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

Date:

December 8, 2016

**Approved Company:** 

LINAK U.S. Inc.

City:

Louisville

A. Bobbitt

Activity:

Manufacturing

County: Jefferson

Prelim Resolution #: KBI-I-16-21401

OFS Staff: L. Cunningham

**Project Description:** 

**Bus. Dev. Contact:** 

LINAK U.S. is the global leader in manufacturing of electric linear actuators which are used in hospital beds, adjustable workstations, agricultural

appliances and many other applications. LINAK has been located in Louisville since 1994 and expects to double sales and output in the U.S. over the next five years. They are considering expanding the facility in

Louisville to accommodate for its future growth.

**Facility Details:** 

Expanding existing operations

**Anticipated Project Investment - Owned** 

Land

Building/Improvements

Equipment

Other Start-up Costs

TOTAL

Eligible Costs	Total Investment	
\$3,042,000	\$3,042,000	
\$14,285,000	\$14,285,000	
\$800,000	\$14,000,000	
\$1,400,000	\$1,400,000	
\$19,527,000	\$32,727,000	

## **NEGOTIATED TARGETS AND INCENTIVE AMOUNTS:**

Year	Job Target	Average Hourly Wage Target (Including Employee Benefits)	Annual Approved Cost Limitation
As of Activation Date	40	\$25.00	
1	100	\$25.00	\$350,000
2	180	\$25.00	\$350,000
3	260	\$25.00	\$350,000
4	340	\$25.00	\$350,000
5	413	\$25.00	\$350,000
6	413	\$25.00	\$350,000
7	413	\$25.00	\$350,000
8	413	\$25.00	\$350,000
9	413	\$25.00	\$350,000
10	413	\$25.00	\$350,000

TOTAL NEGOTIATED TAX INCENTIVE AMOUNT:

\$3,500,000

**County Type:** 

Other

**Statutory Minimum Wage Requirements:** 

Base hourly wage: \$10.88

Total hourly compensation: \$12.51

Ownership (20% or more):

LINAK A/S - Nordborg, Denmark

Active State Participation at the project site:

<u>Date</u>

**Program** 

<u>Status</u>

**Amount** 

Mar 26, 2015

**KBI** 

Monitor

\$300,000

Requested Wage Assessment / Local Participation:

State: 1.5%

Local: 0.5% - Louisville Metro Government

**Unemployment Rate** 

County: 4.2%

Kentucky: 4.8%

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

The project will include multiple locations within Jefferson County. Only investment costs incurred at 11710 LaGrange Road 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.