

**KENTUCKY ECONOMIC DEVELOPMENT FINANCE AUTHORITY  
KBI REPORT - MODIFICATION**

**Date:** December 11, 2014  
**Preliminary Approval:** May 26, 2011  
**Approved Company:** Kindred Healthcare Operating, Inc.  
**Approved Affiliate(s):** Kindred Hospice Services, LLC  
 Kindred Rehab Services, Inc.  
 Kindred Systems, Inc.  
 RehabCare Group East, Inc.  
**City:** Louisville **County:** Jefferson  
**Activity:** Headquarters **Resolution #:** KBI-I-11-18504  
**Bus. Dev. Contact:** M. Roe **OFS Staff:** M. Elder  
**Project Description:** Kindred Healthcare is a healthcare service company, that through its subsidiaries, operates traditional care hospitals, inpatient rehabilitation hospitals, nursing and rehabilitation centers, assisted living facilities, a contract rehabilitation services business, and a home health hospice business across the United States. Kindred Healthcare Operating, Inc. is considering expanding its corporate headquarters in downtown Louisville in order to consolidate its support center operations into one location.

Anticipated Project Investment - Owned	Eligible Costs	Total Investment
	\$39,500,000	\$39,500,000

**NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	500	\$32.60	
1	500	\$32.60	\$1,100,000
2	500	\$32.60	\$1,100,000
3	500	\$32.60	\$1,100,000
4	500	\$32.60	\$1,100,000
5	500	\$32.60	\$1,100,000
6	500	\$32.60	\$1,100,000
7	500	\$32.60	\$1,100,000
8	500	\$32.60	\$1,100,000
9	500	\$32.60	\$1,100,000
10	500	\$32.60	\$1,100,000

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

**TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:** **\$11,000,000**

**Special Conditions:**

Maintain Base Employment: 680

**Modifications since preliminary approval?** Yes

The name changed from Kindred Healthcare, Inc. to Kindred Healthcare Operating, Inc. The addition of an affiliate; RehabCare Group East, Inc. The project changed from a leased to an owned project. The job target has increased from 100 to 500. The average hourly wage target decreased from \$38.00 to \$32.60. The investment has increased from \$3,769,801 to \$39,500,000. The Total Negotiated Incentive Amount increased from \$2,000,000 to \$11,000,000.