

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

Date: February 25, 2016
Approved Company: New Source Medical, LLC
City: Louisville **County:** Jefferson
Activity: Service & Technology **Prelim Resolution #:** KBI-IL-16-20942
Bus. Dev. Contact: M. Pierstorff **OFS Staff:** L. Cunningham

Project Description: New Source Medical provides medical durable equipment to be used by nursing homes, long-term care facilities, and hospitals. New Source Medical's products include specialty beds, pressure-reduction mattresses, and an array of various other medical goods. The company just acquired the assets of a durable medical equipment division in Florida and are looking to relocate these assets within a warehouse/distribution operation in conjunction with its national headquarters.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent
 Building/Improvements
 Equipment
 Other Start-up Costs
TOTAL

Eligible Costs	Total Investment
\$1,000,000	\$2,000,000
\$100,000	\$100,000
\$400,000	\$450,000
\$500,000	\$500,000
\$2,000,000	\$3,050,000

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	20	\$25.00	
1	20	\$25.00	\$80,000
2	30	\$25.00	\$80,000
3	45	\$25.00	\$80,000
4	46	\$25.00	\$80,000
5	50	\$25.00	\$80,000
6	50	\$25.00	\$80,000
7	50	\$25.00	\$80,000
8	50	\$25.00	\$80,000
9	50	\$25.00	\$80,000
10	50	\$25.00	\$80,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$800,000

County Type:
Other

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

Ownership (20% or more):

Kevin A. McKim Richmond, IN
McKim STAT Ventures, LP Louisville, KY

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: 4.8% Kentucky: 5.5%

Existing Presence in Kentucky:

Jefferson County

Special Conditions:

The project will include multiple locations within Jefferson County/Louisville. Only investment costs incurred at the project site 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.