

KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY

KBI REPORT - PRELIMINARY APPROVAL

Date: January 30, 2014
Approved Company: Mesa Foods, LLC
City: Louisville **County:** Jefferson
Activity: Manufacturing **Prelim Resolution #:** KBI-I-14-19820
Bus. Dev. Contact: L. Ransdell **OFS Staff:** D. Phillips

Project Description: Mesa Foods, LLC produces flour and corn tortillas, taco shells, pre-cut corn chips and flatbreads for the food industry. The company is considering the expansion of its existing facility in Louisville by adding production capacity to meet customer demands.

Facility Details: Expanding existing operations

Anticipated Project Investment - Owned

Land
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$0	\$0
\$360,000	\$360,000
\$1,200,000	\$4,460,000
\$75,000	\$75,000
\$1,635,000	\$4,895,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	60	\$14.00	
1	60	\$14.00	\$70,000
2	60	\$14.00	\$70,000
3	83	\$14.00	\$70,000
4	83	\$14.00	\$70,000
5	83	\$14.00	\$70,000
6	83	\$14.00	\$70,000
7	83	\$14.00	\$70,000
8	83	\$14.00	\$70,000
9	83	\$14.00	\$70,000
10	83	\$14.00	\$70,000

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

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$700,000

Ownership (20% or more):

Encore Consumer Capital San Francisco, CA

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	<u>Status</u>	<u>Amount</u>
Jan 26, 2012	KRA	Monitor	\$850,000

Requested Wage Assessment / Local Participation:

State: 3.0%

Local: 1.0% Louisville-Jefferson County Metro Government

Unemployment Rate

County: 7.6%

Kentucky: 7.7%

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

At final approval of the KBI project, the KRA project will be limited to only those employees included in the base employment of the KBI project.