

MAYOR LINDA GORTON



KEVIN ATKINS
CHIEF DEVELOPMENT OFFICER

**TO: Linda Gorton
Mayor**

**FROM: Kevin Atkins
Chief Development Officer**

DATE: January 5, 2026

RE: Approve agreement with Neogen Corporation to participate in the Kentucky Business Investment (KBI) Program

Request:

Authorization to allow an inducement to Neogen Corporation as local participation in the Kentucky Business Investment (KBI) Program, which includes a 10-year local 1% wage assessment through KBI. Neogen Corporation's merger with 3M Food Safety Division will expand their Lexington manufacturing facility and add a full range of animal health products.

Why are you requesting:

The Kentucky Economic Development Finance Authority (KEDFA) has given Neogen Corporation 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 3.1%. The company plans to create 210 new jobs with an average wage of approximately \$63,700.00 per year including benefits. Neogen Corporation plans to invest more than \$15 million in building improvements, equipment and start-up costs.

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

The cost for FY2026 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

