

November 22, 2021

Ms. Michaela Martin
Director
Site Selection Group
201 RiverPlace, Suite 500
Greenville, SC 29601

Dear Michaela,

On behalf of Commerce Lexington Inc.'s economic development division, we want to thank you and the entire Site Selection Group team for recommending Lexington and the Bluegrass Region again as a potential location for another beverage production facility, Project Libation. Lexington and the Bluegrass Region is an ideal location for your clients' future operations. Our central location, strong manufacturing background, and educated workforce are among the many reasons the Bluegrass is the best choice.

Covering nine counties in Central Kentucky, the Bluegrass Region is a thriving metro area with nearly 700,000 people living within a 30-mile radius. The Bluegrass is home to many beverage manufacturing companies, including Ale-8-One, Country Boy Brewery, West 6th brewery, Alltech's Town Branch & Blanton's Pappy Van Winkle! In addition, there is a plethora of other breweries, wineries, and distilleries. Too many to count! We even have our own Spirits Institute at the University of Kentucky. The James B. Beam Institute for Kentucky Spirits offers multidisciplinary research and development for Kentucky's spirits industry and its supply chain. This provides testimony that Lexington's productive workforce, central location, and pro-business environment provide a profitable location in which to conduct business.



Educated Workforce

Lexington is a very smart city. According to the 2019 Census, Lexington is the 11th most highly educated city in the nation. Nearly 45% of the population over age 25 has at least a bachelor's degree. We are also 10th in the nation whose population over age 25 has an advanced degree. This is a result of the success of the area's colleges and universities. Within 40 miles of Lexington there are 10 institutions of higher education, which enroll nearly 70,000 students and graduate over 18,000 students annually. Our flagship university is the University of Kentucky, which is located in the heart of Lexington. Each college will serve as a potential source for workforce and future partnerships for Project Libation.

Airport Access

Lexington is home to the Blue Grass Airport, which offers 15 non-stop destinations on major carriers including Delta, American, United, and Allegiant Air. Within an hour's drive of Lexington are the Louisville and Cincinnati/Northern Kentucky Airports. Combined our region offers over 100 non-stop destinations daily from the three airports.

Trane Closure

Trane, an Ingersoll Rand company, recently announced they are closing their air handling manufacturing operation in Lexington, which will affect 500 workers. The facility began layoffs in August 2019 and will be completed by the end of 2021. Most of the displaced jobs will be assembly, production, and maintenance positions.

Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP)

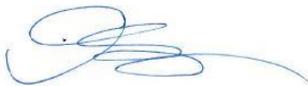
The BGCAPP is located near Richmond, Kentucky. The plant officially started chemical agent destruction operations in 2019, a long-awaited milestone since construction on the facility began in 2006. Mustard agent munitions will be destroyed in the Explosive Destruction Technology facility using a static detonation chamber, while nerve agent munitions will be destroyed in the main plant using neutralization followed by supercritical water oxidation. Approximately 1,200 people with various technical backgrounds and certifications are employed with this plant. When the destruction is completed in the near future these employees will be searching for work in the manufacturing plants and other sources in the local areas.

Quality of Life

The Bluegrass Region is fortunate to have a wonderful quality of life. In addition to lower housing costs, a vibrant downtown, and an eclectic array of restaurants and night clubs, we have many cultural amenities that add to the quality of life. The beautiful landscape of our city includes walking trails, farmers' markets, art galleries, entertainment venues, as well as the home of Keeneland Race Course, which is one of the premier race courses in the world. Outside of Lexington there are many attractions in Central Kentucky from shopping in downtown Richmond, touring Woodford Reserve bourbon distillery, Friday Night Festivals in Mt. Sterling, to attending a show at the Eastern Kentucky University Center for the Arts.

As you can see, we are proud of our community, and we believe the Bluegrass Region is ideal for your client. We appreciate you considering Lexington and the Bluegrass as potential locations for Project Libation. We look forward to our continued work with you!

Sincerely,



Gina Greathouse
Executive Vice President
Economic Development



Falon McFarland
Administrative Project Coordinator
Economic Development