



Lexington-Fayette Urban County Government
OFFICE OF THE MAYOR

Jim Gray
Mayor

TO: MAYOR JIM GRAY
URBAN COUNTY COUNCIL

FROM: KEVIN ATKINS 
CHIEF DEVELOPMENT OFFICER

DATE: JULY 29, 2014

RE: APPROVE AGREEMENT WITH ASHLAND INC. TO PARTICIPATE IN THE KENTUCKY
BUSINESS INVESTMENT PROGRAM

The Kentucky Economic Development Finance Authority (KEDFA) has given Ashland, Inc. preliminary approval to participate in the Kentucky Business Investment (KBI) Program. The KBI Program requests that the state and local government enter into a 10-year agreement with the approved company under which the business can recover up to 100% of its start-up and building acquisition costs through Kentucky corporate income tax credits and wage assessment fee of up to 4%.

Ashland's decision to expand their research and development lab in Lexington will create wealth and provide additional job opportunities for the citizens of Lexington and the surrounding area. The company plans to create 40 new jobs with an average wage of approximately \$80,000 per year plus benefits. Ashland plans to invest over \$1.5 million in new equipment, building improvements and start-up costs.

Its is recommended by the staff at Commerce Lexington for Lexington-Fayette Urban County Government to approve the 10-year local 1% wage assessment through KBI. There is no budgetary impact on Lexington-Fayette Urban County Government.

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