

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY
KBI REPORT - PRELIMINARY APPROVAL**

*Base -
Base-84
Statewide-951*

Date: September 28, 2017
Approved Company: Sazerac North America, Inc. *Sazerac Company, Inc*
Approved Affiliate(s): Sazerac Brands, LLC
 Sazerac Company, Inc. *Sazerac North America, Inc.*
City: Louisville **County:** Jefferson
Activity: Headquarters **Prelim Resolution #:** KBI-IL-17-21788
Bus. Dev. Contact: K. Slattery **OFS Staff:** L. Cunningham

Project Description: Sazerac is a family-owned, top ten producer and marketer of distilled spirits. The company has five major facilities in the U.S., three of which are in Kentucky. In 2009, Sazerac opened its first administrative office in Jeffersontown. As a result of significant business growth, this office was moved to a larger space in 2011. The company has once again outgrown its current space and is considering alternatives for additional space to meet both current and future needs.

Facility Details: Expanding existing operations

Anticipated Project Investment - Leased
 Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$2,125,685	\$4,251,370
\$1,500,000	\$1,500,000
\$150,000	\$150,000
\$0	\$0
\$3,775,685	\$5,901,370

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$48.00	
1	20	\$48.00	\$75,000
2	30	\$48.00	\$75,000
3	40	\$48.00	\$75,000
4	50	\$48.00	\$75,000
5	50	\$48.00	\$75,000
6	50	\$48.00	\$75,000
7	50	\$48.00	\$75,000
8	50	\$48.00	\$75,000
9	50	\$48.00	\$75,000
10	50	\$48.00	\$75,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT: **\$750,000**

County Type:
Other

Statutory Minimum Wage Requirements:
Base hourly wage: \$10.88
Total hourly compensation: \$12.51

Ownership (20% or more):

Sazerac Company, Inc. - Metairie, LA

Active State Participation at the project site: None

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Louisville/Jefferson County Metro Government

Unemployment Rate:

County: 5.6%

Kentucky: 5.9%

Existing Presence in Kentucky:

Daviess, Franklin, Jefferson and Nelson Counties

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 86 full-time, Kentucky resident employees as of the application date.

84 per base listing provided 2/12/18 -mg

The company will be required to maintain 85% of the total statewide full-time, Kentucky resident employees at all company locations, excluding the site of the project, as of the date of preliminary approval.

1,118 per certification provided 2/12/18, 85% of 1,118 is 951. -mg

Only investment costs incurred by the approved company will be considered towards calculating eligible costs. Only the approved company may participate in the corporate income tax credit incentive (no affiliate is eligible). The jobs creation/maintenance and wage requirements will be satisfied collectively by the approved company and the affiliate(s) recognized above.