

MEMORANDUM

TO: KEDFA Board

FROM: Robert Aldridge, Director
Compliance Division

DATE: May 30, 2019

SUBJECT: KBI Amendment – First Amendment to Tax Incentive Agreement
El Toro.com, LLC (Jefferson County)
KBI Project #20704

El Toro.com, LLC is a developer of unique technology for delivering digital ads to users browsing the Internet. The company received final approval on October 26, 2017 for a project to expand its headquarters in Louisville.

Subsequent to the execution of the original Tax Incentive Agreement, the company has increased the size and scope of the project. To encourage the expanded growth and recognize the increased investment, Staff has negotiated the following changes to the project: increase the tax incentive amount from \$1,000,000 to \$3,000,000, increase the job target from 60 to 400, decrease the wage target from \$35 to \$30, change the term of the agreement from 10 years to 8 years, and change the project site to a larger leased facility in Louisville. Below are the revised targets and annual maximums:

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	60	\$30.00	
1	60	\$30.00	\$375,000
2	90	\$30.00	\$375,000
3	130	\$30.00	\$375,000
4	190	\$30.00	\$375,000
5	250	\$30.00	\$375,000
6	310	\$30.00	\$375,000
7	360	\$30.00	\$375,000
8	400	\$30.00	\$375,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,000,000

The company has not activated the project and is requesting an amendment to the Tax Incentive Agreement recognizing the changes to the project as stated above.

Staff recommends approval.