



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

October 19, 2023

Holly M. Johnson, Secretary
Finance and Administration Cabinet
200 Mero Street, 5th Floor
Frankfort, KY 40601

RE: Economic Development Fund Grant - \$3,666,925 to Boone County Fiscal Court on behalf of the Kenton County Airport Board

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$3,666,925 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Boone County Fiscal Court on behalf of Kenton County Airport Board.

The Boone County Fiscal Court on behalf of Kenton County Airport Board is seeking to construct an air cargo warehouse facility with airside access on airport property. This is a regional project with support from Boone, Campbell and Kenton counties. This project was a potential infrastructure projects identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

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

I respectfully request your concurrence in the funding of this project. If KEDFA approves this proposal, I would ask that you place this project on the next agenda of the State Property and Buildings Commission. Please feel free to contact me if you have any questions.

Sincerely,

Jeff Noel
Secretary

AGREED TO AND APPROVED BY:

DocuSigned by:
Holly M. Johnson

10/23/2023

Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery
Katie Smith



**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
ECONOMIC DEVELOPMENT FUND (EDF)
KENTUCKY PRODUCT DEVELOPMENT INITIATIVE (KPMI) PROJECT REPORT**

Date: December 7, 2023
Grantee: Boone County Fiscal Court
Beneficiary: Kenton County Airport Board
City: Burlington **County:** Boone
Activity: Manufacturing
Bus. Dev. Contact: C. Dodd **DFS Staff:** M. Elder
Project Description: Boone County Fiscal Court on behalf of the Kenton County Airport Board, is seeking to construct an air cargo warehouse facility with airside access on airport property. This is a regional project with support from Boone, Campbell and Kenton counties. The project was identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned

	Total Investment
Due Diligence	\$1,008,571
Infrastructure Extensions/Improvements	\$1,494,825
Site Preparation	\$554,000
Building Construction/Renovation	\$11,501,392
Road Improvements	\$170,000
TOTAL	\$14,728,788

Anticipated Project Funding

	Amount	% of Total
Economic Development Fund Grant (State)	\$3,666,925	24.9%
Local Private Activity Bond	\$11,061,863	75.1%
TOTAL	\$14,728,788	100.0%

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

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT: **\$3,666,925**

Recommendation:

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