



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
Governor

Old Capitol Annex
300 West Broadway
Frankfort, Kentucky 40601

Jeff Noel
Secretary

March 19, 2024

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

RE: Economic Development Fund Grant - \$331,805 to Breckinridge County Fiscal Court on behalf of the City of Hardinsburg

Dear Secretary Johnson:

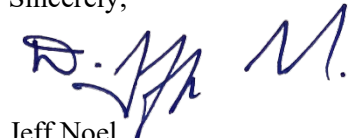
In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$331,805 in Economic Development Fund (EDF) funds for the purpose of making a grant to the Breckinridge County Fiscal Court on behalf of the City of Hardinsburg

The Breckinridge County Fiscal Court on behalf of the City of Hardinsburg is seeking to extend water and sewer lines in the Commerce Park. This project was a potential infrastructure project 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:

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Secretary, Finance and Administration Cabinet Date 3/25/2024

cc: Kristina Slattery
Katie Smith



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

Date: March 28, 2024
Grantee: Breckinridge County Fiscal Court
Beneficiary: City of Hardinsburg
City: Hardinsburg **County:** Breckinridge
Activity: Manufacturing
Bus. Dev. Contact: M. Jollie **DFS Staff:** B. Combs

Project Description: The Breckinridge County Fiscal Court on behalf of the City of Hardinsburg is seeking to extend water and sewer lines in the Commerce Park. This project was a potential infrastructure project 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
Infrastructure Extensions/Improvements	\$663,610
TOTAL	\$663,610

Anticipated Project Funding	Amount	% of Total
Economic Development Fund Grant (State)	\$331,805	50.0%
City of Hardinsburg Funds	\$331,805	50.0%
TOTAL	\$663,610	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: **\$331,805**

Recommendation: Staff recommends approval of this KPDI-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.



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March 15, 2024

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

RE: Economic Development Fund Grant - \$250,000 to the City of Winchester on behalf of Washington Penn Plastic Co., Inc.

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$250,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to the **to the City of Winchester on behalf of Washington Penn Plastic Co., Inc.**

Washington Penn Plastic Co., Inc. is a leading provider of polypropylene and polyethylene compounds that supply the automotive, appliance, construction, consumer, packaging, and industrial markets. The company is considering opening a manufacturing facility in the Winchester Industrial Park.

In consideration of this EDF grant, Washington Penn Plastic Co., Inc. will be required to make investment and create new, full-time jobs for employees subject to Kentucky individual income taxes (excluding contract or temporary employees) paying the following wages in Winchester in accordance with the following schedule:

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
December 31, 2028	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2029	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2030	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
December 31, 2031	88	Create	\$37.39	Total Hourly Compensation (includes benefits)

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


Secretary Holly M. Johnson
March 15, 2024
Page Two

Under the terms of the EDF grant agreement, disbursement of grant funds will occur after the annual compliance reporting has occurred. The amount of the disbursements will be based on the performance requirements achieved. If Washington Penn Plastic Co., Inc. fails to create or maintain the job target as of each compliance date, then the amount of the grant payable after each compliance measurement date will be reduced by the sum of \$710 for each new, full-time job not created or maintained by the company at each of the five annual measurement dates. Furthermore, if Washington Penn Plastic Co., Inc. fails to pay these new jobs the average hourly wage of \$37.39, including benefits, the amount of the grant payable after each compliance measurement date will be reduced by a pro rata portion of the EDF grant based on a formula to be outlined in the EDF grant agreement.

Any funds repaid to the City of Winchester by Washington Penn Plastic Co., Inc. must be used for economic development purposes as approved by the Cabinet for Economic Development. In no event will the repayment of EDF grant proceeds exceed the EDF grant amount of \$250,000.

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:

3/25/2024
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Secretary, Finance and Administration Cabinet Date

cc: Kristina Slattery
Katie Smith



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

Date: March 28, 2024
Grantee: City of Winchester
Beneficiary: Washington Penn Plastic Co., Inc.
City: Winchester **County:** Clark
Activity: Manufacturing
Bus. Dev. Contact: A. Chilton **OFS Staff:** B. Combs

Project Description: Washington Penn Plastic Co., Inc. is a leading provider of polypropylene and polyethylene compounds that supply the automotive, appliance, construction, consumer, packaging, and industrial markets. The company is considering opening a manufacturing facility in the Winchester Industrial Park.

Select Owned or Leased

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Total Investment
\$6,915,000
\$42,405,250
\$54,366,386
\$1,250,000
\$104,936,636

Anticipated Project Funding

Economic Development Fund Grant (State)
 Company Equity
TOTAL

Amount	% of Total
\$250,000	0.2%
\$104,686,636	99.8%
\$104,936,636	100.0%

Job and Wage Requirement Table

Compliance Date	Full-time Jobs Required	Job Type	Average Wage Required	Average Wage Type
12/31/2028	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2029	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2030	88	Create	\$37.39	Total Hourly Compensation (includes benefits)
12/31/2031	88	Create	\$37.39	Total Hourly Compensation (includes benefits)

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

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

Job Penalty Provision: \$710 per job not created or maintained

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

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

12/31/2028	\$62,500
12/31/2029	\$62,500
12/31/2030	\$62,500
12/31/2031	\$62,500

RECOMMENDED ECONOMIC DEVELOPMENT FUND AMOUNT:

\$250,000

Ownership (20% or more):

Audia Plastics Holdings, Inc. Washington, PA

Active State Participation at the Project Site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Aug 31, 2023	KBI	Approve/ Prelim	\$2,500,000
Aug 31, 2023	KEIA	Approve/ Final	\$300,000

Unemployment Rate:

County: 3.6% Kentucky: 3.8%

Recommendation:

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



CABINET FOR ECONOMIC DEVELOPMENT

Andy Beshear
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Frankfort, Kentucky 40601

Jeff Noel
Secretary

March 19, 2024

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

RE: Economic Development Fund Grant - \$2,000,000 to One East Kentucky on behalf of the City of Pikeville

Dear Secretary Johnson:

In accordance with KRS 154.12-100, this letter shall serve as notice of my recommendation for the use of \$2,000,000 in Economic Development Fund (EDF) funds for the purpose of making a grant to One East Kentucky on behalf of the City of Pikeville

One East Kentucky on behalf of the City of Pikeville is seeking to improve property at the Kentucky Enterprise Industrial Park. The site will be prepped and compacted, creating a site ready for industrial development. This project was a potential infrastructure project 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 3/25/2024
81C993F6FA23433...
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: March 28, 2024
Grantee: One East Kentucky
Beneficiary: City of Pikeville
City: Pikeville **County:** Pike
Activity: Manufacturing
Bus. Dev. Contact: C. Prather **DFS Staff:** B. Combs
Project Description: One East Kentucky on behalf of the City of Pikeville is seeking to improve property at the Kentucky Enterprise Industrial Park. The site will be prepped and compacted, creating a site ready for industrial development. This project was a potential infrastructure project identified by an independent site selection consultant as having the potential for future investment/location of an economic development project.

Anticipated Project Investment - Owned

Site Preparation

TOTAL

Total Investment
\$4,000,000
\$4,000,000

Anticipated Project Funding

Economic Development Fund Grant (State)

City Funds

TOTAL

Amount	% of Total
\$2,000,000	50.0%
\$2,000,000	50.0%
\$4,000,000	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:

\$2,000,000

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.