

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: June 29, 2017
Approved Company: Distilled Spirits Epicenter, LLC
Approved Affiliate(s): Pro-Liquitech, LLC
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-17-21689
Bus. Dev. Contact: A. Bobbitt **OFS Staff:** D. Phillips

Project Description: Distilled Spirits Epicenter, LLC, founded in 2012, is an international distilling center. The Epicenter has something for everyone with a passion for the craft on both the science and art side of distilling. The company's sister company, Pro-Liquitech International (DBA Flavorman) is a custom beverage development company and is directly related to the growth of Distilled Spirits Epicenter. The company needs additional production space to move the bulk of its blending and bottling operation which includes custom flavor concentrates that will then be bottled. They are considering an adjacent property to construct a new facility to house the additional growth.

Facility Details: Locating in a new facility

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$400,000	\$400,000
\$1,100,000	\$1,100,000
\$200,000	\$500,000
\$0	\$0
\$1,700,000	\$2,000,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	10	\$20.00	
1	12	\$20.00	\$13,000
2	15	\$20.00	\$13,000
3	20	\$20.00	\$13,000
4	20	\$20.00	\$13,000
5	20	\$20.00	\$13,000
6	20	\$20.00	\$13,000
7	20	\$20.00	\$13,000
8	20	\$20.00	\$13,000
9	20	\$20.00	\$13,000
10	20	\$20.00	\$13,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$130,000

County Type:

Other

Statutory Minimum Wage Requirements:

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

David Dafoe Louisville, KY

Active State Participation at the project site: None**Requested Wage Assessment / Local Participation:**

State: 1.5%

Local: 0.5% Louisville Metro

Unemployment Rate:

County: 4.4%

Kentucky: 4.8%

Existing Presence in Kentucky:

Jefferson County

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

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.

The project will include multiple locations within Jefferson County/Louisville. Only investment costs incurred at 827 South 8th Street 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.