



## CABINET FOR ECONOMIC DEVELOPMENT

**Matthew G. Bevin**  
Governor

Old Capitol Annex  
300 West Broadway  
Frankfort, Kentucky 40601  
ThinkKentucky.com

**Erik Dunnigan**  
Acting Secretary

### MEMORANDUM

**TO:** KEDFA Members

**FROM:** Katie Smith, Executive Director  
Office of Financial Services *KS*

**DATE:** October 19, 2016

**SUBJECT:** **KEDFA Board Meeting**

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The Kentucky Economic Development Finance Authority's next regular board meeting is scheduled for **Thursday, October 27, 2016** at the Cabinet for Economic Development, Old Capitol Annex, 300 West Broadway in Frankfort. The meeting will convene at 10:00 a.m. (EDT) in the Board of Directors Conference Room.

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



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

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

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**AGENDA**  
**October 27, 2016**

**Call to Order**  
**Notification of Press**  
**Roll Call**

**Approval of Minutes**

1. Minutes from September 29, 2016 Regular Session
2. Minutes from September 29, 2016 Executive Session

**Reports**

- 
- |  |             |
|--|-------------|
| 3. Approved / Undisbursed Loan Report                        | Don Goodin  |
| 4. Financial Statements, Monitoring Reports and Audit Report | Katie Smith |

**TIF Project (Final)**

Kimberly Gester / Kylee Palmer

- 
- |   |         |
|---|---------|
| 5. Gateway Commons                        | Daviess |
| Department of Finance – City of Owensboro |         |

**TIF Project (Amendment)**

Bobby Aldridge

- 
- |  |        |
|--|--------|
| 6. WKU Gateway to Downtown Bowling Green                       | Warren |
| Warren County Downtown Economic<br>Development Authority, Inc. |        |

**KEDFA IRB (Amending Inducement and Final)**

Don Goodin

- 
- |                                    |  |
|------------------------------------|--|
| 7. Baptist Healthcare System, Inc. |  |
|------------------------------------|--|

**High-Tech Pool Projects**

Don Goodin

- 
- |  |         |
|--|---------|
| 8. Kentucky Science and Technology Corporation | Fayette |
|--|---------|

**EDB Project**

Michelle Elder

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- |                                  |          |
|----------------------------------|----------|
| 9. Lakeshore Equipment Company   | Woodford |
| dba Lakeshore Learning Materials |          |

**Local IRB Project (Final)**

Michelle Elder

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- |                                  |          |
|----------------------------------|----------|
| 10. Lakeshore Equipment Company  | Woodford |
| dba Lakeshore Learning Materials |          |

**KEIA Projects (Extension)**

Bobby Aldridge

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|   |           |
|---|-----------|
| 11. Tower Automotive                    | Nelson    |
| Fuel Total Systems Kentucky Corporation | Marion    |
| Bonfiglioli USA                         | Boone     |
| Heaven Hill Distilleries, Inc.          | Nelson    |
| L'Oreal USA Products, Inc.              | Kenton    |
| Peristyle, LLC                          | Woodford  |
| Peristyle, LLC                          | Woodford  |
| Brown-Forman Corporation                | Jefferson |
| Brown-Forman Corporation                | Jefferson |
| Corning Incorporated                    | Boyle     |

**KEIA Project**

Alec Germond / Lynda Cunningham

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|                                    |         |
|------------------------------------|---------|
| 12. James C. Burris Architects LLC | Madison |
|------------------------------------|---------|

**KBI Projects (Preliminary) & KEIA Projects**


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|   |       |                                 |
|---|-------|---------------------------------|
| 13. Greenwood Marketing, LLC<br>dba Restorative Medical | Meade | Frank Tate / Michelle Elder     |
| 14. Greenwood Marketing, LLC<br>dba Restorative Medical | Meade |                                 |
| 15. Templar Manufacturing, LLC                          | Logan | Frank Tate / Michelle Elder     |
| 16. Templar Manufacturing, LLC                          | Logan |                                 |
| 17. MACA Plastics, Inc.                                 | Mason | Marlene Duffy / Debbie Phillips |
| 18. MACA Plastics, Inc.                                 | Mason |                                 |

**KBI Projects (Preliminary)**


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|                               |         |                             |
|-------------------------------|---------|-----------------------------|
| 19. American Metal Works, LLC | Johnson | Robyn Lee / Debbie Phillips |
| 20. Harlan Wood Products LLC  | Harlan  | Joan Ward / Debbie Phillips |
| 21. WITHDRAWN                 |         |                             |
| 22. Wink Equipment, Inc.      | Hopkins | Frank Tate / Michelle Elder |

**KBI Projects (Extension)**

Michelle Elder

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|  |           |
|--|-----------|
| 23. Harry Gordon Steel Company           | Clark     |
| Industrial Automation, LLC               | Simpson   |
| International Crankshaft, Inc.           | Scott     |
| iwis Engine Systems, LP                  | Calloway  |
| Omnicare, Inc.                           | Barren    |
| Best Sanitizers, Inc.                    | Boone     |
| RxC Acquisition Company dba RxCrossroads | Jefferson |
| Sumitomo Electric Wiring Systems, Inc.   | Fayette   |
| Ticona Polymers, Inc.                    | Boone     |
| YH America, Inc. (Sealant Division)      | Woodford  |

**KBI Projects (Final)**

Debbie Phillips

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|  |            |
|--|------------|
| 24. CBS Interactive Inc.                                 | Jefferson  |
| 25. Confluent Health, LLC                                | Jefferson  |
| 26. Homecare Products, Inc. dba EZ-ACCESS                | Union      |
| 27. Santa Rosa Systems, Inc.                             | Bullitt    |
| 28. Sherwood Midwest, LLC                                | Boone      |
| 29. WITHDRAWN  |            |
| 30. SRC of Lexington, Inc.                               | Fayette    |
| 31. Wacker Chemical Corporation                          | Marshall   |
| 32. Westpack, LLC  | Kenton     |
| 33. Vogelsang Corporation                                | Montgomery |
| 34. Constellium-UACJ ABS LLC                             | Warren     |
| 35. Sazerac Distillers, LLC                              | Daviess    |
| 36. Soelberg Industries of Kentucky, L.L.C.              | Laurel     |
| 37. TWB Company, LLC<br>dba TWB Company of Michigan, LLC | Barren     |
| 38. Aperture Credentialing, LLC                          | Jefferson  |
| 39. Champion Petfoods USA, Inc.                          | Logan      |
| 40. Computershare Inc.                                   | Jefferson  |

**KIRA Project (Preliminary)**

41. WITHDRAWN

**KSBTC**

Tim Back

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|                                   |           |
|-----------------------------------|-----------|
| 42. Anglers Outpost, LLC          | Garrard   |
| Dukes A&W Enterprises, LLC        | Jefferson |
| Forty4, LLC                       | Fayette   |
| Information Capture Solutions LLC | Laurel    |
| Integrated Engineering, PLLC      | Fayette   |
| Mr. C. Refrigeration, Inc.        | Jefferson |
| Sizemore & Sizemore, PLLC         | Marion    |
| TSC, LLC                          | Rowan     |
| West Sixth Brewing Company, LLC   | Fayette   |

**Kentucky Angel Investment Act Program**

Tim Back

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|                             |       |                      |
|-----------------------------|-------|----------------------|
| 43. Ferguson, James Michael | Boone | Double Double D, LLC |
|-----------------------------|-------|----------------------|

**Kentucky Collateral Support Program**

Don Goodin

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|   |       |
|---|-------|
| 44. Kentucky River Community Care, Inc. | Perry |
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**Executive Session**

45.

**Other Business**

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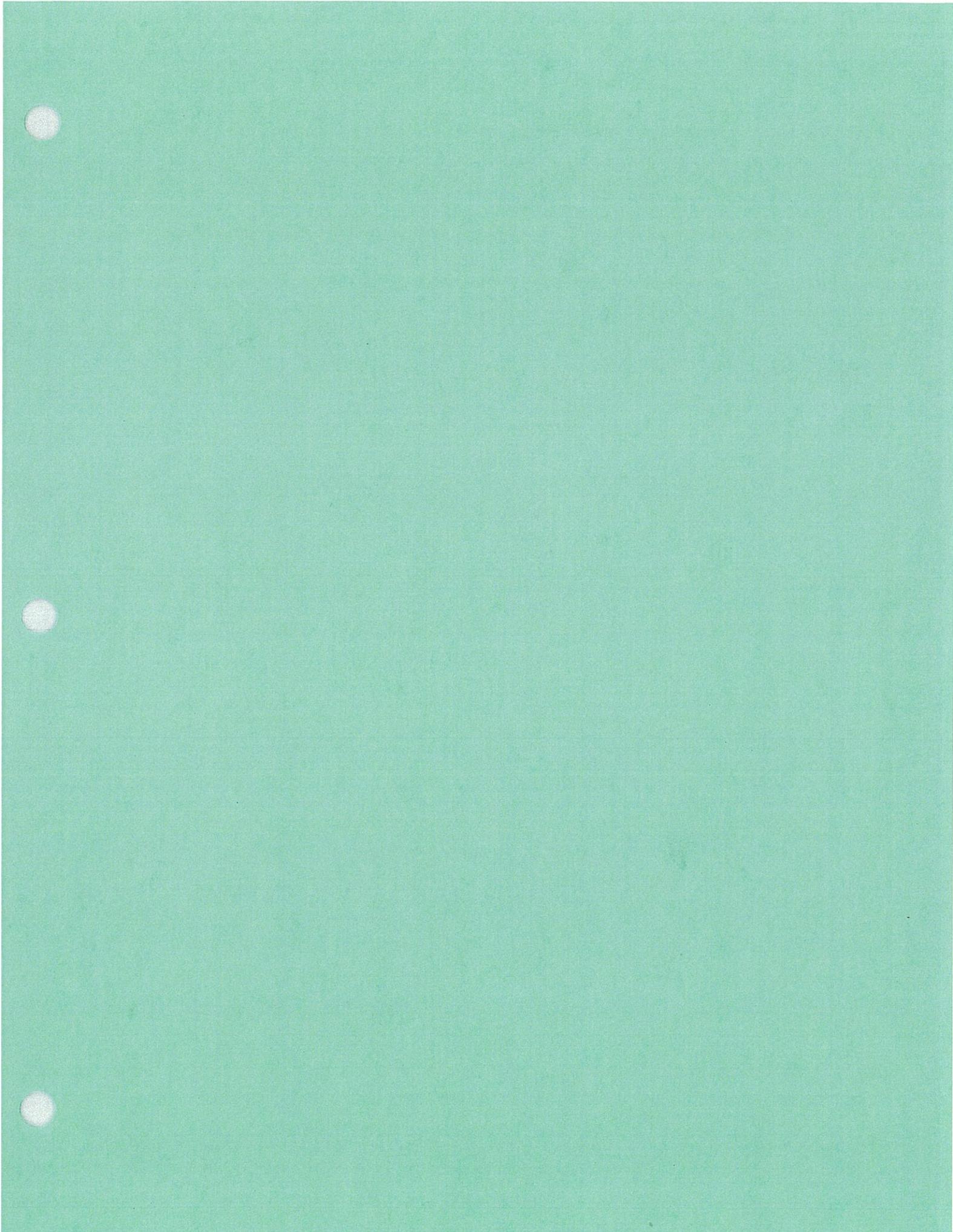
46. Quarterly Kentucky Small Business Credit Initiative (KSBCI)  
Funding Report

Don Goodin

47. Quarterly Amendment Report / Resolution

Caroline Baesler

**Adjournment**



# KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

## BOARD MEETING September 29, 2016

### MINUTES

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#### **Call to Order**

The Kentucky Economic Development Finance Authority (KEDFA) convened at 10:03 a.m. EST on September 29, 2016, at the Cabinet for Economic Development, Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, Kentucky.

#### **Notification of Press**

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

#### **Roll Call**

**Members Present:** Jean Hale, Aubrey Hayden, Edwin King, Proxy for Secretary William M. Landrum, III, Tucker Ballinger, Dorsey Hall and Joe Kelly

**Staff Present:** Bobby Aldridge, Tim Back, Caroline Baesler, Lynda Cunningham, Marlene Duffy, Michelle Elder, John Enochs, Alec Germond, Don Goodin, Lisa Jones, Robyn Lee, Brandon Mattingly, Corky Peek, Debbie Phillips, Tess Simon, Katie Smith, Teresa Spreitzer, Mike Takahasha and Frank Tate

**Others Present:** Mike Herrington, Stites & Harbison; Alex Stafferini and Mark Franklin, Stoll Keenon Ogden; Liz Columbia, Office of Financial Management, Finance & Administration Cabinet; Daniel Briscoe, Dinsmore & Shohl; Craig Dawson, Powell County Industrial Development Authority; James D. Anderson, Jr., Powell County Judge Executive; Matt Yates, Louisville Forward; Quincy Catshaw, Denham Blythe; Gary Marsh, Masonic Homes of Kentucky, Inc.; Denny Griffin, Franklin-Simpson Industrial Development Authority and Dianne Timmering, Signature Healthcare

#### **Approval of Minutes**

Chairman Hale entertained a motion to approve the minutes from the August 25, 2016 regular KEDFA board meeting and closed session.

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

#### **Approved/Undisbursed Loans, Financial Statements and Monitoring Reports**

Chairman Hale called on Katie Smith to review the reports as of August 31, 2016.

After review, the Authority accepted the statements and reports as presented.

#### **KEDFA Industrial Revenue Bond (IRB) Project (Preliminary)**

Chairman Hale called on Mr. Goodin to present a KEDFA IRB preliminary project to the Authority.

### **Baptist Healthcare System Obligated Group**

Mr. Goodin referenced in the board material, a New Bond Issue Report related to KEDFA's proposed issuance of industrial revenue bonds in an aggregate principal amount not to exceed \$325,000,000 on behalf of Baptist Healthcare Systems Obligated Group. The bond proceeds will be used to finance various Baptist Healthcare System Projects and to partially refund the Kentucky Economic Development Finance Authority Hospital Revenue Bonds, Series 2009A. The specific projects and counties that will be impacted include Baptist Health Louisville in Jefferson County, Baptist Health Lexington in Fayette County, Baptist Health Paducah in McCracken County, Baptist Health Corbin in Whitley County, Baptist Health Richmond in Madison County and Baptist Health LaGrange in Oldham County.

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

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

Staff recommended the adoption of the KEDFA bond inducement resolution.

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

### **KEDFA IRB (Final)**

Chairman Hale called on Mr. Goodin to present a final KEDFA IRB project to the Authority.

#### **Masonic Home Independent Living II, Inc.**

##### **Jefferson County**

Mr. Goodin referenced in the board material a proposed New Bond Issue Report report related to the issuance of revenue bonds in an aggregate principal amount not to exceed \$140,000,000 for the benefit of Masonic Home Independent Living II, Inc. The bond proceeds will be used to finance the construction, installation and equipping of healthcare and health related facilities consisting of independent living units located on the Masonic Home campus in Louisville as well as refinance the Series 2011 and Series 2014 bonds. The Louisville/Jefferson County Metro Government adopted a resolution requesting KEDFA issue these bonds.

A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue was conducted at 9:00 a.m., September 29, 2016 at the Old Capitol Annex, Board of Directors Conference Room, 300 West Broadway in Frankfort, with no public comment.

If the financing is approved, KEDFA would serve as the conduit issuer of the bonds. The bonds would not constitute a general obligation of KEDFA and KEDFA would not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommended the adoption of the KEDFA bond final resolution.

Mr. Goodin introduced Daniel Briscoe, bond counsel and Gary Marsh from Masonic Homes and invited them to address the board regarding the project.

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

### **Kentucky Industrial Development Act (KIDA) (Amendment)**

Chairman Hale called on Bobby Aldridge to present a KIDA project amendment to the Authority.

#### **Haier U.S. Appliance Solutions d/b/a GE Appliances Jefferson County**

Mr. Aldridge stated General Electric Company received final approval for KIDA on April 26, 2012. On June 6, 2016, General Electric Company closed the sale of the assets of its GE Appliances business unit, headquartered at Appliance Park in Louisville, KY, the site of the incentivized project, to Qingdao Haier and its affiliates. The company containing the divested assets, Haier U.S. Appliance Solutions d/b/a GE Appliances, requested the new company become the incented company for the KIDA project.

Staff recommended approval of the KIDA amendment request.

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

### **Kentucky Business Incentives (KBI) Project (Amendment)**

Chairman Hale called on Mr. Aldridge to present a KBI project amendment to the Authority.

#### **UACJ Automotive Whitehall Industries, Inc. McCracken County**

Mr. Aldridge stated on December 10, 2015, KEDFA granted final approval to SRS Industries LLC, a Michigan corporation dba Whitehall Industries (SRS), to assist with the leasing and equipping of a new manufacturing facility in McCracken County. Following execution of the KBI Tax Incentive Agreement and effective on June 28, 2016, SRS merged with and into UACJ Automotive Whitehall Industries, Inc., a Delaware corporation and requested UACJ be designated as the approved company under the program. All other aspects of the project remain the same.

Staff recommended approval of the KBI amendment request.

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

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

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

Mr. Aldridge stated 5 companies requested additional time to complete the projects and asked that all be presented as one motion.

| <b>Company</b>   | <b>County</b> | <b>Extension</b> |
|--|---------------|------------------|
| Swedish Match North America, Inc.                      | Daviess       | 2 Month          |
| Country Boy Brewing, L.L.C.                            | Scott         | 9 Month          |
| Cannon Automotive Solutions – Bowling Green, Inc.      | Warren        | 12 Month         |
| Creform Corporation                                    | Scott         | 12 Month         |
| Premier Fire Protection (Retroactive to June 30, 2016) | McCracken     | 12 Month         |

Staff recommended approval of extension requests.

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

### **High-Tech Pool (Amendment)**

Chairman Hale called on Caroline Baesler to present a High-Tech Pool project amendment request to the Authority.

#### **Nucleus: Kentucky's Life Sciences and Innovation Center, LLC Jefferson County**

Ms. Baesler stated that in July 2007, KEDFA approved the designation of \$3,000,000 from the High-Tech Investment Pool for companies locating in the Nucleus Innovation Park located in Louisville, KY. In 2011, Nucleus requested that \$900,000 of those grant funds be reallocated for leasehold improvements and other designated expenses to build a long term health innovation center to be located on the Nucleus campus. After some challenges getting the innovation center up and running, there is now a plan in place to build and operate "The Thrive Center." The Thrive Center is a nonprofit community collaborative that will create an environment that spawns economic development through engagement with entrepreneurs in the long-term health field, host and promote a market of collaboration and shared innovation, and become a resource hub for the public on aging-care tech innovation. The Thrive Center has obtained commitments from a number of Louisville-based long-term healthcare companies and alliances to provide financial support of the center and has entered into a lease with Nucleus.

Nucleus requested an extension of time to April 30, 2017, for disbursements of the remaining grant funds of \$880,370 to permit construction of the Thrive Center with the allowable uses of funds remaining the same as prior approvals. Disbursements will be contingent upon approval of a grant agreement between Nucleus and Louisville/Jefferson County Metro Government to provide a rent subsidy in support of The Thrive Center.

Staff and the Acting Executive Director, Office of Entrepreneurship, recommended approval of the amendment request.

Ms. Baesler introduced Dianne Timmering and invited her to address the board regarding the project.

After discussion, Mr. Hall moved to decline the request for an amendment and instead moved to approve a new High-Tech Investment Pool agreement contingent upon a signed grant agreement between Nucleus and Louisville/Jefferson County Metro government providing a rent subsidy in support of The Thrive Center; Mr. Ballinger seconded the motion. Motion passed; unanimous.

### **KEIA Projects**

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

#### **The Huntington National Bank Kenton County**

Marlene Duffy stated The Huntington National Bank provides consumer, small business and commercial treasury management, wealth management, brokerage, trust and insurance services. The company also provides auto dealer, equipment finance, national settlement and capital market services that extend beyond its core states. The company is considering the

**Marlene Duffy  
Debbie Phillips**

renovation and relocation of its operation in Crestview Hills to its Madison Avenue facility in Covington.

Debbie Phillips stated the project investment is \$4,591,158 of which \$2,274,942 qualifies as KEIA eligible costs.

Staff recommended approval of the KEIA approved recovery amount of \$100,000 for construction materials and building fixtures.

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

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

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

#### **Scott Archery LLC Powell County**

**Robyn Lee  
Debbie Phillips**

Robyn Lee stated Scott Archery LLC manufactures high-end archery equipment. The company is considering the expansion of the existing facility to allow for the consolidation of its other operations and the upgrade of additional floor space to allow for potential growth to meet customer demand.

Ms. Phillips stated the project investment is \$4,325,500 of which \$3,013,000 qualifies as KBI eligible costs and \$1,128,718 qualifies as KEIA eligible costs. The highest jobs target over the term of the agreement is 60 with average hourly wages of \$12.00 including benefits. The state wage assessment participation is 5.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company will be required to maintain 90% of the total statewide, full-time, Kentucky resident employees at all company locations excluding the site of the project as of the date of preliminary approval.

Staff recommended preliminary approval of the KBI negotiated tax incentive amount of \$1,200,000 and approval of the KEIA approved recovery amount of \$40,000 for R&D and/or electronic processing equipment.

Ms. Lee introduced Craig Dawson and County Judge Executive James Anderson and invited them to address the board regarding the project.

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

### **KBI Projects (Preliminary)**

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

#### **Trend Offset Printing Services Inc. Boone County**

**Marlene Duffy  
Debbie Phillips**

Ms. Duffy stated Trend Offset Printing Services Inc. is engaged in printing rack publications, catalogs, brochures, magazines, direct mail advertising, college class schedules, newspaper inserts and other items on a job order basis. The company recently purchased Continental Web Press in Walton and is considering an expansion of the facility to increase production and contemplating the move of additional work from a few of its other plants across the country.

Ms. Phillips stated the project investment is \$9,250,000 of which \$1,750,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 90 with average hourly wages of \$25.00 including benefits. The state wage assessment participation is 2.25% and Boone County Fiscal Court will participate at 0.6%. The company will be required to maintain a base employment equal to the number of former full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

**Reynolds Manufacturing, Inc.  
Jefferson County**

**Tess Simon  
Michelle Elder**

Tess Simon stated Reynolds Consumer Products is a leading manufacturer of branded and store branded consumer products such as aluminum foil, waste bags, food storage bags, disposable tableware and disposable cookware. The company's flagship product, Reynolds Wrap® aluminum foil, holds the number one market position in the U.S. branded consumer foil market. The Louisville foil plant produces and packages all aluminum foil sold under the Reynolds Wrap® name. To keep up with the growth of the aluminum foil category and projected increases in production, the company is considering the expansion of its Louisville plant.

Michelle Elder stated the project investment is \$4,000,000 of which \$1,000,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 50 with average hourly wages of \$29.00 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 number of full-time, Kentucky resident employees as of the date of preliminary approval. The project will include multiple locations within Louisville/Jefferson County. Only investment costs incurred at 2827 Hale Avenue will be considered toward calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.

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

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

**UniFirst Corporation  
Daviness County**

**Frank Tate  
Michelle Elder**

Frank Tate stated UniFirst Corporation fulfills and personalizes orders for workwear and ancillary services for nearly 300,000 global customers. The company has grown significantly and is considering the expansion of its facility in Owensboro in order to serve its customer base more effectively.

Ms. Elder stated the project investment is \$12,000,000 of which \$5,000,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 25 with average hourly wages of \$19.50 including benefits. The state wage assessment participation is 3.0% and the City of Owensboro will participate at 1.0%. The company will be required to maintain

a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

**SCA Personal Care, Inc.  
Warren County**

**Corky Peek  
Michelle Elder**

Corky Peek stated SCA Personal Care, Inc., a leading global hygiene and forest products company, employs 44,000 people in over 100 countries across the globe. The company's Bowling Green plant manufactures adult incontinence products for retail and healthcare under the Tena brand name. The company is considering the installation of a new production line to increase production capacity, provide new products and improve its competitive position.

Ms. Elder stated the project investment is \$23,924,000 of which \$1,506,000 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 20 with average hourly wages of \$33.00 including benefits. The state wage assessment participation is 3.0% and the City of Bowling Green will participate at 1.0%. The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval.

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

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

**Taeyang America Corp.  
Simpson County**

**Corky Peek  
Michelle Elder**

Mr. Peek stated Taeyang Metal Industrial Co., Ltd. is a worldwide supplier of auto cold forging products and a leading supplier of automotive fasteners with operations in South Korea, China and India. The company is considering the establishment of a plant in Franklin to better serve its US customers.

Ms. Elder stated the project investment is \$15,587,500 of which \$7,007,500 qualifies as KBI eligible costs. The highest jobs target over the term of the agreement is 76 with average hourly wages of \$19.19 including benefits. The state wage assessment participation is 3.0% and the City of Franklin will participate at 1.0%.

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

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

**KBI Projects (Extension)**

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

Ms. Elder stated 9 companies requested additional time to complete the projects and asked that all be presented as one motion.

| <b>Company</b>                          | <b>County</b> | <b>Extension</b> |
|---|---------------|------------------|
| Computershare Inc.                      | Jefferson     | 6 Month          |
| Delta T Corporation dba Big Ass Fans    | Fayette       | 6 Month          |
| Innovative Manufacturing Services, Inc. | Barren        | 6 Month          |
| Life Safety Services, LLC               | Jefferson     | 6 Month          |
| Westpack, LLC                           | Kenton        | 6 Month          |
| XPO Logistics, Inc.                     | Campbell      | 6 Month          |
| XPO Logistics, Inc.                     | Jefferson     | 6 Month          |
| Berry Plastics Corporation              | Hopkins       | 12 Month         |
| ConeXus World Global, LLC               | Jefferson     | 12 Month         |

Staff recommended approval of the KBI extension requests.

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

### **Incentives for Energy Independence Act (IEIA) Project (Extension)**

Chairman Hale called on Mr. Goodin to present the IEIA project extension request to the Authority.

#### **RCC Big Shoal, LLC**

##### **Pike County**

Mr. Goodin stated RCC Big Shoal, LLC requested a 12 month extension of the project.

Staff recommended approval of the extension request retroactive to August 31, 2016.

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

### **KBI Project (Final)**

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

Ms. Phillips stated the following company requested KBI final approval:

#### **Graham Packaging Company, L.P.**

##### **Warren County**

Ms. Phillips stated Graham Packaging Company, L.P. requested final approval of its manufacturing project. A modification has been made since preliminary approval. The project has changed from an owned project to a leased project with no rent expense eligible. All other aspects of the project remain the same.

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

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

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

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

Mr. Back stated there are 7 Kentucky small businesses, from 5 counties with qualifying tax credits of \$62,400. The 7 businesses created 19 jobs and invested \$560,622 in qualifying

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

| <u>Qualified Small Business</u>     | <u>County</u> | <u>Beg. Emp.</u> | <u>Elig. Pos.</u> | <u>Average Hourly Wage</u> | <u>Qualifying Equipment or Technology</u> | <u>Tax Credit</u> |
|-------------------------------------|---------------|------------------|-------------------|----------------------------|---|-------------------|
| Bowden & Wood, PLLC                 | Jefferson     | 11               | 2                 | \$ 18.10                   | \$ 9,575                                  | \$ 7,000          |
| Breeders Farrier Supply, LLC        | Fayette       | 0                | 2                 | \$ 14.25                   | \$ 5,928                                  | \$ 5,900          |
| Grandpa Brands Company              | Boone         | 6                | 2                 | \$ 18.47                   | \$ 10,697                                 | \$ 7,000          |
| Haydon Materials Bardstown, LLC     | Nelson        | 15               | 8                 | \$ 14.76                   | \$ 387,934                                | \$ 25,000         |
| JR Buck Industries, LLC             | Fayette       | 9                | 2                 | \$ 19.25                   | \$ 108,205                                | \$ 7,000          |
| The Daily News Broadcasting Company | Warren        | 11               | 2                 | \$ 15.62                   | \$ 24,643                                 | \$ 7,000          |
| Visual Image Systems Company, LLC   | Jefferson     | 40               | 1                 | \$ 12.50                   | \$ 13,640                                 | \$ 3,500          |

Staff recommended approval of the tax credits.

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

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

Chairman Hale called on Mr. Back to present the Kentucky Angel Investment Act Program projects to the Authority.

Mr. Back stated there are 2 Kentucky Angel Investment Act Program projects representing 2 Kentucky businesses and 2 individuals for a total projected investment of \$153,000 with eligible tax credits of \$71,200. The investor will have 60 calendar days in which to make the planned investment and 20 calendar days from the investment date in which to 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:

| <u>Qualified Small Business</u><br><u>Qualified Investor(s)</u> | <u>County</u> | <u>Projected Investment</u> | <u>Tax Credit</u> |
|---|---------------|-----------------------------|-------------------|
| <u>First Care Holding, LLC</u><br>Gerald J. Carlon              | Laurel        | \$100,000                   | \$50,000          |
| <u>Sunstrand, LLC</u><br>Paul J. Bickel, III                    | Jefferson     | \$ 53,000                   | \$21,200          |

Staff recommended approval of the proposed tax credits.

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

Ms. Smith introduced employee Mike Takahashi, Executive Director, Asia Representative Office for the Kentucky Cabinet for Economic Development.

Ms. Smith announced that the December regular KEDFA board meeting will be held on December 8, 2016 at 10:00 a.m.

### **Executive Session**

Pursuant to KRS Section 61.810 (1) (C), Chairman Hale entertained a motion to enter into executive session to discuss proposed or pending litigation against or on behalf of the public agency.

Mr. Hayden moved to enter into Executive Session; Mr. Ballinger seconded the motion. Motion passed; unanimous.

The board entered into Executive Session at 10:45 a.m.

### **Regular Session**

Chairman Hale entertained a motion to return to Regular Session.

Mr. Ballinger moved to return to Regular Session; Mr. Hayden seconded the motion. Motion passed; unanimous.

The board returned to Regular Session at 11:03 a.m.

### **The Thompson Group Henderson County**

A motion was made by Mr. Hayden and seconded by Mr. Ballinger to approve the KEDFA Loan modification request by The Thompson Group for a 6 month extension of interest only payments retroactive to August 31, 2016 and ending February 28, 2017. The motion carried unanimously.

### **Adjournment**

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

Mr. Hayden moved to adjourn the September KEDFA board meeting; Mr. Hall seconded the motion. Motion passed; unanimous.

The meeting adjourned at 11:04 a.m.

**PRESIDING OFFICER:**

  
A handwritten signature in blue ink, appearing to read "Jean R. Hale", is written over a horizontal line. The signature is stylized and cursive.

Jean Hale, Chairman



**Approved Undisbursed List**  
Sep-16

**KEDFA LOANS**

|   | Applicant                                    | Form # | County   | Date<br>Approved | Commitment<br>Expires | Amount    | Jobs |
|---|--|--------|----------|------------------|-----------------------|-----------|------|
| 1 | City of Shepherdsville                       | 21008  | Bullitt  | Apr-16           | Apr-17                | 3,500,000 |      |
| 2 | Logan Corporation                            | 21152  | Magoffin | Jun-16           | Jun-17                | 1,100,000 |      |
| 3 | Southeast KY Industrial Dev. Authority, Inc. | 21185  | Knox     | Jul-16           | Jul-17                | 2,000,000 |      |

**SMALL BUSINESS LOANS**

|  | Applicant | Form # | County | Date<br>Approved | Commitment<br>Expires | Amount | Jobs |
|--|-----------|--------|--------|------------------|-----------------------|--------|------|
|  | None      |        |        |                  |                       |        |      |

|                            |                  |
|----------------------------|------------------|
| <b>TOTAL COMMITMENTS 3</b> | <b>6,600,000</b> |
|----------------------------|------------------|



Tab #4

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**  
**STATEMENT OF NET POSITION**  
**9/30/2016**

|  | FUND A               | BOND<br>FUND         | Small Bus.<br>Loan Pool | KEDFA<br>9/30/16     | OOE<br>9/30/16      | COMBINED<br>9/30/16  |
|--|----------------------|----------------------|-------------------------|----------------------|---------------------|----------------------|
| <b><u>ASSETS</u></b>                               |                      |                      |                         |                      |                     |                      |
| <b>Cash &amp; Accounts Receivable</b>              |                      |                      |                         |                      |                     |                      |
| Operating Account                                  | (88,879.74)          |                      |                         | (88,879.74)          | 0.00                | (88,879.74)          |
| Cash   | 3,413,010.02         | 14,256,571.98        | 395,955.06              | 18,065,537.06        | 0.00                | 18,065,537.06        |
| 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                 | 3,241,149.16        | 3,241,149.16         |
| High Tech LGEDF Pool                               | 0.00                 | 0.00                 | 0.00                    | 0.00                 | 4,043.89            | 4,043.89             |
| 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                         | 6,600,000.00         | 0.00                 | 0.00                    | 6,600,000.00         | 1,230,370.00        | 7,830,370.00         |
| <b>Total Cash &amp; Accounts Receivable</b>        | <b>9,924,130.28</b>  | <b>14,256,571.98</b> | <b>395,955.06</b>       | <b>24,576,657.32</b> | <b>4,613,063.05</b> | <b>29,189,720.37</b> |
| <b>Accrued Interest Receivable</b>                 |                      |                      |                         |                      |                     |                      |
| Loans  | 24,226.74            | 5,889.22             | 1.20                    | 30,117.16            | 1,890.49            | 32,007.65            |
| Investments  | 52.96                | 221.88               | 6.14                    | 280.98               | 0.00                | 280.98               |
| <b>Total Accrued Interest Receivable</b>           | <b>24,279.70</b>     | <b>6,111.10</b>      | <b>7.34</b>             | <b>30,398.14</b>     | <b>1,890.49</b>     | <b>32,288.63</b>     |
| <b>Notes Receivable</b>                            |                      |                      |                         |                      |                     |                      |
| Loans Receivable                                   | 17,994,062.62        | 1,624,500.19         | 646.52                  | 19,619,209.33        | 88,143.00           | 19,707,352.33        |
| (Allowance for Doubtful Accounts)                  | 0.00                 | 0.00                 | 0.00                    | (1,159,163.61)       | 0.00                | (1,159,163.61)       |
| <b>Total Notes Receivable</b>                      | <b>17,994,062.62</b> | <b>1,624,500.19</b>  | <b>646.52</b>           | <b>18,460,045.72</b> | <b>88,143.00</b>    | <b>18,548,188.72</b> |
| <b>TOTAL ASSETS</b>                                | <b>27,942,472.60</b> | <b>15,887,183.27</b> | <b>396,608.92</b>       | <b>43,067,101.18</b> | <b>4,703,096.54</b> | <b>47,770,197.72</b> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>              |                      |                      |                         | <b>443,000.00</b>    | <b>0.00</b>         | <b>443,000.00</b>    |
| <b><u>LIABILITIES</u></b>                          |                      |                      |                         |                      |                     |                      |
| <b>Accrued Salaries &amp; Compensated Absences</b> |                      |                      |                         | <b>355,518.86</b>    | <b>0.00</b>         | <b>355,518.86</b>    |
| <b>Accounts Payable</b>                            |                      |                      |                         | <b>1,000.00</b>      | <b>0.00</b>         | <b>1,000.00</b>      |
| <b>Intergovernment Payable</b>                     |                      |                      |                         | <b>0.00</b>          | <b>164,855.24</b>   | <b>164,855.24</b>    |
| <b>Grants Payable</b>                              |                      |                      |                         | <b>0.00</b>          | <b>0.00</b>         | <b>0.00</b>          |
| <b>Pension Liability</b>                           |                      |                      |                         | <b>7,492,000.00</b>  | <b>0.00</b>         | <b>7,492,000.00</b>  |
| <b>TOTAL LIABILITIES</b>                           |                      |                      |                         | <b>7,848,518.86</b>  | <b>164,855.24</b>   | <b>8,013,374.10</b>  |
| <b>DEFERRED INFLOWS OF RESOURCES</b>               |                      |                      |                         | <b>0.00</b>          | <b>0.00</b>         | <b>0.00</b>          |
| <b><u>NET POSITION</u></b>                         |                      |                      |                         |                      |                     |                      |
| <b>Beginning Balance</b>                           |                      |                      |                         | <b>34,062,296.85</b> | <b>4,395,900.70</b> | <b>38,458,197.55</b> |
| <b>Current Year Undivided Profits</b>              |                      |                      |                         | <b>1,599,285.47</b>  | <b>142,340.60</b>   | <b>1,741,626.07</b>  |
| <b>TOTAL NET POSITION</b>                          |                      |                      |                         | <b>35,661,582.32</b> | <b>4,538,241.30</b> | <b>40,199,823.62</b> |

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 September 30, 2016**

|  | FUND A              | BOND FUND       | Small Bus Loan Pool | OOE FUND          | FY 2016-2017 YEAR TO DATE | FY 2015-2016 YEAR TO DATE |
|--|---------------------|-----------------|---------------------|-------------------|---------------------------|---------------------------|
| <b>Operating Revenues - KEDFA</b>                |                     |                 |                     |                   |                           |                           |
| Interest Income/Loans                            | 15,098.56           | 2,930.39        | 4.56                | 0.00              | 52,397.97                 | 56,427.74                 |
| Interest Income/ Investments                     | 52.96               | 221.88          | 6.14                | 0.00              | 594.91                    | 455.51                    |
| Late Fees  | 0.00                | 0.00            | 0.00                | 0.00              | 0.00                      | 154.02                    |
| Application Fees                                 | 22,586.50           | 0.00            | 0.00                | 0.00              | 82,721.04                 | 86,298.00                 |
| Miscellaneous Income                             | 0.00                | 0.00            | 0.00                | 0.00              | 35.10                     | 54.61                     |
| <b>Total Operating Revenues - KEDFA</b>          | <b>37,738.02</b>    | <b>3,152.27</b> | <b>10.70</b>        | <b>0.00</b>       | <b>135,749.02</b>         | <b>143,389.88</b>         |
| <b>Operating Expenses - KEDFA</b>                |                     |                 |                     |                   |                           |                           |
| Salaries   | 89,647.36           |                 |                     |                   | 313,365.76                | 331,992.31                |
| Employee benefits                                | 60,753.78           |                 |                     |                   | 211,641.41                | 202,713.73                |
| Pension Liability Adjustment                     | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Other Personnel Costs                            | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Contracted Personal Services                     | 0.00                |                 |                     |                   | 9,399.40                  | 27,320.36                 |
| Utilities and Heating Fuels                      | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Rentals  | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Maintenance and Repairs                          | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Postage and Related Services                     | 0.00                |                 |                     |                   | 3.52                      | 6.00                      |
| Telecommunications                               | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Computer Services                                | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Supplies   | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Miscellaneous Services                           | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Travel   | 0.00                |                 |                     |                   | 658.46                    | 484.61                    |
| Miscellaneous Commodities                        | 0.00                |                 |                     |                   | 395.00                    | 295.00                    |
| 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                      |
| <b>Total Operating Expenses - KEDFA</b>          | <b>150,401.14</b>   | <b>0.00</b>     | <b>0.00</b>         | <b>0.00</b>       | <b>535,463.55</b>         | <b>562,812.01</b>         |
| <b>Income (Loss) from Operations - KEDFA</b>     | <b>(112,663.12)</b> | <b>3,152.27</b> | <b>10.70</b>        | <b>0.00</b>       | <b>(399,714.53)</b>       | <b>(419,422.13)</b>       |
| <b>Non-Operating Revenues (Expenses) - KEDFA</b> |                     |                 |                     |                   |                           |                           |
| Operating Transfer Out - General Fund            | 0.00                |                 |                     |                   | 0.00                      | 0.00                      |
| Transfer Due from Bonds                          | 0.00                |                 |                     |                   | 2,000,000.00              | 0.00                      |
| Grants Disbursed                                 | 0.00                |                 |                     |                   | 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                      |
| <b>Total Non-Operating Revenues (Expenses) -</b> | <b>0.00</b>         | <b>0.00</b>     | <b>0.00</b>         | <b>0.00</b>       | <b>2,000,000.00</b>       | <b>0.00</b>               |
| <b>CHANGE IN NET POSITION - KEDFA</b>            | <b>(112,663.12)</b> | <b>3,152.27</b> | <b>10.70</b>        | <b>0.00</b>       | <b>1,600,285.47</b>       | <b>(419,422.13)</b>       |
| <b>Operating Revenues (Expenses) - OOE</b>       |                     |                 |                     |                   |                           |                           |
| Interest Income - Loans                          |                     |                 |                     | 147.18            | 429.59                    | 426.99                    |
| Misc Income                                      |                     |                 |                     | 0.00              | 0.00                      | 0.00                      |
| Disbursements: Projects (Note 1)                 |                     |                 |                     | 0.00              | (50,000.00)               | (553,462.00)              |
| Repayments received from Projects                |                     |                 |                     | 44,407.10         | 159,807.10                | 127,500.00                |
|  |                     |                 |                     |                   |                           | 0.00                      |
| <b>Non-Operating Revenues (Expenses) - OOE</b>   |                     |                 |                     |                   |                           |                           |
| Operating Transfer in - OOE                      |                     |                 |                     | 0.00              | 0.00                      | 0.00                      |
| Transfer Due from Bonds                          |                     |                 |                     | 0.00              | 200,000.00                | 0.00                      |
| Operating Transfer Out - OOE                     |                     |                 |                     | (47,445.33)       | (167,896.79)              | (12,476.81)               |
| <b>CHANGE IN NET POSITION - OOE</b>              | <b>0.00</b>         | <b>0.00</b>     | <b>0.00</b>         | <b>(2,891.05)</b> | <b>142,339.90</b>         | <b>(438,011.82)</b>       |
| <b>CHANGE IN NET POSITION - COMBINED</b>         | <b>(112,663.12)</b> | <b>3,152.27</b> | <b>10.70</b>        | <b>(2,891.05)</b> | <b>1,742,625.37</b>       | <b>(857,433.95)</b>       |

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**  
**9/30/2016**

|  | <b>9/30/2015</b>       | <b>9/30/2016</b>       |
|--|------------------------|------------------------|
| <b>Fund A Cash Balance</b>                               | \$3,758,216.40         | \$3,413,010.02         |
| Less: Loans Closed This Month                            | <i>INCLUDED IN BAL</i> | <i>INCLUDED IN BAL</i> |
| Less: Approved/Undisbursed                               | 0.00                   | (1,100,000.00)         |
| <b>Total Unobligated Balance</b>                         | <b>\$3,758,216.40</b>  | <b>\$2,313,010.02</b>  |
| <b>2003 Bond Fund Cash Balance</b>                       | \$13,939,460.90        | \$14,256,571.98        |
| Less: Loans Closed This Month                            | 0.00                   | 0.00                   |
| Less: Approved/Undisbursed                               | 0.00                   | (5,500,000.00)         |
| <b>Total Unobligated Balance</b>                         | <b>\$13,939,460.90</b> | <b>\$8,756,571.98</b>  |
| <b>Small Business Loan Fund Cash Balance</b>             | \$388,132.11           | \$395,955.06           |
| Less: Loans Closed This Month                            | 0.00                   | 0.00                   |
| Less: Approved/Undisbursed                               | 0.00                   | 0.00                   |
| <b>Total Unobligated Balance</b>                         | <b>\$388,132.11</b>    | <b>\$395,955.06</b>    |
| <b>Bond Funds to be Provided for Loans</b>               | \$0.00                 | \$0.00                 |
| Less: Approved/Undisbursed                               | 0.00                   | 0.00                   |
| <b>Total Unobligated Balance</b>                         | <b>\$0.00</b>          | <b>\$0.00</b>          |
| Budget: Cash to be Transferred to Other CED Programs for | \$0.00                 | \$0.00                 |
| <b>CASH AVAILABLE</b>                                    | <b>\$18,085,809.41</b> | <b>\$11,465,537.06</b> |
| <b>OCI Fund Cash Balance</b>                             |                        |                        |
| High Tech Construction Pool                              | \$137,500.00           | \$137,500.00           |
| Less: Approved/Undisbursed                               | \$0.00                 | \$0.00                 |
| High Tech Investment Pool                                | \$3,319,898.93         | \$3,076,293.93         |
| Less: Approved/Undisbursed                               | (\$1,563,977.00)       | (\$1,820,372.00)       |
| LGEDF Pool   | \$4,043.88             | \$4,043.89             |
| Less: Approved/Undisbursed                               | \$0.00                 | \$0.00                 |
| Bond Funds to be Provided for Approved Projects          | \$1,380,370.00         | \$1,230,370.00         |
| Bond Funds Available for Projects                        | \$0.00                 | \$0.00                 |
| <b>Total Unobligated Balance</b>                         | <b>\$3,277,835.81</b>  | <b>\$2,627,835.82</b>  |
| <b>TOTAL ALL FUNDS</b>                                   | <b>\$21,363,645.22</b> | <b>\$14,093,372.88</b> |

Office of Compliance, Financial and Administrative Services  
 Monthly Monitoring Report as of September 30, 2016

**Financial Incentives Programs**

| Program       | Projects Contacted | Projects Monitored | Defaults | Repayments | Completed Exhibits |
|---------------|--------------------|--------------------|----------|------------|--------------------|
| KBI           | 62                 | 37                 | 0        | 0          | 10                 |
| IEIA          | 0                  | 0                  | 0        | 0          | 0                  |
| KEIA          | 32                 | 1                  | 0        | 0          | 2                  |
| KIDA          | 8                  | 0                  | 0        | 0          | 12                 |
| KJDA          | 4                  | 13                 | 0        | 0          | 2                  |
| KREDA         | 2                  | 21                 | 0        | 0          | 2                  |
| KIRA          | 0                  | 0                  | 0        | 0          | 0                  |
| KJRA          | 0                  | 0                  | 0        | 0          | 0                  |
| KIFA          | 1                  | 21                 | 0        | 0          | 0                  |
| KESA          | 0                  | 0                  | 0        | 0          | 0                  |
| KRA           | 5                  | 7                  | 0        | 0          | 0                  |
| KALA          | 0                  | 2                  | 0        | 0          | 0                  |
| TIF           | 19                 | 13                 | 0        | 0          | 0                  |
| <b>Totals</b> | <b>133</b>         | <b>115</b>         | <b>0</b> | <b>0</b>   | <b>28</b>          |

**Cash Based Programs**

| Program       | Projects Contacted | Projects Monitored | Defaults | Repayments | Completed Exhibits |
|---------------|--------------------|--------------------|----------|------------|--------------------|
| HTP           | 4                  | 0                  | 0        | 0          | 0                  |
| Direct Loans  | 0                  | 0                  | 0        | 0          | 0                  |
| EDB           | 17                 | 2                  | 0        | 0          | 0                  |
| <b>Totals</b> | <b>21</b>          | <b>2</b>           | <b>0</b> | <b>0</b>   | <b>0</b>           |

**Projects Contacted** - This category reflects phone calls, e-mails, or other less involved questions.

**Projects Monitored** - This category includes review of specific aspects of a project which requires research of a file or a more in-depth examination.

**Completed Exhibits** - Project's Fiscal Year End exhibits have been monitored for the year.

## Project Update Report

| Project  | County    | Approval Date | Exit Date  | Program |
|--|-----------|---------------|------------|---------|
| <u>General Products Corporation</u>  | Logan     | 4/28/2005     | 07/08/2016 | KREDA   |
| <u>Explanation: Company sent a letter that they had closed the business 6/30/2016 and was withdrawing from the KREDA program effective w/ last payroll of 7/8/2016</u> |           |               |            |         |
| <u>Southern Water Treatment Ser.</u>   | Shelby    | 1/26/2012     | 9/28/2016  | KBI     |
| <u>Explanation: Company withdrew from KBI Program per email dated 9/28/16.</u>   |           |               |            |         |
| <u>FarmedHere, LLC</u>   | Jefferson | 1/28/2014     | 8/18/2016  | KBI     |
| <u>Explanation: The Company decided not to move forward with KBI Incentives.</u>   |           |               |            |         |
| <u>Transposagen Biopharmaceutical</u>  | Fayette   | 3/31/2011     | 9/19/2016  | KBI     |
| <u>Explanation: Company withdrew from KBI Program per email dated 9/19/2016.</u>   |           |               |            |         |

## Project Update Report

| Project   | County    | Approval Date | Exit Date  | Program |
|---|-----------|---------------|------------|---------|
| <u>Union County Livestock</u>   | Union     | 06/24/2016    | 9/30/2016  | KBI     |
| <u>Explanation: Company sent letter on 9/30/2016 advising they will not be able to meet the qualifications of the program and requested to terminate (treated as a withdrawal)</u>        |           |               |            |         |
| <u>Edumedics LLC</u>  | Jefferson | 12/11/2014    | 10/07/2016 | KBI     |
| <u>Explanation: Company withdrew from KBI Program per email dated 9/16/2016.</u>  |           |               |            |         |
| <u>Campbell Hausfeld/Scott Fetzer Co.</u>   | Grayson   | 8/28/2014     | 10/13/2016 | KBI     |
| <u>Explanation: Company has restructured and unable to meet the employment base and minimum requirements at activation. Company withdrew from KBI Program per email dated 10/13/2016.</u> |           |               |            |         |

**Kentucky Enterprise Initiative Act (KEIA) Projects  
Fiscal 2017**

|   |            |
|---|------------|
| KEDFA Meeting date                            | 10/27/2016 |
| Total Projects Approved Fiscal Year-to-Date   | 18         |
| Number of Proposed Projects for Current Month | 4          |

Construction Materials and Building Fixtures

|  |                            |
|--|----------------------------|
| Fiscal Year Cap                                | \$20,000,000               |
| Approved Fiscal Year-to-Date                   | \$3,796,000                |
| Committed Amount                               | <u>\$0</u>                 |
| Balance Available for Current Month            | \$16,204,000               |
| Proposed Approval for Current Month            | <u>\$177,000</u>           |
| Balance Available for Remainder of Fiscal Year | <u><u>\$16,027,000</u></u> |

Research & Development and Electronic Processing Equipment

|  |                           |
|--|---------------------------|
| Fiscal Year Cap                                | \$5,000,000               |
| Approved Fiscal Year-to-Date                   | \$269,000                 |
| Committed Amount                               | <u>\$0</u>                |
| Balance Available for Current Month            | \$4,731,000               |
| Proposed Approval for Current Month            | <u>\$0</u>                |
| Balance Available for Remainder of Fiscal Year | <u><u>\$4,731,000</u></u> |



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

**Date:** October 27, 2016  
**Preliminary Approval:** July 30, 2015  
**Applicant:** Department of Finance of the City of Owensboro  
**Project Name:** Gateway Commons  
**City:** Owensboro **County:** Daviess  
**Program Type:** Mixed-Use Redevelopment in Blighted Urban Areas  
**TIF Term:** 20 years **OFS Staff:** Kylee Palmer  
**ORPA Staff:** Kimberly Gester

**Project Description:** Development is expected to include retail, office, and residential uses as well as 2 hotels and may include a community center. The project consists of 10 zones located on approximately 200 acres at the intersection of Highway 54 and the US-60 Bypass in Owensboro, Kentucky. The land is currently undeveloped, and will require a significant amount of public infrastructure improvements be made throughout the site and in the area.

The proposed development is expected to include approximately:

- 239,800 square feet of mixed-use space for retail
- 45,500 square feet for restaurant uses
- 55,000 square foot movie theater with a bowling alley
- 120,000 square feet of leasable office space
- 2 hotels each with 150 rooms
- 300 residential units

The construction is estimated to take place over the next nine years.

**Infrastructure:** Infrastructure costs total approx. \$62.1 million:

- Land preparation
- Sewers/storm drainage
- Provision of Utilities
- Public buildings/structure
- Roads
- Public space or parks
- Parking

**Consultant Report:** The project was reviewed by our independent consultant and determined to create a net new positive impact on the Commonwealth. The Office of State Budget Director and the Finance and Administration Cabinet approved the consultant's recommendations and have certified the report and the findings with their statutorily-required Certification of Net Positive Impact to the Commonwealth. The applicant has also reviewed the report and agrees with the findings and the amount eligible for recovery.

**Total Capital Investment:** \$198,857,200 **Type of Eligible Cost:** Public Infrastructure

**Increment Recovery:** The following taxes are available for recovery from the footprint over the TIF term through an 80% recovery, as based on the independent consultant analysis:

|  |                            |
|--|----------------------------|
| Withholding Tax                              | \$27,110,000               |
| Sales Tax                                    | \$100,694,000              |
| Real Estate Property Tax                     | \$1,030,000                |
| Estimated Baseline Revenues                  | <u>-\$189,000</u>          |
| Total Taxes Eligible                         | \$128,645,000              |
| Allowed Recovery Percentage                  | x 80%                      |
| Potential Increment Stream                   | <u>\$102,916,000</u>       |
| <b>Approved Cost:</b>                        | <b><u>\$20,571,000</u></b> |
| Potential Increment Stream to Approved Cost: | \$5.00                     |

Please note only amounts deemed as public infrastructure are eligible for recovery through increments as outlined above. No state taxes shall be eligible for recovery until the minimum capital investment of \$20,000,000 (but not to exceed \$200,000,000) has been verified as being invested in the development area.



## MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge 

DATE: October 27, 2016

SUBJECT: Proposed Amendment to the WKU Gateway to Downtown Bowling Green's Signature Tax Increment Financing Project

WKU Gateway to Downtown Bowling Green redevelopment project is a Signature TIF, built upon a revitalization strategy developed by the City of Bowling Green in 2002. The TIF project is an approximately \$404 million planned development across 33 blocks in downtown Bowling Green. Center Street serves as the defined gateway from Western Kentucky University (WKU) to downtown Bowling Green. Extending seven blocks, Center Street connects the University to the center of downtown and will include car traffic, bicycle paths, pedestrian sidewalks, and decorative streetlights and benches. The TIF district continues the Center Street Gateway for an additional six blocks to the Barren River and then extends to the east to include the downtown medical community.

The project consists of a mix of uses including educational, office, medical, entertainment, hospitality, retail, residential and restaurant space. Public infrastructure costs are estimated at \$149 million and include parking, public buildings, curbs, sidewalks, sewer and storm water improvements, utilities and public amenities.

The Warren County Downtown Economic Development Authority is requesting approval of an amendment to the Signature Tax Increment Financing Project Grant Agreement. The Signature TIF received approval by the State TIF Commission on October 19, 2007.

This project has received the following amendments:

- On October 30, 2008, the Authority granted the Agency's request to expand the Development Area and the Project Footprint, increased the approved costs, and amended the description and scope of the Original Project.
- On January 28, 2010, the Authority authorized a reduction to the minimum capital investment requirements (for projects with an agreement in place prior to January 1, 2008) to an amount not less than \$150,000,000.
- On October 30, 2014, the Authority approved the Agency's request to remove Corporate Income and Limited Liability Entity Taxes from the computation of the Incremental Revenues.

Warren County Downtown Economic Development Authority is requesting an amendment to the WKU Gateway to Downtown Bowling Green Signature Tax Increment Financing (TIF) Project to:

1. Change the distribution of the approved incentives without adjusting the total amount.

**Approved Incentives**

|                           | 2007<br>Original     | 2008<br>Amend       | Total Approved<br>to Date | 2016<br>Amendment    |
|---------------------------|----------------------|---------------------|---------------------------|----------------------|
| Public infrastructure     | \$81,639,266         | \$19,394,993        | \$101,034,259             | <b>\$101,034,259</b> |
| Signature costs           | \$4,991,500          | \$670,220           | \$5,661,720               | <b>\$5,661,720</b>   |
| Financing costs           | \$140,000,000        | \$38,837,337        | \$178,837,337             | <b>\$175,837,337</b> |
| Sales tax on construction |                      |                     |                           | <b>\$3,000,000</b>   |
| <b>Total</b>              | <b>\$226,630,766</b> | <b>\$58,902,550</b> | <b>\$285,533,316</b>      | <b>\$285,533,316</b> |

2. Change the allocation of approved signature costs without adjusting the total amount. Signature Costs represent a unique challenge in the financing of a project such that the project could not be developed without incentives. These costs include acquisition of land for infrastructure as well as costs associated with design and construction of infrastructure.

**Approved Signature Costs**

| BLOCK | PROJECT                               | Total<br>Approved<br>To Date | 2016<br>Amendment  |
|-------|---------------------------------------|------------------------------|--------------------|
| 5     | SKyPAC + Hotel + Market               |                              | <b>\$500,000</b>   |
| 6     | Mixed-Use with Garage                 | \$2,472,500                  | <b>\$0</b>         |
| 8     | Ballpark                              | \$2,519,000                  | <b>\$3,078,140</b> |
| 12    | Mixed-Use with Garage + Alumni Center |                              | <b>\$2,083,580</b> |
| 209   | Medical Center Expansion + Parking    | \$670,220                    | <b>\$0</b>         |
|       | <b>Total</b>                          | <b>\$5,661,720</b>           | <b>\$5,661,720</b> |

3. Modify the description of the project previously captured as Exhibit A of the Grant Agreement. Changes in the project include:
  - Additional hotels with 108 rooms
  - 3 additional parking garages
  - Western Kentucky University Alumni conference center
  - 10,000 new square feet of public use space
  - 83,000 less square feet of office space
  - 200,000 less square feet of retail
  - 11,700 less square feet of restaurant space

Staff recommends approval to change the distribution of the approved incentives, reallocation of the approved signature costs and modification of the Project description.



Tab #7

**MEMORANDUM**

**TO:** KEDFA Board

**FROM:** J. Don Goodin, Director   
Incentive Assistance Division

**DATE:** October 27, 2016

**SUBJECT:** Hospital Revenue and Refunding Bonds, Series 2016C  
(Baptist Healthcare System, Inc.) – \$445 million – Amending Inducement  
Resolution and Final Resolution

Attached is a draft New Bond Issue Report related to KEDFA's proposed issuance of hospital revenue and refunding bonds in an aggregate principal amount not to exceed \$445 million on behalf of Baptist Healthcare System, Inc. The bond proceeds will be used to finance various Baptist Healthcare System Projects and to partially refund the Kentucky Economic Development Finance Authority Hospital Revenue Bonds, Series 2009A. The specific projects and counties that will be impacted include Baptist Health Louisville in Jefferson County, Baptist Health Lexington in Fayette County, Baptist Health Paducah in McCracken County, Baptist Health Corbin in Whitley County, Baptist Health Richmond in Madison County, Baptist Health LaGrange in Oldham County and Baptist Health Support Services in Jefferson County. The project has changed since the inducement resolution, thus the amending inducement resolution includes the following:

- Increase the maximum authorized par amount of the bonds from \$325,000,000 to \$445,000,000 to provide for additional portions of the new projects and refunding of additional maturities of the prior bonds
- Increase the maximum term of the bonds from 30 years to 35 years

Local resolutions have been adopted requesting KEDFA issue these bonds by the following entities: 1) City of Berea, 2) City of Corbin, 3) City of La Grange, 4) Lexington-Fayette Urban County Government, 5) City of Paducah, 6) City of Richmond and 7) City of St. Matthews. A TEFRA hearing for the purpose of receiving public comment on the proposed bond issue will be conducted by KEDFA staff on October 27, 2016 prior to KEDFA's adoption of a final resolution.

If the financing is approved, KEDFA would serve as the conduit issuer of the bonds. The bonds would not constitute a general obligation of KEDFA and KEDFA would not be obligated to pay principal or interest for the bonds from its own funds.

Staff recommends KEDFA's adoption of the amending inducement resolution and the final bond resolution.

DRAFT

Hall Render Draft #4  
10/24/2016

**KEDFA BOND INFORMATION FORM**

**Name of Issue:** Kentucky Economic Development Authority Hospital Revenue and Refunding Bonds, Series 2016C (Baptist Healthcare System Obligated Group)

**Name of project(s) covered by Issue:** Various Baptist Healthcare System Projects – See Exhibits A-1 and A-2

**Purpose of Issue:** To finance various Baptist Healthcare System Projects throughout Kentucky and to partially refund the Kentucky Economic Development Finance Authority Hospital Revenue Bonds, Series 2009A

**Size:** Not to Exceed \$445,000,000

**Proposed date of Sale:** December 6, 2016

**Proposed date of issue:** December 20, 2016

**Maturity:** August 15, 2051

**Ratings:** A3 (Moody's) / A+ (Fitch)

**Security:** Master Trust Indenture Obligation of Baptist Healthcare System, secured by a pledge of revenues of the Obligated Group

**Date authorization(s):**

Net Proceeds for Project:

Plus: Issuance Cost

**GROSS PROCEEDS:**

**Terms of issue:**

**Net interest rate:** 5.0%

**Length of term:** 35 years

**Gross debt service amount:** \$944,368,273

**Average annual debt service:** \$26,981,951

**First call date:** August 15, 2026

**Premium at first call:** None

**Security:** See above

**Method of sale:** Negotiated

**Purchasers:** Bank of America Merrill Lynch, BB&T Capital Markets, Hilliard Lyons, U.S. Bancorp

DRAFT

## Professional Services

Pursuant to the provisions of KRS Chapter 47, the

Agency: Kentucky Economic Development Finance Authority  
Issue: Hospital Revenue and Refunding Bonds, Series 2016C (Baptist Healthcare System Obligated Group)

is providing information on all costs associated, either directly or indirectly, with the issuance of revenue bonds or notes.

| <u>Payee Name Address*</u>   | <u>Participation</u>              | <u>Fees, commissions, or any other economic benefits received or anticipated to be received</u> |
|--|-----------------------------------|---|
| Kentucky Economic Development Finance Authority<br>Old Capitol Annex<br>300 West Broadway<br>Frankfort, KY 40601     | Issuance Fee                      |   |
| Hall, Render, Killian, Heath & Lyman, P.C.<br>One American Square<br>Suite 2000, Box 82064<br>Indianapolis, IN 46282 | Bond Counsel Fee and Expenses     |   |
| Stoll Keenon Ogden PLLC<br>500 West Jefferson Street<br>2000 PNC Plaza<br>Louisville, KY 40202                       | Borrower Counsel Fee and Expenses |   |
| U.S. Bank National Association<br>209 South LaSalle Street, Suite 200<br>Chicago IL 60604                            | Trustee's Fee                     |   |
| Stites & Harbison PLLC<br>400 West Market Street, Suite 1800<br>Louisville, KY 40202                                 | Issuer's Counsel Fee and Expenses |   |
| Hammond Hanlon Camp LLC<br>623 Fifth Avenue, 29 <sup>th</sup> Floor<br>New York, NY 10022                            | Financial Advisory Fee            |   |
| Senior Manager<br>Bank of America Merrill Lynch<br>One Bryant Park<br>New York, NY 10036                             | Underwriter's Discount            |   |
| Co-Manager<br>BB&T Capital Markets<br>901 East Byrd Street, Suite 260<br>Richmond, VA 23219                          |                                   |   |
| Co-Manager<br>Hilliard Lyons<br>500 West Jefferson Street, 8 <sup>th</sup> Floor<br>Louisville, KY 40202             |                                   |   |
| Co-Manager<br>U.S. Bancorp<br>209 South LaSalle Street   |                                   |   |

Chicago, IL 60604

Chapman and Cutler LLP  
111 West Monroe Street  
Chicago, IL 60603

Underwriter's Counsel Fee and  
Expenses

- \* Payees listed shall include issuers, underwriters, placement agents and advisors, financial advisors, remarketing agents, credit enhancers, trustees, accountants, and the counsel of all such persons, bond counsel, special tax counsel, and any other persons receiving financing benefit from the issuance of revenue bonds or notes.

Note: Changes or additions in amounts or names of payees or recipients shall be furnished to the Capital Projects and Bond Oversight Committee and the Interim Joint Committee on Appropriations and Revenue. and shall be made available to the public, within three (3) days following such change or addition.

**SOURCES AND USES (attach)**

|          |               |               |
|----------|---------------|---------------|
| Sources: | Bond Proceeds | \$445,726,201 |
|          | Total Sources | \$445,726,201 |

Debt Service: (Attach)

|       |                           |               |
|-------|---------------------------|---------------|
| Uses: | Projects                  | \$314,000,000 |
|       | Refunding of 2009A Bonds  | \$87,259,488  |
|       | Debt Service Reserve Fund | \$35,682,000  |
|       | Cost of Issuance          | \$8,784,713   |
|       | Total Uses                | \$445,726,201 |

FOR REFUNDING ONLY

**Bond issue being refinanced:** A portion of the Kentucky Economic Development Finance Authority Hospital Revenue Bonds, Series 2009A (Baptist Healthcare System Obligated Group)

**Amount of principal:** \$82,120,000                      **Amount to be refunded:** \$80,055,000

**Terms of existing bond issue:**

**Net interest rate:** 5.44%                      **Length of term:** 11 years  
(August 15, 2027)

**First call date:** 8/15/2018                      **Call at par** Yes

**Average annual debt service** 9,625,507

REFUNDING ACTIVITY

Funds to apply to refunding:

Proceeds from New Bonds \$88,906,201

Released Debt Service Reserve \$ 0

Total Available to Pay Old Bond Issue \$ 88,906,201

SAVINGS RESULTING FROM REFINANCING

Average annual debt service savings: \$159,160

Number of years savings will accrue: 11 years

Total present value savings: \$1,479,373

## EXHIBIT A-1

### NEW PROJECTS

Proceeds of the new money portion of the Bonds may be used to finance all or any portion of the purchase, acquisition, construction, enlargement, remodeling, renovation, improvement, furnishing or equipping of the hospitals, other health facilities, and their related facilities, including land, owned or operated by Baptist Health or its affiliates and generally located at the addresses, all as described below:

1. Baptist Health Louisville, generally located at 4000 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$20,000,000 maximum principal amount).
  - a. Expansion, renovation and equipping of emergency room
2. Baptist Health Lexington, generally located at 1740 Nicholasville Road, Lexington, Fayette County, Kentucky (\$95,000,000 maximum principal amount).
  - a. Unreimbursed costs associated with the construction and equipping of the seven-story new bed tower, parking facilities and associated support systems
  - b. Build out and equipping of the cancer center, seventh floor of bed tower, morgue, retail pharmacy, small café and construction of a pedway between the north parking garage and bed tower
  - c. Renovation and equipping of medical telemetry unit
  - d. Expansion and renovation of orthopedic services department
3. Baptist Health Paducah, generally located at 2501 Kentucky Avenue, Paducah, McCracken County, Kentucky (\$25,000,000 maximum principal amount).
  - a. Construction and equipping of outpatient oncology and chemotherapy department
  - b. Construction and equipping costs associated with expansion of neonatal intensive care unit
4. Baptist Health Corbin, generally located at 1 Trillium Way, Corbin, Whitley County, Kentucky (\$20,000,000 maximum principal amount).
  - a. Outpatient and chemotherapy, and purchase of equipment
  - b. Repair, update and correct infrastructure and power systems

5. Baptist Health Richmond, generally located at 801 Eastern Bypass, Richmond, Madison County, Kentucky (\$25,000,000 maximum principal amount).
  - a. Campus improvement project, including expansion of the emergency department, and renovation and relocation projects for laboratory, women's care, operating rooms, outpatient diagnostic services, lobbies, corridors and facades, and purchase of equipment
6. Berea, Kentucky, 13.96 acres of land, generally located at the intersection of Village Drive and Walnut Creek Drive, off Walnut Meadow Road, near Exit 77 off Interstate 75, in Berea, Madison County, Kentucky (\$1,000,000 maximum principal amount).
7. Baptist Health LaGrange, generally located at 1025 New Moody Land, LaGrange, Oldham County, Kentucky (\$3,000,000 maximum principal amount).
  - a. Renovation, reconfiguring and equipping of women's service areas
8. Baptist Health Support Services, generally located at 4007 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$125,000,000 maximum principal amount).
  - a. Purchase and implementation of EPIC Information Systems, to be used at locations throughout the system

## EXHIBIT A-2

### PRIOR BONDS TO BE REFUNDED

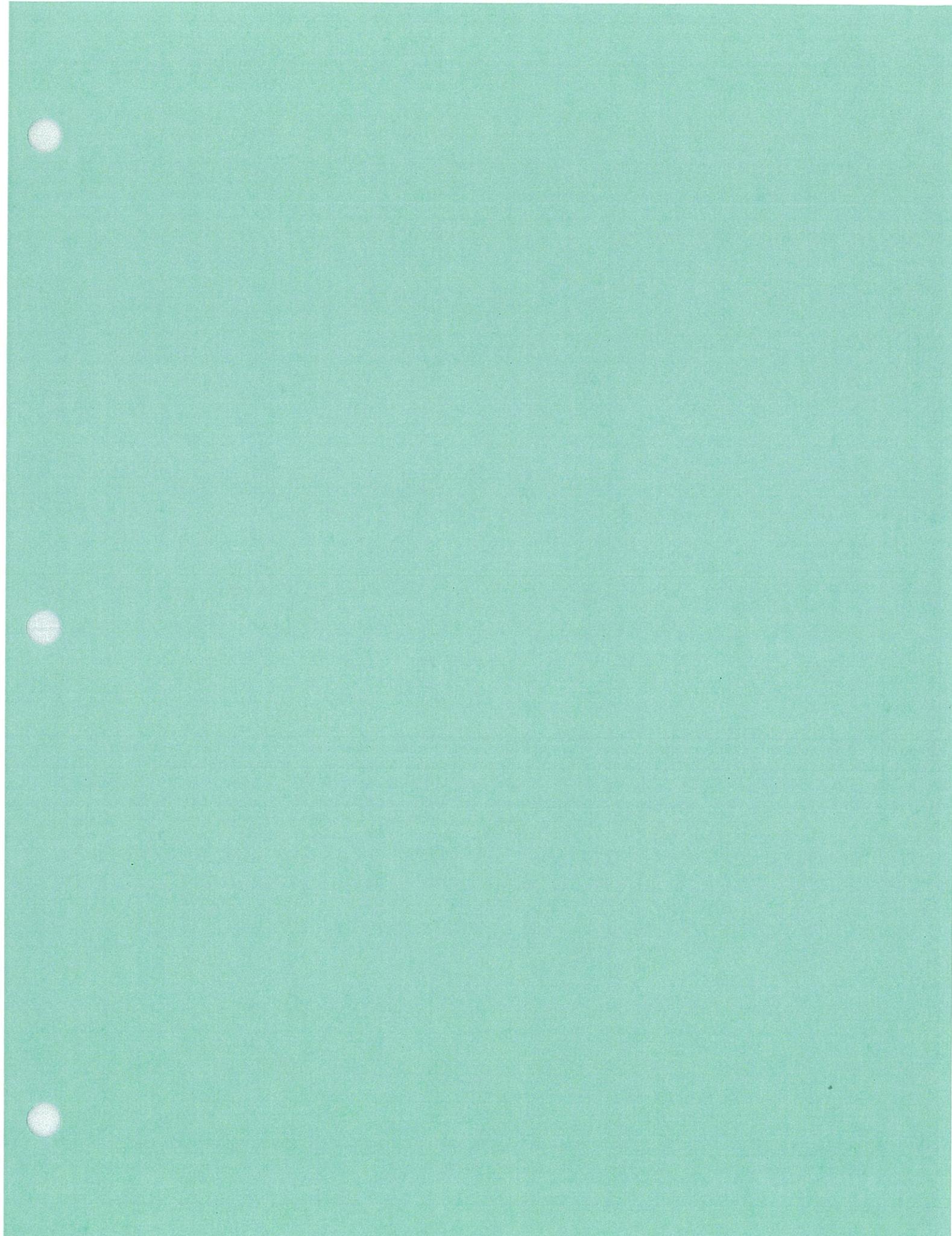
A portion of the Prior Bonds will be advance refunded with a portion of the proceeds of the Bonds.

### PRIOR PROJECTS

Proceeds of the Prior Bonds were used to finance all or any portion of the purchase, acquisition, construction, enlargement, remodeling, renovation, improvement, furnishing or equipping of the hospitals, other health facilities, and their related facilities, including land, owned or operated by Baptist Health or its affiliates and generally located at the addresses, all as described below:

1. Baptist Health Corbin, generally located at 1 Trillium Way, Corbin, Whitley County, Kentucky (\$15,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of behavioral health facilities, HVAC systems, plumbing systems, surgical centers and medical and office equipment and furnishings.
2. Baptist Health LaGrange, generally located at 1025 New Moody Land, LaGrange, Oldham County, Kentucky (\$30,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of facility safety systems, laboratory facilities, HVAC equipment, emergency and patient room improvements and medical and office equipment and furnishings.
3. Baptist Health Lexington, generally located at 1740 Nicholasville Road, Lexington, Fayette County, Kentucky (\$50,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of a two-story tower addition, power plant upgrades, laboratories, operating rooms, HVAC equipment, emergency systems, medical and office equipment and furnishings and other general facility improvements.
4. Baptist Health Paducah, generally located at 2501 Kentucky Avenue, Paducah, McCracken County, Kentucky (\$15,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of facilities for cardiovascular services, women's health services, diagnostic imaging services, chaplain services, safety system upgrades, and medical and office equipment and furnishings.

5. Baptist Health Louisville, generally located at 4000 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$15,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of a patient bed and surgery tower, cardiovascular facilities, diagnostic imaging facilities, pediatric facilities, HVAC systems and related equipment, north building renovations and medical and office equipment and furnishings.
6. Baptist Health Support Services, generally located at 4007 Kresge Way, St. Matthews, Jefferson County, Kentucky (\$20,000,000 maximum principal amount).
  - a. Acquisition, construction or renovation of facility safety equipment and medical and office equipment and furnishings.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
HIGH-TECH POOL (HTP) PROJECT REPORT**

**Date:** October 27, 2016  
**Company:** Kentucky Science and Technology Corporation  
**City:** Lexington **County:** Fayette  
**Activity:** Other New Economy Knowledge-Based Activity  
**New/Existing:** Existing  
**Bus. Dev. Contact:** Chad Eames **OFS Staff:** J. Don Goodin

**Project Description:** KSTC administers the Kentucky Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) Matching Funds Program for the Cabinet for Economic Development. The statewide Kentucky SBIR/STTR Matching Funds Program helps Kentucky's small, innovative, technology-based companies become more competitive and successfully grow their enterprise.

Companies receiving a federal SBIR or STTR grant may apply for matching funds through a competitive process from Kentucky's SBIR/STTR Matching program. The matching funds help these small, innovation based companies perform additional work on their technologies, increasing their chance of receiving additional federal funding and moving them closer to commercialization. Kentucky has attracted 42 companies to the state through this program and leveraged \$1.76 in federal funding for every \$1 awarded in state matching.

The proposed project will provide additional financial resources for equipment/fixed assets purchased by Kentucky SBIR/STTR matching fund recipients. The 243 Kentucky Matching SBIR/STTR grants awarded have helped to create 610 high paying jobs, establish 21 licensing agreements, filed 171 patents for intellectual property, and attracted federal funding that otherwise would have gone to other states. Moreover, matching fund awardee companies have reported raising \$160M in private equity investment, \$116M in federal funding, \$26M in sales revenues and \$1.6M in licensing royalties indicating an estimated ROI of 7:1 for every State dollar awarded.

| Funding Source             | Status    | Use of Proceeds        | Amount           |
|----------------------------|-----------|------------------------|------------------|
| Office of Entrepreneurship | Requested | Equipment/Fixed Assets | \$500,000        |
| <b>TOTAL</b>               |           |                        | <b>\$500,000</b> |

**Disbursement:** All funds will be used to support the SBIR-STTR Matching Funds Programs. Disbursements to KSTC will continue under similar procedures as provided in the current contract with KSTC. All funds will be used for equipment/fixed asset purchases.

**RECOMMENDED HIGH-TECH POOL FUNDING AMOUNT:**

**\$500,000**

Source of Funds: Bond Pool

Financing Type: Grant

**Recommendation:**

This project was recommended by the Executive Director, Office of Entrepreneurship



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
ECONOMIC DEVELOPMENT BOND (EDB) PROJECT REPORT**

Tab #9

**Date:** October 27, 2016  
**Grantee:** City of Midway  
**Beneficiary:** Lakeshore Equipment Company dba Lakeshore Learning Materials  
**City:** Midway **County:** Woodford  
**Activity:** Service & Technology  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** Founded in 1954, Lakeshore Learning Materials is the leading U.S. developer of educational materials and classroom furniture and supplies. Over the last decade, Lakeshore's business has grown at a remarkable rate where opening a second distribution center in the U.S. is critical for meeting current and future demand. The company has selected Midway for its new assembly, distribution and storage facility. The grant funds requested will be used to extend gas service to the company and any current or future tenants of the industrial park including, but not limited to, Brown-Forman Corporation and American Howa Kentucky, Inc.

**Anticipated Project Investment - Owned**

Land  
 Building/Improvements  
 Equipment  
 Other Start-up Costs  
**TOTAL**

| Total Investment |                     |
|------------------|---------------------|
|                  | \$2,150,000         |
|                  | \$21,319,019        |
|                  | \$23,971,560        |
|                  | \$1,800,000         |
|                  | <b>\$49,240,579</b> |

**Anticipated Project Funding**

Economic Development Bond Grant (State)  
 Bank Loan  
 Local Grant - City of Midway  
 Company Equity  
 Woodford County Economic Development Authority  
**TOTAL**

| Amount              | % of Total    |
|---------------------|---------------|
| \$1,350,000         | 2.7%          |
|                     | 0.0%          |
| \$450,000           | 0.9%          |
| \$47,140,579        | 95.7%         |
| \$300,000           | 0.6%          |
| <b>\$49,240,579</b> | <b>100.0%</b> |

**Job and Wage Requirement Table**

| Compliance Date   | Full-time, Kentucky-Resident<br>Jobs Required                                | Job Type | Annual<br>Average<br>Hourly<br>Wage<br>Required | Average Wage Type                                |
|-------------------|--|----------|---|--|
| December 31, 2017 | Investment of \$28,500,000 required to be completed. Hiring to begin in 2018 |          |   |  |
| December 31, 2018 | 125  | Create   | \$19.00   | Total Hourly Compensation<br>(includes benefits) |
| December 31, 2019 | 160  | Create   | \$19.00   | Total Hourly Compensation<br>(includes benefits) |
| December 31, 2020 | 175  | Create   | \$19.00   | Total Hourly Compensation<br>(includes benefits) |
| December 31, 2021 | 262  | Create   | \$19.00   | Total Hourly Compensation<br>(includes benefits) |

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

**Job Reduction Provision:** 12/31/2017 Pro-rated based upon % of investment target not achieved  
 2018-2021 \$1,600 Per job not created or maintained

**Wage Reduction Provision:** Pro rata portion of EDB grant based on a formula outlined in the EDB grant agreement

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

|                   | <b>CED</b>         | <b>Midway</b>    | <b>Total</b>       |
|-------------------|--------------------|------------------|--------------------|
| December 31, 2017 | \$194,800          | \$64,933         | \$259,733          |
| December 31, 2018 | \$200,000          | \$66,667         | \$266,667          |
| December 31, 2019 | \$256,000          | \$85,333         | \$341,333          |
| December 31, 2020 | \$280,000          | \$93,333         | \$373,333          |
| December 31, 2021 | \$419,200          | \$139,734        | \$558,934          |
|                   | <b>\$1,350,000</b> | <b>\$450,000</b> | <b>\$1,800,000</b> |

**RECOMMENDED ECONOMIC DEVELOPMENT BOND AMOUNT:**

|                    |
|--------------------|
| <b>\$1,350,000</b> |
|--------------------|

**Ownership (20% or more):**

Michael Kaplan Hermosa Beach, CA  
 Charles Kaplan Santa Monica, CA

**Active State Participation at the Project Site:**

| <u>Date</u>     | <u>Program</u> | <u>Status</u>        | <u>Amount</u> |
|-----------------|----------------|----------------------|---------------|
| August 25, 2016 | KBI            | Preliminary Approval | \$3,700,000   |
| August 25, 2016 | KEIA           | Approve/Final        | \$1,400,000   |

**Unemployment Rate:**

County: 3.0% State: 4.8%

**Recommendation:**

Staff recommends approval of this EDB 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 EDB grant is subject to CED's receipt of the Secretary of the Finance and Administration Cabinet's concurrence to CED's use of the EDB funds for this project.



**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:** October 27, 2016  
**Issuer:** City of Midway, Kentucky  
**Company:** Lakeshore Equipment Company dba Lakeshore Learning Materials  
**City:** Midway **County:** Woodford  
**Project Type:** New **Resolution #:** LIRB-16-6  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** Founded in 1954, Lakeshore Learning Materials is the leading U.S. developer of educational materials and classroom furniture & supplies. Over the last decade, Lakeshore's business has grown at a remarkable rate where opening a second distribution center in the U.S. is critical for meeting current and future demand. The company is considering Midway for its new distribution and storage facility.

| Proposed Issuance Date | Principal amount of IRB authorization | Term of Bond (years) |
|------------------------|---------------------------------------|----------------------|
| December 31, 2016      | up to \$50,000,000                    | 30                   |

| New, Full-time Jobs to be Created | Average Annual Salary |
|-----------------------------------|-----------------------|
| 262                               | \$34,320              |

**Anticipated Financed Project Costs**

|                       |                     |
|-----------------------|---------------------|
| Land                  | \$2,265,993         |
| Building/Improvements | \$22,469,180        |
| Equipment             | \$25,264,827        |
| Infrastructure        |                     |
| <b>TOTAL</b>          | <b>\$50,000,000</b> |

**Active State Participation at the Project Site:**

| <u>Date</u>  | <u>Program</u> | <u>Status</u>  | <u>Amount</u> |
|--------------|----------------|----------------|---------------|
| Aug 25, 2016 | KBI            | Approve/Prelim | \$3,700,000   |
| Aug 25, 2016 | KEIA           | Approve/Final  | \$1,400,000   |

**Unemployment Rate:**

County: 3.0% Kentucky: 4.8%

**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 | \$7,525,979         |
| Local Tax Revenue  | \$11,111,164        |
| <b>TOTAL</b>       | <b>\$18,637,143</b> |

| Requested % Reduction in the Ad Valorem | Projected Tax Savings over Bond Term |
|---|--------------------------------------|
| State: 100%                             | \$1,897,450                          |
| Local: 100%                             | \$2,772,170                          |

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

|                                   |                                 |
|-----------------------------------|---------------------------------|
| School District                   | Woodford County School District |
| Any other Special Taxing District | N/A                             |

**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.

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.



## MEMORANDUM

**TO:** KEDFA Board Members

**FROM:** Robert Aldridge, Assistant Director  
Compliance Division 

**DATE:** October 27, 2016

**SUBJECT:** KEIA Extensions

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

| <b>Company</b>                          | <b>County</b> | <b>Extension</b> |
|---|---------------|------------------|
| Tower Automotive                        | Nelson        | 2 Months         |
| Fuel Total Systems Kentucky Corporation | Marion        | 3 Months         |
| Bonfiglioli USA                         | Boone         | 6 Months         |
| Heaven Hill Distilleries, Inc.          | Nelson        | 6 Months         |
| L'Oreal USA Products, Inc.              | Kenton        | 6 Months         |
| Peristyle, LLC                          | Woodford      | 6 Months         |
| Peristyle, LLC                          | Woodford      | 6 Months         |
| Brown-Forman Corporation                | Jefferson     | 12 Months        |
| Brown-Forman Corporation                | Jefferson     | 12 Months        |
| Corning Incorporated                    | Boyle         | 12 Months        |

Staff recommends approval.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** October 27, 2016  
**Approved Company:** James C. Burris Architects LLC  
**City:** Richmond **County:** Madison  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21308  
**Bus. Dev. Contact:** A. Germond **OFS Staff:** L. Cunningham

**Project Description:** James C. Burris Architects LLC is planning to open a new operation, Blueframe Design + Build, LLC, in Kentucky. They would be utilizing advanced prefabrication technologies and proven, elegant design solutions to provide affordable, healthy, low maintenance, energy efficient buildings in an environmentally responsible manner. They would primarily manufacture pre-fab homes for elderly housing developments, multi-family housing developments, single family residential homes, and light commercial projects in Kentucky, Tennessee, Ohio, Indiana, and Georgia.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment**

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

| Eligible Costs   | Total Investment   |
|------------------|--------------------|
| \$0              | \$0                |
| \$350,000        | \$1,090,000        |
| \$0              | \$0                |
| \$0              | \$0                |
| \$0              | \$125,000          |
| \$0              | \$0                |
| <b>\$350,000</b> | <b>\$1,215,000</b> |

**Ownership (20% or more):**  
 James C. Burris - Lexington, KY

**Other State Participation:** None

**Unemployment Rate**

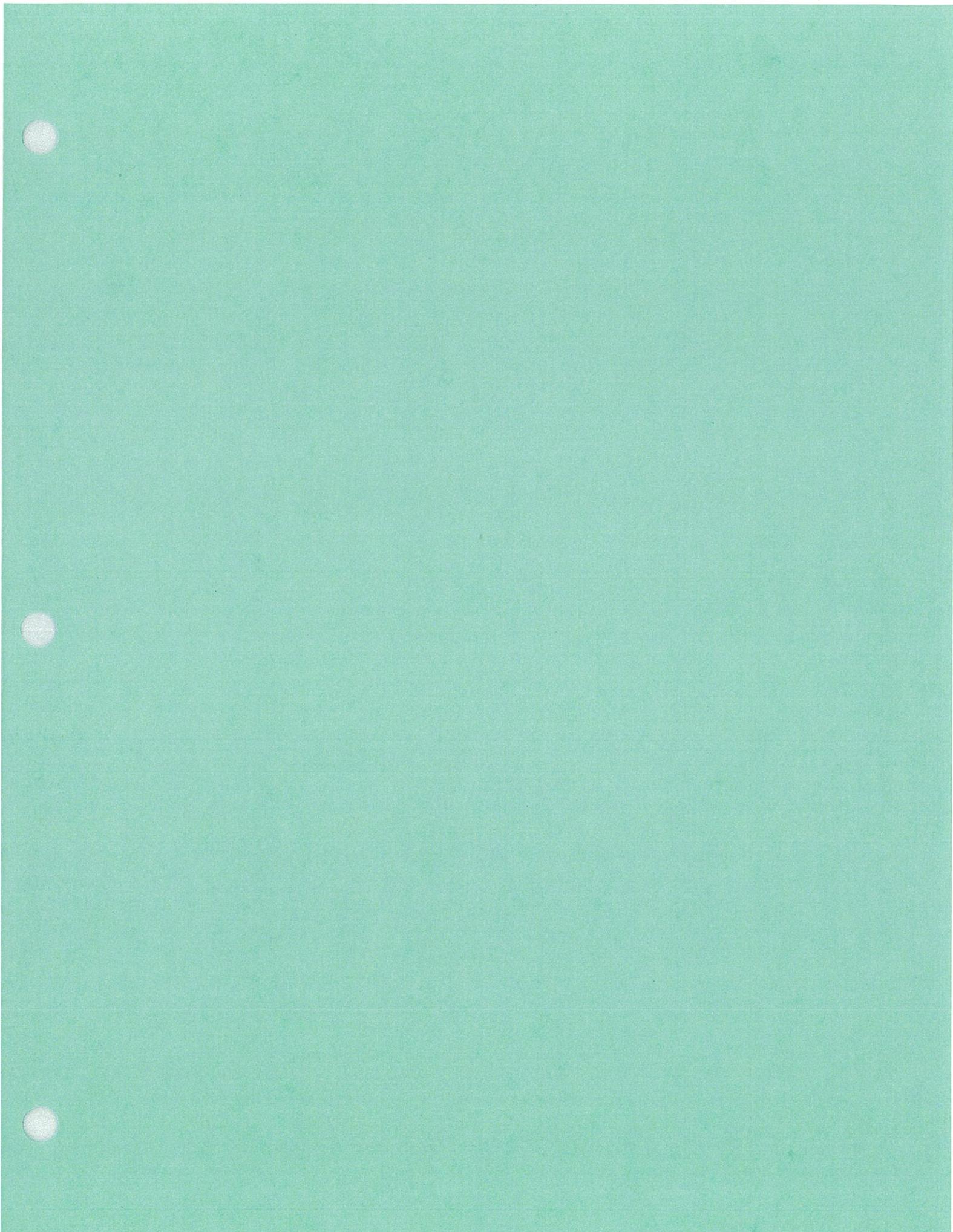
County: 3.8% Kentucky: 4.8%

**Existing Presence in Kentucky:** Lexington, KY

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$20,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$20,000**



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** October 27, 2016  
**Approved Company:** Greenwood Marketing, LLC dba Restorative Medical  
**City:** Brandenburg **County:** Meade  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21309  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Greenwood Marketing, LLC dba Restorative Medical is a medical device manufacturer in Brandenburg. The company has outgrown their current footprint and are considering moving the operation to a new site where they can continue to grow the business and purchase updated equipment.

**Facility Details:** Expanding existing operations

| Anticipated Project Investment - Owned | Eligible Costs     | Total Investment   |
|--|--------------------|--------------------|
| Land                                   | \$105,000          | \$105,000          |
| Building/Improvements                  | \$500,000          | \$500,000          |
| Equipment                              | \$400,000          | \$400,000          |
| Other Start-up Costs                   | \$100,000          | \$100,000          |
| <b>TOTAL</b>                           | <b>\$1,105,000</b> | <b>\$1,105,000</b> |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target (Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|--|---------------------------------|
| As of Activation Date | 10         | \$18.00  |                                 |
| 1                     | 16         | \$18.00  | \$30,000                        |
| 2                     | 22         | \$18.00  | \$30,000                        |
| 3                     | 30         | \$18.00  | \$30,000                        |
| 4                     | 30         | \$18.00  | \$30,000                        |
| 5                     | 30         | \$18.00  | \$30,000                        |
| 6                     | 30         | \$18.00  | \$45,000                        |
| 7                     | 30         | \$18.00  | \$45,000                        |
| 8                     | 30         | \$18.00  | \$45,000                        |
| 9                     | 30         | \$18.00  | \$45,000                        |
| 10                    | 30         | \$18.00  | \$45,000                        |
| 11                    | 30         | \$18.00  | \$45,000                        |
| 12                    | 30         | \$18.00  | \$45,000                        |
| 13                    | 30         | \$18.00  | \$45,000                        |
| 14                    | 30         | \$18.00  | \$45,000                        |
| 15                    | 30         | \$18.00  | \$45,000                        |

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

**County Type:**  
Enhanced

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

**Ownership (20% or more):**

|               |                  |
|---------------|------------------|
| William Purdy | White Plains, NY |
| Robert Purdy  | Bedford, NY      |

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 5.0%

**Unemployment Rate**

County: 4.8%

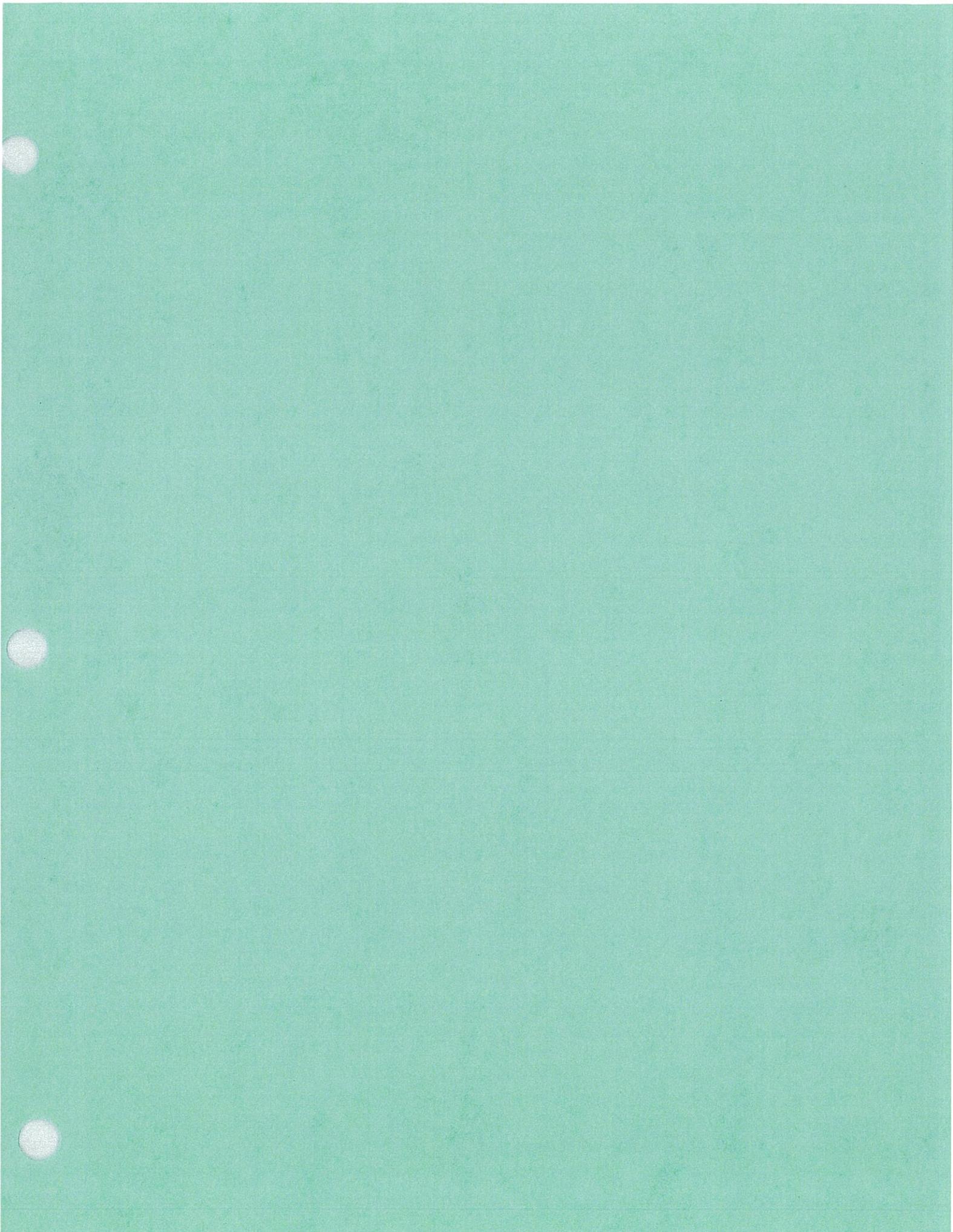
Kentucky: 4.8%

**Existing Presence in Kentucky:**

Meade County

**Special Conditions:**

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 26 full-time, Kentucky resident employees as of the application date.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** October 27, 2016  
**Approved Company:** Greenwood Marketing, LLC dba Restorative Medical  
**City:** Brandenburg **County:** Meade  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21310  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Greenwood Marketing, LLC dba Restorative Medical is a medical device manufacturer in Brandenburg. The company has outgrown their current footprint and are considering moving the operation to a new site where they can continue to grow the business and purchase updated equipment.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment**

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

| Eligible Costs   | Total Investment   |
|------------------|--------------------|
| \$0              | \$105,000          |
| \$400,000        | \$500,000          |
| \$0              | \$0                |
| \$0              | \$0                |
| \$0              | \$400,000          |
| \$0              | \$100,000          |
| <b>\$400,000</b> | <b>\$1,105,000</b> |

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$24,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

|                 |
|-----------------|
| <b>\$24,000</b> |
|-----------------|

See KBI file (KBI-I-16-21309) for Ownership, Other State Participation and Unemployment Rate.



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

**Date:** October 27, 2016  
**Approved Company:** Templar Manufacturing, LLC  
**City:** Auburn **County:** Logan  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21313  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Templar Manufacturing, LLC is a start-up entity focused on the development of emergency shelters and safe rooms. This company has received early contract fulfillment due to their patented technology. The company is considering locating in Auburn to manufacture emergency shelters to assist in the aid of areas around the world that have been devastated by natural disasters.

**Facility Details:** Locating in a new facility

| <b>Anticipated Project Investment - Owned</b> | <b>Eligible Costs</b> | <b>Total Investment</b> |
|---|-----------------------|-------------------------|
| Land  | \$1,000,000           | \$1,000,000             |
| Building/Improvements                         | \$4,000,000           | \$4,000,000             |
| Equipment                                     | \$750,000             | \$750,000               |
| Other Start-up Costs                          | \$600,000             | \$600,000               |
| <b>TOTAL</b>                                  | <b>\$6,350,000</b>    | <b>\$6,350,000</b>      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| <b>Year</b>           | <b>Job Target</b> | <b>Average Hourly Wage Target (Including Employee Benefits)</b> | <b>Annual Approved Cost Limitation</b> |
|-----------------------|-------------------|---|--|
| As of Activation Date | 50                | \$32.50   |  |
| 1                     | 100               | \$32.50   | \$140,000                              |
| 2                     | 125               | \$32.50   | \$140,000                              |
| 3                     | 140               | \$32.50   | \$140,000                              |
| 4                     | 140               | \$32.50   | \$140,000                              |
| 5                     | 140               | \$32.50   | \$140,000                              |
| 6                     | 140               | \$32.50   | \$140,000                              |
| 7                     | 140               | \$32.50   | \$140,000                              |
| 8                     | 140               | \$32.50   | \$140,000                              |
| 9                     | 140               | \$32.50   | \$140,000                              |
| 10                    | 140               | \$32.50   | \$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

**Ownership (20% or more):**

Hua Chau      Clarksville, TN

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0%      (0.67% - City of Auburn, 0.33% - Logan County)

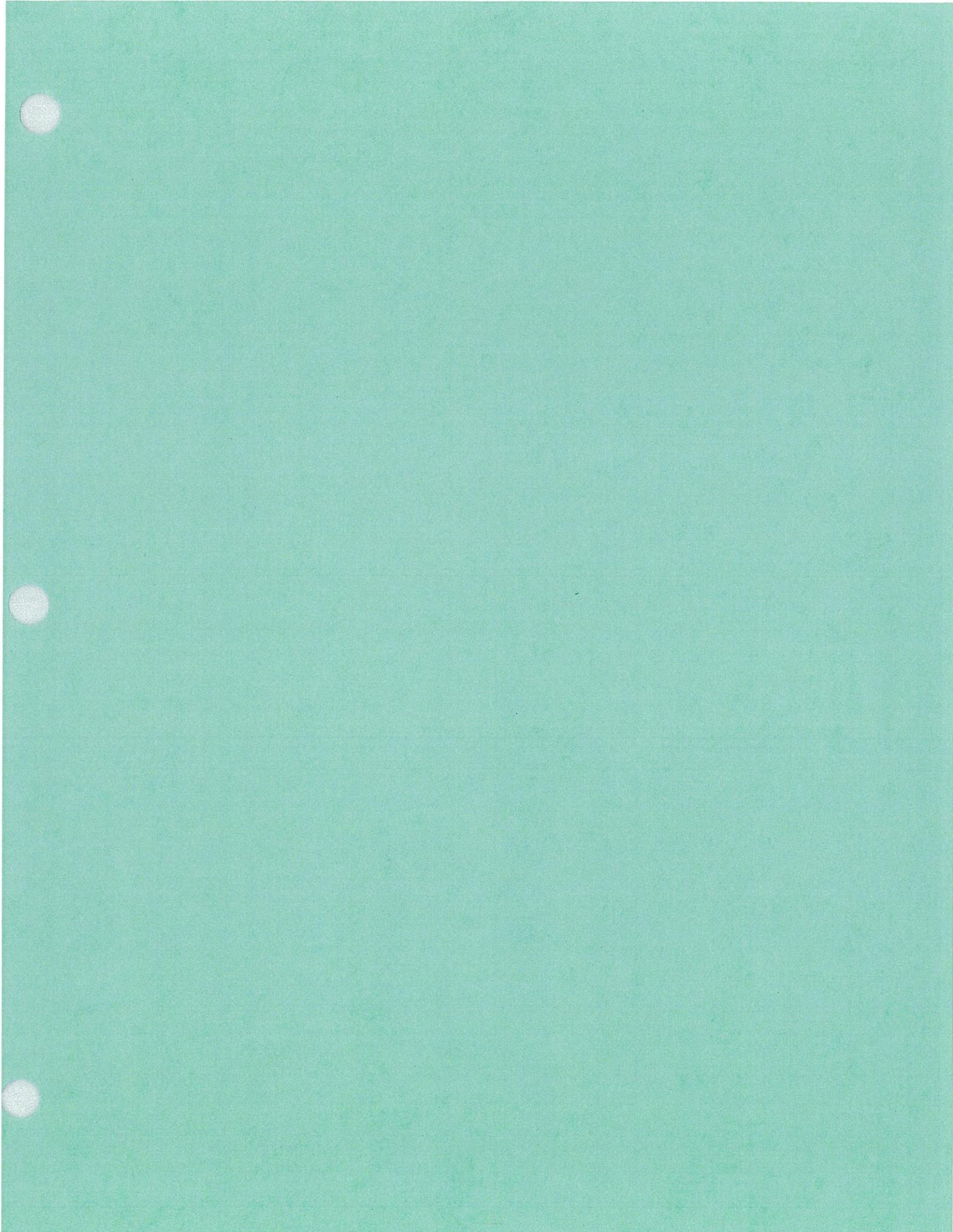
**Unemployment Rate**

County: 4.2%

Kentucky: 4.8%

**Existing Presence in Kentucky:** None

**Special Conditions:** None



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** October 27, 2016  
**Approved Company:** Templar Manufacturing, LLC  
**City:** Auburn **County:** Logan  
**Activity:** Manufacturing **Resolution #:** KEIA-17-21314  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Templar Manufacturing, LLC is a start-up entity focused on the development of emergency shelters and safe rooms. This company has received early contract fulfillment due to their patented technology. The company is considering locating in Auburn to manufacture emergency shelters to assist in the aid of areas around the world that have been devastated by natural disasters.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment**

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

| Eligible Costs     | Total Investment   |
|--------------------|--------------------|
| \$0                | \$1,000,000        |
| \$3,000,000        | \$4,000,000        |
| \$0                | \$0                |
| \$0                | \$0                |
| \$0                | \$750,000          |
| \$0                | \$600,000          |
| <b>\$3,000,000</b> | <b>\$6,350,000</b> |

**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$100,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$100,000**

See KBI file (KBI-I-16-21313) for Ownership, Other State Participation and Unemployment Rate.



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** October 27, 2016  
**Approved Company:** MACA Plastics, Inc.  
**City:** Maysville **County:** Mason  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21296  
**Bus. Dev. Contact:** M. Duffy **OFS Staff:** D. Phillips

**Project Description:** MACA Plastics, Inc. is a Tier II supplier within the Honda Automotive supply chain. The company is considering the purchase and renovation of a facility in Maysville to focus on injection molding and assembly of automotive components.

**Facility Details:** Locating in a new facility.

**Anticipated Project Investment - Owned**

|                       | <b>Eligible Costs</b> | <b>Total Investment</b> |
|-----------------------|-----------------------|-------------------------|
| Land                  | \$0                   | \$0                     |
| Building/Improvements | \$1,400,000           | \$1,400,000             |
| Equipment             | \$6,350,000           | \$6,350,000             |
| Other Start-up Costs  | \$150,000             | \$150,000               |
| <b>TOTAL</b>          | <b>\$7,900,000</b>    | <b>\$7,900,000</b>      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| <b>Year</b>           | <b>Job Target</b> | <b>Average Hourly Wage Target (Including Employee Benefits)</b> | <b>Annual Approved Cost Limitation</b> |
|-----------------------|-------------------|---|--|
| As of Activation Date | 68                | \$14.00   |  |
| 1                     | 90                | \$14.00   | \$166,666                              |
| 2                     | 120               | \$14.00   | \$166,666                              |
| 3                     | 156               | \$14.00   | \$166,666                              |
| 4                     | 156               | \$14.00   | \$166,666                              |
| 5                     | 156               | \$14.00   | \$166,666                              |
| 6                     | 156               | \$14.00   | \$166,666                              |
| 7                     | 156               | \$14.00   | \$166,666                              |
| 8                     | 156               | \$14.00   | \$166,666                              |
| 9                     | 156               | \$14.00   | \$166,666                              |
| 10                    | 156               | \$14.00   | \$166,666                              |
| 11                    | 156               | \$14.00   | \$166,666                              |
| 12                    | 156               | \$14.00   | \$166,666                              |
| 13                    | 156               | \$14.00   | \$166,666                              |
| 14                    | 156               | \$14.00   | \$166,666                              |
| 15                    | 156               | \$14.00   | \$166,676                              |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$2,500,000**





**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KEIA REPORT**

**Date:** October 27, 2016  
**Approved Company:** MACA Plastics, Inc.  
**City:** Maysville  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** M. Duffy

**County:** Mason  
**Resolution #:** KEIA-17-21297  
**OFS Staff:** D. Phillips

**Project Description:** MACA Plastics, Inc. is a Tier II supplier within the Honda Automotive supply chain. The company is considering the purchase and renovation of a facility in Maysville to focus on injection molding and assembly of automotive components.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment**

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

| Eligible Costs   | Total Investment   |
|------------------|--------------------|
| \$0              | \$0                |
| \$550,000        | \$1,400,000        |
| \$0              | \$0                |
| \$0              | \$0                |
| \$0              | \$6,350,000        |
| \$0              | \$150,000          |
| <b>\$550,000</b> | <b>\$7,900,000</b> |

**Existing Presence in Kentucky:** None

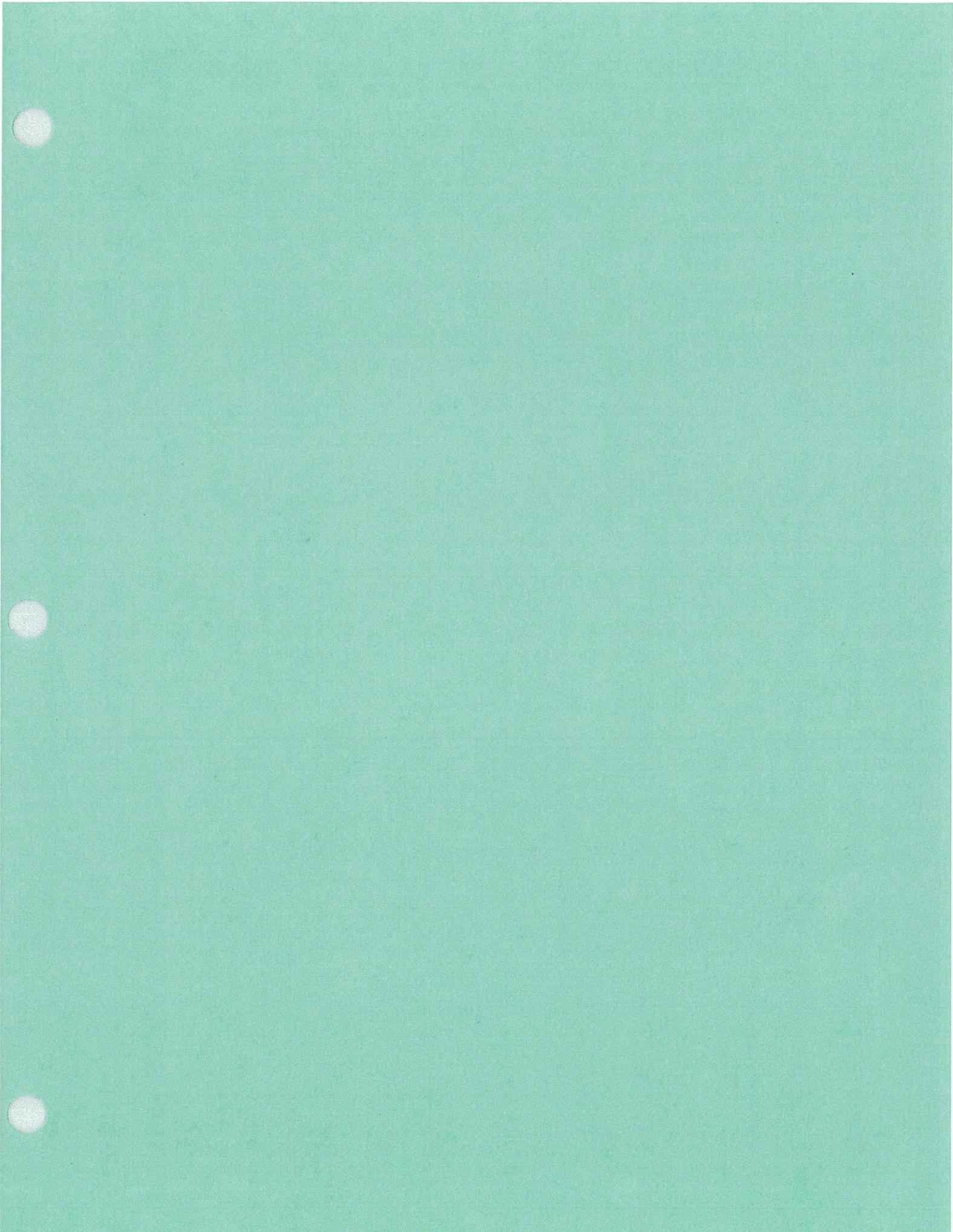
**Approved Recovery Amount:**

Construction Materials and Building Fixtures: \$33,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

|                 |
|-----------------|
| <b>\$33,000</b> |
|-----------------|

See KBI file (KBI-I-16-21296) for Ownership, Other State Participation and Unemployment Rate.



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

**Date:** October 27, 2016  
**Approved Company:** American Metal Works, LLC  
**City:** Paintsville **County:** Johnson  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-IL-16-21293  
**Bus. Dev. Contact:** R. Lee **OFS Staff:** D. Phillips

**Project Description:** American Metal Works, LLC is a start-up company that will manufacture a variety of products for clients using state of the art Computer Numerical Control (CNC) equipment in a modern, climate controlled environment conducive to high tolerance manufacturing requirements. The company is considering partnering with the local school to hire well-trained operators who hold eight NIMS Certifications. The primary target markets will focus on aerospace manufacturing, automotive manufacturing, medical devices and general manufacturing to start its operation in Paintsville.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment - Leased**

|                       | Eligible Costs   | Total Investment |
|-----------------------|------------------|------------------|
| Rent                  | \$135,000        | \$270,000        |
| Building/Improvements | \$10,200         | \$10,200         |
| Equipment             | \$358,000        | \$358,000        |
| Other Start-up Costs  | \$14,750         | \$14,750         |
| <b>TOTAL</b>          | <b>\$517,950</b> | <b>\$652,950</b> |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target (Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|--|---------------------------------|
| As of Activation Date | 10         | \$15.00  |                                 |
| 1                     | 10         | \$15.00  | \$20,000                        |
| 2                     | 12         | \$15.00  | \$20,000                        |
| 3                     | 15         | \$15.00  | \$20,000                        |
| 4                     | 15         | \$15.00  | \$20,000                        |
| 5                     | 15         | \$15.00  | \$20,000                        |
| 6                     | 15         | \$15.00  | \$20,000                        |
| 7                     | 15         | \$15.00  | \$20,000                        |
| 8                     | 15         | \$15.00  | \$20,000                        |
| 9                     | 15         | \$15.00  | \$20,000                        |
| 10                    | 15         | \$15.00  | \$20,000                        |
| 11                    | 15         | \$15.00  | \$20,000                        |
| 12                    | 15         | \$15.00  | \$20,000                        |
| 13                    | 15         | \$15.00  | \$20,000                        |
| 14                    | 15         | \$15.00  | \$20,000                        |
| 15                    | 15         | \$15.00  | \$20,000                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$300,000**

**County Type:**  
Enhanced

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

**Ownership (20% or more):**

James Glass Pikeville, KY  
Dennis Rohrer Pikeville, KY

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 5.0%

**Unemployment Rate**

County: 9.2%

Kentucky: 4.8%

**Existing Presence in Kentucky:** None

**Special Conditions:** None



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

**Date:** October 27, 2016  
**Approved Company:** Harlan Wood Products LLC  
**City:** Harlan **County:** Harlan  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-IL-16-21300  
**Bus. Dev. Contact:** J. Ward **OFS Staff:** D. Phillips

**Project Description:** Harlan Wood Products LLC is a newly formed start-up company which is considering the construction of a manufacturing facility to produce wood pellets. The pellets would be shipped and marketed in Europe as residential/commercial bagged pellets to be used in pellet stoves with a small amount marketed locally.

**Facility Details:** Locating in a new facility

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

| Eligible Costs      | Total Investment    |
|---------------------|---------------------|
| \$562,500           | \$1,125,000         |
| \$0                 | \$0                 |
| \$8,925,000         | \$8,925,000         |
| \$860,000           | \$860,000           |
| <b>\$10,347,500</b> | <b>\$10,910,000</b> |

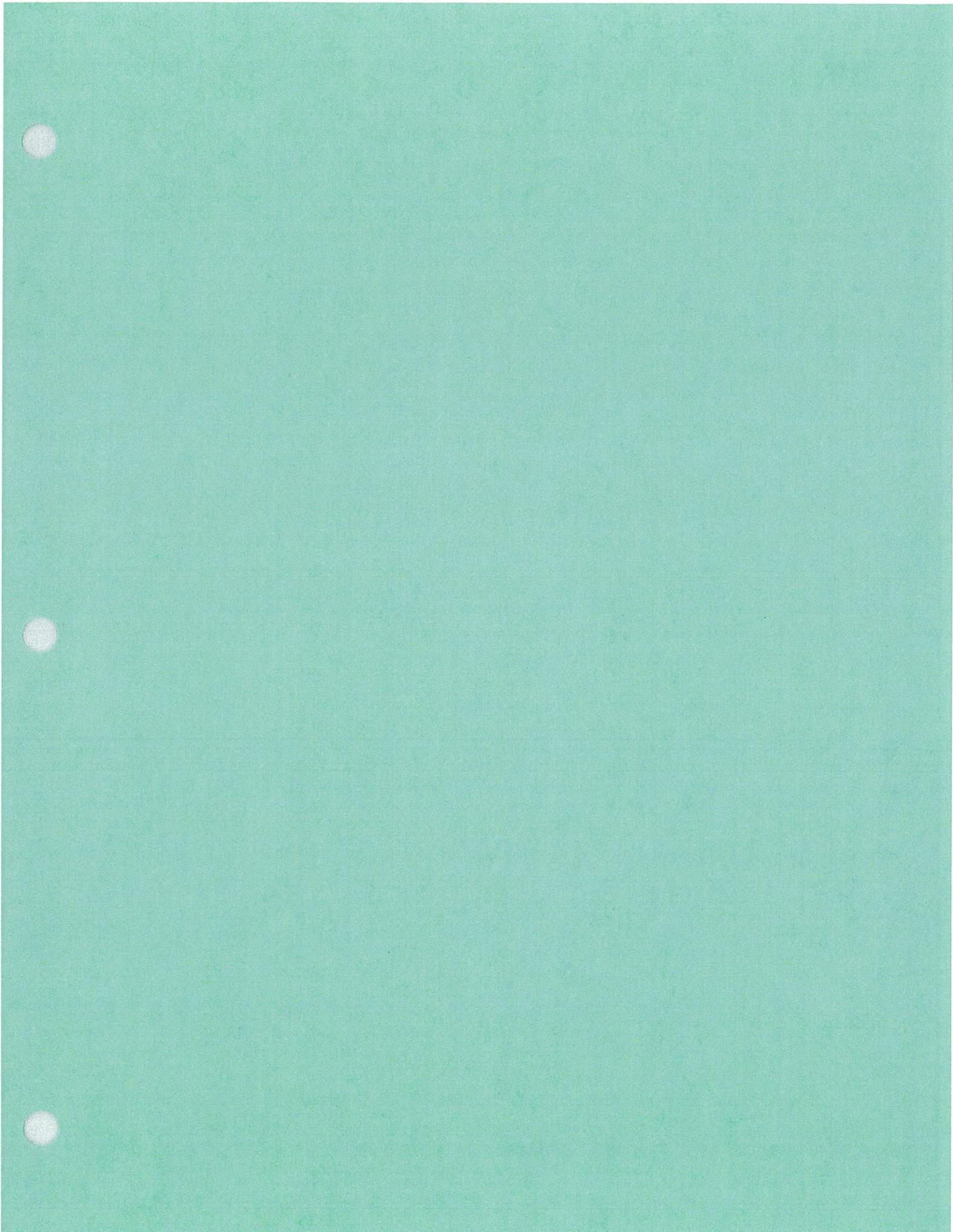
**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target (Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|--|---------------------------------|
| As of Activation Date | 32         | \$15.00  |                                 |
| 1                     | 32         | \$15.00  | \$40,000                        |
| 2                     | 32         | \$15.00  | \$65,000                        |
| 3                     | 32         | \$15.00  | \$65,000                        |
| 4                     | 32         | \$15.00  | \$65,000                        |
| 5                     | 32         | \$15.00  | \$65,000                        |
| 6                     | 32         | \$15.00  | \$70,000                        |
| 7                     | 32         | \$15.00  | \$70,000                        |
| 8                     | 32         | \$15.00  | \$70,000                        |
| 9                     | 32         | \$15.00  | \$70,000                        |
| 10                    | 32         | \$15.00  | \$70,000                        |
| 11                    | 32         | \$15.00  | \$70,000                        |
| 12                    | 32         | \$15.00  | \$70,000                        |
| 13                    | 32         | \$15.00  | \$70,000                        |
| 14                    | 32         | \$15.00  | \$70,000                        |
| 15                    | 32         | \$15.00  | \$70,000                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$1,000,000**





**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** October 27, 2016  
**Approved Company:** Wink Equipment, Inc.  
**City:** Dawson Springs **County:** Hopkins  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-16-21311  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** M. Elder

**Project Description:** Wink Equipment, Inc. is a newly formed company that plans to manufacture aluminum hauling and dump trailers. Wink plans to market its trailers as "Wink Trailers". The company is considering a facility in Hopkins County to locate its first operation.

**Facility Details:** Locating in a new facility

**Anticipated Project Investment - Owned**

|                       | <b>Eligible Costs</b> | <b>Total Investment</b> |
|-----------------------|-----------------------|-------------------------|
| Land                  | \$300,000             | \$300,000               |
| Building/Improvements | \$650,000             | \$650,000               |
| Equipment             | \$500,000             | \$500,000               |
| Other Start-up Costs  | \$100,000             | \$100,000               |
| <b>TOTAL</b>          | <b>\$1,550,000</b>    | <b>\$1,550,000</b>      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| <b>Year</b>           | <b>Job Target</b> | <b>Average Hourly Wage Target (Including Employee Benefits)</b> | <b>Annual Approved Cost Limitation</b> |
|-----------------------|-------------------|---|--|
| As of Activation Date | 30                | \$14.00   |  |
| 1                     | 40                | \$14.00   | \$48,000                               |
| 2                     | 50                | \$14.00   | \$48,000                               |
| 3                     | 50                | \$14.00   | \$48,000                               |
| 4                     | 50                | \$14.00   | \$48,000                               |
| 5                     | 50                | \$14.00   | \$48,000                               |
| 6                     | 50                | \$14.00   | \$48,000                               |
| 7                     | 50                | \$14.00   | \$48,000                               |
| 8                     | 50                | \$14.00   | \$48,000                               |
| 9                     | 50                | \$14.00   | \$48,000                               |
| 10                    | 50                | \$14.00   | \$48,000                               |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$480,000**

**County Type:**  
Other

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

**Ownership (20% or more):**

|                    |                |
|--------------------|----------------|
| James W. Wink, Jr. | Rockport, IN   |
| John H. Wink       | Evansville, IN |

**Active State Participation at the project site:** None

**Requested Wage Assessment / Local Participation:**

State: 3.0%  
Local: 1.0% City of Dawson Springs

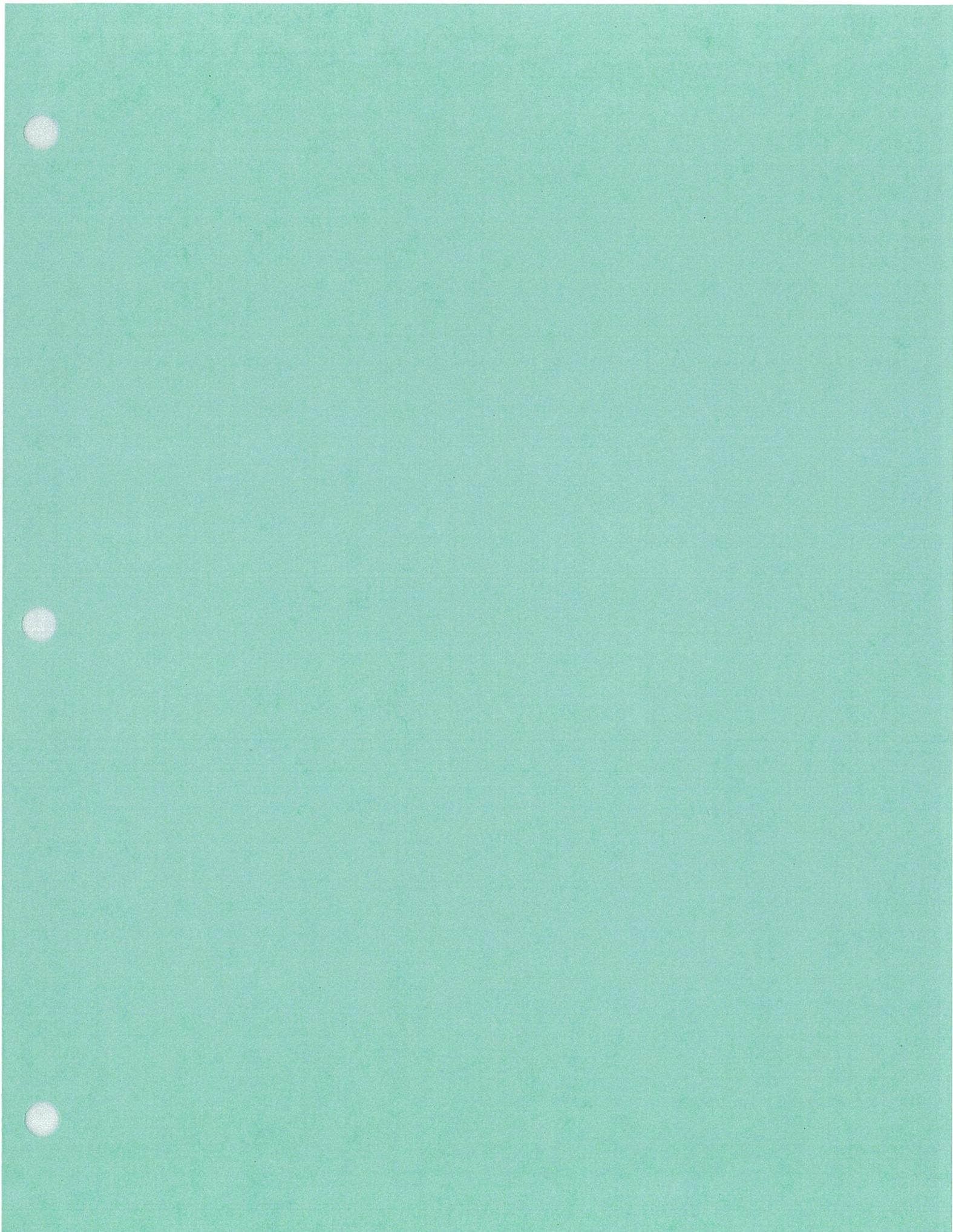
**Unemployment Rate**

County: 5.5%

Kentucky: 4.8%

**Existing Presence in Kentucky:** None

**Special Conditions:** None



## **MEMORANDUM**

**TO:** KEDFA Board Members  
**FROM:** Michelle Elder   
Incentive Assistance Division  
**DATE:** October 27, 2016  
**SUBJECT:** KBI Extensions

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

| <b>Company</b>                           | <b>County</b> | <b>Extension</b> |
|--|---------------|------------------|
| Harry Gordon Steel Company               | Clark         | 6 month          |
| Industrial Automation, LLC               | Simpson       | 6 month          |
| International Crankshaft, Inc.           | Scott         | 6 month          |
| iwis Engine Systems, LP                  | Calloway      | 6 month          |
| Omnicare, Inc.                           | Barren        | 6 month          |
| Best Sanitizers, Inc.                    | Boone         | 12 month         |
| RxC Acquisition Company dba RxCrossroads | Jefferson     | 12 month         |
| Sumitomo Electric Wiring Systems, Inc.   | Fayette       | 12 month         |
| Ticona Polymers, Inc.                    | Boone         | 12 month         |
| YH America, Inc. (Sealant Division)      | Woodford      | 12 month         |

Staff recommends approval.



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

**Date:** October 27, 2016  
**Preliminary Approval:** April 24, 2014  
**Approved Company:** CBS Interactive Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Service & Technology **Final Resolution #:** KBI-FL-16-19901  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** M. Elder

**Project Description:** CBS Interactive Inc., an Online Media Company and a division of CBS Corporation with headquarters in San Francisco, has 2,000 employees in several locations around the country. The company expanded its facility in Louisville to add engineering and editorial staff.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$3,815,000    | \$6,275,000      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

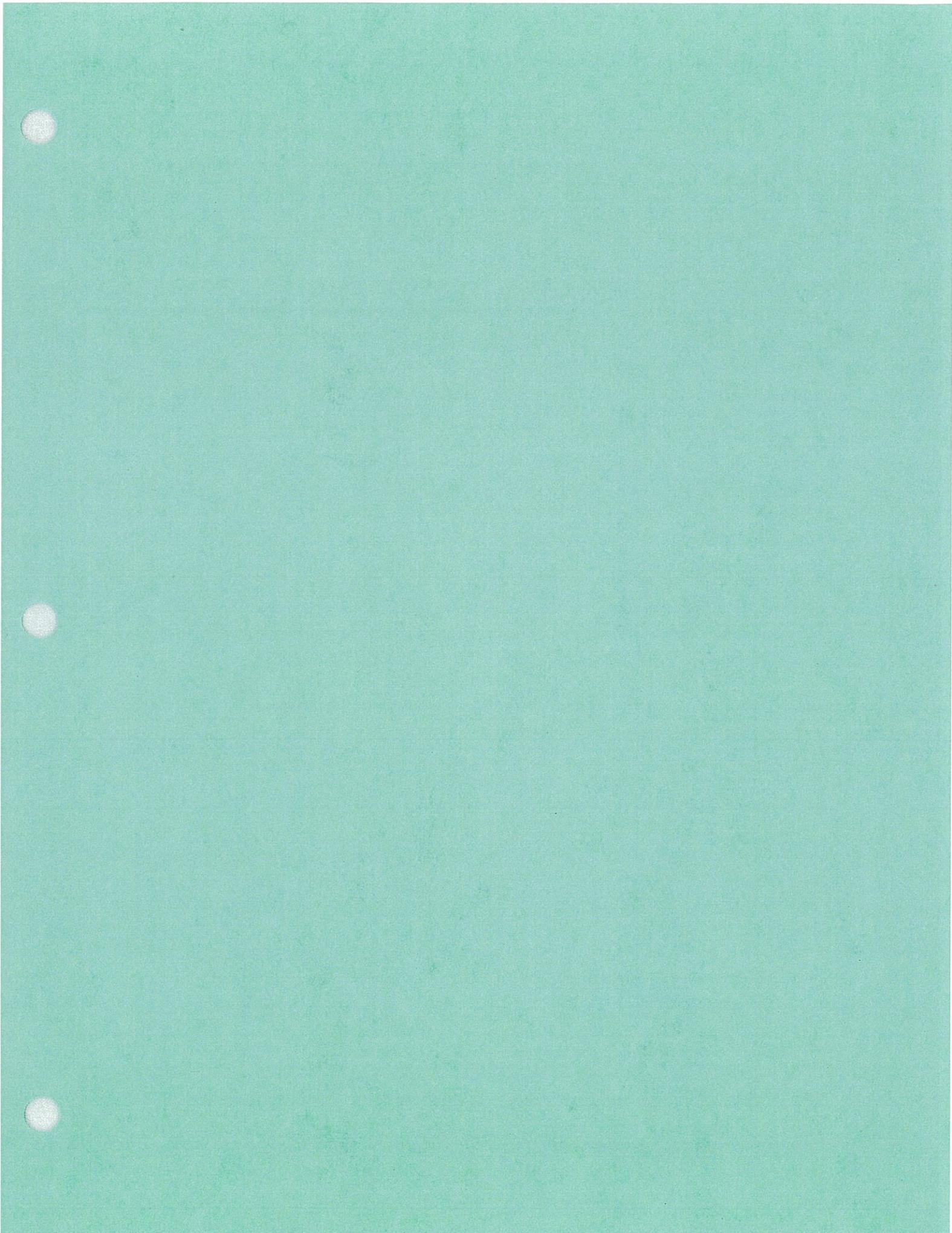
| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 60         | \$35.00   |                                 |
| 1                     | 60         | \$35.00   | \$150,000                       |
| 2                     | 80         | \$35.00   | \$150,000                       |
| 3                     | 100        | \$35.00   | \$150,000                       |
| 4                     | 100        | \$35.00   | \$150,000                       |
| 5                     | 100        | \$35.00   | \$150,000                       |
| 6                     | 100        | \$35.00   | \$150,000                       |
| 7                     | 100        | \$35.00   | \$150,000                       |
| 8                     | 100        | \$35.00   | \$150,000                       |
| 9                     | 100        | \$35.00   | \$150,000                       |
| 10                    | 100        | \$35.00   | \$150,000                       |

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

**County Type:** Other **Statutory Minimum Wage Requirements:**  
Base hourly wage: \$10.88  
Total hourly compensation: \$12.51

**Special Conditions:**  
Maintain Base Employment: 34

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 30, 2014  
**Approved Company:** Confluent Health, LLC  
**City:** Louisville  
**Activity:** Headquarters  
**Bus. Dev. Contact:** A. Bobbitt

**County:** Jefferson  
**Final Resolution #:** KBI-FL-16-20187  
**OFS Staff:** M. Elder

**Project Description:** In 2014 Confluent Health, LLC acquired the controlling interests of 14 different operating companies located throughout the United States. These companies are involved in either physical therapy outpatient clinics, physical therapy work place readiness, physical therapy education, workers comp mitigation or OSHA reportable event mitigation. Confluent Health, LLC established a location in Jefferson County to manage the headquarter functions for these operating entities.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$925,000      | \$1,475,000      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 10         | \$40.00   |                                 |
| 1                     | 10         | \$40.00   | \$40,000                        |
| 2                     | 10         | \$40.00   | \$40,000                        |
| 3                     | 15         | \$40.00   | \$40,000                        |
| 4                     | 15         | \$40.00   | \$40,000                        |
| 5                     | 20         | \$40.00   | \$40,000                        |
| 6                     | 20         | \$40.00   | \$40,000                        |
| 7                     | 25         | \$40.00   | \$40,000                        |
| 8                     | 25         | \$40.00   | \$40,000                        |
| 9                     | 25         | \$40.00   | \$40,000                        |
| 10                    | 25         | \$40.00   | \$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:** None

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 31, 2013  
**Approved Company:** Homecare Products, Inc. dba EZ-ACCESS  
**City:** Morganfield **County:** Union  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19721  
**Bus. Dev. Contact:** F. Tate **OFS Staff:** D. Phillips

**Project Description:** Homecare Products, Inc. dba EZ-ACCESS manufactures commercial and residential portable and modular ramp systems as well as other solutions for mobility assistance. The project consisted of the relocation of additional manufacturing production lines from its headquarters in Seattle to the Morganfield facility due to increased nationwide sales.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$280,000      | \$330,000        |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 10         | \$16.00   |                                 |
| 1                     | 10         | \$16.00   | \$15,000                        |
| 2                     | 10         | \$16.00   | \$15,000                        |
| 3                     | 11         | \$16.00   | \$15,000                        |
| 4                     | 12         | \$16.00   | \$15,000                        |
| 5                     | 13         | \$16.00   | \$15,000                        |
| 6                     | 14         | \$16.00   | \$15,000                        |
| 7                     | 15         | \$16.00   | \$15,000                        |
| 8                     | 15         | \$16.00   | \$15,000                        |
| 9                     | 15         | \$16.00   | \$15,000                        |
| 10                    | 15         | \$16.00   | \$15,000                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$150,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
 Base hourly wage: \$10.88  
 Total hourly compensation: \$12.51

**Special Conditions:**  
 Maintain Base Employment: 25

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 31, 2013  
**Approved Company:** Santa Rosa Systems, Inc.  
**City:** Louisville **County:** Bullitt  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19727  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** M. Elder

**Project Description:** Santa Rosa Systems is a manufacturer of specialized material handling equipment for the courier industry. The company expanded its Bullitt County facility to enhance the painting capacity. The new painting systems created a more efficient process and increased the output of conveyor systems, thus increasing employment at the facility.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$439,085      | \$439,085        |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 10         | \$22.00   |                                 |
| 1                     | 10         | \$22.00   | \$20,000                        |
| 2                     | 20         | \$22.00   | \$20,000                        |
| 3                     | 23         | \$22.00   | \$20,000                        |
| 4                     | 27         | \$22.00   | \$20,000                        |
| 5                     | 30         | \$22.00   | \$20,000                        |
| 6                     | 30         | \$22.00   | \$20,000                        |
| 7                     | 30         | \$22.00   | \$20,000                        |
| 8                     | 30         | \$22.00   | \$20,000                        |
| 9                     | 30         | \$22.00   | \$20,000                        |
| 10                    | 30         | \$22.00   | \$20,000                        |
| 11                    | 30         | \$22.00   | \$20,000                        |
| 12                    | 30         | \$22.00   | \$20,000                        |
| 13                    | 30         | \$22.00   | \$20,000                        |
| 14                    | 30         | \$22.00   | \$20,000                        |
| 15                    | 30         | \$22.00   | \$20,000                        |

**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: 100

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** February 25, 2016  
**Approved Company:** Sherwood Midwest, LLC  
**City:** Walton  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** K. Slattery

**County:** Boone  
**Final Resolution #:** KBI-FL-16-20929  
**OFS Staff:** L. Cunningham

**Project Description:** Established in 2011, Sherwood Bedding Holding Company, LLC is one of the largest independently owned and fastest growing bedding manufacturers in the U.S. With the tremendous growth Sherwood is forecasting over the next 5 years, they identified a need for an additional manufacturing facility that will operate as Sherwood Midwest, LLC. The new facility services Sherwood's existing customer base and relieves other facilities of some of their business.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$5,320,000    | \$11,140,000     |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 50         | \$20.00   |                                 |
| 1                     | 50         | \$20.00   | \$120,000                       |
| 2                     | 100        | \$20.00   | \$120,000                       |
| 3                     | 150        | \$20.00   | \$120,000                       |
| 4                     | 150        | \$20.00   | \$120,000                       |
| 5                     | 150        | \$20.00   | \$120,000                       |
| 6                     | 150        | \$20.00   | \$120,000                       |
| 7                     | 150        | \$20.00   | \$120,000                       |
| 8                     | 150        | \$20.00   | \$120,000                       |
| 9                     | 150        | \$20.00   | \$120,000                       |
| 10                    | 150        | \$20.00   | \$120,000                       |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$1,200,000**

**County Type:**  
Other

**Statutory Minimum Wage Requirements:**

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

**Special Conditions:** None

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 30, 2014  
**Approved Company:** SRC of Lexington, Inc.  
**City:** Lexington  
**Activity:** Service & Technology  
**Bus. Dev. Contact:** K. Slattery

**County:** Fayette  
**Final Resolution #:** KBI-FL-16-20177  
**OFS Staff:** M. Elder

**Project Description:** SRC of Lexington, Inc. is a remanufacturer of engines, powertrains, and hydraulics for industrial equipment and machinery. The company expanded and renovated its current facility in Lexington by adding new production space, renovation of its current office space and the purchase of additional equipment to accommodate new business and help meet customer demand.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$1,158,700    | \$1,917,400      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 25         | \$28.00   |                                 |
| 1                     | 25         | \$28.00   | \$60,000                        |
| 2                     | 25         | \$28.00   | \$60,000                        |
| 3                     | 50         | \$28.00   | \$60,000                        |
| 4                     | 50         | \$28.00   | \$60,000                        |
| 5                     | 50         | \$28.00   | \$60,000                        |
| 6                     | 50         | \$28.00   | \$60,000                        |
| 7                     | 50         | \$28.00   | \$60,000                        |
| 8                     | 50         | \$28.00   | \$60,000                        |
| 9                     | 50         | \$28.00   | \$60,000                        |
| 10                    | 50         | \$28.00   | \$60,000                        |

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

**County Type:**  
Other

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

**Special Conditions:**  
 Maintain Base Employment: 94

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 25, 2012  
**Approved Company:** Wacker Chemical Corporation  
**City:** Calvert City **County:** Marshall  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19323  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** M. Elder

**Project Description:** Wacker Chemical Corporation is a chemical producer specializing in binders and polymer additives used in construction chemicals, paints, adhesives, lacquers, nonwovens, and in fiber composites and polymer materials. The project included the purchase of a new reactor and construction of a building to house the new equipment.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$22,300,000   | \$60,000,000     |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 15         | \$27.50   |                                 |
| 1                     | 15         | \$27.50   | \$165,000                       |
| 2                     | 15         | \$27.50   | \$165,000                       |
| 3                     | 15         | \$27.50   | \$165,000                       |
| 4                     | 15         | \$27.50   | \$165,000                       |
| 5                     | 15         | \$27.50   | \$165,000                       |
| 6                     | 15         | \$27.50   | \$165,000                       |
| 7                     | 15         | \$27.50   | \$165,000                       |
| 8                     | 15         | \$27.50   | \$165,000                       |
| 9                     | 15         | \$27.50   | \$165,000                       |
| 10                    | 15         | \$27.50   | \$165,000                       |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$1,650,000**

**County Type:** Enhanced **Statutory Minimum Wage Requirements:**  
Base hourly wage: \$9.06  
Total hourly compensation: \$10.42

**Special Conditions:**  
Maintain Base Employment: 113

**Modifications since preliminary approval?** No



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

**Date:** October 27, 2016  
**Preliminary Approval:** September 27, 2012  
**Approved Company:** Westpack, LLC  
**City:** Covington  
**Activity:** Manufacturing  
**Bus. Dev. Contact:** M. Duffy

**County:** Kenton  
**Final Resolution #:** KBI-F-16-19282  
**OFS Staff:** D. Phillips

**Project Description:** Westpack, LLLC is a glass bottle decorating company servicing the packaging needs of the alcohol beverage (AB) industry in the United States. The project consisted of the purchase of a manufacturing facility in Covington as well as the purchase of equipment to meet growing demands.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$1,590,000    | \$4,490,000      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 10         | \$18.00   |                                 |
| 1                     | 10         | \$18.00   | \$150,000                       |
| 2                     | 38         | \$18.00   | \$150,000                       |
| 3                     | 63         | \$18.00   | \$150,000                       |
| 4                     | 63         | \$18.00   | \$150,000                       |
| 5                     | 63         | \$18.00   | \$150,000                       |
| 6                     | 63         | \$18.00   | \$150,000                       |
| 7                     | 63         | \$18.00   | \$150,000                       |
| 8                     | 63         | \$18.00   | \$150,000                       |
| 9                     | 63         | \$18.00   | \$150,000                       |
| 10                    | 63         | \$18.00   | \$150,000                       |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

|                    |
|--------------------|
| <b>\$1,500,000</b> |
|--------------------|

**County Type:**  
Other

**Statutory Minimum Wage Requirements:**

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

**Special Conditions:** None

**Modifications since preliminary approval?** No



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

Tab# 33

**Date:** October 27, 2016  
**Preliminary Approval:** June 27, 2013  
**Approved Company:** Vogelsang Corporation  
**City:** Mt. Sterling **County:** Montgomery  
**Activity:** Manufacturing **Final Resolution #:** KBI-FL-16-19555  
**Bus. Dev. Contact:** J. Bevington **OFS Staff:** D. Phillips

**Project Description:** Vogelsang Corporation is a subsidiary of European Fasteners GmbH, supplying a variety of products to the automotive industry. The company is leasing a new facility in Mount Sterling to manufacture tubular steel products welded to automotive frames.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$1,767,000    | \$2,559,000      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target (Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|--|---------------------------------|
| As of Activation Date | 18         | \$17.50  |                                 |
| 1                     | 22         | \$17.50  | \$50,000                        |
| 2                     | 24         | \$17.50  | \$50,000                        |
| 3                     | 26         | \$17.50  | \$50,000                        |
| 4                     | 30         | \$17.50  | \$50,000                        |
| 5                     | 30         | \$17.50  | \$50,000                        |
| 6                     | 32         | \$17.50  | \$50,000                        |
| 7                     | 32         | \$17.50  | \$50,000                        |
| 8                     | 32         | \$17.50  | \$50,000                        |
| 9                     | 34         | \$17.50  | \$50,000                        |
| 10                    | 34         | \$17.50  | \$50,000                        |

**Enhanced County Minimum Wage Requirements:**

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

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

|                  |
|------------------|
| <b>\$500,000</b> |
|------------------|

**Special Conditions:** None

**Modifications since preliminary approval?** Yes - incorporated in above information

Vogelsang Corporation, a New Jersey corporation (VCNJ) merged with Vogelsang Corporation, a Kentucky corporation (the Company) with the Company as the survivor of the merger. All other aspects of the company remains the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** April 24, 2014  
**Approved Company:** Constellium-UACJ ABS LLC  
**City:** Bowling Green **County:** Warren  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19904  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** D. Phillips

**Project Description:** Constellium-UACJ ABS LLC manufactures high-quality aluminum products and solutions. The project consisted of a new automotive support facility in Bowling Green which included handling equipment and finishing equipment to serve its customers throughout North America.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$94,946,000   | \$155,850,000    |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 80         | \$30.00   |                                 |
| 1                     | 80         | \$30.00   | \$450,000                       |
| 2                     | 80         | \$30.00   | \$450,000                       |
| 3                     | 80         | \$30.00   | \$450,000                       |
| 4                     | 80         | \$30.00   | \$450,000                       |
| 5                     | 80         | \$30.00   | \$450,000                       |
| 6                     | 80         | \$30.00   | \$450,000                       |
| 7                     | 80         | \$30.00   | \$450,000                       |
| 8                     | 80         | \$30.00   | \$450,000                       |
| 9                     | 80         | \$30.00   | \$450,000                       |
| 10                    | 80         | \$30.00   | \$450,000                       |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$4,500,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
 Base hourly wage: \$10.88  
 Total hourly compensation: \$12.51

**Special Conditions:** None

**Modifications since preliminary approval?** Yes  
 The company's name changed from Quiver Ventures, LLC to Constellium,-UACJ ABS LLC.  
 All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** December 12, 2013  
**Approved Company:** Sazerac Distillers, LLC  
**City:** Owensboro **County:** Daviess  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19768  
**Bus. Dev. Contact:** A. Bobbitt **OFS Staff:** M. Elder

**Project Description:** Sazerac Distillers, LLC expanded and invested in new equipment at its Owensboro facility to meet the growing demands of their products. The expansion resulted in expanded capacity and job growth.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$18,685,000   | \$45,530,000     |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 20         | \$30.50   |                                 |
| 1                     | 20         | \$30.50   | \$200,000                       |
| 2                     | 20         | \$30.50   | \$200,000                       |
| 3                     | 20         | \$30.50   | \$200,000                       |
| 4                     | 20         | \$30.50   | \$200,000                       |
| 5                     | 20         | \$30.50   | \$200,000                       |
| 6                     | 20         | \$30.50   | \$200,000                       |
| 7                     | 20         | \$30.50   | \$200,000                       |
| 8                     | 20         | \$30.50   | \$200,000                       |
| 9                     | 20         | \$30.50   | \$200,000                       |
| 10                    | 20         | \$30.50   | \$200,000                       |

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

**County Type:** Other **Statutory Minimum Wage Requirements:**  
Base hourly wage: \$10.88  
Total hourly compensation: \$12.51

**Special Conditions:**  
 Maintain Base Employment: 321  
 Maintain Statewide Employment: 609

**Modifications since preliminary approval?**

The company name changed from Sazerac North America, Inc. to Sazerac Distillers, LLC. All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 25, 2012  
**Approved Company:** Soelberg Industries of Kentucky L.L.C.  
**City:** London **County:** Laurel  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19295  
**Bus. Dev. Contact:** J. Ward **OFS Staff:** M. Elder

**Project Description:** Soelberg Industries of Kentucky, LLC, formed in 2012, was a brand new facility in Laurel County. The company opened this light manufacturing facility to provide architectural panels for applications in commercial, residential, and governmental marketplaces on a national level.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$530,000      | \$1,510,000      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 10         | \$12.51   |                                 |
| 1                     | 12         | \$12.51   | \$27,500                        |
| 2                     | 14         | \$12.51   | \$27,500                        |
| 3                     | 16         | \$12.51   | \$27,500                        |
| 4                     | 18         | \$12.51   | \$27,500                        |
| 5                     | 20         | \$12.51   | \$27,500                        |
| 6                     | 22         | \$12.51   | \$27,500                        |
| 7                     | 24         | \$12.51   | \$27,500                        |
| 8                     | 26         | \$12.51   | \$27,500                        |
| 9                     | 28         | \$12.51   | \$27,500                        |
| 10                    | 30         | \$12.51   | \$27,500                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$275,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
 Base hourly wage: \$10.88  
 Total hourly compensation: \$12.51

**Special Conditions:** None

**Modifications since preliminary approval?**

The project ownership has changed from leased to owned. All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** July 30, 2015  
**Approved Company:** TWB Company, LLC dba TWB Company of Michigan, LLC  
**City:** Glasgow **County:** Barren  
**Activity:** Manufacturing **Final Resolution #:** KBI-FL-16-20563  
**Bus. Dev. Contact:** C. Peek **OFS Staff:** M. Elder

**Project Description:** TWB Company LLC tailor welds metal blanks for use in the automotive industry. The company located a new operation at Fortis Manufacturing in Glasgow. Fortis produces the metal blanks and TWB proposes to weld these parts together and shipping them to Bowling Green Metalforming then to the Ford Truck Plant.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$1,000,000    | \$7,680,309      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 12         | \$27.00   |                                 |
| 1                     | 12         | \$27.00   | \$36,000                        |
| 2                     | 12         | \$27.00   | \$36,000                        |
| 3                     | 12         | \$27.00   | \$36,000                        |
| 4                     | 12         | \$27.00   | \$36,000                        |
| 5                     | 12         | \$27.00   | \$36,000                        |
| 6                     | 12         | \$27.00   | \$36,000                        |
| 7                     | 12         | \$27.00   | \$36,000                        |
| 8                     | 12         | \$27.00   | \$36,000                        |
| 9                     | 12         | \$27.00   | \$36,000                        |
| 10                    | 12         | \$27.00   | \$36,000                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$360,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
 Base hourly wage: \$10.88  
 Total hourly compensation: \$12.51

**Special Conditions:** None

**Modifications since preliminary approval?**

The company name changed from TWB Company, LLC to TWB Company, LLC dba TWB Company of Michigan, LLC. The average hourly wage target decreased from \$36.00 to \$27.00. All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** October 30, 2014  
**Approved Company:** Aperture Credentialing, LLC  
**City:** Louisville **County:** Jefferson  
**Activity:** Service & Technology **Final Resolution #:** KBI-FL-16-20197  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** Aperture Credentialing, LLC is in the business of verifying the credentials of physicians and other healthcare professionals for health insurance companies and other customers using this information. The proposed project included the expansion of its Louisville facility.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$2,465,068    | \$4,962,388      |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 30         | \$36.00   |                                 |
| 1                     | 30         | \$36.00   | \$140,000                       |
| 2                     | 70         | \$36.00   | \$140,000                       |
| 3                     | 70         | \$36.00   | \$140,000                       |
| 4                     | 70         | \$36.00   | \$140,000                       |
| 5                     | 70         | \$36.00   | \$140,000                       |
| 6                     | 70         | \$36.00   | \$140,000                       |
| 7                     | 70         | \$36.00   | \$140,000                       |
| 8                     | 70         | \$36.00   | \$140,000                       |
| 9                     | 70         | \$36.00   | \$140,000                       |
| 10                    | 70         | \$36.00   | \$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: 58

**Modifications since preliminary approval?**

The Investment has increased from \$2,500,000 to \$4,962,388. The eligible costs have increased from \$1,100,000 to \$2,465,068. Jobs have increased from 30 to 70. The total tax incentive amount to be requested at final increased from \$600,000 to \$1,400,000. All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** April 24, 2014  
**Approved Company:** Champion Petfoods USA, Inc.  
**City:** Auburn **County:** Logan  
**Activity:** Manufacturing **Final Resolution #:** KBI-F-16-19908  
**Bus. Dev. Contact:** M. Duffy **OFS Staff:** D. Phillips

**Project Description:** Champion Petfoods is Canada's largest independent manufacturer of pet foods offering biologically appropriate food products, including diverse meat ingredients, fruits and vegetables and meat concentrated and protein rich products. The project included the construction of its first pet food manufacturing facility in the U.S.

|  |                |                  |
|--|----------------|------------------|
| Anticipated Project Investment - Owned | Eligible Costs | Total Investment |
|  | \$42,641,613   | \$178,255,541    |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 135        | \$27.00   |                                 |
| 1                     | 135        | \$27.00   | \$800,000                       |
| 2                     | 150        | \$27.00   | \$3,000,000                     |
| 3                     | 175        | \$27.00   | \$3,600,000                     |
| 4                     | 200        | \$27.00   | \$3,600,000                     |
| 5                     | 200        | \$27.00   | \$750,000                       |
| 6                     | 200        | \$27.00   | \$50,000                        |
| 7                     | 200        | \$27.00   | \$50,000                        |
| 8                     | 200        | \$27.00   | \$50,000                        |
| 9                     | 200        | \$27.00   | \$50,000                        |
| 10                    | 200        | \$27.00   | \$50,000                        |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$12,000,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
Base hourly wage: \$10.88  
Total hourly compensation: \$12.51

**Special Conditions:** None

**Modifications since preliminary approval?** Yes

The total Investment increased from \$85,287,000 to \$178,255,541; the eligible costs decreased from \$50,128,000 to \$42,641,613; the number of jobs to be created increased from 147 to 200; the average hourly wage target increased from \$20.00 to \$27.00; the Tax Incentive Amount increased from \$8,700,000 to \$12,000,000. All other aspects of the project remain the same.



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

**Date:** October 27, 2016  
**Preliminary Approval:** September 15, 2014  
**Approved Company:** Computershare Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Service & Technology **Final Resolution #:** KBI-FL-16-20101  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** M. Elder

**Project Description:** Computershare Inc. established an operation in Louisville to enhance their client service and operational support. Founded in 1978, the company's parent company, Computershare Ltd., is publicly traded on the Australian Stock Exchange. Computershare is a global leader in transfer agency, employee equity plans, and other specialized financial and communication services.

|   |                |                  |
|---|----------------|------------------|
| Anticipated Project Investment - Leased | Eligible Costs | Total Investment |
|   | \$26,000,000   | \$32,000,000     |

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

| Year                  | Job Target | Average Hourly Wage Target<br>(Including Employee Benefits) | Annual Approved Cost Limitation |
|-----------------------|------------|---|---------------------------------|
| As of Activation Date | 255        | \$30.00   |                                 |
| 1                     | 275        | \$30.00   | \$1,320,000                     |
| 2                     | 550        | \$30.00   | \$1,320,000                     |
| 3                     | 725        | \$30.00   | \$1,320,000                     |
| 4                     | 1,000      | \$30.00   | \$1,320,000                     |
| 5                     | 1,100      | \$30.00   | \$1,320,000                     |
| 6                     | 1,100      | \$30.00   | \$1,320,000                     |
| 7                     | 1,100      | \$30.00   | \$1,320,000                     |
| 8                     | 1,100      | \$30.00   | \$1,320,000                     |
| 9                     | 1,100      | \$30.00   | \$1,320,000                     |
| 10                    | 1,100      | \$30.00   | \$1,320,000                     |

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$13,200,000**

**County Type:** Other **Statutory Minimum Wage Requirements:**  
Base hourly wage: \$10.88  
Total hourly compensation: \$12.51

**Special Conditions:** None

**Modifications since preliminary approval?**

The investment increased from \$12,062,000 to \$32,000,000. The eligible costs increased from \$7,862,000 to \$26,000,000. Job targets increased from 250 to 1,100. Average hourly wage target (including employee benefits) increased from \$20.00 to \$30.00. The total negotiated tax incentive amount to be requested at final approval to increase from \$2,500,000 to \$13,200,000. All other aspects of the project remain the same.



# Kentucky Small Business Tax Credit Projects

| Project Name                      | Form #   | County    | Beginning Employment | Eligible Positions | Average Hourly Wage | Qualifying Equipment or Technology | Tax Credit Amount | Date to KEDFA | Status  |
|-----------------------------------|----------|-----------|----------------------|--------------------|---------------------|------------------------------------|-------------------|---------------|---------|
| <u>October 2016</u>               |          |           |                      |                    |                     |                                    |                   |               |         |
| Anglers Outpost, LLC              | 21289    | GARRARD   | 7                    | 3                  | \$28.92             | \$9,016                            | \$9,000           | 10/27/2016    | PENDING |
| Dukes A&W Enterprises, LLC        | 21290    | JEFFERSON | 10                   | 3                  | \$13.76             | \$13,001                           | \$10,500          | 10/27/2016    | PENDING |
| Forty4, LLC                       | 21284    | FAYETTE   | 0                    | 2                  | \$24.40             | \$19,179                           | \$7,000           | 10/27/2016    | PENDING |
| Information Capture Solutions LLC | 21288    | LAUREL    | 17                   | 4                  | \$20.79             | \$95,179                           | \$14,000          | 10/27/2016    | PENDING |
| Integrated Engineering, PLLC      | 21285    | FAYETTE   | 14                   | 6                  | \$34.67             | \$55,246                           | \$21,000          | 10/27/2016    | PENDING |
| Mr. C Refrigeration, Inc.         | 21286    | JEFFERSON | 12                   | 4                  | \$19.25             | \$73,784                           | \$14,000          | 10/27/2016    | PENDING |
| Sizemore & Sizemore, PLLC         | 21287    | MARION    | 2                    | 2                  | \$17.81             | \$9,308                            | \$7,000           | 10/27/2016    | PENDING |
| TSC, LLC                          | 21291    | ROWAN     | 5                    | 1                  | \$11.29             | \$5,000                            | \$3,500           | 10/27/2016    | PENDING |
| West Sixth Brewing Company, LLC   | 21292    | FAYETTE   | 19                   | 3                  | \$18.65             | \$25,000                           | \$10,500          | 10/27/2016    | PENDING |
| <b>TOTALS</b>                     | <b>9</b> |           |                      |                    |                     |                                    | <b>\$96,500</b>   |               |         |

Note: The tax credit amount will be equal to \$3,500 per eligible position, not to exceed the purchase price of qualifying equipment or technology, with a maximum income tax credit of \$25,000 per company for each calendar year. Per KRS 154.60-020, the maximum amount of credits that may be committed in each state fiscal year shall be capped at \$3,000,000. Current fiscal year allocations total \$253,400.



**Kentucky Angel Investment Tax Credit Projects**  
**October 2016**

| Qualified Investor      | Qualified Small Business | County | Qualified Activity                         | Projected Investment | Tax Credit Amount |
|-------------------------|--------------------------|--------|--|----------------------|-------------------|
| Ferguson, James Michael | Double Double D, LLC     | Boone  | Materials Science & Advanced Manufacturing | \$50,000             | \$20,000          |
| <b>Total</b>            | <b>1</b>                 |        |  | <b>\$50,000</b>      | <b>\$20,000</b>   |
| <hr/>                   |                          |        |  |                      |                   |
|                         |                          |        | Projected Credits - To Date                |                      | (\$3,587,420)     |
|                         |                          |        | Reclaimed Credits                          |                      | \$596,736         |
|                         |                          |        | Current Projected/Approved Credits         |                      | (\$2,990,684)     |
| <hr/>                   |                          |        |  |                      |                   |
|                         |                          |        | Credit Limit                               |                      | \$3,000,000       |
|                         |                          |        | Current Projected/Approved Credits         |                      | (\$2,990,684)     |
|                         |                          |        | <b>Remaining Credits</b>                   |                      | <b>\$9,316</b>    |

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 to a Qualified Investor in a calendar year shall not exceed \$200,000 in aggregate.



## MEMORANDUM

**TO:** KEDFA Board  
**FROM:** J. Don Goodin   
**DATE:** October 27, 2016  
**RE:** Kentucky River Community Care, Inc.

Under the guidelines for the Kentucky Collateral Support Program that were approved by KEDFA, an eligible borrower, including its affiliates and subsidiaries, must have 500 or fewer employees at the time the loan is enrolled into this program. However, this is less than the federal guidelines under which credit cannot be extended to a borrower with more than 750 employees.

Citizens Bank of Kentucky (formerly Citizens National Bank of Paintsville) has submitted a request for collateral support for a loan to Kentucky River Community Care, Inc. (KRCC). The borrower is a non-profit organization that was established in 1979. It provides mental health, substance abuse, as well as development and disabilities services at various locations across an eight county area in Eastern Kentucky.

The new loan submitted for enrollment will be a \$1.0 million loan to the borrower to finance the acquisition and related improvement costs to real property that will be used for a new child services specialty clinic in Hazard, Kentucky (Perry County). The clinic will allow KRCC to expand upon its services to include treatment for autism, Asperger's syndrome, and many other psychiatric disabilities for children. The bank has requested 20% support on the \$1.0 million loan.

According to information provided by the bank, KRCC currently has 648 full time equivalent employees, and anticipates that it will create 27 new jobs at the Hazard facility. The new jobs added to the current employment would still keep the borrower eligible under Treasury guidelines.

Based upon this information, staff recommends an exception to policy to allow the loan to be enrolled in the Collateral Support Program.





# KSBCI Quarterly Funding Report

## September 30, 2016

### Closed

| Participating Bank  | KSBCI Program | Total Project Amount | KSBCI Support Amount |
|---|---------------|----------------------|----------------------|
| Tim and Bonita Butler   | KYCSP         | \$ 140,000.00        | \$ 26,000.00         |
| J&L Lyle Proj. #1   | KYCSP         | \$ 35,000.00         | \$ 6,300.00          |
| H.B. Molding  | KYCAP         | \$ 40,000.00         | \$ 1,200.00          |
| Women's First PLLC  | KYCSP         | \$ 335,000.00        | \$ 67,000.00         |
| J&L Lyle Proj. #2   | KYCSP         | \$ 29,000.00         | \$ 5,220.00          |
| M&M Partners Proj #1  | KYCSP         | \$ 95,612.00         | \$ 18,800.00         |
| HC Matthews   | KYCSP         | \$ 444,900.00        | \$ 69,101.00         |
| Ruby Concrete, Inc.   | KYLPP         | \$ 5,675,000.00      | \$ 80,000.00         |
| K&G Bear Creek Retreat/Montgomery Wildness KY Antler                        | KYCSP         | \$ 3,353,745.85      | \$ 400,000.00        |
| Clark County Veterinary Clinic, Inc.  | KYCSP         | \$ 680,823.58        | \$ 24,800.00         |
| Godi Corporation / Louisville   | KYCSP         | \$ 908,000.00        | \$ 60,000.00         |
| CKW Physical Therapy, Inc.  | KYCSP         | \$ 272,900.92        | \$ 54,580.00         |
| AU Associates, Inc.   | KYCSP         | \$ 471,919.11        | \$ 45,855.00         |
| Skidaddles, Inc.  | KYCAP         | \$ 65,306.12         | \$ 1,902.12          |
| Beaver Creek Vet.   | KYLPP         | \$ 410,000.00        | \$ 68,000.00         |
| J & H McGlone, LLC - Proj #1  | KYCSP         | \$ 366,000.00        | \$ 26,700.00         |
| J & H McGlone, LLC - Proj #2  | KYCSP         | \$ 50,000.00         | \$ 10,000.00         |
| Fit Bodies, Inc./Kenton County  | KYCSP         | \$ 211,000.00        | \$ 26,954.00         |
| Burgess Steel Services, Inc.  | KYCSP         | \$ 75,173.47         | \$ 14,000.00         |
| Maynard Studios   | KYCSP         | \$ 165,750.00        | \$ 24,862.50         |
| Casey's Foods, Inc. dba Happy IGA   | KYCSP         | \$ 176,610.00        | \$ 34,800.00         |
| LaFontaine Preparatory School, LLC  | KYCSP         | \$ 355,000.00        | \$ 69,000.00         |
| JAKLAK LLC  | KYLPP         | \$ 550,147.16        | \$ 106,029.40        |
| ROR, LLC/Stepping Stones For Children, Inc.                                 | KYCSP         | \$ 1,300,000.00      | \$ 250,000.00        |
| Big Red Burritos, LLC   | KYCSP         | \$ 25,000.00         | \$ 5,000.00          |
| Stardust Holdings, LLC & Stardust Ventures, LLC                             | KYCSP         | \$ 1,800,000.00      | \$ 250,000.00        |
| Rotolamento Forno LLC   | KYCSP         | \$ 95,000.00         | \$ 10,500.00         |
| Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #1 | KYCSP         | \$ 147,500.00        | \$ 29,500.00         |
| Purley Enterprises, Inc./Purley Associates, LLC/Mills Express, Inc. Proj #2 | KYCSP         | \$ 317,355.00        | \$ 57,471.00         |
| DC Logistics, Inc.  | KYCSP         | \$ 350,000.00        | \$ 18,750.00         |
| Knight Transportation   | KYCSP         | \$ 225,000.00        | \$ 45,000.00         |
| Miller Insulation, LLC  | KYLPP         | \$ 85,000.00         | \$ 17,000.00         |
| Durbin Super Bowl, LLC  | KYCSP         | \$ 2,125,000.00      | \$ 285,000.00        |
| Arnett Dental Practice, PLLC/Sheila's Property, LLC                         | KYCSP         | \$ 580,000.00        | \$ 104,400.00        |
| Prosigns LLC  | KYCSP         | \$ 150,000.00        | \$ 30,000.00         |
| D & M Contracting, Inc.   | KYCSP         | \$ 100,000.00        | \$ 16,000.00         |
| Print My Threads, LLC   | KYCSP         | \$ 230,000.00        | \$ 40,000.00         |



|  |                                |       |    |              |    |            |
|--|--------------------------------|-------|----|--------------|----|------------|
| Marshall T. West d/b/a West & Jones Funeral Home           | MACED                          | KYCSP | \$ | 225,000.00   | \$ | 40,000.00  |
| Against The Grain, LLC                                     | Wilson & Muir Bank & Trust Co. | KYCSP | \$ | 1,100,000.00 | \$ | 200,000.00 |
| JBS Industrial Solutions, Inc.                             | MACED                          | KYCSP | \$ | 550,000.00   | \$ | 50,000.00  |
| Mountain Music Exchange, LLC                               | MACED                          | KYCSP | \$ | 50,000.00    | \$ | 10,000.00  |
| Shooting Star Properties, LLC/Paladin, Inc.                | Community Trust Bank           | KYCSP | \$ | 705,000.00   | \$ | 40,125.00  |
| Best Tyler, LLC  | Wilson & Muir Bank & Trust Co. | KYCSP | \$ | 279,000.00   | \$ | 48,000.00  |
| Benjamin Watts/William & Kathy Watts/Watts's House of Iron | United Citizens Bank & Trust   | KYCSP | \$ | 50,000.00    | \$ | 10,000.00  |
| Miles Exterminating Co., Inc.                              | First National Bank of Grayson | KYCSP | \$ | 80,000.00    | \$ | 16,000.00  |
| Phillips Diversified Manufacturing, Inc.                   | Kentucky Highlands             | KYCSP | \$ | 1,200,000.00 | \$ | 240,000.00 |
| breathe, LLC   | Community Ventures Corporation | KYCSP | \$ | 57,000.00    | \$ | 10,000.00  |
| H & S Distributing, LLC                                    | Wilson & Muir Bank & Trust Co. | KYCSP | \$ | 104,000.00   | \$ | 19,400.00  |
| S & K Farms LLC/S & K Powder Coating, LLC                  | Franklin Bank & Trust Company  | KYCSP | \$ | 203,133.00   | \$ | 40,000.00  |
| Grace Community Health Center                              | Forch Bank                     | KYCSP | \$ | 600,000.00   | \$ | 120,000.00 |
| Trackside Butcher Shoppe - Request #1                      | United Citizens Bank & Trust   | KYCSP | \$ | 50,000.00    | \$ | 10,000.00  |
| Trackside Butcher Shoppe - Request #2                      | United Citizens Bank & Trust   | KYCSP | \$ | 376,000.00   | \$ | 75,200.00  |
| Land Shark Shredding, LLC                                  | Franklin Bank & Trust Company  | KYCSP | \$ | 455,000.00   | \$ | 91,000.00  |
| Land Shark Shredding, LLC                                  | Franklin Bank & Trust Company  | KYCSP | \$ | 120,000.00   | \$ | 24,000.00  |
| Starlite, LLC  | Kentucky Bank                  | KYCSP | \$ | 1,777,000.00 | \$ | 250,000.00 |
| Invictus 2468, LLC   | Fifth Third Bank               | KYCSP | \$ | 875,000.00   | \$ | 175,000.00 |
| Bader's Food Mart, Inc.                                    | MainSource Bank                | KYCSP | \$ | 286,000.00   | \$ | 57,200.00  |
| BCM JR WR LLC/Elevation Management Group, LLC              | United Southern Bank           | KYCSP | \$ | 480,000.00   | \$ | 96,000.00  |
| Bradley Ebelhar and Angela Ebelhar dba The Crowne          | Community Ventures Corporation | KYCSP | \$ | 435,000.00   | \$ | 27,000.00  |
| Tilted Tulip, LLC  | MACED                          | KYCSP | \$ | 305,000.00   | \$ | 49,000.00  |
| Walnut Specialists Incorporated                            | Kentucky Highlands             | KYCSP | \$ | 150,000.00   | \$ | 30,000.00  |
| Heritage Millworks, LLC d/b/a Powell Valley Millwork       | MACED                          | KYCSP | \$ | 425,000.00   | \$ | 80,000.00  |
| Heritage Millworks, LLC                                    | MACED                          | KYCSP | \$ | 4,500,000.00 | \$ | 150,000.00 |
| Atlas Development Group, LLC                               | First Citizens Bank            | KYCSP | \$ | 2,590,000.00 | \$ | 440,000.00 |
| Whitaker Group II, LLC                                     | MACED                          | KYCSP | \$ | 175,000.00   | \$ | 35,000.00  |
| Whitaker Group II, LLC                                     | MACED                          | KYCSP | \$ | 175,000.00   | \$ | 35,000.00  |
| Carey Technologies, Inc. dba Pine Mountain Canopy Tours    | Kentucky Highlands             | KYCSP | \$ | 550,000.00   | \$ | 50,000.00  |
| Frontier Veterinary Services, LLC                          | United Southern Bank           | KYCSP | \$ | 300,000.00   | \$ | 37,498.55  |
| Gaunce's Café and Deli LLC                                 | Kentucky Bank                  | KYCSP | \$ | 200,000.00   | \$ | 28,000.00  |
| Christian Academy of Lawrenceburg, Kentucky, Inc.          | MainSource Bank                | KYCSP | \$ | 707,000.00   | \$ | 131,400.00 |
| Steamer Seafood Bowling Green LLC                          | Franklin Bank & Trust Company  | KYCSP | \$ | 700,000.00   | \$ | 100,000.00 |
| All Type Supply  | Citizens Deposit Bank          | KYCSP | \$ | 181,868.00   | \$ | 36,000.00  |
| JC Brewer Construction, Inc.                               | Citizens First Bank            | KYCSP | \$ | 251,200.00   | \$ | 50,000.00  |
| Austin Enterprises Incorporated                            | Kentucky Bank                  | KYCSP | \$ | 242,000.00   | \$ | 48,400.00  |
| Posh Academy, LLC  | Paducah Bank & Trust           | KYCSP | \$ | 358,250.00   | \$ | 49,000.00  |
| Eastman Law Office, PSC                                    | MainSource Bank                | KYCSP | \$ | 91,000.00    | \$ | 18,200.00  |
| LES Workout, LLC   | Citizens First Bank            | KYCSP | \$ | 1,098,920.00 | \$ | 49,672.00  |
| Stapleton Holdings, LLC                                    | MainSource Bank                | KYCSP | \$ | 457,000.00   | \$ | 91,400.00  |
| Steamer Seafood Concessions & Catering, LLC                | Franklin Bank & Trust Company  | KYCSP | \$ | 148,000.00   | \$ | 20,000.00  |
| Travel Guide-Kentucky                                      | MainSource Bank                | KYCSP | \$ | 99,086.76    | \$ | 19,817.35  |
| Bluegrass Tool & Industrial, LLC                           | First Security Bank            | KYCSP | \$ | 1,250,000.00 | \$ | 250,000.00 |
| Lee's Ford Wine and Spirit Shoppe, LLC                     | Community Trust Bank           | KYCSP | \$ | 350,000.00   | \$ | 70,000.00  |
| Latonia Star, LLC  | MainSource Bank                | KYCSP | \$ | 548,000.00   | \$ | 45,000.00  |



|  |                                       |       |    |              |    |            |
|--|---------------------------------------|-------|----|--------------|----|------------|
| Julep Pets, Inc.   | Kentucky Bank                         | KYCSP | \$ | 155,000.00   | \$ | 23,250.00  |
| Miles Away, Inc.   | Community Ventures Corporation        | KYCSP | \$ | 290,000.00   | \$ | 10,000.00  |
| CGS Machine & Tool, Inc.   | Franklin Bank & Trust Company         | KYCSP | \$ | 1,440,000.00 | \$ | 248,000.00 |
| Quality Tire & Access, Inc.  | SKED                                  | KYCSP | \$ | 150,000.00   | \$ | 22,500.00  |
| Whitaker Group, LLC  | Kentucky Highlands                    | KYCSP | \$ | 270,000.00   | \$ | 54,000.00  |
| Whitaker Group II, LLC   | Kentucky Highlands                    | KYCSP | \$ | 5,535,000.00 | \$ | 108,000.00 |
| Wellness Care, LLC   | Fifth Third Bank                      | KYCSP | \$ | 470,000.00   | \$ | 70,500.00  |
| Carnage Outdoor Gear, LLC  | Paducah Bank & Trust                  | KYCSP | \$ | 90,522.00    | \$ | 18,000.00  |
| Malibu Jack's 2, LLC   | Community Ventures Corporation        | KYCSP | \$ | 1,604,500.00 | \$ | 60,000.00  |
| Parkview Pharmacy, Inc.  | Citizens National Bank of Paintsville | KYCSP | \$ | 260,000.00   | \$ | 52,000.00  |
| M & M Newspapers, LLC  | Traditional Bank                      | KYCSP | \$ | 500,000.00   | \$ | 90,000.00  |
| Cane Run Properties, LLC   | MainSource Bank                       | KYCSP | \$ | 285,000.00   | \$ | 57,000.00  |
| Two Martini's LLC  | Community Ventures Corporation        | KYCSP | \$ | 540,027.00   | \$ | 37,801.00  |
| Taylor Tot Child Center, Inc.                                      | Community Ventures Corporation        | KYCSP | \$ | 177,110.00   | \$ | 15,750.00  |
| CaneWood Homeowners Association, Inc. & CaneWood HOA GC, LLC       | Kentucky Bank                         | KYCSP | \$ | 1,230,000.00 | \$ | 184,500.00 |
| B & B Contracting, LLC   | MACED                                 | KYCSP | \$ | 100,000.00   | \$ | 20,000.00  |
| RuffleGirl Inc.  | First Harrison Bank                   | KYCSP | \$ | 1,450,000.00 | \$ | 290,000.00 |
| Downtown Fitness Paducah, LLC                                      | Community Financial Services Bank     | KYCSP | \$ | 468,230.78   | \$ | 88,000.00  |
| Critchfield Meats, Inc.  | Traditional Bank                      | KYCSP | \$ | 1,607,905.79 | \$ | 211,543.20 |
| Latonia Star, LLC  | MainSource Bank                       | KYCSP | \$ | 40,000.00    | \$ | 8,000.00   |
| Cunningham Golf Car Co., Inc.                                      | MainSource Bank                       | KYCSP | \$ | 700,000.00   | \$ | 140,000.00 |
| Michael A. Green and Vipavee T. Green (Crank and Boom              | Community Ventures Corporation        | KYCSP | \$ | 410,500.00   | \$ | 33,656.00  |
| Kentucky River Community Care, Inc.                                | Citizens National Bank of Paintsville | KYCSP | \$ | 525,000.00   | \$ | 105,000.00 |
| Empress Properties, LLC  | Republic Bank & Trust                 | KYCSP | \$ | 1,200,000.00 | \$ | 200,000.00 |
| America's Finest Filters, Inc.                                     | MainSource Bank                       | KYCSP | \$ | 170,500.00   | \$ | 34,100.00  |
| Discernity, LLC  | MainSource Bank                       | KYCSP | \$ | 100,000.00   | \$ | 20,000.00  |
| HRS Brooks, Inc.   | First Citizens Bank                   | KYCSP | \$ | 4,364,000.00 | \$ | 450,000.00 |
| Library Holdings, LLC  | Fifth Third Bank                      | KYCSP | \$ | 2,530,000.00 | \$ | 249,000.00 |
| Howard Law Firm, PLC   | Kentucky Highlands                    | KYCSP | \$ | 250,000.00   | \$ | 10,000.00  |
| Eddie Eugene Shelton and Charlotte Shelton                         | Citizens National Bank of Paintsville | KYCSP | \$ | 149,000.00   | \$ | 29,800.00  |
| FireFresh Bar-B-Q, Blankenbaker, LLC                               | MainSource Bank                       | KYCSP | \$ | 175,000.00   | \$ | 26,250.00  |
| G&M Investments, LLC   | Paducah Bank & Trust                  | KYCSP | \$ | 350,000.00   | \$ | 35,000.00  |
| Miracle Lawn and Landscaping, Inc.                                 | Kentucky Highlands                    | KYCSP | \$ | 150,000.00   | \$ | 25,600.00  |
| Pmak, LLC  | Fifth Third Bank                      | KYCSP | \$ | 725,000.00   | \$ | 72,500.00  |
| Country Boy Brewing, LLC & CBB Properties, LLC (equipment loan)    | Traditional Bank                      | KYCSP | \$ | 2,997,438.00 | \$ | 346,716.00 |
| Country Boy Brewing, LLC & CBB Properties, LLC (construction loan) | Traditional Bank                      | KYCSP | \$ | 2,950,000.00 | \$ | 250,000.00 |
| Superior Expeditors, LLC   | SKED                                  | KYCSP | \$ | 75,000.00    | \$ | 13,800.00  |
| Kenneth A. Bell, Inc.  | Fifth Third Bank                      | KYCSP | \$ | 334,988.36   | \$ | 66,997.00  |
| KJKJ, LLC  | Fifth Third Bank                      | KYCSP | \$ | 578,106.63   | \$ | 91,306.00  |
| Hildreth Brothers, LLC   | Franklin Bank & Trust Company         | KYCSP | \$ | 400,000.00   | \$ | 80,000.00  |
| Mahalaxmi Host, LLC  | Traditional Bank                      | KYCSP | \$ | 1,250,000.00 | \$ | 250,000.00 |





|  |                                 |       |                        |                      |
|--|---------------------------------|-------|------------------------|----------------------|
| Hickory & Oak, LLC                     | Franklin Bank & Trust Company   | KYCSP | \$ 750,000.00          | \$ 150,000.00        |
| Haney Enterprises LLC                  | Citizens Deposit Bank           | KYCSP | \$ 59,864.52           | \$ 11,972.00         |
| Optimum Fitness, LLC                   | United Citizens Bank            | KYCSP | \$ 50,000.00           | \$ 10,000.00         |
| Lee's Ford Dock, Inc.                  | Community Trust Bank            | KYCSP | \$ 974,000.00          | \$ 194,800.00        |
| Melissa J. Stamper and Thomas Stamper  | Community Ventures Corporation  | KYCSP | \$ 30,300.00           | \$ 4,000.00          |
| Logan Corporation                      | SKED                            | KYCSP | \$ 575,000.00          | \$ 80,000.00         |
| Grassroots Pharmacy, PLLC - Project #1 | Central Bank & Trust            | KYCSP | \$ 170,000.00          | \$ 34,000.00         |
| Grassroots Pharmacy, PLLC - Project #2 | Central Bank & Trust            | KYCSP | \$ 75,000.00           | \$ 15,000.00         |
| The Law Office of John Thompson, PLLC  | Citizens Bank of Kentucky, Inc. | KYCSP | \$ 78,662.00           | \$ 15,732.00         |
| Auto Wash USA, LLC                     | Whitaker Bank                   | KYCSP | \$ 300,000.00          | \$ 60,000.00         |
|  | <b>TOTAL APPROVED FUNDS</b>     |       | <b>\$ 3,261,826.52</b> | <b>\$ 597,504.00</b> |

**TOTAL CLOSED, PAID OFF/RECYCLABLE, CLAIMS PAID & APPROVED \$ 127,044,492.22 \$ 14,452,025.12**

**Approved but Withdrawn**

|  |                                     |       |                        |                      |
|--|-------------------------------------|-------|------------------------|----------------------|
| Corinth Christian Bookstore / Frankfort, KY              | Community Trust Bank                | KYCSP | \$ 120,000.00          | \$ 20,750.00         |
| Champion Chevrolet/Oldham Co.                            | The Bank - Oldham County            | KYLPP | \$ 1,264,934.00        | \$ 250,000.00        |
| Carty-Vicars, Inc. dba Carty-Polly & Craft Funeral Home  | SKED                                | KYCSP | \$ 790,000.00          | \$ 120,000.00        |
| E & R Enterprises, PLLC d/b/a Advantage Physical Therapy | Community Trust Bank                | KYCSP | \$ 123,541.00          | \$ 24,708.20         |
| Marrowbone Family Pharmacy, LLC                          | MACED                               | KYCSP | \$ 100,000.00          | \$ 20,000.00         |
| Brown's Fresh Meats and Produce, LLC                     | Community Ventures Corporation      | KYCSP | \$ 20,000.00           | \$ 4,000.00          |
| Bethlehem Fabrication, LLC                               | Traditional Bank                    | KYCSP | \$ 48,000.00           | \$ 9,600.00          |
| Walnut Specialists Incorporated                          | Kentucky Highlands                  | KYCSP | \$ 980,000.00          | \$ 20,000.00         |
| Cumberland Manor Rest Home, Inc.                         | MACED                               | KYCSP | \$ 250,000.00          | \$ 50,000.00         |
| Barnhill Enterprises - Request #2                        | Kentucky Bank                       | KYCSP | \$ 150,000.00          | \$ 30,000.00         |
| PMAK, LLC  | Fifth Third Bank                    | KYCSP | \$ 700,000.00          | \$ 63,000.00         |
|  | <b>TOTAL APPROVED BUT WITHDRAWN</b> |       | <b>\$ 4,546,475.00</b> | <b>\$ 612,058.20</b> |

**Closed, Paid Off/Recyclable Funds, Claims Paid & Approved Projects By Program**

| Fund Used By Program | Total Project Amounts    | KSBCI Support Amount    |
|----------------------|--------------------------|-------------------------|
| KYLPP                | \$ 6,720,147.16          | \$ 271,029.40           |
| KYCSP                | \$ 120,219,038.94        | \$ 14,177,893.60        |
| KYCAP                | \$ 105,306.12            | \$ 3,102.12             |
|                      | <b>\$ 127,044,492.22</b> | <b>\$ 14,452,025.12</b> |



Cabinet for Economic Development



Tab. 47

MEMORANDUM

TO: Kentucky Economic Development Finance Authority  
FROM: Caroline Boeh Baesler  
General Counsel  
RE: Quarterly Amendment Resolution  
DATE: October 27, 2016

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The following company is the subject of this quarter's quarterly amendment resolution:

**EDB**

Constellium-UACJ ABS LLC      Letter Amendment      Name Change