

FULL STRIDE INITIATIVE

Commerce Lexington
ECONOMIC DEVELOPMENT

Investor Update

Jan 1 – March 31, 2020

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From the desk of Gina Greathouse

Thank you for your continued commitment to Lexington. We started off the year strong with prospects visiting the Lexington area from all over the world. As the COVID-19 pandemic reached the United States and Kentucky, we shifted gears and have been working remotely while focusing our energies on economic assistance to Central Kentucky businesses and collaborating with the City of Lexington for PPE donations to front line workers in need. These efforts have resulted in many virtual meetings getting businesses the answers they need and over one hundred thousand donated PPEs to Lexington's health care workers.

We are continuing to have regular contact calls with our existing businesses. These are taking place either via Zoom or conference call and have led to an increase in connections. We remain extremely optimistic about our new clients that were in the pipeline early in the year. Many are temporarily on hold with their planning, but are eager to pick back up when the economy reopens. We remain diligent in our connections to them and to site consultants, while being respectful of the current situation. We continue to participate in webinars, Zoom meetings and listen to podcasts to stay up to date on what is happening in the field of economic development. This keeps us aware of any updates, trends and best practices, and should give us an advantage as the economy reopens.

Thanks also to each of you for supporting our clients. Your support during this difficult period allows our team to continue being a resource for the business community and will help stabilize the region once we get through this. We know we will be impacted financially and are preparing by watching expenses and finding areas to save. To that end, we truly appreciate your financial support and your commitment to Commerce Lexington Inc. and very specifically to the Full Stride effort which supports our economic development team.

We hope you are all staying healthy and safe. If you have any questions or have a challenge we can help with, please don't hesitate to reach out. We are here for you.

Thank you,



Gina Greathouse

Executive Vice President, Economic Development

Supporting Businesses During The Pandemic

The Economic Development team has been deeply engaged in COVID-19 issues since the beginning of March. The entire Commerce Lexington staff has been working with companies of all sizes and types to help them navigate various needs. The questions change weekly as the federal, state, and local governments develop plans. It is an ever-changing daily assist. Key areas of attention that the team has worked on with regularity:

- Arranging communications with the Governor and Secretary of Economic Development teams
- Unemployment Insurance inquiries
- Identifying companies that may need personal protective equipment (PPE)
- Identifying companies willing to donate and/or manufacture PPE
- Working with the city to understand PPE needs locally
- Connecting companies to the Small Business Administration and financial resources
- Essential business determination
- Staying connected with clients and consultants via social media and virtual meetings

The situation is being monitored closely and our team continues to work with our local, state and national governments as a plan develops for re-opening businesses. As information becomes available, it is shared via social media outlets, the Commerce Lexington website, daily emailed newsletters, and one-on-one communications.



Members of the FullStrides board meet via Zoom.

COMPANY ANNOUNCEMENTS

Fresh Bourbon Distilling Co. to Create 25 Jobs in Lexington

African American owned Fresh Bourbon Distilling Co. announced its plans to construct a new distillery and create 25 new jobs in Lexington, Kentucky. Later this year, the company plans to construct a 34,000 square foot distillery near Lexington's Distillery District. Fresh Bourbon Distilling plans to officially launch its line of spirits in late 2020.

Congratulations to Sean and Tia Edwards for their hard work and dedication to their new endeavor, and for reviving the history of African Americans in the distilling industry.



Sean and Tia Edwards, owners of Fresh Bourbon Distilling Co.

Blue Equine Pharmaceuticals Grand Opening and Ribbon Cutting

On February 26, Commerce Lexington Inc. celebrated the grand opening and ribbon cutting for Blue Equine Pharmaceuticals', a contract pharmaceutical compounding facility. The event was held at Coldstream Research Campus and attendees included Lexington Mayor Linda Gorton, the Kentucky Cabinet for Economic Development, UK's Coldstream Research Campus staff, Commerce Lexington Inc. and supporters.

Within the next three years, the company plans to create 15-20 full-time jobs with an average salary of \$46,800 annually.



Blue Equine Pharmaceuticals Celebrates Grand Opening.

By the Numbers

In 2020, Commerce Lexington Inc.'s Economic Development Division provided assistance to:

- 14** NEW PROSPECTS INTERESTED IN FINDING A NEW LOCATION OR EXPANDING OPERATIONS
- 38** COMPANIES WITH POTENTIAL EXPANSIONS IN LEXINGTON
- 36** EXISTING BUSINESS VISITS
- 8** CLIENT VISITS

EVENTS, CONFERENCES, AND NETWORKING

Bluegrass Alliance Engages Regional Partnerships

In early February, the Commerce Lexington Inc. Economic Development team visited the Richmond Industrial Development Corporation in Madison County. The team spent the day learning about the city's demographics and population, touring Richmond's Industrial Parks, viewing industrial sites and buildings and learning about creative and sustainable projects to encourage expansions and job retention. Additionally, the economic development team visited Woodford County in February to learn and share best practices for regional success. In March, members of the Bluegrass Alliance met in Mt. Sterling for a quarterly update and to plan for a consultant trip later this year.

Our regional partnership focuses on the collaborative effort of economic development professionals to assist businesses in the process of expanding and relocating in the Central Kentucky region. With a focus on marketing, support, trust and camaraderie between would-be competitors, this cooperative endeavor welcomes the opportunity to share resources and show prospects why Central Kentucky is the ideal location for their business.



Esports in Lexington

On Monday, March 9th, Bluegrass Esports hosted its first watch party for Monday Night League, a weekly event that showcases two professional League of Legends games. Bluegrass Esports partnered with League of Legends teams — Immortals, Team Liquid, and Cloud9 — to provide merchandise prizes for attendees. More than 60 fans, ages 16 to 60+, traveled from as far as the University of Pikeville, and Dayton, Ohio to gather at LaRosa's of Lexington in support of this event.



The event was representative of the growing potential of the emerging gaming and esports industries to be a unique, focal point of the city's community and economic development strategies. Commerce Lexington Inc. has been engaged with local business and community leaders, including the University of Kentucky and several local game development companies, to explore how initiatives around these industries can help create and retain a high-tech workforce that will grow local technology companies.

VisitLEX Local Experience

On March 5, staff from Commerce Lexington Inc. attended the VisitLEX local experience to explore some of the exciting new venues and properties in Lexington. The event demonstrated how to best utilize VisitLEX's services when planning meetings, and aimed to ignite ideas about future groups and meetings that may be a great fit for Lexington.

Commerce Lexington Inc. is a community partner with VisitLEX and we proudly refer our clients to use their services. Now through 2022, you may be eligible to receive an \$8 per paid group room night actualized during January, February, March, August and December. Please contact VisitLEX at 1-800-848-1224 and request additional information about The Great \$8 Incentive to learn more.

Embassy of India Visits Commerce Lexington

In late February, representatives from the Embassy of India traveled to Lexington from Washington D.C. for an informal meet and greet with members of our economic development team. Commerce Lexington Inc. looks forward to future collaborations to strengthen the relationships between our communities.

CoopAPalooza Celebrates Rural Development

The economic development team attended Kentucky's Touchstone Energy Cooperatives first Coopapalooza at the Grand Theatre in Frankfort on Thursday, February 20, to discuss rural economic development in 87 counties. Guest speakers shared their stories and inspired leaders across the state to take action and change the economic trajectory of their communities. The event showcased a new PowerMap mobile app and economic development website. Both resources feature top industrial sites in Kentucky, and information about the diversity of our fuel sources in renewable electricity generation.



Economic Development professionals discuss how to promote local communities at the Coopapalooza. Photo Courtesy of KY Touchstones Coop.

BUSINESS AND EDUCATION NETWORK



The Business & Education Network travels to D.C.

In Mid-February, Betsy Dexter, Executive Director of The Business & Education Network attended a series of networking meetings in Washington, DC alongside executives from the Ford Motor Company Fund, the philanthropic arm of Ford Motor Co.



The team met with The Association of Chamber of Commerce Executives (ACCE), The Association for Career and Technical Education (ACTE), the Business Leaders United for Workforce Partnerships (BLU), and the U.S. Department of Education.



ACCE works with over 1300 chambers of commerce to support and develop chamber professionals to lead businesses and their communities. With more and more chambers looking for answers to the talent development challenge, it was great to share best practices with their team. BEN will continue to work with ACCE to connect with the thousands of chamber members across the country on measurable and sustainable education and workforce development initiatives.

During the meeting with ACTE the team discussed how to assist the association in providing educational leadership in developing a competitive workforce. ACTE strives to empower educators to deliver high quality Career and Technical Education (CTE) programs that ensure all students are positioned for career success. We were joined by executives from the Consumer Technology Association (CTA) and brainstormed ways to work with businesses—specifically technology companies—on how to engage and influence CTE curriculum at a regional/local level. Creating awareness of CTE education and the role companies can play in shaping curriculum is critical now more than ever before.

Through Commerce Lexington's partnership with ACCE, we were introduced to the Business Leaders United for Workforce Partnerships (BLU). BLU is comprised of employers from a range of industries across

the nation who are concerned about our nation's skills gap. We discussed ways to bring employers together who have had trouble finding, training, and retaining talent, and who have looked to their local chambers and other education/workforce partners to address those needs. BLU also informs critical policy proposals that are moving in Washington and will continue to make the business case for better skills policy.

The trip ended with a stop at the U.S. Department of Education where the group discussed how powerful the Academies of Lexington are and how they are truly transforming the way we prepare our students for the world that awaits them after graduation. We know that students deserve an educational experience that is as innovative, immersive, and engaging as the world around them and the Lexington business community has actively taken a role through this program to transform the workforce of the future.

Expanding Partnerships for Summer Youth Jobs—Employers Needed

Lexington Social Services, in collaboration with Partners for Youth and Fayette County Public Schools, is gearing up for an expanded 2020 Summer Youth Job Training Program [SYJTP]. 300 Lexington high school students are projected to participate in this year's program. Through SYJTP, youth will gain work experience, develop interpersonal skills, and explore career interests.

This year, Partners for Youth is leading the recruitment effort to attract more local businesses and community-based organizations to serve as worksites. Interested businesses and organizations in Lexington are encouraged to apply. The Worksite Application and Worksite Agreement forms are now available on the city's webpage at lexingtonky.gov.

In a pilot partnership with Fayette County Public Schools' College and Career Readiness [CCR] Initiative, SYJTP will identify rising 10th, 11th, and 12th grade students. Youth workers will work part-time, up to a maximum of 20 hours per week, and will earn \$10.10 per hour. Summer Youth Job Training Program runs for 6 weeks.

As part of the Summer Youth Job Training Program, participating employers do not incur direct wage costs. All the youth workers' wages and employment-related costs are paid directly by city government's General Fund. However, each worksite's investment in training, supervision and mentorship of youth workers is an invaluable component of the public-private partnership.

For more information, please contact:
Briana Persley
Partners for Youth
859-280-8003
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COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

MBD Activity During COVID-19

For most of March, Community and Minority Business Development has been responsible for working with over 100 small businesses and non-profits from all over Central Kentucky in response to COVID-19. We have offered direction and education on how to take advantage of the programs offered by the federal government like; the Coronavirus Aid, Relief, and Economic Security Act, or (CARES); The Small Business Administration's Disaster Loan Assistance Program; and the programs available through the U.S. Department of Commerce, Minority Business Development Agency.

The opportunities available due to the COVID-19 pandemic are designed to give small and minority businesses the needed funding to stay afloat and retain current employees. We have been a proactive resource by making calls, providing guidance and participating in many online forums to not only inform entrepreneurs but stay up to date on the products and services that are offered. This has been accomplished predominantly while working remotely, and as a team effort with other Commerce Lexington, Inc staff members.

Kentucky Supplier Diversity Collaborative Group Discussed Cyber Security

The Kentucky Supplier Diversity Collaborative is a group of minority business development advocates predominantly located in Lexington and Louisville. This group is facilitated by Eboni Edwards of LG&E/ KU and meets quarterly to discuss best practices and opportunities for minority and women-owned businesses.

In January we discussed Cyber Security, as it relates to minority businesses connecting with corporate minority business portals, and how small companies can develop a safety plan so they can qualify for utility and other corporate projects. These meeting always include the sharing of minority business listings and projects that will become available for bid.



Attendees listening in on the Cyber Security presentation.



Commerce Lexington Inc. and Fayette County Public Schools Present "Building Intentional Partnerships"

In February, in partnership with Fayette County Public Schools (FCPS), we held our second annual Building Intentional Partnerships event. The event was held at Commerce Lexington Inc., with over 70 small and minority businesses in attendance. Staff of FCPS presented many of the upcoming projects for calendar year 2020 including \$88 million Tates Creek High School rebuild.



Networking after presentations.