

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY**

**KBI REPORT - PRELIMINARY APPROVAL**

**Date:** September 25, 2014  
**Approved Company:** Brown-Forman Corporation  
**City:** Louisville **County:** Jefferson  
**Activity:** Manufacturing **Prelim Resolution #:** KBI-I-14-19942  
**Bus. Dev. Contact:** L. Ransdell **OFS Staff:** D. Phillips

**Project Description:** Brown-Forman Corporation was founded in Kentucky in 1870 and has retained its Louisville headquarters for over 140 years. The Old Forester brand was the company's original brand and America's first bottled bourbon. The company is considering acquiring, equipping and renovating two historical properties into an operating distillery in Louisville on West Main Street's Whiskey Row to produce the Old Forester brand bourbon as well as a visitor's center.

**Facility Details:** Expanding existing operations

**Anticipated Project Investment - Owned**

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

<b>Eligible Costs</b>	<b>Total Investment</b>
\$1,200,000	\$1,200,000
\$17,050,000	\$17,050,000
\$300,000	\$8,000,000
\$260,000	\$260,000
<b>\$18,810,000</b>	<b>\$26,510,000</b>

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

<b>Year</b>	<b>Job Target</b>	<b>Average Hourly Wage Target (Including Employee Benefits)</b>	<b>Annual Approved Cost Limitation</b>
As of Activation Date	15	\$28.00	
1	15	\$28.00	\$90,000
2	15	\$28.00	\$90,000
3	15	\$28.00	\$90,000
4	15	\$28.00	\$90,000
5	15	\$28.00	\$90,000
6	15	\$28.00	\$90,000
7	15	\$28.00	\$90,000
8	15	\$28.00	\$90,000
9	15	\$28.00	\$90,000
10	15	\$28.00	\$90,000

**Other County Minimum Wage Requirements:** Base hourly wage: \$10.88  
 Total hourly compensation: \$12.51

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:**

**\$900,000**

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

Publicly traded

**Active State Participation at the project site:**

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Jun 27, 2013	KBI	Approve-Prelim	\$2,500,000
Jun 27, 2013	KEIA	Approve-Final	\$500,000

**Requested Wage Assessment / Local Participation:**

State: 3.0%

Local: 1.0% Louisville/Jefferson County Metro Government

**Unemployment Rate**

County: 7.3%

Kentucky: 7.5%

**Existing Presence in Kentucky:**

Jefferson and Woodford Counties

**Special Conditions:**

The company will be required to maintain 90% 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.