

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** December 8, 2016  
**Approved Company:** Sonic Electronix, Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Headquarters **Prelim Resolution #:** KBI-I-16-21405  
**Bus. Dev. Contact:** K. Slattery **OFS Staff:** L. Cunningham

**Project Description:** Sonic Electronix, Inc. is an online retailer of consumer electronics, founded in 2000 in Chatsworth, California. The company is considering the relocation of its headquarters to Louisville, to be closer to its current distribution facility.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

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

Eligible Costs	Total Investment
\$0	\$0
\$683,000	\$683,000
\$0	\$0
\$100,000	\$100,000
<b>\$783,000</b>	<b>\$783,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	35	\$27.50	
1	50	\$27.50	\$65,000
2	60	\$27.50	\$65,000
3	60	\$27.50	\$65,000
4	60	\$27.50	\$65,000
5	60	\$27.50	\$65,000
6	60	\$27.50	\$65,000
7	60	\$27.50	\$65,000
8	60	\$27.50	\$65,000
9	60	\$27.50	\$65,000
10	60	\$27.50	\$65,000

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$650,000**

**County Type:**

Other

**Statutory Minimum Wage Requirements:**

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

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

Nathaniel Victor - Santa Clara, CA

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

**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% - Louisville Metro Government

**Unemployment Rate**

County: 4.2%

Kentucky: 4.8%

**Existing Presence in Kentucky:** Jefferson County

Per base Listing  
Employee base is 29

**Special Conditions:**

The company will be required to maintain a base employment equal to the number of full-time, Kentucky resident employees as of the date of preliminary approval. The company reported 35 full-time, Kentucky resident employees as of the application date.

The project will include multiple locations within Jefferson County. Only investment costs incurred at 3240 Office Point Place will be considered towards calculating eligible costs. Employees and their respective wages at the locations included in the project definition will be eligible for compliance.