Beard, Chair
Stinnett, Vice Chair
Gorton
Ellinger
Kay
Ford
Blues
Lawless
Farmer
Crosbie
Myers
McChord
Martin
Henson
Lane

AGENDA
COMMITTEE OF THE WHOLE QUARTERLY
ECONOMIC DEVELOPMENT COMMITTEE
February 4, 2014
1:00 P.M.

1. **October 15, 2013 Committee Meeting Summary** (1-4)
2. **Food Truck Review – Henson** (5-10)
3. **JOBS Program Review – Mossotti** (11-43)
4. **Economic Development Quarterly Reporting System – General Services Link** (44-60)
5. **Items Referred to Committee** (61)

"Economic Development Committee, to which shall be referred matters relating to the Office of Economic Development and related partner agencies."
-Council Rules & Procedures, Section 2.102(1)

2014 Committee Meeting Schedule
February 4, 2014
May 13, 2014
August 19, 2014
November 11, 2014

ECONOMIC DEVELOPMENT
COMMITTEE OF THE WHOLE
October 15, 2013
Meeting Summary

Chair Beard called the meeting to order at 1:02 PM. All members were present

1. April 23, 2013 Committee Summary

On a motion by Scutchfield second Gorton the summary of the 7.9.13 Economic Development Committee of the Whole meeting was approved unanimously.

2. Commerce Lexington Quarterly Activity Report

Gina Greathouse presented the Commerce Lexington quarterly economic development report. She discussed the economic development simulation, Geeks Night Out, the IAMC Conference and a healthcare presentation for network groups such as call center employees.

Greathouse stated that the Bluegrass Business Partnership was awarded with a bronze award for its "Art of the Deal: Why Bingham Chose Lexington for its Global Services Center". They also received a bronze award for its SBIR/STTR rent subsidy incentive program.

Greathouse stated that during the quarter they had 8 site visits; meet with 42 prospects; and 43 existing business visits. She stated that NOHMS announced 162 new jobs for Fayette County with an average yearly salary of $ 60,000; and capital investment of $ 5.4 million.

Greathouse summarized the breakdown of the 42 prospects by sector including 12 in High Tech; 10 in Manufacturing; 7 in Business & Professional Services; 4 in Headquarters; 3 in Bio Tech; 3 in Distribution; 2 in Call Centers; and 1 in the Research/Development sector.

Greathouse stated that Ms. Billie Peavler was retained as Executive Director of the Business & Education Network (BEN).

Tyrone Tyra discussed the minority business development efforts. He stated that during the 1st quarter the accelerator businesses reported over $ 3.5 million in contracts and general business. He also announced that Michael Stewart with Fayette Window Cleaning was named minority business person of the year.

Lawless thanked Greathouse for her efforts. Greathouse stated that it was team effort involving both the public and private sector.

Akers congratulated Michael Stewart and Fayette Window Cleaning on the award.

3. Downtown Management District

Renee Jackson gave the presentation. She showed a video on the merits of the establishment of the Management District.

She stated that the DLC is leading the effort to establish the District. She stated that the Management District is equivalent to a homeowners association. She stated that it supplements the services offered by the City downtown, including beautification; downtown promotions programming; and a downtown ambassador program.

Jackson stated that the District would be supported by a $ 0.10 per $ 100 property tax on downtown properties.

In response to a question from Beard, Jackson stated that only property owners are allowed to vote on the proposal. She stated that 33% of the owners representing at least 51% present of the value of the affected properties will need to support the petition effort for the District proposal to be brought before Council.

In response to a question from Lane Jackson stated that the tax would generate about $ 285,000 annually.

Lane stated that many tenants are unenthusiastic about the proposal because as tenants they can't vote o the proposal but any assessment would be passed along to tenants from the property owners.

Ellinger asked Jackson about the process of establishing the district. In response, Jackson stated that the process is driven by Kentucky Revised Statute. She stated that in order to be enacted at least 33% of the property owners representing at least 51% of the property value must sign a petition in favor of establishing the District. She stated that once that threshold is met she will deliver the petition to the Council and the Mayor. She stated that the Council would then have the power to establish the tax district.

Jackson stated that at present 26% of the 226 property owners representing 45% of the downtown property value have signed the petition.

In response to a question from Ellinger, Jackson stated that 16 property owners representing about 30% of the property value have stated their opposition to the District.

Lawless stated that the city could potentially benefit from the District. In response to a question from Lawless, Jackson stated that about 18% of the property downtown is residential.

Stinnett asked Jackson how they are responding to the opposition that this is another tax plan. In response Jackson stated that supporters are viewing this as an investment not another tax. She also stated that management districts in other cities have enhanced the quality of life.

Lane stated that he would be concerned about the fairness of tax exempt properties like LFUCG not paying the property tax. In response Jackson stated that the tax exempt properties can opt in and pay a fee.

Jackson discussed the sunset provisions of the District.

Akers discussed the merits of the management districts in other cities.

In response to a question from Akers, Jackson stated that districts in other cities have a 35-40% 'opt in' of tax exempt properties. Jackson stated that the goal for this District is 15% of the tax exempt properties opting in.

In response to a question from Mossotti, Jackson discussed the timeline and process to obtain the necessary support from property owners.

Myers asked about the make up of the District Board. In response Jackson stated that a 15 member Board of Directors will be appointed by the Mayor. The Board will include 10 members who own property or represent property owners. The Mayor, the DLC Director and 3rd District Councilmember are also appointed to the Board.

Jackson stated that if successful the District takes effect Jan 1 2014 with its fiscal year commencing on July 1 2014.

In response to a question from Kay, Jackson discussed the District boundary and criteria used to set the boundaries.

In response to a question from Akers, Bob Quick stated that Commerce Lexington is supportive of this initiative.

Nathan Dickerson spoke in favor of the JOBS fund on behalf of the Progress Lex Action Fund.

4. Collaborative Economic Development Activities

Kevin Atkins reported that his office has started hosting the collaboration meetings with the economic development partner agencies.

Atkins introduced Mayor Gray who discussed the Lexington JOBS proposal.

Gray stated that the $ 2 million program would include support for gap financing and loans earmarked for high tech research companies. He stated that the program would target local companies and SBIR companies that add jobs to the local economy.

Gray also discussed the claw back provisions of the loan program.

Jim Parsons discussed details of the JOBS program.

Gray introduced Nathan Ball, President of Nohms who spoke in favor of the JOBS proposal.

The meeting adjourned at 3:12 PM.

PAS 10/25/13

Food Truck Pilot Program Evaluation

In June 2013, the Council approved a pilot program for mobile food unit vendors to operate in designated street parking. Based on the evaluation criteria as reported by the responsible party, the program results are:

Division of Revenue

Number of mobile food unit vendor permits issued prior to the implementation of this program **35***
**See page three for a complete list of registered businesses.*

Total number of complete applications submitted for the pilot program permits in June **4**
1. Bradford's BBQ
2. Cluckin Burger
3. Las Princesas Tacos
4. That's How We Roll

Total number of new mobile food unit vendor permits obtained during the pilot program **2**
1. Las Princesas Tacos
2. JIRIL International

Number of food trucks that opened brick and mortar restaurants during the pilot program**
**LFUCG does not maintain this information. Existing mobile food businesses do not have to notify LFUCG if they open a brick and mortar store.
Based on <u>industry</u> information, the following vendors have opened brick and mortar stores over the last six months:
1. Athenian Grill
2. Bradford's BBQ
3. La Petite Creperie
4. TNT BBQ (Nicholasville)
5. Ogata's (Nicholasville)
6. Fork in the Road (in process of opening)

In addition, based on <u>industry</u> information, the following brick and mortar businesses opened food trucks:
1. Crank and Boom (Thai Orchid)
2. Crazy About Cajun (Furlongs)

Total gross sales receipts for food truck operators in the pilot program***
Total gross sales receipts for brick and mortar restaurants in the downtown area***
****Information is not available. Gross sales reported on an annual basis when a business files taxes. Lexington-Fayette Urban County Government may report total gross sales only and not individual receipts.*

Division of Police

Number of citations issued each month and the nature of those citations **0**

Chief Administrative Officer

Number of mobile food unit vendor permits revoked during the program **0**
Number of complaints resolved through mediation to the satisfaction of the business and consumer **0**
Number and nature of calls received by LexCall regarding the program and vendors **0**

Division of Purchasing

Number of minority and women-owned food trucks obtaining mobile food unit vendor permits **2**
LFUCG is working with the following woman owned businesses to obtain their certification:
Cluckin Burger, LLC
Las Princesas Tacos

Lexington-Fayette County Parking Authority

Number of citations issued each month and the nature of those citations	0
Number of food trucks in operation by zone, including peak times, etc	0
Revenue reported each month from vendors located in the food vending zones	0

Note: Vendors did not operate during the day in parking spaces tracked by the LFCPA.

Lexington-Fayette County Health Department

LFCHD Downtown Pilot Program Report for July-October 2013

A total of 5 temporary permit applications were received that were associated with the pilot program. No closures or failing inspections were issued. In 4 of the 5 cases, the food vendor was not observed in operation by LFCHD inspectors during the vendor's indicated operating times.

Mobile Food Trucks commonly registered online for lunch-time operation at the Downtown Chase Building. Vendors operated from this location during 6 different week-long time periods. No closures or failing inspections were issued for vendors operating from this location.

The Downtown area was surveyed for food vendors at least once/week by regulatory staff during non-business hours in conjunction with other activities (Thursday Night Live inspections, inspections of permitted restaurants, Smoking Ordinance surveillance, etc.). No unregistered/permitted food vendors were found operating in the downtown area.

This information only includes permits and registrations that were received associated with the Pilot Program. Excluded from this report are permits and registrations issued that were associated with LFUCG sanctioned events conducted within the pilot program area (holiday festivals, "Food Truck Fridays", "Thursday Night Live", etc).

*MOBILE FOOD VENDORS *(as of 11/11/13)*

ACCOUNT NAME	DATE ADDED	BUSINESS DESCRIPTION	
BRASHEAR, RICKY	19970619	FOOD PEDDLER	
BIG BLUE WIENERS LLC	20130830	HOT DOG CART	
GUZMAN, ANGEL	20070508	PEDDLER/ITINERANT MCHT	
EL AMIN, KWAME	20070604	FOOD VENDOR	
GTJMB INC	20110614	KIOSK-CANDY	
NEW ORLEANS ICE	20020425	ITINERANT MERCHANT	
J RENDERS BBQ LLC	20130311	MOBL FOOD UNIT VNDR/ITIN	
WENDYS SNO KONES	19970627	SELL SNO KONES (PEDDLER)	
EL-AMIN, WALI Y	20000630	VENDING PEDDLER	
WINGATE, DAWIN	20030422	PEDDLER HOTDOGS	
MARTIN, KYLE	20070326	ITINERANT MERCHANT	
GUTIERREZ, LUIS	20080325	ITINERANT MERCHANT	
RIOS, ANTHONY E	20090316	HOT DOG SALES	
HARDWOOD PIZZA CO	20091016	PIZZA OPERATION	
GOMEZ, JOEL	20100113	TACOS AND TORTAS	
HENSLEY, DANNY	20100308	FOOD SALES	
HENDRICKSON, DANIEL	20100520	FOOD PEDDLER	
MCCLELLAN, HEATHER	20100708	PEDDLER SNOW CONES	
BOBS HOT DOGS LLC	20100824	PEDDLER	
ARNOLD, SHANNON	20110316	HOT FOOD VENDOR	
BRADFORD BBQ	20110523	CONCESSION	PILOT
HOGUE, HARPER	20110909	PEDDLER HOT DOGS	
SWARTZ, DEBORAH J	20120328	ICE CREAM PEDDLER	
GRIFFIN, JAMES	20120620	ITINERANT MERCHANT FOOD VENDOR	
BIG MELT LLC	20120621	ITINERANT MERCHANT FOOD VENDOR	
WHITIS, JASON	20120626	PRODUCE SALES	
MIGGYS MOBILE FOOD	20120702	ITINERANT MERCHANT	
JOHANNES, DOUGLAS A JR	20120720	FOOD VENDOR/ITINERANT ME	
THOMPSON, RAMONA	19900426	MOBL FOOD UNIT VEN/ITIN M	
WILKERSON, CARY SR	20120308	FOOD PEDDLER	
TIBBETTS, AMANDA	20120420	MOBILE VENDOR	PILOT
THATS HOW WE ROLL	20120605	MOBILE FOOD VENDOR	PILOT
LATHAM, TIM	20120614	MOBILE VENDOR	
OGATAS HAWAIIAN GRILL	20121024	MOBILE FOOD SERVICE	
MIA NONNI LLC	20130404	MOBILE FOOD VENDOR	
TNT BBQ AND GRILL LLC	20130501	MOBILE FOOD TRUCK	
BONILLA, SONIA	20130918	MOBILE FOOD SVC TRUCK	PILOT
J I R L INTERNATIONAL	20131108	FOOD TRUCK	

Kentucky.com

Previous Story
Next Story

Lexington considers extending food-truck pilot program

By Beth Musgrave

bmusgrave@herald-leader.comDecember 5, 2013

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Customers visited food trucks in April 2012, in a lot between Vine and Main streets in Lexington. The Bluegrass Food Blast was an event to highlight mobile vendors. For several years, food trucks have sought more access in downtown.

PHOTO BY DAVID PERRY | STAFF — HERALD-LEADER Buy Photo

- Related Stories:
- Lexington council approves food trucks pilot project
- Food trucks now allowed at Lexington industrial and warehouse businesses
- Lexington grappling over details before allowing downtown food trucks
- Lexington council votes to delay action on food-truck ordinance

The Urban County Council is considering extending a pilot program to allow food trucks in certain areas of downtown Lexington.

Council in June approved a six-month pilot program allowing food trucks in six downtown zones.

During Thursday's meeting, council gave first reading to an ordinance that would extend the program until March 2014. A final vote will be taken Tuesday. Additionally, the council wanted to review the program more thoroughly during a February economic development committee.

Councilwoman Shevawn Akers, who pushed for the creation of the pilot program, said there have been no parking or other violations issued to the vendors who have been participating.

But several council members said they felt that the community should have more opportunity to provide feedback on the food truck program before the program is extended.

Council members Ed Lane, Harry Clarke and Akers voted against the three-month extension because they wanted to extend the program until December 2014. "People are always talking about how good the food is," said Lane said, noting that he had received no complaints about the program.

Sean Tibbetts, president of the Bluegrass Food Truck Association, said that the pilot program has proven to be successful. "We went six months with no complaints," Tibbetts said. ""How many months do we have to prove ourselves?"

Only four vendors have been participating in the pilot program. Two key factors limited participation, Tibbetts said.

One issue was restrictions that the Lexington Parking Authority, which controls parking in Lexington, placed on the program. The authority allowed the trucks to park only at metered spots for two hours between 7 a.m. to 5 p.m. That was not enough time for a lunch set up and tear down for most food trucks, Tibbetts said.

Also, Tibbetts said there was confusion about whether food truck operators had to post a $500 bond every year or only during the first year of operation. That also gave a lot of food trucks pause before participating in the program.

Food vendors said despite the limited participation in the program, they want it to continue.

"We're just thankful that the city has been willing to work with us," said Jason Cullen, who runs Cullen Carts, a hotdog stand. "I hope that it can be a success."

Tibbetts, who also owns Cluckin' Burgers, said extending the pilot program will give the group an opportunity to work with the parking authority to extend the amount of time they can spend at metered spots in the six zones where food trucks are allowed to operate.

The Bluegrass Food Truck Association negotiated a lease with Chase bank on Main Street, where food trucks have routinely served food since August. That allows the food trucks to be downtown longer than two hours, Tibbetts said.

Cullen said that many food trucks and carts were already booked when the pilot program began. Giving the pilot program additional time may result in more food trucks participating, Cullen said.

Robin Feeney, manager of the Town Branch Market, across from the Chase Bank plaza, said she would prefer that the food trucks were not parked within 50 feet of the grocer and deli's front door. "It just seems that there needs to be a level playing field," Feeney said. "I don't see the point of an ordinance if they can get a lease on private property."

Trucks are allowed anywhere in downtown Lexington after 5 p.m. as long as they are 100 feet or more from an open business or a residential area.

Tibbetts said that although there has been limited participation in the pilot program, food trucks have taken off in the Bluegrass. The association began in July with only four members. Today, it has 24. Lexington was recently named the seventh-best city in which to run a food truck.

Beth Musgrave: (859) 231-3205. Twitter: @HLCityhall.

Paul Schoninger

From: Linda Gorton
Sent: Tuesday, January 28, 2014 9:15 PM
To: Stacey Maynard; Tyler Scott; Kevin Atkins
Cc: Jamie Emmons; Wesley Holbrook; Paul Schoninger; Council Members (Email)
Subject: Jobs Fund - questions for COW Economic Development Feb 4

Stacey, Tyler, & Kevin,

Can you include the following questions from me in the packet for the Feb 4 Jobs Fund discussion? Perhaps via my email.

I request that answers also be included in the packet as part of presentation.

"Fund Programs"

-specifically who will determine what are the "high priority industries" which will be targeted for the incentives? What criteria will be used to determine "high priority industries"?

"Protecting Public Dollars and Investments"

-Please explain in detail what "clawback provisions" are & how they protect the public money.

-Who within LFUCG will track the job creation numbers & insure that the companies receiving Jobs Fund money are compliant with their agreed jobs creation & retention?

-When a company comes forward for Council approval, what mechanism will be used to insure the following: " Members of the Board and The Urban County Council will be required to recuse themselves if they are private investors in the company applying for incentives or otherwise have a conflict and are prohibited from investing in companies that have received incentives."

-For what period of time will a Council Member be prohibited from investing in the company which receives Jobs Fund money?

I apologize that I will be out of town on Feb 4 for this meeting. I appreciate that you will work to get this info into the packet.

Many thanks,
Linda

Linda Gorton
Vice Mayor
859-258-3211

Sent from my iPad

The Jobs Fund Policies and Guidelines

Economic Development Committee of the Whole

2/4/13

A Quick Look Back…

- Workshop on Jobs Fund Proposal with Councilmembers **(10/9)**
- Presentation on Jobs Fund Proposal to Economic Development Committee **(10/15)**
  - Included Jim Parsons (Taft Law Firm) and Nathan Ball (NOHMs)
- Initial allocation of $1 million from Fund Balance reserved **(10/22)**
- Presentation on Jobs Fund to Councilmembers **(11/13)**
- Council approved the Jobs Fund Program **(12/5)**
  - The issuance of grants, loans, or other agreements (Section 2, Section 6)
  - The Board to perform the duties of the fund (Section 3)
  - Preference for businesses with other public incentives (Section 4)
  - Structure of Approval Process (Section 6, Section 10)
  - Agreement maximums with exceptions (Section 7)
  - Clawback provisions to recover some or all funds (Section 8)
- Council approved the Economic Development Investment Board **(12/5)**
- Revised positions (Appointed **12/10**)
  - Added 1 Councilmember, the Chief Development Officer, and a Private Equity/Venture Capital Representative
- Board met to vet Policies and Guidelines and Application **(1/10)**
  - Minor Changes made and approved

Economic Development Investment Board

Kevin Atkins	Chief Development Officer, *Chair*
Tyrone Tyra	Commerce Lexington, *Vice Chair*
Julian Beard	Councilmember, Chair of Economic Development
Chuck Ellinger	Councilmember, Chair of Budget and Finance
Laura Boisin	Banking
Nelson Maynard	Lexington Industrial Foundation
Drew Curtis	Private Equity/Venture Capital
Phil Holoubek	Housing
Anne-Tyler Morgan	At-Large Designee
Christy Trout	At-Large Designee
Stephen Howard	At-Large Designee

Others contributing

Erik Dunnigan	Former State Commissioner for Business Development
Jim Gray	Mayor
Jamie Emmons	Chief of Staff
Bill O'Mara	Finance Commissioner
Dave Barberie	Managing Attorney
Cynthia Schuster	Administrative Officer, Sr.
Jeff Fugate	Lexington DDA President
Gina Greathouse	Senior Vice President for Economic Development
Kimberly Rossetti	Assistant Vice President for Economic Development
Alaina Stokes	Research Director
Margaret Ridley	Project Manager
Shannon Settles	Council Aide

The Policies and Guidelines govern…

- Minimum Criteria
- Taxpayer Protection
- Application Materials and Requirements
- Evaluation Process
- Compliance Requirements

Minimum Criteria

- General Minimum Criteria for All Programs
  - Located in or Moving to Lexington
  - Specific Job Creation Targets
  - Average Wages Greater than or Equal to our County Median
  - Application Fee
  - Submission of All Requested Materials
  - Current with all taxes and licenses
  - Company Project shall be for the production of a tradable good or service
- Specific Criteria for Worker Training Grants
  - Limited for positions with demonstrated longstanding unfilled jobs
  - Businesses are among Bluegrass Economic Advancement Movement targeted industries (Transportation Equipment; Electrical Equipment, Appliances, Components; Fabricated Metal Products; Machinery; Food; Plastics, Rubber Products; Other Manufacturing)
- Specific Criteria for Loans
  - Cannot Exceed 50% of total project dollars

Taxpayer Protection

- Agreements no longer than 10 years
- Regular Reports on Progress
- Certification that "But for" these incentives this project would not happen
- "Best Efforts" clause in agreements
- May require evidence of business expense before disbursement
  - Receipts for reimbursement
- Possible Collateral Requirement with equipment or other capital assets
- Clawbacks that require repayment or lower the amount of incentive disbursed
- Affadavit Certifying Proper Use of Funds

Application Materials and Requirements

- Company Location
- Incentive Requested
- Baseline Jobs and Payroll
- Proposed Job Creation
- Average Wage of Jobs
- Other Incentives or Financing (state, federal, private financing)
- State of Organization
- Current on All Taxes and Licenses (federal, state, local)
- Description of Project, Customers, and Cash Flows
- Applicable Tax ID Numbers
- Report of Creditworthiness or receipt of financing where creditworthiness has been thoroughly reviewed
- Information Regarding Owners
- Application Fee

Compliance Requirements

- Recusal of Board/Council members if associated with a company
- Annual reports on Job Growth from Baseline
- Businesses not in compliance will receive notice and a time frame to become compliant
  - Clawbacks and penalties agreed to in the contract will go into effect in noncompliance continues.
- Proper Usage will also be key to compliance.

Questions?

Lexington Jobs Fund Policies and Guidelines

I. General

In December, 2013, The Lexington-Fayette Urban County Government established a local economic development incentive program to provide local funding to certain qualified businesses (the "Lexington Jobs Fund" or the "Program"). See Ordinance No. 153-2013. These are the policies and guidelines for the Program.

In order to qualify for incentive funding, a business shall be willing to commit to creating and retaining a minimum number of jobs for a specific duration in Lexington-Fayette County, Kentucky. Any businesses selected for participation shall provide evidence of potential commercial success. The receipt of traditional financing, federal Small Business Innovation Research (SBIR) funding, federal Small Business Technology Transfer (STTR) funding, or other qualified federal or state funding through a similar process in which the viability of the business has been substantially reviewed will be considered evidence of potential success; however, Program funding will not necessarily be limited to those businesses.

A priority will be placed on providing incentive funding to those businesses which are primarily involved in advanced manufacturing, technology, professional shared service operations, or healthcare, or which have or will be locating their primary base of operations or headquarters in Lexington-Fayette County.

All funds awarded pursuant to the Program shall be solely at the discretion of the Urban County Government and shall be in the form of a loan agreement, grant agreement, or similar agreement. Each funding agreement shall be approved by the Urban County Council. A business shall only be eligible for a maximum of one type of Program funding at any given time. This does not preclude a business from applying for an amendment to its existing funding agreement.

The typical maximum amount of any funding agreement will not exceed $100,000 for a grant agreement and $250,000 for a loan or other agreement. However, upon the recommendation of the Chief Development Officer and the Economic Development Investment Board, and the final approval of the Urban County Council, the funding may exceed the above amounts.

All funding will be made subject to an agreement by the business that a minimum number of jobs and total payroll will be created and that those jobs will continue to exist for the period of time provided in the funding agreement. All loans are to be repayable to the Urban County Government within ten (10) years. All grants or other agreements shall include provision(s) requiring the repayment of some or all of the funds in the event that the terms of the agreement are not fulfilled.

Adopted – 1/10/14

Any business interested in obtaining funding shall submit a Program funding application to the Chief Development Officer for initial review.

If the Program funding application meets the minimum criteria, the Chief Development Officer will make a recommendation to the Economic Development Investment Board regarding the application. The applicant will be provided the opportunity to present additional information to the Board regarding its application. The Board will consider and review the application and any other relevant information provided regarding the application. The Board will make a recommendation to approve the application in full, in part, or deny the application. The Board may also recommend that the type or form of the funding be amended or request that the applicant amend the application and/or reapply for a different type of funding. If the Board determines that the Program funding application should be partially or entirely funded the appropriate administrative steps will be taken to present the recommendation and the appropriate Program funding agreement to the Urban County Council for consideration. Only appointed members of the Board may vote to send recommendations and funding agreements to the Urban County Council.

II. Lexington Job Funds Programs

There are four distinct programs within the Lexington Jobs Funds. Two of the programs are related to attracting and supporting innovative businesses and two are related to expanding local businesses. These programs are intended to be flexible with those parameters which are in addition to those required Ordinance No. 153-2013 (and which are listed in the below tables), operating as general guidance in making recommendations for funding. For example, if a sufficient business case is made in support of providing incentive funds in excess of the respective amounts listed in the below tables, the Economic Development Investment Board may propose that the LFUCG enter into an agreement to provide the higher amount. However, only the Urban County Council has the authority to authorize the issuance of incentive funds to a business under any of the programs.

Innovation Attraction and Support

Program	Company Attraction/Innovation Support	Growth and Investment Program
Funding Type	Grant	Loan
Amount	Up to $100,000	Up to $250,000
Interest	*Penalties (10-year Note plus risk and overhead adjustment)*	*10-year Note plus risk and overhead adjustment*
Term	Up to 10 years	Up to 10 years
Eligibility	-High Growth Company -Shall be a business located in or planning to move to Lexington -Job creation requirement -Shall be current with all federal, state, and local taxes -Shall produce a tradable good or provide a tradable service (whether pre- or post-commercialization) -Average wages for job creation are greater than or equal to the county median income	-Shall be a business located in or planning to move to Lexington -Shall be current with all federal, state, and local taxes -Shall provide personal guarantee or collateral to secure the loan sufficient to LFUCG -ED fund loan cannot exceed 50% of loaned dollars from other sources -Job creation requirement –Proposed average job salaries meet or exceed the county median income -Shall produce a tradable good or provide a tradable service (whether pre- or post-commercialization) -Average wages for job creation are greater than or equal to the county median income
Performance Indicators	-Dollars Leveraged -Patents Filed -Additional Grant Funding -Jobs Created	-Dollars Leveraged -Patents Filed -New Revenue Generated -Jobs Created
Additional Notes	-May take the form of support subsidies, capital acquisition funds, or a cash grant. -Consideration will be given to companies that have received SBIR/STTR Phase I or Phase II grants and Kentucky SBIR/STTR Matching Funds. –Funds may not be disbursed until receipt of expenses has been presented	-Consideration will be given to companies that have received SBIR/STTR Phase II grants and Kentucky SBIR/STTR Matching Funds

Adopted – 1/10/14

Local Business Expansion

Program	Small Business Growth	Worker Training
Funding Type	Loan	Grant
Amount	Up to $250,000	A portion or all of employer's cost for training workers
Interest	*10-year Note plus risk and overhead adjustment*	*Penalties (10-year Note plus risk and overhead adjustment)*
Term	Up to 10 years	Up to 10 years
Eligibility	-Shall be a business located in or planning to move to Lexington –Company not eligible to receive incentives from the state based on industry or number of jobs created OR -Cost of project not fully covered by the loan available from LFUCG OR -Company is based outside of Lexington and intends to relocate -Shall be current with all federal, state, and local taxes -Meets underwriting standards (high growth potential, capable management, demonstrated plan for growth, established market, not a startup) -Loan cannot exceed 50% of total project costs -Job creation requirement -Average wages for job creation are greater than or equal to the county median income -Shall produce a tradable good or provide a tradable service	-Shall be a business located in or planning to move to Lexington -Limited for positions with demonstrated longstanding unfilled jobs -Businesses are among Bluegrass Economic Advancement Movement targeted industries -Reimbursable training expenses include instructors' salaries, tuition, curriculum development and textbooks / manuals -Shall be current with all federal, state, and local taxes -Shall produce a tradable good or provide a tradable service -Job creation requirement -Average wages for job creation are greater than or equal to the county median income
Performance Indicators	-Dollars Leveraged -Jobs Created -New Revenue Generated	-Jobs Created -Jobs Retention -Wage Growth of Trained Employees
Additional Notes	-Disbursements Scheduled with the Economic Development Board. If the company is not making progress on cash flow, the Board can reserve the right to withhold disbursements of loan funds -Loan proceeds may be used for any legitimate business purpose, other than to refinance debt.	-Reimbursement will cover a portion or all of the employer's costs. Example: if the employer pays 100% of the worker's training, they can be reimbursed up to 50% of their costs. -Company shall document job creation. -Retention of an employee in those positions for 10 years.

Adopted – 1/10/14

III. Protecting Public Dollars and Investments

All funding incentives shall be structured in a manner that protects the public's investment and ensures that a specified minimum number of jobs will be created and/or maintained in Lexington-Fayette County for a specified duration. Funds will only be provided through a formal agreement with LFUCG. The Board will assist in the development of appropriate agreements. The preference of the LFUCG is to disburse funds as reimbursements for expenses. At the discretion of the board, the funds may be disbursed in a different manner. In the event that a business fails to fulfill the minimum job requirements, penalties will apply in addition to any required repayment of funds under the agreement. However, in no event will LFUCG penalize a business which fails to create or retain jobs which were in excess of those required by the incentive fund loan or grant agreement. The board maintains the discretion to attach additional taxpayer protections as necessary in incentive agreements. The following or similar types of provisions may be included in all funding agreements:

- No grant or loan agreement may exceed ten (10) years in duration.
- The business shall provide LFUCG with regular annual reports and updates as requested confirming the number of jobs above the minimum jobs baseline and criteria established in the agreement.
- The agreements shall include a "but for" clause that indicates but for these incentives these jobs would not be created.
- If feasible, all loans may be secured with the highest lien position available. Depending upon the circumstances, the LFUCG may require personal guaranties of the owner(s) or other additional security.
- If it is in the best interest of LFUCG, the loan or grant agreement may be structured in a manner in which the incentive funds are disbursed over a period of time, or as reimbursement for a capital or operating expense instead of as a lump-sum disbursement.
- The agreements shall include a best efforts clause regarding the use of funds.
- In the instance of a shut down or other cessation of operations, the company shall repay the full amount of the incentive plus any accrued interest.

- Repayment of the incentive will be secured by a letter of credit from a financial institution covering the period of the loan. Disbursement of the loan may be contingent upon a letter of credit or other security.

- Businesses receiving incentives will be required to sign an affidavit certifying proper use of the funds for operating or capital expenses outlined in their application and contract.
    - Businesses that are found to have improperly utilized funds will be subject to financial penalties, in addition to other penalties at the discretion of the LFUCG.

- If the business is provided a loan and does not meet its job creation/retention target benchmarks, the incentive funding will be reduced and/or penalties will apply. Examples include, but are not limited to:
    - The elimination of any incentive fund payments to the business that have yet to be disbursed.
    - The acceleration of any required repayments during period(s) of nonperformance by the business.
    - Additional interest penalties tied to non-performance by the business.

- If the business is provided a grant and does not meet its job creation/retention target benchmarks, the incentive funding will be reduced and/or penalties will apply. Examples include, but are not limited to:

    - The elimination of any incentive fund payments to the business which has not been disbursed.
    - The grant incentive funds that the business has received would be required to be repaid to LFUCG. All grants agreements will include an assigned market interest rate which would apply in this event.
    - Additional interest penalties tied to non-performance by the business.
    - Penalties as defined by amount and term of the grant or loan which would be paid monthly and cease if job creation goals were met.

EXAMPLE FORMULAS

FORMULAE

$$\frac{\text{Jobs Scheduled to be Created} - \text{Actual Jobs Created} \times \text{Dollar Amount of Incentive}}{\text{Length of Incentive} \times \text{Jobs Scheduled to Be Created}}$$

$$\frac{\text{Target Annual Average Wage} - \text{Actual Annual Average Wage} \times \text{Loan Amount}}{\text{Length of Incentive} \times \text{Target Annual Average Wage}}$$

IV. Funding Form/Criteria Evaluation

The LFUCG's Chief Development Officer, working in conjunction with the Economic Development Investment Board, will develop appropriate criteria for reviewing the strength of an application for incentive funding and determining the amount and type of funding for which an applicant may qualify. Incentives should be gap financing or deal closing investments. Stand-alone incentives that do not meet one of those two criteria will not be considered. At a minimum, the following will be considered in making a recommendation regarding an application:

Strategic Fit	
Describe how the proposed project fits with the targeted sectors of Lexington-Fayette County. These include advanced manufacturing, technology, shared service operations, healthcare, or the relocation of primary base of operations to Lexington	
General Considerations	
Will the Project be located within Fayette County?	**No funding will be permitted unless jobs are created or retained in Lexington-Fayette County**
Dollar Amount of Requested Incentives?	
Type of Incentive? Loan or Grant	
Purpose for the Incentives?	**Companies shall indicate the operating or capital expenditures for which they intend to use the funds.**
Receiving other LFUCG Incentives? Examples include tax abatement, local KBI incentives, and loan programs outside the JOBS Fund.	**Companies will not be eligible for multiple incentive programs from LFUCG unless issued as a single incentive package or separate projects.**

Eligible for Public Incentives outside of LFUCG? If so, which programs and are you applying?	
Other sources of financing?	
Are all business taxes and licenses current?	**No funding will be permitted if the applicant owes any federal, state, or local taxes, fees, fines, or penalties.**
Business organized in Kentucky?	**The business shall be legally authorized to operate in Kentucky as evidenced by appropriate documentation on file with the Kentucky Secretary of State and the Department of Revenue**
New or Expanding business?	
Is the business retail or restaurant?	**No funding will be permitted for retail or restaurant components of businesses.**
Will any incentive funds supplant other financing?	
Local Impact Measures	
Current Jobs	
Current Payroll	
Current Average Wage	
Estimated Jobs Created *Use a schedule to detail when jobs will be created if not all created in the first year and retained until the end of the incentive*	

period.	
Estimated Average Wage (shall be greater than or equal to current Lexington-Fayette County median income)	
Leveraged Private Investment Dollars	
Dollar Cost per Job Created	
Description of Use of Funds	

V. Application Process

LFUCG's Chief Development Officer, working in conjunction with the Economic Development Investment Board, will develop an appropriate standard application(s) for the four types of Program funds which will include the minimum information specified herein as well as that information deemed by the Chief Development Officer or the Board to be reasonably related to obtaining the information necessary to make an incentive funding recommendation. The application shall include the information specified in Section IV, above, along with sufficient supporting documentation. The Chief Development Officer, LFUCG, Board, or Urban County Council may request supplemental information from the applicant as needed. The Chief Development Officer, in conjunction with the Economic Development Investment Board, may modify the application as necessary to ensure that all of the information necessary for awarding incentives and compliance is available. To the extent required by law, LFUCG will treat as confidential those items marked as proprietary or confidential. The respective applications for the following types of Program funding may also include the following:

Innovation Application Materials

- Describe the company
    - The company's location, size and operating history
    - The products and/or services currently offered
    - Appropriate Tax Identification Numbers.
- Business Questionnaire that includes baseline employment and revenue.
- Business plan and brief description of the specific project for which funding is sought
- Completed balance sheet and profit and loss statement (projection or actual)
- Monthly cash flow projections for the next two years of business operations
- A detailed sources and uses table for financing of the business or project

- Debt schedule showing existing business debts – creditor name, address, and acct #, interest rate, term, and collateral used to secure the debt
- Personal financial statements of all owners, past 2 years personal income tax returns, and equity position
- Personal History Statement of all principals owning 20% or more of the business
- Itemization and verification of collateral (i.e. appraisals, serial numbers, titles, insurance, etc.)
- Description of current or expected customers (depending on proprietary nature)
- Amount and source of grant and matching funds
- Report of creditworthiness or traditional financing, federal Small Business Innovation Research (SBIR) funding, federal Small Business Technology Transfer (STTR) funding, or other qualified federal or state funding through a similar process in which the viability of the business has been substantially reviewed

Local Business Application Criteria

- Describe the company
    - The company's location, size and operating history
    - The products and/or services currently offered
    - Appropriate Tax Identification Numbers.
- Business Questionnaire that includes baseline employment and revenue
- Describe the proposed project or proposed purpose for the funds
- Amount of funds requested and how the proceeds will be used
- Describe any private financing you have sought.
- The economic impact, including employment (both direct and indirect) and forecasted revenue growth resulting from the project
- The applicant's position that the uses of loan proceeds can be capitalized under Generally Accepted Accounting Principles
- Total eligible project costs
- Amount and source of matching funds
- Personal financial statements of all owners, past 2 years personal income tax returns, and equity position
- Personal History Statement of all principals owning 20% or more of the business
- Report of creditworthiness or traditional financing, federal Small Business Innovation Research (SBIR) funding, federal Small Business Technology Transfer (STTR) funding, or other qualified federal or state funding through a similar process in which the viability of the business has been substantially reviewed
- Itemization and verification of collateral (i.e. appraisals, serial numbers, titles, insurance, etc.)
- Include three years reviewed and/or audited financials

Any business interested in obtaining funding shall submit a Program funding application to the Chief Development Officer for initial review. An application fee may be required. The board will establish the fee annually and it will not exceed $1000. Initial review of all submitted materials will be conducted by a panel to include the Chief Development Officer, or his or her designee, a representative from the Department of Law, and a representative from the Department of Finance and Administration.

If the Program funding application meets the minimum criteria, the Chief Development Officer will make a recommendation to the Economic Development Investment Board regarding the application. If the application does not meet the minimum criteria, it will not be considered by the Board.

The Economic Development Investment Board will meet on a regular monthly schedule and as otherwise necessary to review any applications. In all instances the applicant or an authorized representative shall attend the Board meeting(s) at which the applicant is to be considered.

The Board will be provided sufficient copies of the relevant application documents in advance of the meetings. The Board will make a recommendation to approve the application, amend the application, or deny the application, or may request that additional information be provided prior to making a final decision. The Board will also make a recommendation as to the type and amount of funding and whether additional requirements should be placed in any funding agreement. The Board will also establish the interest rate for loans and penalty rate for grant funds. The interest accrual will not be applied to funds that are yet to be disbursed.

If the Board determines that the Program funding application should be partially or entirely funded, the appropriate administrative steps will be taken to present the recommendation and the appropriate Program funding agreement to the Urban County Council for consideration.

All incentive agreements will be reviewed by the Department of Law and the Mayor will be authorized to sign the agreement following the approval of the awarding of the incentive by the Economic Development Investment Board and the Urban County Council.

Members of the Board and the Urban County Council will be required to recuse themselves if they are private investors in the company applying for incentives or otherwise have a conflict and are prohibited from investing in companies that have received incentives.

VI. Accounting and Compliance

The JOBS fund will be maintained as distinct within the LFUCG accounting system. Disbursements will be made from that account. Future appropriations, repayment of loan proceeds, or clawbacks will be placed in that account. Disbursements will be made from the same account. Disbursements of the funds may be all at once, scheduled, or paid when an invoice for approved capital or operating expenses is received. An invoice certifying a previously paid expense to be reimbursed will be the preferred method for distributing grant funds. Loan payments of principal and interest will be made monthly to LFUCG beginning on the date established in the contract. Grant repayments will not be made except in the instance of noncompliance using the clawback formulas in section III.

In their initial application, a business will establish their baseline of jobs and revenue from which compliance will be measured. The business will also establish a schedule that outlines the anticipated dates of job creation related to the project. The business will be required to submit reports annually and as requested outlining job creation and average wages for the jobs created at the end of the year that jobs are scheduled to be created. Information obtained from the business' tax identification numbers will be used to supplement this information and confirm compliance submissions from the companies.

In the event that a business is found to be noncompliant with job creation or wage targets, the Board will provide a notice of noncompliance and indicate the time period in which the business shall become compliant. Alternative options may accompany a notice of noncompliance at the discretion of the Board. If the business fails to become compliant, then the clawbacks specified in the incentive agreement will go into effect until compliance is verified.

Proper usage of the incentive funds will also be viewed as key to compliance with the program. The quarter following each disbursement, each fund recipient shall submit a Certificate of Proper Use along with documentation of expenses equaling the incentive. If planned expenses are less than the incentive provided, the business may propose additional expenses to the Board for the use of those funds, or the funds may be returned to LFUCG at no penalty.

APPLICATION FOR:

Rev 1/2014

JOBS Fund Incentives

INSTRUCTIONS

All applicants should familiarize themselves with the information regarding the incentive programs for which application is made as well as other applicable program statutory requirements.

Capital expenses shall be defined as an equipment or property acquisition, building expansion, or improvements. Operating expenses shall be defined as expenses necessary for the operation of the business and shall include utilities, rent, and payroll. If an applicant does not indicate the purpose of the expenses, then the application will not be considered.

The application, consisting of the Project Information, the individual program and Certification and Disclosure worksheets, should be completed and submitted, including the original signatures, and the required attachments, to the following address:

ATTN: Chief Development Officer
Office of the Mayor
200 E. Main Street
Lexington, KY 40507
(859)-258-3100

REQUIRED ATTACHMENTS

To ensure consideration, the following items must be submitted in addition to the completed application:

1) An application fee payable to the Lexington-Fayette Urban County Government for the following:

Incentive Program	Application Fee
Innovation Attraction and Support	$250
Local Business Expansion	$250

The application fee may be paid via check along with the application.
Check should be payable to: LFUCG Re: Jobs Fund Incentives Application

2) Company letter including a brief history of the business and description of the project.

3) A financial statement for the most recent fiscal year-end.

4) Monthly cash flow projections for the next two years of business operations

5) Description of current or expected customers (depending on proprietary nature)

6) Include three years reviewed and/or audited financials

7) Other items as described in the Policies and Guidelines and requested by the committee.

APPLICATION FOR INCENTIVE PROGRAMS
PROJECT INFORMATION

Rev 1/2014

Date:

Is this an amendment to the initial application for incentives?

APPLICANT INFORMATION (Entity applying for incentives)

Company Name			
Street Address	City	State	Zip Code
Federal Employer ID Number	NAICS Code	Company Organization	State of Organization
Contact Person	Title	Telephone	Fax
Email Address	Company Website		

Is the applicant registered and in good standing with the Kentucky Secretary of State?

Is the applicant registered and in good standing with the Kentucky Department of Revenue?

Has the applicant, or any owner or affiliate of the applicant, ever been convicted of any criminal offenses, been in receivership or adjudicated a bankruptcy, or been denied a business related license or had a business related license suspended or revoked by any administrative, governmental or regulatory agency?

If yes, please list the violation and explain (attach additional explanation if needed):

PROJECT LOCATION

Street Address	City	State	Zip Code
		KY	
County	Industry	Is location in a Tax Increment Financing District?	
Fayette			

a) Will the applicant provide a service to or use technology for customer or affiliate entities predominantly outside Lexington?

b) Is the applicant designed to serve a multistate, national or international market?

Is the contact person for the project location the same as the person listed in the Applicant Information section? *If no, then please complete the following:*

Contact Person	Email Address	Telephone	Fax

COMPANY OWNERSHIP

Please identify all owners of the company with 20% or more interest in the company, including parent companies for subsidiaries. If owners are legal entities, please identify the officers serving on the board of directors, management committee of the applicant or other governing body or appropriate principals with governing oversight of the applicant entity and provide the requested information. LFUCG may run a background check on any individuals identified. If necessary, please submit listing on a separate document.

Company or Individual Name	Date of Birth	City	State	FEIN / Social Security Number	Ownership Percent

Is the applicant or its owner publicly traded?					

EXISTING LEXINGTON LOCATIONS

Other than the proposed project, does the applicant have any existing Lexington locations?

If yes, then please complete the following:

Company Name	Address	City	Current number of full-time positions

Please attach additional listing if more space is needed.

AFFILIATES WITH RELATION TO THE PROJECT

Will any affiliated entity be the owner or lessor of the project? *If yes, please provide:*

Affiliate Name	Address	City, State	FEIN

Will any affiliated entity employ any employees at the site of the project? *If yes, please provide:*

Affiliate Name	FEIN	Current number of full-time, Kentucky resident

Please attach additional listing if more space is needed.

REQUIRED ATTACHMENT: If either affiliate question is answered "yes," then a disclosure statement will be required to be submitted for each affiliated entity along with the applicant.

PUBLIC INCENTIVES

LOCAL

Is the company receiving other local incentives?

If yes, please list other local incentives

STATE

Is the company receiving other state incentives?

If yes, please list other state incentives

FEDERAL

Is the company receiving other federal incentives?

Is the company receiving an SBIR or STTR grant?

If yes, which partner agency?

If yes, which Phase?

PRIVATE FINANCING

Is the company receiving private financing?

If yes, please list the financing entity

Please indicate the ($) amount of financing for the project

PROJECT COSTS

Fund Program	
Proposed Length of Incentive (Years)	
Dollar Amount Requested	$ -

Please provide the estimated expenses for the incentives

Capital Expenses	$ -
Operating Expenses	$ -
Land	
Building (new construction / acquisition / additions)	
Improvements (existing buildings)	
Equipment (including installation costs)	
Employee Costs	
Facility Operating Costs	
Start-up Costs (excluding equipment)	
Rent (leased projects only):	$ -
Estimated annual rent:	
Number of years for rent:	
TOTAL INCENTIVE REQUESTED	$ -

Start-up Costs include the costs incurred to furnish and equip a facility, such as computers, furnishings, office

EMPLOYMENT, WAGES & BENEFITS

company (or affiliate) at the project located in Lexington for at least 35 hours per week. (Do not include contract employees)

	Full-time, Lexington
Current number at the project location	
Total number of new jobs to be created	
Total jobs projected by the end of the project	0

Total annual payroll for the current number of full-time, Lexington resident employees

Anticipated Wages for the New Jobs to be Created:

Hourly Wage		Number of Jobs	
Hourly Wage		Number of Jobs	
Hourly Wage		Number of Jobs	
Hourly Wage		Number of Jobs	
Hourly Wage		Number of Jobs	
Hourly Wage		Number of Jobs	
Average Hourly Wage	#DIV/0!	Total Number of Jobs	0
		Incentive Dollars per Job	*#DIV/0!*

Employee Benefits are payments by the company for its full-time employees for health insurance, life insurance,

Will new jobs created be offered at least some form of company paid employee benefit?

What is the value of the benefit package as a percent of wages or salary?

Indicate which of the following employee benefits will be offered as a company-paid benefit:

	Life Insurance		Dental Insurance		Other Retirement
	Health Insurance		Stock Purchase		Profit Sharing

	Disability Insurance		401(k)		Other (list below)

TOTAL EMPLOYMENT AND PAYROLL PROJECTIONS

Please provide estimates for the cumulative new employment and new payroll to be created as a result of the

	Cumulative Total New,	Cumulative Total Payroll
As of Activation Date		
End of Fiscal Year 1		
End of Fiscal Year 2		
End of Fiscal Year 3		
End of Fiscal Year 4		
End of Fiscal Year 5		
End of Fiscal Year 6		
End of Fiscal Year 7		
End of Fiscal Year 8		
End of Fiscal Year 9		
End of Fiscal Year 10		

INCOME, SALES & PROFIT PROJECTIONS

Please provide estimates for the Kentucky taxable income (loss), Kentucky gross sales and Kentucky gross profits

	Kentucky Taxable	Kentucky Gross	Kentucky Gross
End of Fiscal Year 1			
End of Fiscal Year 2			
End of Fiscal Year 3			
End of Fiscal Year 4			
End of Fiscal Year 5			
End of Fiscal Year 6			
End of Fiscal Year 7			
End of Fiscal Year 8			
End of Fiscal Year 9			
End of Fiscal Year 10			

INCENTIVE USAGE INFORMATION

NEW LOCATION

Will the project be a new location in Lexington? ______ *If no, skip to Expansion*

Site Acreage ______ Building Square Footage ______

The facility will be: ______

New Constructions: Provide the Anticipated Construction Dates:

Start ______

Completion ______

Acquisitions: Answer the following:

Has the facility been unoccupied for more than 90 days? ______

EXPANSION

Will the project be an expansion of an existing facility? ______ *If no, skip to New Equipment*

a) Does the project involve additions or renovations to existing buildings? ______

b) Does the project involve relocation from an existing facility? ______

c) If b) is yes, is real estate available at or adjacent to the existing facility? ______

Present Acreage		Present Square Footage	
Increased Acreage		Increased Square Footage	
Total Acreage	0.0	Total Square Footage	0

NEW EQUIPMENT

Will the incentive be for a purchase of new equipment? | | *If no, skip to Operating Expenses*

Does the facility currently own a similar piece of equipment?

Will the new equipment be used for expanded capacity?

OPERATING EXPENSES

Will the incentive be for an operating subsidy? | | *If yes, please list monthly expenses*

Monthly Lease		Other	
Monthly Utilities		List Other Expenses	
Monthly Payroll			
Monthly Supplies			

If the incentive does not match any of the programs listed, please attach a document describing the proposed use of incentive funds with rationale.

COLLATERAL

Please indicate any collateral to secure incentives including serial numbers.

Cash Value of Collateral

Please list any lienholders on the existing collateral.

FOR OFFICE USE ONLY

Date Submitted

CDO Review

Board Review

Council Review

PROGRAM:

Grant

Loan

Financial Statements

Application Fee

INTEREST:

Loan Interest Rate

Penalty Rate

Company Letter

APPLICATION FOR JOBS FUND INCENTIVES
CERTIFICATION OF APPLICATION

Rev 1/2014

Company Name

CERTIFICATION

Eligibility for financial assistance is determined by the information presented in this application and in the required attachments. Any changes in the status of the proposed project from the facts presented herein, including but not limited to the commencement of construction, any public announcement or legal commitment (e.g., lease or contract) without contingency language, could jeopardize the project's eligibility for incentives. Please contact the staff of the LFUCG before taking any action which would change the status of the project as reported herein.

I, the undersigned, on behalf of the applicant, hereby represent and certify that the foregoing application information, including all attachments, to the best of my knowledge, is (a) true, complete and accurate with respect to the information concerning the proposed project for which financial incentives are sought; and (b) does not contain any information for which any entity competing with the applicant may claim a proprietary interest.

Select which of the following is applicable:

☐ For a new location project, I represent and certify that, but for the financial incentives being provided through this application, the proposed project could not reasonably and efficiently locate in Lexington and would likely locate outside of Lexington.

☐ For an expansion project, I represent and certify that the financial incentives being provided in this application are necessary for the expansion to occur.

The undersigned, on behalf of the applicant, acknowledges that information contained within the application and its attachments may be subject to public disclosure to the extent required by law. Notwithstanding the above, except as otherwise agreed to by the applicant in writing, no confidential or proprietary application information shall be knowingly disclosed by the LFUCG if an appropriate legal exception exists. Information reported to the Economic Development Investment Board or the Urban County Council with regard to the incentive agreement, employment numbers, average wages, investment, eligible costs, approved costs and other information as required by an incentive agreement shall be available for public disclosure.

The undersigned, on behalf of the applicant, acknowledges that the applicant will be required to self-report annually the total amount of incentives claimed for each year during the term of the incentive agreement and agrees to provide this information annually. Failure to provide the information may result in suspension of incentives.

In addition, the undersigned, on behalf of the applicant, acknowledges and grants permission to the LFUCG to share any and all information contained within the application and its attachments with appropriate state agencies, local jurisdiction(s) and contracted consultants to determine the feasibility and potential impacts associated with the project for which incentives are sought.

Signature	Title
Print Name	Date

For Electronic Signature: The person responsible for signing the document may type his/her name in the signature field, but the name must be preceded by a "/s" (e.g., /s Jim Smith). An email is also required from the signer providing a statement certifying/authenticating the typed signature on the document is his/her signature.

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:	Bluegrass Area Development District
Fiscal Year:	FY13
Quarter:	1
Total Agency Budget (Current FY):	$27,036,221.00
LFUCG Funding (Current FY):	$75,110.00

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

We continue to operate the Homecare program providing services to 112 unduplicated frail elderly in Fayette County. The Lexington Senior Center provided services to 507 Fayette County residents. We continue to work with the LFUCG Department for Social Services Aging staff on the Bluegrass Help at Home Worker Registry and planning for the new senior center building project.

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County, where applicable. Please edit or add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	619				619
Client Meetings					0
Consultant Meetings	5				5
Direct Jobs Created					0
Businesses Started					0
Indirect Jobs Created					0
Induced Jobs Created					0
Funding Recieved					$0.00
Capital Investment					$0.00
Workshops/Training					0
Workshops/Training Attendance					0
Total Economic Impact					$0.00

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter, where applicable. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	$0.00	$0.00	$0.00	$0.00	$0.00
Direct Jobs - Median Wage	$0.00	$0.00	$0.00	$0.00	$0.00
LFUCG Payroll Revenue Generated					$0.00
FCPS Payroll Revenue Generated					$0.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives					0
Jobs Created					0
Total Projected New Revenue (Over 10 years)					$0.00
Maximum Value of Incentive (Over 10 years)					$0.00
Net Projected New Revenue (Over 10 Years)					$0.00

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries					$0.00
	Taxes and Benefits					$0.00
	Professional Services					$0.00
Operating	Advertising, Marketing & Promotion					$0.00
	Dues & Subscriptions					$0.00
	Travel & Entertainment					$0.00
	Rent – Office					$0.00
	Utilities					$0.00
	Telephone					$0.00
	Building Maintenance & Supplies					$0.00
	Rent – Equipment					$0.00
	Office Supplies, Equipment & Furnishings					$0.00
	Postage					$0.00
	Professional Development & Training					$0.00
	Taxes & Insurance					$0.00
	Interest & Fees					$0.00
	Miscellaneous					$0.00
Programs						$0.00
						$0.00
						$0.00
						$0.00
Capital	Land & Buildings					$0.00
	Vehicles & Equipment					$0.00
Totals	Personnel	$0.00	$0.00	$0.00	$0.00	$0.00
	Operating	$0.00	$0.00	$0.00	$0.00	$0.00
	Programs	$0.00	$0.00	$0.00	$0.00	$0.00
	Capital	$0.00	$0.00	$0.00	$0.00	$0.00
	Total Quarterly Expenses	$0.00	$0.00	$0.00	$0.00	$0.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Expenses

Please provide a description below of any expense categories with large variances quarter-to-quarter and any categories with quarterly expenses greater than 5% of your annual LFUCG allocation for this fiscal year.

Attended Economic Development working group meeting, attending all Local Commerce Lexington Regional Policy Working group meetings, updated LFUCG Governmental Service Committee, worked with Commission on Human Services on updating lease of the Central Kentucky Career Center, met with director of Urban League, provided assistance on BEAM initiative.

Please attach any additional documents that support or expand upon the information reported above.

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:	Commerce Lexington Inc.
Fiscal Year:	2014
Quarter:	1
Total Agency Budget (Current FY):	$3,800,000.00
LFUCG Funding (Current FY):	$457,000.00

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

For the first quarter of 2014, we reported a slowdown of project activity. This is typical during the late summer months. However, since the beginning of September, we have seen a major influx of new projects and RFIs. During the quarter, we hosted an economic development simulation for council members, their staff, and members of the CLX board. We also spent time on the road marketing the Bluegrass Region. Kimberly Rossetti traveld to the International Asset Management Council to market our region to end-users as well as the consultants who represent major corporations. Finally, we were the recipient of two awards from the International Economic Development Council. We won bronze for the Art of the Deal Speical Event and for the Rent Subsidy Incentive Program.

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County, where applicable. Please edit or add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	85				85
Client Meetings	127				127
Consultant Meetings	45				45
Direct Jobs Created	162				162
Businesses Started	1				1
Indirect Jobs Created	38				38
Induced Jobs Created	50				50
Funding Recieved	$2,466,000.00				$2,466,000.00
Capital Investment	$5,367,505.00				$5,367,505.00
Workshops/Training	8				8
Workshops/Training Attendance	545				545
Total Economic Impact	250				250.00

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter, where applicable. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	$64,043.00	$0.00	$0.00	$0.00	$16,010.75
Direct Jobs - Median Wage	$70,000.00	$0.00	$0.00	$0.00	$17,500.00
LFUCG Payroll Revenue Generated	$317,905.00				$317,905.00
FCPS Payroll Revenue Generated	$48,227.00				$48,227.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives	0				0
Jobs Created	0				0
Total Projected New Revenue (Over 10 years)	$0.00				$0.00
Maximum Value of Incentive (Over 10 years)	$0.00				$0.00
Net Projected New Revenue (Over 10 Years)	$0.00				$0.00

We had no companies seek local approval this quarter.

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries	$101,759.12				$101,759.12
	Taxes and Benefits	$13,064.75				$13,064.75
	Professional Services	$2,406.25				$2,406.25
Operating	Advertising, Marketing & Promotion	$43,407.91				$43,407.91
	Dues & Subscriptions	$601.96				$601.96
	Travel & Entertainment	$6,326.90				$6,326.90
	Rent – Office	$14,243.28				$14,243.28
	Utilities					$0.00
	Telephone	$1,834.01				$1,834.01
	Building Maintenance & Supplies					$0.00
	Rent – Equipment	$403.86				$403.86
	Office Supplies, Equipment & Furnishings	$925.30				$925.30
	Postage					$0.00
	Professional Development & Training	$1,176.25				$1,176.25
	Taxes & Insurance	$587.40				$587.40
	Interest & Fees	$33.09				$33.09
	Miscellaneous					$0.00
Programs	Manufacturing Network Events	$670.45				$670.45
	Bluegrass Business Development Partnership	$32,537.56				$32,537.56
	Minority Business	$18,169.24				$18,169.24
	Lexington Venture Club	$4,138.13				$4,138.13
Capital	Land & Buildings					$0.00
	Vehicles & Equipment					$0.00
Totals	Personnel	$117,230.12	$0.00	$0.00	$0.00	$117,230.12
	Operating	$69,539.96	$0.00	$0.00	$0.00	$69,539.96
	Programs	$55,515.38	$0.00	$0.00	$0.00	$55,515.38
	Capital	$0.00	$0.00	$0.00	$0.00	$0.00
	Total Quarterly Expenses	$242,285.46	$0.00	$0.00	$0.00	$242,285.46

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency: Downtown Lexington Corporation
Fiscal Year: 2014
Quarter: 1st
Total Agency Budget (Current FY): $827,065
LFUCG Funding (Current FY): $42,710

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

During this quarter DLC produced 13 weekly Central Bank Thursday Night Live concerts, 13 weekly Artist Market events, 4 Fountain Films, Fest of Ales, and the July Fourth Festival. Additionally we met with many downtown businesses to discuss their concerns/needs for downtown.

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	83200				
Client Meetings	33				
Consultant Meetings	4				
Direct Jobs Created	?				
Businesses Started	?				
Indirect Jobs Created	?				
Induced Jobs Created	?				
Funding Recieved	?				
Capital Investment	?				
Workshops/Training	0				
Workshops/Training Attendance	0				
Total Economic Impact	?				

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	?				
Direct Jobs - Median Wage	?				
LFUCG Payroll Revenue Generated	?				
FCPS Payroll Revenue Generated	?				

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives	?				
Jobs Created	?				
Total Projected New Revenue (Over 10 years)	?				

Maximum Value of Incentive (Over 10 years)	?				
Net Projected New Revenue (Over 10 Years)	?				

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries	64139.98				
	Taxes and Benefits	11772.24				
	Professional Services	19287.24				
Operating	Advertising, Marketing & Promotion	11446.54				
	Dues & Subscriptions	892.92				
	Travel & Entertainment	2802.13				
	Rent – Office	2371.53				
	Utilities	0				
	Telephone	364.81				
	Building Maintenance & Supplies					
	Rent – Equipment	1188.44				
	Office Supplies, Equipment & Furnishings	2794.42				
	Postage	1664.52				
	Professional Development & Training	1196.12				
	Taxes & Insurance					
	Interest & Fees					
	Miscellaneous					
Programs	Special Events	195897.40				
	Universal Parking Validations	287.10				
Capital	Land & Buildings					
	Vehicles & Equipment					
Total	Personnel	95199.46				
	Operating	220905.93				
	Programs	0				
	Capital	0				
	Total Quarterly Expenses	316105.39				

Please provide a description below of any categories with large variances quarter-to-quarter and any categories with quarterly expenses greater than 5% of your annual LFUCG allocation for this fiscal year.

Because a large portion of our budget is driven by special events there are times of the year when we are going to see significant variances.

Please attach any additional documents that support or expand upon the information reported above.

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:	Lexington Downtown Development Authority
Fiscal Year:	FY2014
Quarter:	Q1
Total Agency Budget (Current FY):	$743,252.00
LFUCG Funding (Current FY):	$378,200.00

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

See Attached

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County, where applicable. Please edit or add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	*				0
Client Meetings	*				0
Consultant Meetings	*				0
Direct Jobs Created	0				0
Businesses Started	0				0
Indirect Jobs Created	0				0
Induced Jobs Created	0				0
Funding Recieved	0				$0.00
Capital Investment	0				$0.00
Workshops/Training	*				0
Workshops/Training Attendance	0				0
Total Economic Impact	*				$0.00

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter, where applicable. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	$0.00	$0.00	$0.00	$0.00	$0.00
Direct Jobs - Median Wage	$0.00	$0.00	$0.00	$0.00	$0.00
LFUCG Payroll Revenue Generated					$0.00
FCPS Payroll Revenue Generated					$0.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives	0				0
Jobs Created	0				0
Total Projected New Revenue (Over 10 years)	*				$0.00
Maximum Value of Incentive (Over 10 years)	*				$0.00
Net Projected New Revenue (Over 10 Years)	*				$0.00

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries	$41,521.33				$41,521.33
	Taxes and Benefits	$3,713.78				$3,713.78
	Professional Services	$19,757.80				$19,757.80
Operating	Advertising, Marketing & Promotion	$0.00				$0.00
	Dues & Subscriptions	$631.00				$631.00
	Travel & Entertainment	$0.00				$0.00
	Rent – Office	$7,262.24				$7,262.24
	Utilities					$0.00
	Telephone					$0.00
	Building Maintenance & Supplies					$0.00
	Rent – Equipment					$0.00
	Office Supplies, Equipment & Furnishings	$298.76				$298.76
	Postage	$4.77				$4.77
	Professional Development & Training	$0.00				$0.00
	Taxes & Insurance	$2,829.88				$2,829.88
	Interest & Fees					$0.00
	Miscellaneous					$0.00
Programs						$0.00
						$0.00
						$0.00
						$0.00
Capital	Land & Buildings					$0.00
	Vehicles & Equipment					$0.00
Totals	Personnel	$64,992.91	$0.00	$0.00	$0.00	$64,992.91
	Operating	$11,026.65	$0.00	$0.00	$0.00	$11,026.65
	Programs	$0.00	$0.00	$0.00	$0.00	$0.00
	Capital	$0.00	$0.00	$0.00	$0.00	$0.00
	Total Quarterly Expenses	$76,019.56	$0.00	$0.00	$0.00	$76,019.56

Lexington Downtown Development Authority

FY14, Q1 Report Addendum

ACTIVITIES SUMMARY

Key Project Activities:

21c – LDDA continues to interface with the development team to shepherd the LFUCG's application to HUD for 108 financing. Total project investment projected to be $41M

Old Courthouse Restoration – The LDDA conducted outreach to stakeholders and potential tenants to create a predevelopment plan. Total project investment projected to be $11M.

Government Center / Main Street Redevelopment Project – The LDDA developed and analyzed a scheme for redevelopment of the Government Center Block and the Transit Center garages, worked with internal LFUCG staff to craft a PPP selection process in preparation for issuing an RFQ in Q2 of this year. Total project investment projected to be $50-75M

Centerpointe – brokered lease incentive for lead tenant as part of the Master Development Agreement related to the TIF award. Securing this tenant is key for any possibility of financing for the office component of the project. Total project investment projected to be $150M

Key Recruitment Activities:

In the first quarter, the LDDA hosted three out of state development companies with an interest in the Lexington market. All three specialize in urban-infill mixed use projects. Additionally, the LDDA participated in information sharing with an investment fund looking to establish a Kentucky presence as well as a local individual looking to potentially raise a neighborhood reinvestment-oriented fund. Met with a potential investor in the Distillery District and worked with a local manufacturing business on a possible expansion in the downtown area.

Policy/Research/Information Activities:

Website -- LDDA launched a new website designed to be an economic development resource with key data and information for development interests.

Design Excellence Task Force – per our PSA agreement with the LFUCG, the LDDA provided staffing support for the creation of the Design Excellence Guidelines. The Guidelines will provide a clear and predictable set of rules for design in the Central Business District

DEVELOPMENT METRICS COMMENTS

The nature of the LDDA's work are long-horizon types of projects. Many development projects will take 12-24 months of predevelopment before coming to fruition--some of the more difficult ones even longer. When projects close construction financing, the LDDA can generate economic impact numbers using Commerce Lexington's economic multiplier spreadsheet. However, projects will only close every so often. In the interim, rather than just report descriptive inputs (eg. reporting every phone call from a maybe-serious, maybe-not development interest), the LDDA is exploring what metrics might provide a thoughtful and honest measure of our work.

EXPENSES COMMENTS

Rent: Per agreement with the LFUCG, we have paid our yearly rent in full at the beginning of the FY.

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:	SCORE Association
Fiscal Year:	2014
Quarter:	1st
Total Agency Budget (Current FY):	$13,940.00
LFUCG Funding (Current FY):	$5,540.00

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

The SCORE Association mentors persons seeking to start their own businesses or businesses needing assistance with their business activities. The mentors are all volunteers who have prior experience in business or professional matters to work with the respective clients.

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County, where applicable. Please edit or add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	104				104
Client Meetings	207				207
Consultant Meetings					0
Direct Jobs Created					0
Businesses Started					0
Indirect Jobs Created					0
Induced Jobs Created					0
Funding Recieved	$2,667.44				$2,667.44
Capital Investment					$0.00
Workshops/Training					0
Workshops/Training Attendance					0
Total Economic Impact					$0.00

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter, where applicable. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	$0.00	$0.00	$0.00	$0.00	$0.00
Direct Jobs - Median Wage	$0.00	$0.00	$0.00	$0.00	$0.00
LFUCG Payroll Revenue Generated					$0.00
FCPS Payroll Revenue Generated					$0.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives					0
Jobs Created					0
Total Projected New Revenue (Over 10 years)					$0.00
Maximum Value of Incentive (Over 10 years)					$0.00
Net Projected New Revenue (Over 10 Years)					$0.00

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries					$0.00
	Taxes and Benefits					$0.00
	Professional Services	$2,142.50				$2,142.50
Operating	Advertising, Marketing & Promotion	$270.00				$270.00
	Dues & Subscriptions					$0.00
	Travel & Entertainment	$111.56				$111.56
	Rent – Office					$0.00
	Utilities					$0.00
	Telephone					$0.00
	Building Maintenance & Supplies					$0.00
	Rent – Equipment					$0.00
	Office Supplies, Equipment & Furnishings	$848.85				$848.85
	Postage					$0.00
	Professional Development & Training					$0.00
	Taxes & Insurance					$0.00
	Interest & Fees					$0.00
	Miscellaneous					$0.00
Programs						$0.00
						$0.00
						$0.00
						$0.00
Capital	Land & Buildings					$0.00
	Vehicles & Equipment					$0.00
Totals	Personnel	$2,142.50	$0.00	$0.00	$0.00	$2,142.50
	Operating	$1,230.41	$0.00	$0.00	$0.00	$1,230.41
	Programs	$0.00	$0.00	$0.00	$0.00	$0.00
	Capital	$0.00	$0.00	$0.00	$0.00	$0.00
	Total Quarterly Expenses	$3,372.91	$0.00	$0.00	$0.00	$3,372.91

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Agency:	World Trade Center Kentucky (WTCKY)
Fiscal Year:	2014
Quarter:	1st Quarter
Total Agency Budget (Current FY):	$598,522.00
LFUCG Funding (Current FY):	$100.000.00

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

SEE ATTACHED "ADDITIONAL COMMENTS" PAGE

Economic Development Metrics

Please provide your economic development metrics for the preceding quarter in Lexington-Fayette County, where applicable. Please edit or add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Clients Served	17				17
Client Meetings	12				12
Consultant Meetings					0
Direct Jobs Created	*				0
Businesses Started	*				0
Indirect Jobs Created	*				0
Induced Jobs Created	*				0
Funding Recieved					$0.00
Capital Investment					$0.00
Workshops/Training	1				1
Workshops/Training Attendance	48				48
Total Economic Impact	*				$0.00

* SEE ADDITIONAL COMMENTS PAGE

Job Creation Metrics

Please provide your job creation metrics in Lexington-Fayette County in the preceding quarter, where applicable. Please add any additional metrics that your organization tracks to the table below.

	Q1	Q2	Q3	Q4	YTD
Direct Jobs - Average Wage	$0.00	$0.00	$0.00	$0.00	$0.00
Direct Jobs - Median Wage	$0.00	$0.00	$0.00	$0.00	$0.00
LFUCG Payroll Revenue Generated					$0.00
FCPS Payroll Revenue Generated					$0.00

* SEE ADDITIONAL COMMENTS PAGE

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

Incentives

Please provide information regarding any local incentives your organization worked on that were approved by the Lexington-Fayette Urban County Council in the preceding quarter.

	Q1	Q2	Q3	Q4	YTD
Number of Companies Receiving Local Incentives					0
Jobs Created					0
Total Projected New Revenue (Over 10 years)					$0.00
Maximum Value of Incentive (Over 10 years)					$0.00
Net Projected New Revenue (Over 10 Years)					$0.00

Expenses

Please provide your expenditure of LFUCG funding for the preceding quarter. Please fill in any programs which have expenses that do not fall under the other categories.

		Q1	Q2	Q3	Q4	YTD
Personnel	Salaries	$24,305.00				$24,305.00
	Taxes and Benefits	$4,104.00				$4,104.00
	Professional Services	$7,716.00				$7,716.00
Operating	Advertising, Marketing & Promotion	$0.00				$0.00
	Dues & Subscriptions	$138.00				$138.00
	Travel & Entertainment	$1,213.00				$1,213.00
	Rent – Office	$5,121.00				$5,121.00
	Utilities	-				$0.00
	Telephone	$635.00				$635.00
	Building Maintenance & Supplies	-				$0.00
	Rent – Equipment	-				$0.00
	Office Supplies, Equipment & Furnishings	$41.00				$41.00
	Postage	-				$0.00
	Professional Development & Training	$400.00				$400.00
	Taxes & Insurance	$528.00				$528.00
	Interest & Fees	-				$0.00
	Miscellaneous	-				$0.00
Programs						$0.00
						$0.00
						$0.00
						$0.00
Capital	Land & Buildings	-				$0.00
	Vehicles & Equipment	-				$0.00
Totals	Personnel	$36,125.00	$0.00	$0.00	$0.00	$36,125.00
	Operating	$8,076.00	$0.00	$0.00	$0.00	$8,076.00
	Programs	$0.00	$0.00	$0.00	$0.00	$0.00
	Capital	$0.00	$0.00	$0.00	$0.00	$0.00
	Total Quarterly Expenses	$44,201.00	$0.00	$0.00	$0.00	$44,201.00

Mayor's Office of Economic Development

Quarterly Economic Development Agency Report

(Additional comments pages)

Agency: World Trade Center Kentucky (WTCKY)

Fiscal Year: 2014

Quarter: 1st Quarter

Activities Summary

Please provide a summary of your agency's activities for the preceding quarter. Please include economic development announcements, workshops held, RFPs issued, and any other activities.

- WTCKY continues to focus on expanded coördination and cooperation with the KEI and BEAM projects, working within these partnerships to provide community outreach events that emphasize the benefits of exporting local products abroad, and the different organizations and services available to help them succeed in international trade.
- WTCKY will once again teach a 10-day module on International Trade issues for approximately 80 MBA students at the UK Gatton College of Business & Economics. Work began this quarter to prepare the detailed daily class agendas, with close coordination between WTCKY and University of Kentucky faculty. This program will also compliment a Lexmark / UK international marketing research project assigned separately to the MBA students. WTCKY has consulted on this secondary project as well, to make sure the Lexmark project scope and goals are included in the coursework prepared by WTCKY. These projects reflect WTCKY's long-term commitment to higher education as a source of tomorrow's international business leaders and future export growth.
- WTCKY continues to partner with the University of Kentucky to offer internships for undergraduate students each semester.
- WTCKY's annual World Trade Day Conference was held in August in Louisville. Approximately 50 attendees from Lexington traveled to this event. Participants at this conference had the opportunity to meet with trade representatives from around the world, learn how others are succeeding in international trade, and network with Kentucky government officials and business professionals representing the state's leading international manufacturing and service firms.
- WTCKY continues to strengthen ties with Commerce Lexington this quarter, by planning joint on-site customer visits to Commerce Lexington clients who need international trade assistance. This allows Commerce Lexington to provide their clients with specialized import / export knowledge not usually available internally within Commerce Lexington.

- WTCKY has paired with the EKU CEDET to provide education outreach to small and medium size businesses in the Eastern Kentucky region, to encourage new exporters and new international market entry.

Economic Development / Job Creation Metrics

Provided below are additional comments and notes concerning economic development and job creation metrics for the preceding quarter.

- One of the WTCKY's primary missions is to provide small and medium size businesses with training and consulting services associated with entering new international markets, which in turn has the potential to increase sales, profits, production and employment growth for our client companies. However, it can easily take a minimum of 18 to 24 months just to research and begin entering a new international market. Therefore, it is difficult to track and measure growth and progress on a quarterly basis. We are currently developing improvements to our client management database and survey tools to enhance our ability to track and quantify our client's progress and economic development metrics over time. Also, many companies are inherently cautious to share specific financial details concerning sales, marketing strategies, employment figures, etc., as they often consider this proprietary information. To address this challenge, we are actively promoting the use of a Non-Disclosure agreement to increase client trust levels, with assurances that any information given would only be disclosed at the "aggregate" level, and not specific to any one company

Expenses

Please provide a description below of any expense categories with large variances quarter-to-quarter and any categories with quarterly expenses greater than 5% of your annual LFUCG allocation for this fiscal year.

- Below is description of those categories with quarterly expenses greater than 5% of our annual LFUCG allocation for this fiscal year.
    - Salaries:. Two full-time trade professionals in our Lexington office
    - Professional Services: Outsourced accounting, payroll, benefits and audit services.
    - Rent: Monthly rent paid to LFUCG for our Lexington offices at 101 E Vine Street, Suite 150

Committee Referrals

Economic Development Committee of the Whole

Item	CM Referred	Date Referred
Quarterly Development Report	Stinnett	2-28-11
Insurance Tax to Support Affordable Housing Trust Fund	Henson	3-17-12
Agricultural Impact Committee	Gorton	4-9-13
Collaboration Strategy Among Economic Development Agencies	General Services Links	6-17-13
Economic Development Agencies Reporting System	General Services Links	6-17-13
Food Truck Review	Henson	12-5-13
Local Government Economic Development Incentive Programs	Myers	12-5-13
Jobs Program Review	Mossotti	1-14-14

PAS 1.20.14