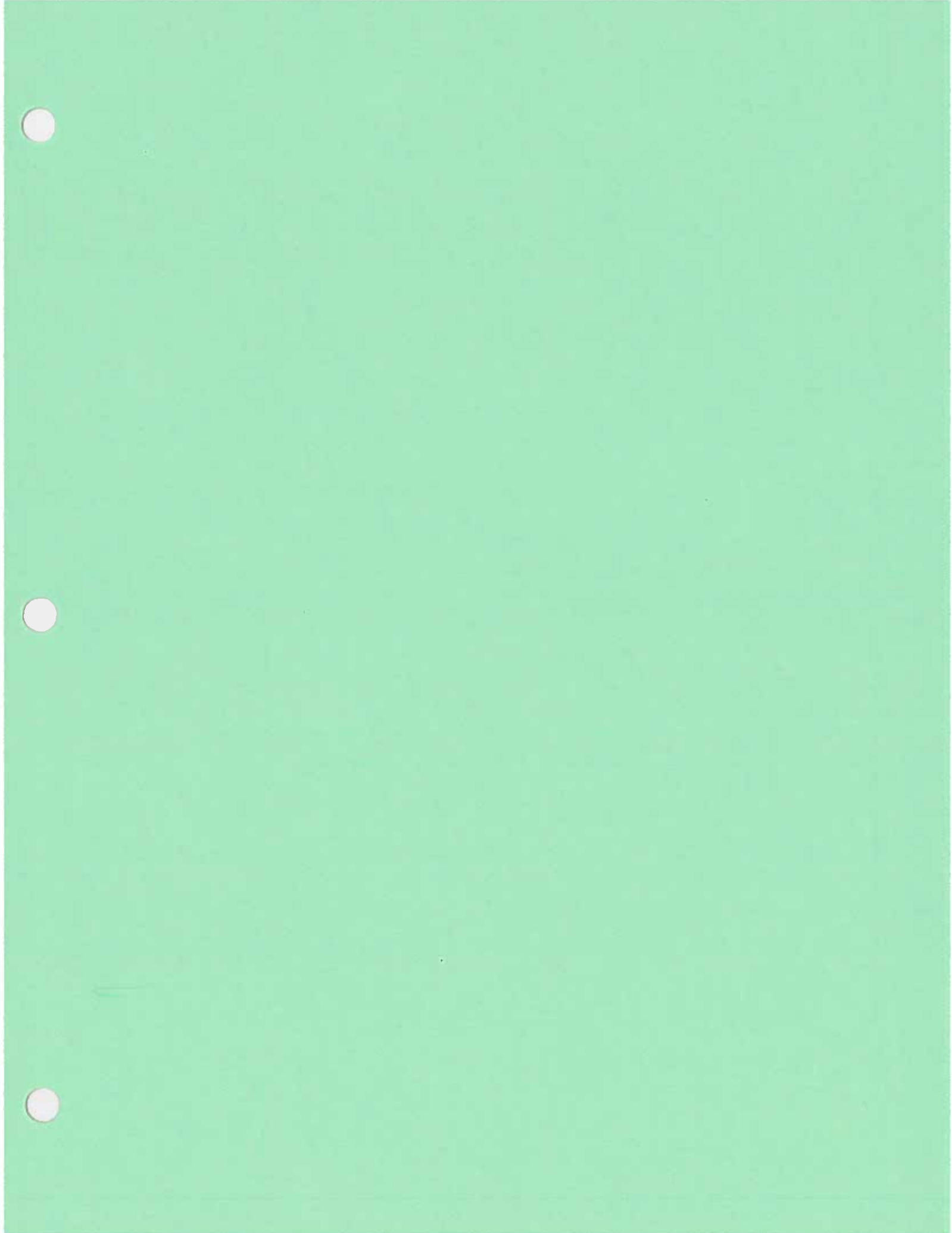
Adjournment

Video Conference Sites:

Cabinet for Economic Development
Board of Directors Conference Room
Old Capitol Annex
300 West Broadway
Frankfort, Kentucky

Community Trust Bank, Inc.
5th Floor Conference Room
346 North Mayo Trail
Pikeville, Kentucky

Mazak Corporation
Conference Room B
6850 Industrial Road
Florence, Kentucky



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

Date: August 17, 2016
Approved Company: CTI - Clinical Trial Services, Inc.
City: Covington **County:** Kenton
Activity: Headquarters **Prelim Resolution #:** KBI-IL-16-21216
Bus. Dev. Contact: M. Duffy **OFS Staff:** D. Phillips

Project Description: CTI - Clinical Trial Services, Inc. provides therapeutic services to the pharmaceutical and biotechnology industry. The company is considering Covington for the relocation of its headquarters operation which would consolidate multiple locations and expand operations to accommodate growth.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased
 Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$16,069,105	\$32,138,210
\$2,500,000	\$2,500,000
\$1,672,000	\$1,672,000
\$115,000	\$115,000
\$20,356,105	\$36,425,210

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	150	\$40.00	
1	150	\$40.00	\$500,000
2	150	\$40.00	\$1,250,000
3	150	\$40.00	\$1,250,000
4	300	\$40.00	\$1,250,000
5	300	\$40.00	\$1,250,000
6	300	\$40.00	\$1,500,000
7	500	\$40.00	\$1,500,000
8	500	\$40.00	\$1,750,000
9	500	\$40.00	\$1,750,000
10	500	\$40.00	\$2,000,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$14,000,000

County Type:
Other

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

Ownership (20% or more):
CTI Holdings, Inc. Cincinnati, OH

Active State Participation at the project site: None

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

Unemployment Rate
County: 4.4% Kentucky: 5.4%

Existing Presence in Kentucky: None

Special Conditions:
The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 39 full-time, Kentucky resident employees as of the application date.