



BLUEGRASS RANKINGS

LAST UPDATED FEBRUARY 2008 – COMMERCE LEXINGTON INC.

There are numerous NATIONAL RANKINGS of “best places” produced every year. Whether it is business location, quality of life, education, or anything else Lexington is among the best places in the nation. The following is a selection of the most current rankings. Many are regional in nature, inclusive of the entire Lexington MSA. For more information, contact Commerce Lexington Inc.’s Research Department at (859) 226-1604.



Lexington Named 48th Best City To Live In Entire World

The analysis, by Mercer Consulting, is part of the annual “World Wide Quality of Living Survey”. Each city is based on an evaluation of 39 criteria, including political, social, economic and environmental factors, personal safety and health, education, transport, and other public services. Cities are ranked against New York as the base city, which has an index score of 100. (2006)

Rank	City	Country
1	Zurich	Switzerland
2	Geneva	Switzerland
3	Vancouver	Canada
4	Vienna	Austria
5	Auckland	New Zealand
27	Honolulu	USA
28	San Francisco	USA
36	Boston	USA
41	Washington	USA
42	Chicago	USA
43	Portland	USA
46	New York City	USA
47	Seattle	USA
48	Lexington	USA



BUSINESS CLIMATE

Based on the 2006 Forbes Best Places study, when it comes to cost of doing business, **Lexington is the second best place** in the country to locate a company. Lexington has held the ranking the past three years.

Best Places in Terms of Business Costs, 2006

1. Albuquerque, NM
2. **Lexington, KY**
3. Hickory, NC
4. Oklahoma City, OK
5. Tulsa, OK



Competitive Alternatives is KPMG’s comprehensive guide for comparing business costs in North America. The study measured the combined impact of 27 location sensitive business operating costs, such as labor, taxes, and utility costs. **In the 2006 study Lexington ranked 3rd in lowest cost for North America.**

Most Economical Cities to Conduct Business, 2006

1. Dothan, AL
2. Greenville, SC
3. **Lexington, KY**
4. Lima, OH
5. Charleston, WV
6. Jackson, MS
7. Nashville, TN
8. Atlanta, GA
9. Cheyenne, WY
10. Lincoln, NE



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BUSINESS CLIMATE



The **Lexington MSA** has been ranked as a **5-Star Business Opportunity Metro** in the 2007 Expansion Magazine Mayor's Challenge. The ranking looks at the best cities in terms of business climate. The ranking's criteria was based on seven studies that Expansion Magazine published throughout the year. "Those rankings compared all 362 MSA's in the areas of education, health, transportation and logistics infrastructure, quality of life, strength of pool of knowledge workers, government influences on the business climate, and, finally, the metro's reputation among prominent corporate site location consultants." Lexington also ranked as a 5-Star Metro in 2006.

ECONOMIC DEVELOPMENT

Lexington - #11 for Most Educated Workforce in the nation by *Business Facilities*.



Having a well educated workforce at your disposal is an attractive proposition for companies in almost any industry. Business Facilities looked at the workforce 25 years and older with a high school diploma, bachelor's degree and an advanced degree. The degree attainment counted for 55%, 33.3% and 16.7% respectively.

Most Educated Workforce: Cities, 2007

1. Charlotte, NC
2. St. Paul, MN
3. Seattle, WA
4. San Diego, CA
5. Wichita, KS
6. Portland, OR
7. Colorado Springs, CO
8. Honolulu, HI
9. Albuquerque, NM
10. Tulsa, OK

11. Lexington, KY

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Lexington is among the top 25 Best Places for Business and Careers in the nation. Lexington's **21st** place ranking is down slightly from last years 11th placed ranking. Forbes Magazine's seventh annual ranking is based on income and job growth, cost of doing business, qualifications of the labor pool, crime rates, living costs, and net migration.



Best Places for Business and Careers 2006

1. Albuquerque, NM
2. Raleigh, NC.
3. Houston, TX
4. Boise, ID
5. Knoxville, TN
6. Phoenix, AZ
7. Nashville, TN
8. Durham, NC
9. Fayetteville, AR
10. Indianapolis, IN
- 21. Lexington, KY**

Blue Grass Airport, based on data from Airports Council International, **ranked 5th in the U.S. for growth in passengers** and 7th in North America. The airport saw a 19 percent increase in passenger activity in 2003.



In 2003, Expansion Management Magazine published its **First Annual Mayor's Challenge**, identifying the best places in the U.S. to locate a company. The two most important of the components of this report were the availability of educated reliable labor and operating costs. Besides these, the study included quality of life, infrastructure and other variables.

Best Places in the U.S. to Locate a Company 2003

1. Des Moines, IA
2. Kansas City, MO
3. Omaha, NE
4. Minneapolis-St. Paul, MN
5. Seattle-Bellevue-Everett, WA
6. Cedar Rapids, IA
- 7. Lexington, KY**
8. Fargo-Moorehead, ND-MN
9. Columbia, SC
10. Lincoln, NE



In their tenth annual ranking of best cities for entrepreneurs, **Entrepreneur Magazine** and **National Policy Research Council** used two criteria to make the final list. They are: Young Company Rank (based on the percentage of businesses started 4 to 14 years ago with 5+ employees), Rapid Growth (based on the percentages of businesses that have experienced rapid growth over the past four years).



Best Cities for Entrepreneurs Top Midsize Cities, 2006

1. El Paso, TX
2. Tucson, AZ
3. Birmingham, AL
4. Charleston, SC
5. Mobile, AL
6. Madison, WI
7. McAllen-Edinburg-Mission, TX
8. Columbia, SC
9. Greenville, SC
10. Tulsa, OK

30. Lexington, KY

**Lexington is one
Of America's
"Entrepreneurial
Hot Spots!"**



Based on a study prepared by Cognetics, **Lexington is the 10th best small metro area in America to start and grow a company.**

This research focused on the location of rapidly growing, publicly traded companies whose revenues have grown at an average annual compound rate of 20 percent or more during the last four years. The study found that the key determinants influencing location choices are universities, a skilled labor pool, airports, quality of life and positive entrepreneurial climate. This year's ranking for Lexington is one spot higher than in the previous study.

Entrepreneurial Hot Spots!

The Best Places (Small Metros) in America to Start and Grow a Company, 2001

1. Las Vegas, NV
2. Wilmington-Jacksonville, NC
3. Charleston, SC
4. Austin, TX
5. Reno, NV
6. Fargo, ND
7. Sioux Falls, SD
8. Green Bay-Appleton, WI
9. Huntsville, AL

10. Lexington, KY



Lexington is among America's 50 hottest cities for manufacturing expansions and relocations. According to the Expansion Management Magazine's annual ranking of the top cities for expanding or relocating companies, **Lexington is the 47th hottest spot in America in 2005.** The top fifty cities were selected by 80 relocation consultants. For the rankings they considered such things as business environment, work force quality, operating costs, incentive programs, worker training programs and ease of working with officials.

America's 50 Hottest Cities, 2005

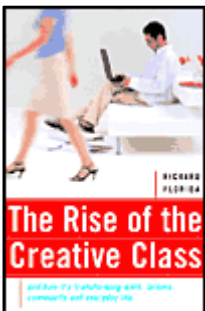
1. Nashville, TN
2. Atlanta, GA
3. Kansas City, MO
4. Charlotte-Gastonia-Rock Hill, NC-SC
5. Indianapolis, IN
6. Phoenix-Mesa, AZ
7. Albuquerque, NM
8. Oklahoma City, OK
9. Dallas-Fort Worth, TX
10. Jacksonville, FL

47. Lexington, KY

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The key to economic growth lies not just in the ability to attract the creative class, but to translate that underlying advantage into creative economic outcomes in the form of new ideas, new high-tech businesses and regional growth. To capture these capabilities, **Richard Florida**, professor of regional economic development at Carnegie Mellon University, developed anew measure called the **Creativity Index**. The Creativity Index is a baseline indicator of a region's overall standing in the creative economy and of its long-run economic potential. The creativity Index is a mix of four equally weighted factors: the creative class share of the workforce; high-tech industry, innovation (measured by patents per capita) and diversity (measured by the Gay Index). Richard Florida's book "**Rise of the Creative Class**" was the 2002 Annual Political Book Award winner.



Top Ten Most Creative Small Cities

1. Madison, WI
2. Des Moines, IA
3. Santa Barbara, CA
4. Melbourne, FL
5. Boise City, ID
6. Huntsville, AL
7. Lansing, MI
8. Binghamton, NY
- 9. Lexington, KY**
10. New London, CT



The Lexington Metro has one of the highest ranked Knowledge Worker Quotient's. Expansion Magazine publishes an annual Knowledge Worker Quotient and in the latest ranking, 2007, **the Lexington Metro was a Five Star Metro.** The ranking measure such factors as human capital, educational institutions and R&D spending. The values from

each of these categories were then applied to 362 metropolitan areas to obtain the ranking.

Select 5-Star Knowledge Worker Metros

- **Lexington, KY**
- Atlanta, GA
- Austin, TX
- Boulder, CO
- Durham, NC
- Nashville, TN
- Raleigh, NC
- Richmond, VA

In 2004 Acxiom Corporation released its first **"Mirror on America,"** which ranks America's top 150 Metropolitan Statistical Areas (MSAs) based on its overall characteristics as a consumer test market, **Lexington ranked 12th as a city that is representative of the U.S. population.**



Best U.S. Test Cities

1. Albany, NY
2. Rochester, NY
3. Greensboro, Winston-Salem, NC
4. Birmingham, AL
5. Syracuse, NY
6. Charlotte, NC
7. Nashville, TN
8. Eugene-Springfield, OR
9. Wichita, KS
10. Richmond, VA
11. Davenport-Moline, IA
- 12. Lexington, KY**

In 2000, Lexington was selected as one of the **Top 20 Best Places to Live and Work in America** by Employment Review magazine and BestJobsUSA.com. This evaluation was based on lifestyle, cost of living, types of industries, unemployment rate, short and long-term job growth, the health care system, education (kindergarten to graduate school), recreation, arts, and other factors.



America's Best Places to Live & Work

1. Sarasota, FL
2. Austin, TX
3. Ft. Worth, TX
4. Raleigh/Durham/Chapel Hill, NC
5. Salt Lake City, UT
6. Atlanta, GA
7. San Diego, CA
8. Denver, CO
9. Orlando, FL
10. Portland, OR
- 15. Lexington, KY**

Education Quotient for a district also includes teachers' salaries, student-teacher ratios and per-pupil expenditures and some others. Based upon their final score school districts are given one of five designations: Gold Medal (the top 17 percent of districts nationwide), Blue Ribbon (top one-third), Green Light, Yellow Light, and Red Light (the bottom 10%). In this, most recent rating (2006) the Fayette County school district received the Blue Ribbon. With a total score of 74, up from 70 in 2005, (on a 1-100 scale) Fayette County has the highest rank in Kentucky.

EDUCATIONAL ATTRIBUTES



Lexington Catholic has been named a 2007 National Blue Ribbon School. To be selected for recognition, a school conducts a self-evaluation -- a process that allows teachers, students, parents and

community representatives to assess their strengths and weaknesses and develop strategic plans for the future. The school then submits a written application, including information on their progress toward achieving the National Education Goals. A review panel selects what they consider the most promising schools for site visits by experienced educators who submit reports on their findings. The review panel considers the reports and makes recommendations to the U.S. Secretary of Education, who announces the schools selected for recognition.

Eligible schools must have been in existence for five years and cannot have received the award within the five prior years.

Lexington's schools earned the Blue Ribbon rating in 2006.

Expansion Management Magazine produces the **Education Quotient** study every year. This study ranks school districts all over the U.S. based largely on a district's average college-board scores and graduation rates. Besides these graduate outcome indicators, the final



Lexington is one of the top cities with the highest educational attainment in the country.

Based on the 2000 Census 35.6% of the population 25 years or older has at least a bachelor's degree. This makes Lexington's population the **8th most highly educated in the nation.**



Cities with the Highest Educational Attainment, 2000

1. Seattle, WA
2. San Francisco, CA
3. Raleigh, NC
4. Austin, TX
5. Washington, DC
6. Minneapolis, MN
7. Charlotte, NC
- 8. Lexington, KY**
9. Boston, MA
10. San Diego, CA

HIGHER EDUCATION

The **University of Kentucky** is regularly listed in many "top" or "best of" categories by national publications and organizations. A recent sampling follows:

U.S. News & World Report, "Best Graduate Schools"

6th – Martin School of Public Policy & Administration, public finance and budgeting program, 2005.

8th – College of Pharmacy, 2006.

17th – College of Medicine, family medicine program, 2006.

18th – College of Medicine, rural health program, 2006.

National Merit Scholarship Corp.

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22nd – UK, total number of new freshmen National Merit Scholars among public universities, 2004.

Transylvania University accolades:

- Transy has earned consistently high rankings for academic excellence in **U.S. News & World Report's** ratings of America's best colleges and universities. Recently, Transy was placed in the top tier of the nation's liberal arts colleges.
- **Barron's Best Buys in College Education** recognizes Transy's exceptional professors & students.
- Transylvania's Bingham Program for Excellence in Teaching was recently praised by **Smart Parents Guide to College**.
- The Princeton Review included Transy in **The Best 361 Colleges: The Smart Student's Guide to Colleges**.
- Transylvania is one of only four colleges in Kentucky to earn recognition from **Colleges of Distinction**.

PUBLIC EDUCATION K – 12

The **Fayette County Public School system** has produced **37 National Merit Semifinalists** and **61 Governor's Scholars**.



Fayette County, Jessamine, Woodford and Madison school districts were among the districts selected to receive the 15th Annual "What Parents Want" Award.

HEALTH CARE

In April 2005, **Lexington was ranked among the top walking cities in America**. Lexington was ranked 8th among the cities with population between 200,000 and 500,000. The survey took into account various criteria such as the number of people walking to work, those using public transportation and 18,000 other pieces of information from such places as the Census Bureau and other data collection agencies.



Best Walking Cities

1. Jersey City, NJ
2. Madison, WI
3. Glendale, CA
4. Pittsburgh, PA
5. Minneapolis, MN
6. Atlanta, GA
7. Raleigh, NC

8. Lexington, KY

9. Tacoma, WA

10. Paradise, NV



Access to good health care is a very important component of quality of life. Lexington has a very high number of physicians, hospitals, other health care professionals and facilities. **Places Rated Almanac** found the **Lexington metro area** to

be the **8th best community in North America for access to health care**. When you take into account only the U.S. cities, **Lexington is the third best**. The following five criteria was used to rate the supply of health care in a metro area: office based physicians; office-based medical specialists; office based-surgeons; accredited short-term general hospital beds; and hospitals with physician-teaching programs certified by the AMA or Association of Canadian Teaching Hospitals.

Access to Health Care, 2000

1. Vancouver, BC
2. Quebec City, PQ
3. Sherbrooke, PQ
4. Long Island, NY
5. Halifax, NS
6. Montreal, PQ
7. Little Rock, AR
8. Lexington, KY
9. Columbia, MO
10. Birmingham, AL

QUALITY OF LIFE

Best Metro Area For Young Singles

Kiplinger's Personal Finance has named Lexington as one of the five best metro areas in country for young singles. There is a "thriving underground art and music scene and eccentric annual masquerade ball". There is a huge "international attraction of the horse industry and enlightened minds are drawn by the 15 colleges and universities". The four other cities ranked are Washington D.C., Denver, Austin, and Raleigh.

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America's 50 Greenest Cities (2/2008)

Popular Science used raw data from the US Census Bureau and National Geographic and compiled the data into four categories: electricity, transportation green living and recycling and green perspective. These categories were scored based on the data resulting in the rankings below.

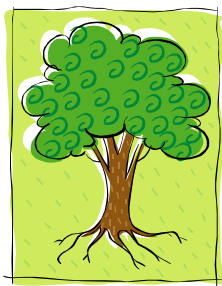
1. Portland Oregon
2. San Francisco, CA
3. Boston, MA
4. Oakland, CA
5. Eugene, OR
9. Chicago, IL
- 25. Lexington, KY**
29. Springfield, IL
42. Louisville, KY



In everything from emissions control to environmental stewardship, cities across the country are far ahead of the federal government, and they're achieving their successes with ready made technology. Something about the comparative speed of city government leads to bold action.

Lexington Ranked As A Green City!

Lexington ranked 12th nationally in the 2006 Green Guide survey of top green cities. The Green Guide surveyed mayors' offices in all 251 metropolitan areas with populations of 100,000 or more in areas such as air quality, environmental policy, green space, public health, recycling, etc. The information obtained during the surveys along with information from the Environmental Protection Agency, the US Green Building Council and other independent sources were considered when making this ranking.



**Lexington is a
Five Star Metro.**



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In **June 2006**, Expansion Management Magazine released its eighth annual **Quality of Life Quotient**. This study compared 362 metropolitan areas in the country based on the following nine general categories: crime statistics, affordable decent housing, public schools, standard of living, traffic and commute, adult education levels, spouse employment, air access and continuing education. Based on these indicators they created the Quality of Life Quotient. Places with the highest quality were assigned the title of a Five Star Metro. **Lexington received a Five-Star status the last three years** and improved from the four star status four years ago.

QUALITY OF LIFE

KIPLINGER'S.COM

In June 2006, Kiplinger's Magazine came out with the **50 Smart Places to Live with Lexington ranking 13th**. The ranking took into account affordable housing, population growth, quality health care and other economic criteria.

50 Smart Places to Live, 2006

1. Nashville, TN
2. Minneapolis, MN
3. Albuquerque, NM
4. Atlanta, GA
5. Austin, TX
6. Kansas City, MO
7. Asheville, NC
8. Ithaca, NY
9. Pittsburgh, PA
10. Iowa City, IA
- 13. Lexington, KY**

EMPLOYEE RELOCATION COUNCIL AND PRIMACY RELOCATION

The **Lexington Metro has been ranked as the #2 mid-sized city to relocate a family** by the Employee Relocation Council and Primacy Relocation in 2006. Lexington was ranked 2nd in 2005 and 8th in 2004. Sperling's Best Places assisted in compiling the list, which

ranked the cities in categories that included cost of living, quality of life, schools, climate, taxes, and home appreciation. New categories introduced this year include elder care and assisted living statistics.

2006 Best Cities for Relocating Families

1. Evansville, IN
- 2. Lexington, KY**
3. Fayetteville, AR
4. Boulder/Longmont, CO
5. Burlington, VT
6. Lafayette, LA
7. Erie, PA
8. Fort Collins, CO
9. Clarksville, TN
10. Montgomery, AL

The Lexington Metro has been ranked 38th in the 2005 Salary Value Index published by Salary.com. The report looks at the relationship between salaries and cost of living in 188 of the largest metro areas to see where you can work and play and still have a little left over. The index measured median base pay for over 2,500 jobs, which were correlated across different benchmark jobs, and the living costs side took into account housing, living, transportation and utility costs as well as state taxes. Employment and job growth rates also played a factor in the index.



Salary Value Index

1. New London, CT
2. Huntsville, AL
3. Baltimore, MD
4. Harrisburg, PA
5. Tulsa, OK
6. Rock Island, IL
7. Troy, NY
8. Corpus Christi, TX
9. Schenectady, NY
10. Las Vegas, NV
- 38. Lexington, KY**

QUALITY OF LIFE

**The
December
2007
edition of
Men's**



Health Living named Lexington the 3rd best place in the country for a man to live.

- 1. Madison, Wisconsin**
- 2. Burlington, Vermont**
- 3. Lexington, Kentucky**
- 4. Fargo, North Dakota**
- 5. Sioux Falls, South Dakota**

Business Development Outlook included the Lexington Metropolitan Area in its ranking of areas offering the highest quality of life. According to this list, **Lexington is the 22nd best place to live in the United States.** Rankings are based on health care, education, crime, culture, drive time, amusement, entertainment and restaurants.



Highest Quality of Life, 2000

1. Madison, WI
2. Cedar Rapids, IA
3. Stamford, CT
4. Lincoln, NE
5. Des Moines, IA
6. Overland Park, KS
7. Raleigh, NC
8. Sunnyvale, CA
9. Sioux Falls, SD
10. Omaha, NE
- 22. Lexington, KY**



Lexington is the 19th (up from 39th in 2003) **most kid friendly independent city in the country.** The **Kid-Friendly Cities Report Card** created by **Population Connection** looks at many aspects of "kid-friendliness," including health conditions, safety, education, and environmental cleanliness. Besides these areas, there were two new categories added this year: one is "Community Life" which includes information on two very important aspects of children's lives: libraries and parks. The Health Improvement Grade is another new area. This category reflects the effort cities have made in reducing the percent of births to teens, infant mortality, and the percent of low weight births.

Kid-Friendly Independent Cities

1. Burlington, VT
2. Cedar Rapids, IA
3. Sioux Falls, SD
4. Madison, WI
5. Fargo, ND
6. Green Bay, WI
- 19. Lexington, KY**



2001 marked the fourth year that **Ladies' Home Journal**

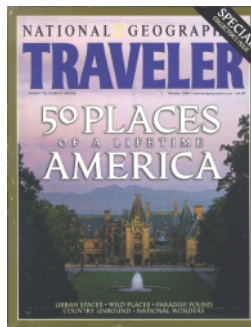


surveyed America's 200 largest towns and ranked them according to the qualities that are of particular concern to women. When analyzing a local economy, for instance, they consider the size of the wage gap and the percentage of women-owned businesses, as well as overall job growth. And when it comes to lifestyle, they check out not only the cultural resources and parks, but also the little details. Here is how the best cities measured up when the scores in the seven major categories --crime, lifestyle, schools, jobs, health care, childcare and government -- are combined.

Best Cities for Women, 2001

1. Alexandria, VA
2. Ann Arbor, MI
3. Burlington, VT
4. Irvine, CA
5. Madison, WI
13. **Lexington, KY**

National Geographic – “50 Places Of A Lifetime”.



In the October 2001 Special Edition of the *National Geographic Traveler*, Kentucky Bluegrass is distinguished as a “Place of a Lifetime”. Former TV newsman and author Nick Clooney, writes of “Fertile terrain for tobacco, bourbon, horses and history” in his article about his homeland - Kentucky Bluegrass. Clooney

lends readers such detail of the great Bluegrass Region that there is no wonder left in any reader’s mind as to why Kentucky’s Bluegrass is indeed a place of a lifetime.



Lexington Chosen As One of America’s 100 Best Communities For Young People for 2007

The 100 Best Communities for Young People competition honors outstanding efforts on behalf of young people by multiple sectors of communities. In cities, suburbs, small towns and counties across the country, this annual competition is leading communities to assess their efforts, work more effectively together for young people, and share best practices.