



**TO: Linda Gorton  
Mayor**

**FROM: Kevin Atkins  
Chief Development Officer**

**DATE: May 30, 2024**

**RE: Approve agreement with Infineon Technologies, Inc. to participate in the  
Kentucky Business Investment Program**

**Request:**

Authorization to allow an inducement to Infineon Technologies, LLC for local participation in the Kentucky Business Investment (KBI) Program, which includes a 10-year local 1% wage assessment through KBI. The company is a semiconductor manufacturer. Infineon Technologies has selected Lexington to be a major growth site for Infineon America.

**Why are you requesting:**

The Kentucky Economic Development Finance Authority (KEDFA) has given Infineon Technologies, LLC preliminary approval to participate in the 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 equipment costs through Kentucky corporate income tax credits and a wage assessment fee of up to 4%. The company plans to create 54 new jobs with an average wage of approximately \$104,000 per year plus benefits. Infineon Technologies plans to invest more than \$5.5 million in building improvements, equipment, and start-up costs.

**What is the cost in this budget year and future budget years?**

The cost for FY2024 is: Revenue to be rebated. Tax expenditure, not actual cost

The cost for future FY is: Revenue to be rebated. Tax expenditure, not actual cost

**Are the funds budgeted?** N/A

**Director/Commissioner:** Kevin Atkins

