Beard, Chair
Stinnett, Vice Chair
Gorton
Ellinger
Kay
Ford
Akers
Lawless
Farmer
Scutchfield
Myers
Mossotti
Clarke
Henson
Lane

A G E N D A
SPECIAL COMMITTEE OF THE WHOLE
QUARTERLY
ECONOMIC DEVELOPMENT COMMITTEE
March 6, 2014
4:00 P.M.

1. **Committee Summary February 18, 2014** (1)
2. **JOBS Proposal – Mossotti** (2-19)
3. **Items Referred to Committee** (20)

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

<u>2014 Committee Meeting Schedule</u>
February 4, 2014
February 18, 2014
March 6, 2014
May 13, 2014
August 19, 2014
November 11, 2014

SPECIAL ECONOMIC DEVELOPMENT COMMITTEE OF THE WHOLE

February 18, 2014
Meeting Summary

Chair Beard called the meeting to order at 10:10 AM. All members were present except Gorton, Lawless, Farmer & Mossotti.

1. February 4, 2014 Committee Summary

<u>On a motion by Akers second Scutchfield the summary of the 2.4.14 Economic Development Committee of the Whole meeting was approved unanimously.</u>

2. Food Truck Review

Henson asked if any citizens or business owners wanted to comment on the ordinance. She stated that she was interested in extending the food truck pilot for another year.

Elias Papas, Sean Tibbits, Mathew Bradford and Andrew Suthers spoke in favor of the food truck ordinance.

Akers reviewed the food truck pilot program.

Myers discussed the licensing requirements and fees charged for permitting for the food truck. He requested that Law & Revenue work together on that endeavor. He discussed the cost differences in establishing brick & mortar and food truck operations. He asked that this come back to the November 19, 2014 Committee meeting.

<u>On a motion by Akers, second Lane the food truck pilot ordinance was extended to December 31, 2014. The motion passed unanimously.</u>

<u>On a motion by Akers, second Ellinger, the draft amendments to initiate zoning text amendments to allow food trucks in the P-1 zone and the AU zones were placed in the planning & Public Works Committee. The motion passed unanimously.</u>

The meeting adjourned at 10:45 AM.

PAS 02.27.2014

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.

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

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.

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.

The board shall establish an average wage benchmark annually. The benchmark must be for an individual and not a household. This benchmark shall be sourced from federal data and shall be either the mean or the median.

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	**Companies will not be eligible for multiple incentive**

outside the JOBS Fund.	**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 INCENTIVE PROGRAMS
PROJECT INFORMATION

Rev 2/2014

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. <u>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</u>. 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	
Unweighted Median Hourly Wage	#NUM!	Total Number of Jobs	0
		Incentive Dollars per Job	*#DIV/0!*

Mean Wages for the New Jobs Above the County Mean defined by KYLMI ($20.50 per hour):

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	
Mean Hourly Wage	#DIV/0!	Total Number of Jobs	0

Mean Wages for the New Jobs Below the County Mean defined by KYLMI ($20.50 per hour):

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	
Mean Hourly Wage	#DIV/0!	Total Number of Jobs	0

Employee Benefits are payments by the company for its full-time employees for health insurance, life insurance, dental insurance, vision insurance, defined benefit plans, 401(k) plans or similar plans.

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 project. Do not include employment or payroll information for existing employees at the site of the project. Minimum for compliance purposes is 5 years, or until the incentive is repaid.

	Cumulative Total New, Full-time Lexington Employees	**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 to

	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

____ Company Letter

INTEREST:

____ Loan Interest Rate

____ Penalty Rate

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
Local Government Economic Development Incentive Programs	Myers	12-5-13
Jobs Program Review	Mossotti	1-14-14