

FULL STRIDE INITIATIVE

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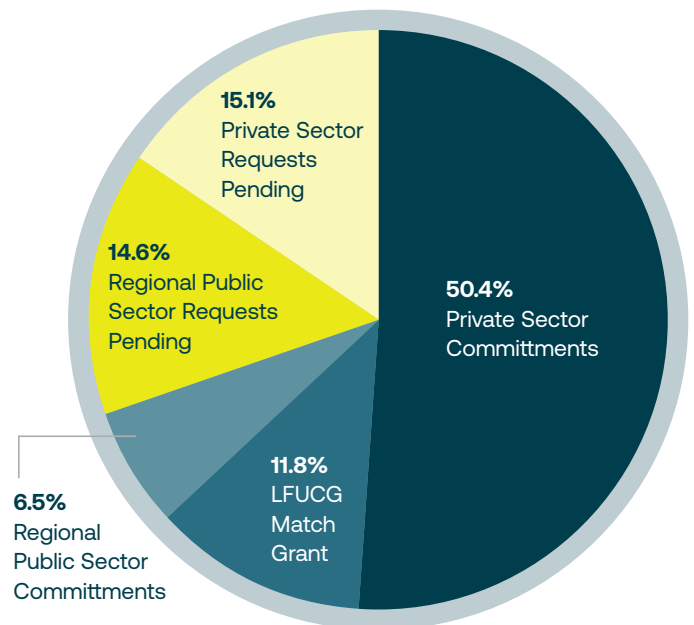
Funding Economic Development in the Bluegrass Region

Thank you for contributing to our Full Stride Campaign! This capital campaign takes place every five years and is critically important to help fund Economic Development initiatives around business attraction, retention and expansion, and business creation in addition to Community and Minority Business Development, and the Business and Education Network. Right is a graphic representation of the breakdown of commitments, grants and pending requests at the end of the first quarter.

\$1,600,000 Annual Budget
\$1,100,425 Funds Committed

 Committed Funds 70%
 Pending Funds 30%

As of March 31, 2023



Lexington and Kentucky Recognized in Site Selection Magazine's 2022 Governor's Cup

Site Selection Magazine released their annual rankings report in March and the Lexington-area metro was recognized as a top location in the U.S. for new and expanding project announcements. Lexington ranked 10th in the South-Central Metros category for the 21 new and expanding facilities locating in the region in 2022. In total, Kentucky had 212 projects, placing the state in the top 10 in multiple categories.



2022 TOP METROS PROJECTS RANKING					
by Region					
South Central					
2022	2021	Metro	State	Projects	
1	1	Dallas-Fort Worth-Arlington	TX	426	
2	2	Houston-The Woodlands-Sugar Land	TX	255	
3	3	Austin-Round Rock	TX	132	
4	5	San Antonio-New Braunfels	TX	52	
5	7	Nashville-Davidson-Murfreesboro-Franklin	TN	49	
6	10	Baton Rouge	LA	37	
7	17	Birmingham-Hoover	AL	27	
8	9	New Orleans-Metairie	LA	24	
9	11	Lafayette	LA	22	
10	12	Lexington-Fayette	KY	21	

Source: Conway Projects Database

ECONOMIC DEVELOPMENT

By the Numbers

January 01 – April 18, 2023	2023 Target	2023 Actual	2022 Actual
Prospects (new, existing, start-ups)	75	19	57
Total Active Projects	n/a	37	34
Project Announcements	25	9	18
Capital Investment	\$250,000,000	\$241.5M	\$352,244,049
Direct Jobs Created	1000	362	996
**Average Wage of Jobs Announced	\$75,000	\$57,959	\$66,618
*Consultant Interactions	100	9	n/a
Site Visits (prospects and existing business)	25	6	21
Existing Business Visits	100	21	80
Existing Business Visit Attempts	175	42	168

Metrics based on activity in 9-county region. Commerce Lexington may not work directly with every project announced. *Did not track consultant interactions 2020-2022 due to pandemic restrictions. **Wage is set to meet the Building a More Competitive Bluegrass goal of increasing the average earnings per job for the region to the national average.

Cost of Living Index

Three times a year Commerce Lexington gathers costs to submit to the Council for Community and Economic Research (C2ER) which produces the Cost-of-Living Index. This data provides a comparison measurement of cost-of-living differences among urban areas. The index features standardized consumer expenditure categories which are priced in each location at a specified time. Items researched include things like: the cost of a new pair of women's slacks; the price of a gallon of milk; and the cost of a McDonalds® cheeseburger.

2022 COST-OF-LIVING INDEX SNAPSHOT	
METRO AREA	COST-OF-LIVING INDEX
National Average	100.0
Lexington-Fayette KY	93.9
Nashville-Davidson-Murfreesboro-Franklin TN	95.1
Cincinnati OH-KY-IN	96.4
Atlanta-Sandy Springs-Alpharetta GA	101.6
New York-Jersey City-White Plains NY-NJ	227.7

COMPANY ANNOUNCEMENTS

Neogen Expands Mercer Road Location

An example of regionalism at its best, we are proud to share that Neogen Corp., was given preliminary approval at the Kentucky Economic Development Finance Authority (KEDFA) meeting on February 23 to expand their Lexington location on Mercer Road. For more than 30 years, Neogen has exhibited their commitment to Lexington's Bluegrass Region with several expansions and new facilities that have grown our agritech and manufacturing sectors. With ten locations in the United States and 14 international facilities, Lexington serves as Neogen's Animal Safety headquarters. Their \$6 million investment at the Mercer Rd. facility will create an additional 70 full time-jobs and the recent announcement of a nearly \$10 million investment in their Mt. Sterling facility will create an additional 79 full-time jobs. Click [here](#) for the full release.



Lexair Inc. Announces \$8.5 Million Expansion Investment

We are also pleased to share that Lexair Inc. plans to expand their existing manufacturing operation in Lexington with an \$8.5 million investment that will create 14 quality full-time jobs. Lexair is a third-generation family-owned manufacturing corporation that has been involved in the naval and industrial markets for more than 45 years. Recently, they acquired assets from Keystone, committing to provide the highest quality products to support the needs of the U.S. Navy and its customers. Click [here](#) for the full release.



**LEXINGTON IS A
GREAT PLACE FOR
BUSINESS. HERE'S
OUR PROOF.**

**2021 Mac Conway Award
for Excellence in Economic
Development**

–Site Selection Magazine

**# 9 Most Diversified Metro
Economies in US**

–WalletHub

**#10 Percentage of Population with
an Advanced Degree**

–US Census Bureau

**#8 Mid-sized Metro with
Best Business Climate**

–Business Facilities

**#6 Best City for New
College Grads**

–SmartAsset

**#10 City with Best
Work-Life Balance**

–SmartAsset

CONFERENCES & NETWORKING



Global Headquarters CEOs Unite

Commerce Lexington facilitated the inaugural Global Headquarters CEO Roundtable Forum at Valvoline World Headquarters in March. Dr. Mike Clark, Director of the Center for Business and Economic Research at UK presented “Economic Update: Changing Economic Conditions in Kentucky and the Bluegrass” and distributed the 2023 Kentucky Annual Economic Report, Employment Trends and Workforce Analysis for Lexington Kentucky, courtesy of Gatton College of Business and Economics. Ted Abernathy, managing partner of the consulting firm Economic Leadership presented “Regional Competitiveness and Executive Plan,” which summarized takeaways for a more competitive region. Future meetings will encourage networking opportunities and determine strategic action items to best support global business operations in Central Kentucky.

Pictured above: CEO Roundtable at Valvoline World Headquarters.

Bluegrass Alliance Meeting

Commerce Lexington’s Economic Development team facilitated a regional Bluegrass Alliance meeting at the end of February via Zoom. Topics of discussion included advancing regional partnerships to produce a regional mega-site as well as a review of results from LG&E-KU’s site identification study. The group was also updated on upcoming marketing and promotional visits in addition to a progress report on the talent and branding initiative that is part of the overall Advancing the Bluegrass Region five-year strategic plan.

LFUCG Councilmembers Briefed on Regional Strategic Plan Development

Commerce Lexington briefed LFUCG Councilmembers on the Regional Competitiveness Strategy. Ted Abernathy, with Economic Leadership, presented findings on the current economic landscape in the 9-county economic development region. He discussed the importance of key initiatives including: developing a regional brand identity and talent attraction strategy; creating more shovel-ready land/buildings for job creation; elevating the marketing of the region to site selectors and business targets; and advocating for increased state and federal funding to support economic development. The City of Lexington has allocated nearly \$200,000 in a challenge grant to be matched by regional local governments to support the launch of the regional plan.



Leadership Lexington Economic Development Day

Economic Development Day for Leadership Lexington was held in January. The event included a panel discussion on the Regional Economic Competitiveness Plan with LG&E/KU and members of Commerce Lexington’s executive team, followed by a presentation from Dr. Michael Clark with UK’s Gatton College of Business and Economics. A wage assessment activity helped class members better understand Lexington’s average annual salary. Then, entrepreneurs from local companies Black Soil, Electramet, Space Tango, and Mahan Farms shared what they are doing to make local, national and global contributions. The day wrapped with an interactive economic development simulation which highlighted factors businesses consider when determining if a city is a good fit for their company.



Members of Leadership Lexington Class of 2023. From left to right: Jordan Miller, Susannah Stitzer, Phil Jun, Ellie Lindsey, Ashley Dunsmoor, Chris Gipson and Larry Cash.

BUSINESS & EDUCATION NETWORK

Development Counsellors International to create Branding and Talent Development Strategy for the Region



Business and Education Network (BEN) continues to work with Development Counsellors International (DCI) on a Talent Attraction/Retention Brand, Logo, and Marketing Strategy that will be executed over the next 5 years as part of a new Regional Initiative at Commerce Lexington.

In 2022, DCI conducted an extensive research project to collect insights on the perception of the region among existing and potential talent. They measured the perception of the Lexington region as a place to live and work and shared how competitor locations are marketing and attracting talent.

We will lean heavily on our findings from that study for the new talent development strategy. Included in that work will be:

- **Brand Focus Groups & Stakeholder Engagement:** On March 29th, DCI conducted focus groups to gather brand input from key stakeholders from the 9-county region and will continue to engage with them throughout the process.
- **Value Proposition & Key Message Development:** DCI will develop the Lexington region's value proposition for talent and develop foundational key messages with proof points, which can be used as talking points, digital content and in print marketing materials.
- **Logo and Brand Identity:** Using Key Messaging as the guide, DCI's creative team will create a campaign for the Lexington region.

Based on the findings and research from phase one of our work, the DCI team will also develop and design the core elements of a Marketing Blueprint. This will include an executive summary of all the findings from the research and discovery phase, including the final branding value proposition and messages for target audiences. Some benchmarking will be included to demonstrate how the region can differentiate itself from domestic competitors.

The Marketing Blueprint will outline a variety of public relations tactics that will position the region positively in the minds of talent. Likely options will include proactive pitching, inbound press trips with small groups of lifestyle reporters and the recommendation for a media tour to a key media market.

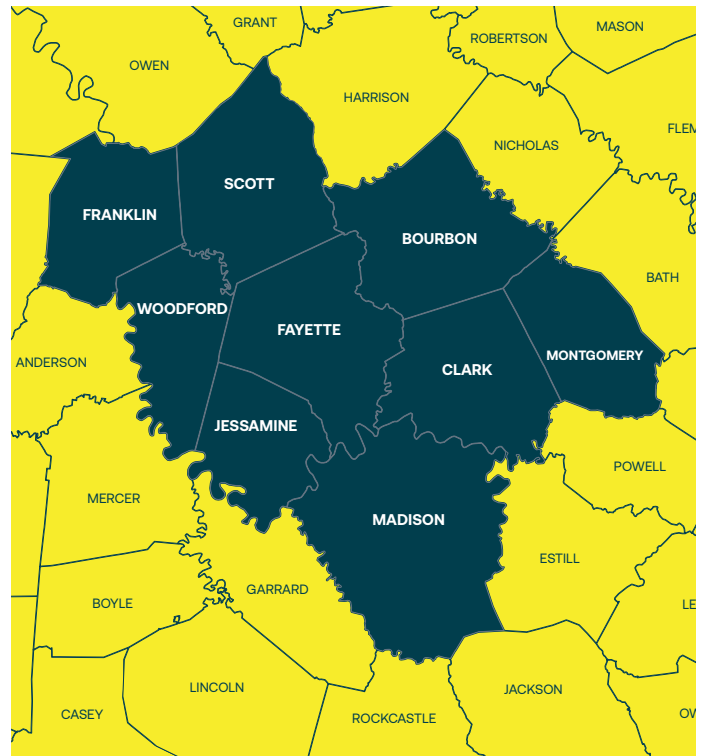
DCI will also provide recommendations on how to maximize our online presence for talent attraction, including how the talent brand will "live" with other brands and websites promoting the region including partners in tourism and academia.

With the rising influence of social and digital media, it is important that Commerce Lexington develop a digital marketing plan that enables communication with prospective talent on a continuous basis. This new digital marketing strategy will help elevate our presence online with various social media platforms, digital influencers, video, and other initiatives.

The branding and talent strategy will be complete by late summer and will be implemented over the next 3-5 years.

For questions or more information, please contact Betsy Dexter at bdexter@commercelexington.com.

The Greater Bluegrass Region



COMMUNITY & MINORITY BUSINESS DEVELOPMENT NETWORK

Spring Opportunity Exchange

Commerce Lexington’s annual Spring Opportunity Exchange was held Thursday, March 21, 2023, at the Campbell House by Curio Collection. The networking event, geared towards minority and women-owned businesses, was presented by Equity Solutions, along with gold sponsors PNC Bank and Republic Bank, and silver sponsor McBrayer. The event featured Myron Thompson, Chief Operating Officer of Fayette County Public Schools (FCPS). Thompson walked the attendees through the opportunities available for small businesses at FCPS. We are proud to acknowledge that two of our Minority Business Accelerator members will be sub-contractors on the new \$55 million middle school project that starts later this year. The event also introduced Joseph Frazier, Executive Director of Diversity, Equity & Inclusion for the Kentucky Chamber of Commerce, to many in the crowd for the first time. Sixty-five participants attended The Spring Opportunity Exchange.



Pictured top:
From left to right, Tyrone Tyra, Larry, Forrester, Joe Frazier, and Myron Thompson at the Spring Opportunity Exchange.

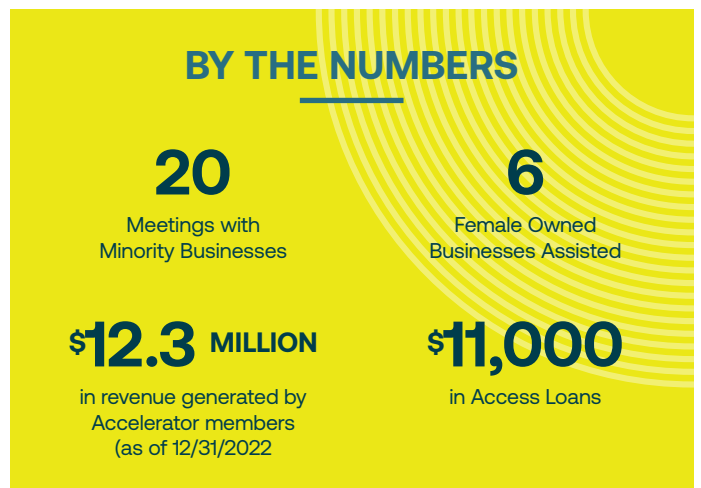
Pictured bottom:
From left to right, Spring Opportunity Exchange attendees Vidyuta Rangnekar Five bt Five, Alexandria Abell, Minority Business Relationship Manager - PNC, and Coral Morel- Equity Solutions Group.



Money Smart for Small Business Winter Sessions Wrap Up

Over a six-week period this winter, an average of 20 participants joined every Monday evening for the Money Smart for Small Business program, a course jointly developed by the Federal Deposit Insurance Corporation (FDIC) and the U.S. Small Business Administration (SBA). Led by guest facilitator Dale Morgan with Foundation47, the program featured valuable insights pertaining to all aspects of financial management. Alexandria Abell, PNC’s Minority Business Development Officer, joined the class for the session “Strong Business Credit Demystified”. Abell shared insights she gained while working as the link between PNC bank and minority business owners to help participants learn how to grow, develop and sustain their businesses. Sherita Miller, LFUCG Minority Business Liaison, frequently attended to share information on upcoming webinars and pertinent details regarding business certifications required by the city. We are proud of the aspiring new business owners and existing business owners who completed the program.

Pictured Above:
Money Smart Participants.



COMMUNITY & MINORITY BUSINESS DEVELOPMENT NETWORK

Community & Minority Business Development Highlighted at Western Kentucky Community & Technical College

Commerce Lexington's Senior Vice President of Community & Minority Business Development, Tyrone Tyra, and former Commerce Lexington board chair, Danny Murphy, were featured speakers at Western Kentucky Community & Technical College (WKCTC) during Black History Month. Tyra and Murphy presented, "Tools Needed in the Toolbox for Success!". The session featured best practices for building a program ready to serve and empower emerging small businesses. Tyra focused on the importance of community partnerships to provide capital access and procurement opportunities while Murphy emphasized the importance of individual small businesses having proper certifications and professional services such as accounting services and legal representation.



Pictured top:
From left to right, Tyrone Tyra and Danny Murphy present at WKCTC during Black History Month.



Pictured bottom:
Crowd photo WKC&TC



DIVERSITY, EQUITY, AND INCLUSION

Lexington thrives on diversity and values inclusion in the business community. There is an enhanced focus on minority business development through aggressive and robust minority business partnerships and programs that build mutually beneficial relationships.

Commerce Lexington's Racial Equity Pledge challenges the region's business community to build a more inclusive economy. Find out more at locateinlexington.com/minority-business-services