KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY KBI REPORT - PRELIMINARY APPROVAL

Date: August 29, 2019

Approved Company: Chewy, Inc.

City: Jeffersontown County: Jefferson

Activity: Service & Technology Prelim Resolution #: KBI-IL-19-22685

Bus. Dev. Contact: A. Franklin DFS Staff: D. Phillips

Project Description: Chewy, Inc., founded in 2011, is an online source for pet products, pet supplies

and pet prescriptions. The company is considering the establishment of a

pharmacy fulfillment center to serve its customers more efficiently.

Facility Details: Locating in a new facility

Anticipated Project Investment - Leased

Rent

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment	
\$826,550	\$1,653,100	
\$2,700,000	\$2,700,000	
\$200,000	\$200,000	
\$0	\$0	
\$3,726,550	\$4,553,100	

NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	50	\$33.41	
1	150	\$33.41	\$100,000
2	150	\$33.41	\$100,000
3	150	\$33.41	\$100,000
4	150	\$33.41	\$100,000
5	150	\$33.41	\$100,000
6	150	\$33.41	\$100,000
7	150	\$33.41	\$100,000
8	150	\$33.41	\$100,000
9	150	\$33.41	\$100,000
10	150	\$33.41	\$100,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$1,000,000	
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Incentive Type:

Statutory Minimum Wage Requirements:

Other

Base hourly wage: \$10.88 Total hourly compensation: \$12.51

Ownership (20% or more):

PetSmart, Inc. - Phoenix, AZ Buddy Holdings Corp. - Phoenix, AZ

Active State Participation at the project site:

<u>Date</u>	<u>Program</u>	Status / Jobs Required	<u>Amount</u>
Aug 30, 2018	KBI	Prelim-Approve/300	\$1,250,000

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: 0.5% - Louisville-Jefferson County Metro Government

Unemployment Rate:

County: 4.6% Kentucky: 4.9%

Existing Presence in Kentucky:

Jefferson County

Special Conditions:

The company will be required to maintain a base employment equal to the greater of the following: 1) number of full-time, Kentucky resident employees as of the date of preliminary approval at the Fern Valley and Bluegrass Parkway locations plus 50 (transferring from an affiliate location in Louisville) or 2) 350 full-time, Kentucky resident employees (base employment number (300) required by previous KBI project #22224 plus 50 (transferring from an affiliate location in Louisville)).

The company will be required to maintain 90% of the total statewide full-time, Kentucky resident employees at all company and affiliate locations, excluding the Fern Valley and Bluegrass Parkway locations, as of the date of preliminary approval less 50 (employees transferring to project location and included in the base employment requirement).

The project will include multiple locations within the City of Louisville/Jefferson County. Only investment costs incurred at 11403 Bluegrass Parkway (the project location) 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.