

FULL STRIDE INITIATIVE



Investor Update
Apr. 1 – Jun. 30, 2022

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ElectraMet Marks Expansion With Ribbon Cutting & Open House

Lexington business, government and community leaders came together on May 3 to mark the expansion of PowerTech Water Inc d/b/a ElectraMet™, a water purification technology company, with a ribbon cutting and open house at its new 26,000 square foot facility. Founded in 2014 by Dr. Cameron Lippert and Dr. James Landon, the company got its start at the University of Kentucky's Center for Applied Energy Research (CAER) and later developed the ElectraMet water treatment system to offer an environmentally superior solution for industrial process and wastewater streams. Through partnerships with the University of Kentucky; investments from the Bluegrass Angels; funding from the Kentucky Enterprise Fund; and multiple grants through the Small Business Innovation Research (SBIR) program; the growth of ElectraMet showcases Lexington's capacity for innovation.



Pictured at ElectraMet Ribbon Cutting: (left to right) David Brock (Cabinet for Economic Development, Kentucky Innovation Office), Ian McClure (UK Innovate), Congressman Andy Barr, Dr. James Landon (PowerTech Water), Dr. Cameron Lippert (PowerTech Water), Gina Greathouse (Commerce Lexington Economic Development), Chris Young (Bluegrass Angels), and Commerce Lexington Board Chair John Gohmann (PNC Bank)



Lexmark Breaks Ground on New Solar Panel Array at Lexington HQ

On April 19, Lexmark International broke ground on its 10-acre solar panel array and educational greenspace, a \$4 million investment in sustainable energy at its corporate headquarters in Lexington. The solar array and revitalized brownfield also will be utilized to further enhance Lexmark's longstanding support

of STEM education opportunities for local schools. Commerce Lexington President and CEO, Bob Quick, said, "Lexmark has been a longtime community partner and economic driver in Central Kentucky. Its team has not only developed innovative solutions for business but has also demonstrated that a business model focused on environmental sustainability can succeed, resulting in a positive impact on our people, our community and the planet," Quick said. "We are proud to recognize Lexmark's commitment to reducing its carbon footprint and providing our local school system and others throughout the region with additional STEM learning opportunities by implementing this solar array project." Congratulations to Lexmark on this important project for the region.

By the Numbers Jan. 1 – Jun. 30

- 32 NEW PROSPECTS INTERESTED IN FINDING A NEW LOCATION OR EXPANDING
- 5 COMPANIES WITH POTENTIAL EXPANSIONS IN LEXINGTON
- 6 SITE VISITS
- 42 EXISTING BUSINESS VISITS
- 54 EXISTING BUSINESS REQUESTS

COMPANY ANNOUNCEMENTS

Kinetic By Windstream Breaks Ground on Regional HQ Building

Kinetic by Windstream broke ground on its new 30,000 square foot energy efficient regional headquarters at the University of Kentucky's Coldstream Research Park in Lexington, Kentucky. The \$7.5 million dollar investment will support operations across the company's 18-state footprint. Commerce Lexington's President and CEO, Bob Quick said, "In business, it is all about building connections, and the folks at Kinetic by Windstream have been connecting communities across Kentucky for quite some time. Our key regional headquartered companies are the cornerstone for thriving communities and economic development initiatives. On behalf of Commerce Lexington, the city of Lexington, and Bluegrass region, we welcome Kinetic to one of the Fayette County's newest emerging land development projects."



Caption: Pictured from left to right: Ashli Watts (Kentucky Chamber), Kentucky Senate Majority Leader Damon Thayer, Tony Thomas (Windstream), Barry Bishop (Windstream), Congressman Andy Barr, Kevin Atkins (City of Lexington), Bob Quick (Commerce Lexington), Dr. Eli Capilouto (University of KY), and Lance Womack (Windstream).

Valvoline Expands by Opening Heavy-Duty Fleet Service Center

Valvoline recently opened its first heavy-duty fleet service center at 990 Enterprise Drive in Lexington. The new center services Class 5-8 vehicles that can weigh more than 30,000 pounds and are completed in 75 minutes or less. The Valvoline Heavy-Duty Fleet Services center's highly trained technicians perform preventive maintenance services, including oil and filter changes; critical component checks including battery replacement, transmission and differential service; and Department of Transportation (DOT) inspections.



Pictured from left to right: Kevin Atkins (City of Lexington), Bob Quick (Commerce Lexington), Lori Flees (Valvoline), Sam Mitchell (Valvoline), Heidi Matheys (Valvoline), Matt Furcolo (Valvoline), and LFUCG Councilmembers Jennifer Reynolds, Richard Moloney & Chuck Ellinger.

Commerce Lexington Welcomes Emily Fox to the Commerce Lexington Team



Emily Fox, Executive Assistant to President & CEO

Commerce Lexington is pleased to announce the hiring of Emily Fox as its new Executive Assistant to President and CEO, Bob Quick. Emily most recently worked as a project coordinator for Gray Solutions in Lexington.

She has extensive project-based experience serving CEOs, organizations, and companies in an administrative capacity. A Lexington native, Emily has a Bachelor of Arts degree in Business and Organizational Communications from the University of Kentucky.

LEXINGTON RANKS AS THE 11TH MOST HIGHLY EDUCATED CITY IN THE NATION IN TERMS OF ADVANCED DEGREES.

– U.S. CENSUS BUREAU



EVENTS, CONFERENCES AND NETWORKING



Tech Employer Roundtable Discussion

In April, the Commerce Lexington Economic Development division hosted an IT Consortium with community partners Awesome Inc. and Bluegrass Area Development District to initiate a roundtable discussion with tech employers in the Lexington area. Collectively, the organizations and employers aimed to assess ideal skill sets and experience necessary for a job seeker to have a competitive edge finding employment with the industry and for an employer to have confidence in the Bluegrass Regions' candidate pool. The discussion prompted exploratory ideas and required actions items for further development.

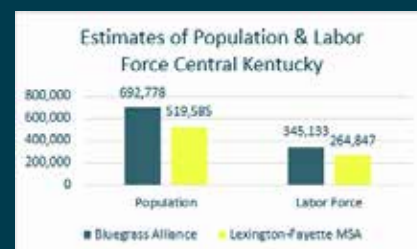


These data tools are available to the public and can be accessed at locateinlexington.com

Commerce Lexington Maintains Regional Location Analysis Data Tool

In June, the Bluegrass Alliance met at Commerce Lexington to discuss prospect activity and shared issues facing each community. The regional partners were shown features of a new site selection tool called Zoom Prospector on the Locate in Lexington website. This interactive tool aggregates data from the nine counties in the Bluegrass Alliance region to be used for new prospect activity and to support existing business expansion projects. Users can generate detailed reports on properties, industry clusters, labor force and demographic statistics, as well as explore communities in the region by utilizing an enhanced mapping tool. The group closed out the meeting with a discussion on planning an event and trip later this year.

The population and labor force of the Bluegrass Alliance region is 30% larger than the MSA, at close to 700,000 and over 345,000, respectively.



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EVENTS, CONFERENCES AND NETWORKING



NHC and LEP luncheon at KY Horse Park

Our division partnered with the National Horse luncheon between the organizations located at the Kentucky Horse Park and the Lexington Economic Partnership team. Each attendee had an opportunity to introduce their company, and role within the organization. The conversations evolved around Connectivity – to better understand available resources and provide community awareness of their impact, Workforce – to help define recruiting, retention, and diversity needs in the equine industry, and Educational Accessibility – to connect higher education with available internships, programs, and opportunities within the equine industry. Our team is in process of creating a collaborative document that provides contact information, key takeaways, contributions and needs to continue encouraging the Kentucky Horse Parks dynamic contributions to Central Kentucky and region.

Commerce Lexington Awarded Grant for Economic Development Services



On June 22, the Lexington Economic Development Investment

Board announced a \$300,000 award to Commerce Lexington for Fiscal Year 2023 to execute business development services for the Lexington Economic Partnership. Through this partnership, our team serves as Lexington-Fayette Urban County Government's resource for economic development, with a focus on new business development and job creation, existing business retention and expansion, and minority business development. The ability to provide these services is bolstered by our multi-year capital campaign, the Full Stride Initiative. Thank you to the Lexington-Fayette Urban County Government and Full Stride Investors for your continued support towards our efforts to enhance Lexington and Central Kentucky.

KCED Tour of Legacy Business Park and Coldstream Research Park Campus

In early May, team members from Commerce Lexington and the Kentucky Cabinet for Economic Development toured The Legacy Business Park and Coldstream Research Campus. The Lexington Fayette Urban County Government acquired these sites through a historic 'land swap' with the University of Kentucky to provide Lexington with a competitive edge to attract new businesses and grow new jobs within Lexington's urban service boundary. The tour concluded at Kentucky Eagle to share feedback and continue conversation about current and prospective economic development opportunities.



The City of Lexington - Mayor's office partnered with Lextran to host the Kentucky Cabinet for Economic Development and Commerce Lexington's economic development divisions on a tour to view Lexington's two emerging land development projects.

EVENTS, CONFERENCES AND NETWORKING



Tech'vrything Lex

On June 1, our economic development team partnered with Base249 to host an official Geeks Night Out reLAUNCH. Over 30 guests attended this casual networking event to meet n' greet and reunite with long time affiliates seeking opportunities for collaboration within the tech sector. Guests were invited to complete a survey, created by Awesome Inc., to share current and future initiatives, recognized best practices, thoughts and ideas related to economic development challenges and opportunities the Bluegrass Region. To continue the momentum and engage awareness, Commerce Lexington is excited to support UndrCvr, an event designed to promote and create opportunities throughout the tech industry.

Business Engagement Roundtables

During the month of April, Commerce Lexington hosted 8 business engagement roundtables as part of the LFUCG 2023 Comprehensive Plan public input process. The roundtables helped facilitate broader business stakeholder feedback to local policy leaders about the business climate in Lexington and how city policies may be helping or impeding future jobs and prosperity. Over 160 business professionals participated in these discussions with the following segments represented: major employers, small businesses, entrepreneurs, visitor industries, real estate/development professionals, and minority business owners.

#8 MID-SIZED METRO WITH BEST BUSINESS CLIMATE

– BUSINESS FACILITIES (2022)



Economic Development Team Attends the C2ER/LMI Institute Annual Conference and Forum



The economic development team traveled to Columbus, Ohio, in mid-June for the annual conference and forum for the C2ER/LMI Institute. The C2ER and LMI networks consist of research professionals in the U.S. and Canada representing all aspects of community and economic development along with labor market data. Conference highlights included industry-leading keynotes, training classes and breakout sessions, a regional Economic Researchers' Roundtable, and opportunities to build important networks within the research community.

BUSINESS AND EDUCATION NETWORK

BEN Launches “Accelerate Lexington” Training Program to Address Workforce Issues

The Business and Education Network (BEN) partnered with the Lexington Fayette Urban County Government (LFUCG), Bluegrass Community & Technical College (BCTC), CHI Saint Joseph Health, Baptist Health and UK Healthcare to launch “Accelerate Lexington,” a fully paid Certified Nursing Assistant (CNA) training program for selected candidates. This eight-week pilot program was born in response to the healthcare worker shortage in Kentucky and began with an informational event on May 18th.

The pandemic has overwhelmed the healthcare industry, leading to a mass exodus of healthcare workers. “National turnover for Certified Nursing Assistants (CNA) was at 35.5% in 2021, which according to NSI Nursing Solutions, is an 8% year-over-year increase. That outpaces all other measured positions when it comes to turnover,” said Lynette Walker, incoming BEN Board Chair and Regional Vice President, HR, for Baptist Health Lexington.

The “Accelerate Lexington” training program is designed to combat this workforce issue and incentivize Central Kentucky residents to enter the medical field. Over 80 people attended an informational event at BCTC’s Leestown Campus to meet with participating healthcare employers and learn more about the CNA profession. 30 participants were selected to take part in this inaugural program and classes began on June 13th.

The selected participants matched with a healthcare provider and will receive fully paid training, a nursing assistant certification and full-time employment with that healthcare provider once the training is complete. “At a time when communities across the country are struggling to retain talent, it’s exciting to be part of this collaboration that will remove barriers to employment and help our residents jumpstart their healthcare careers in Lexington,” said Commerce Lexington President Bob Quick.

As a partnership between the Lexington Fayette Urban Government and Commerce Lexington, the “Accelerate Lexington” training program is the maiden talent recruitment effort of a larger entity entitled The Lex Factor, which is an initiative of Commerce Lexington’s Business and Education Network. Based on the success of the “Accelerate Lexington” CNA pilot program, this model can be repeated in other industries of need in Central Kentucky. The Lex Factor’s recruitment initiatives will be a solution to the broader workforce shortages in Central Kentucky, making Lexington and the surrounding counties a hub for all things work, play and everything in between. For more information, please contact Betsy Dexter bdexter@commercelexington.com



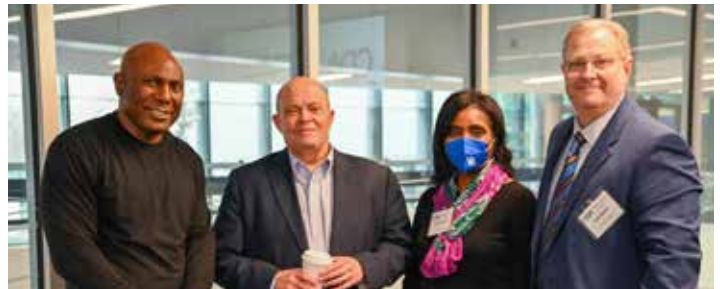
MISSION STATEMENT

TO CREATE, ATTRACT, AND SUSTAIN A GLOBALLY-SKILLED WORKFORCE TO MEET THE NEEDS OF THE BLUEGRASS REGION’S EXISTING AND TARGET INDUSTRIES.

COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

Commerce Lexington Participates in Turner UK Construction Diversity Accelerator

Commerce Lexington was a significant community partner and program supporter in the Turner UK Construction Diversity Accelerator, which ended in May. Our goal was to be a part of a training that provided women and minority-owned construction related businesses the tools they would need to create significant partnerships with large constructors and grow their businesses in a more sustainable way. The 10-week program had over 20 program presenters. Program participants received weekly sessions on Key Construction Topics, Networking & Business Connections, One-on-One Coaching, Capability Statement Support, access to resources and bidding opportunities, and a professional headshot. Programming ended with a mock bid presentation. In total, 11 companies graduated and took part in the mock bid presentation.



Minority Business Accelerator Members

Helping Hand, LLC

Owner, Chase Minnifield

Elaine Allen, LLC

Owner, Bishop Carter

TCG America

Owner/Rep, Tina Watson

Facilities Maintenance & Services Group, LLC

Owner, Frank Hall

Equity Solutions Group Consulting

Owner, Ray Daniels

The Patriot Group

Owner, Lawrence Herring

The Commerce Lexington Minority Business Accelerator kicked off the first part of 2022 by adding **\$5,373,415.00**. Since 2013, the Minority Business Accelerator has grossed over \$31 million in new business between all members. The best one-year total was \$10.4 million, and we are on pace to exceed that total so far this year.

Commerce Lexington Supports “How to Do Business” with FCPS and LFUCG

During the month of May, Commerce Lexington was a program supporter for the “How to Do Business” session presented by Fayette County Public Schools and Lexington-Fayette County Urban Government. The program aim centered on informing sub-contractors on the processes, certifications, bonding, and capability statements required to do business with FCPS and LFUCG. Various community partners presented, such as Oro Wa Financial, a division of Park Community Credit Union, the SBA, Lynn Imaging, and the KYPTAC.

COMMUNITY AND MINORITY BUSINESS DEVELOPMENT



Commerce Lexington, FCPS and LFUCG Host “Meet the Primes”

Commerce Lexington partnered with Fayette County Public Schools and the Lexington-Fayette Urban County Government to host Meet the Primes on Thursday, June 30th at the John C. Price Administration Building. The event focused on upcoming projects by FCPS and LFUCG, Capital and Contract Lending, and the Prime Contractor and Subcontractor Relationship. The highlight of the event was the “speed networking session”. Representatives from five prime contractor companies and over thirty subcontractors participated in the fast-paced session. The event was well received by both Prime and Sub-contractors.



Commerce Lexington Recognized for FDIC’s “Money Smart for Small Business” Classes

In April, Commerce Lexington was recognized for their work in conducting the Money Smart for Small Business classes. As a result, Tyrone Tyra was invited as a guest panelist in the FDIC’s national Money Smart for Small Business Town Hall Webinar held on April 28th. Tyrone showcased how Commerce Lexington has worked with financial institution partners and other community-based organizations to promote economic inclusion. The national event was viewed by aspiring entrepreneurs, existing small businesses, community-based organizations, financial institutions, and FDIC Money Smart Alliance members.



Commerce Lexington Senior Staff Meets with Morehouse College School of Medicine

In April, Tyrone and other members of the senior staff met with five members of the Morehouse College Medical Team. Morehouse School of Medicine is a private co-educational medical school in Atlanta, Georgia. Originally a part of Morehouse College, the school became independent in 1981. The group was in town investigating the business environment, seeking partnerships, and scouting living opportunities for their upcoming “residence in training” program. The program partner in Lexington will be St. Joseph Hospital and Lexington Clinic. Residents will practice medicine in the emergency room and cardiac care over a two-year period to obtain hands-on experience alongside St. Joseph and Lexington Clinic physicians.

COMMUNITY AND MINORITY BUSINESS DEVELOPMENT

Access Loan Program Featured in The Urban League's "Workforce Wednesday"

One of the major focuses of the Urban League of Lexington Fayette County is to feature workforce opportunities. Tyrone took part in an online seminar called Workforce Wednesday, and concentrated on "access to capital", featuring our Access Loan Program successes. Two other professionals were also featured discussing personal finance and asset management and accumulation. A total of 30 participants gained knowledge on "access to capital".

Commerce Lexington Presents Access to Capital to Kentucky Non-Profits

In May Tyrone was invited to speak to Kentucky non-profits regarding Access to Capital in Kentucky. This event was a continuation of our relationship with the FDIC. We did a national event earlier in the year in partnership with the FDIC and the US Small Business Administration. In this event we discussed our Access Loan Program and our focus on scalable minority business enterprises, (MBE's) through the Commerce Lexington Minority Business Accelerator.

DIVERSITY, EQUITY, & INCLUSION

Lexington thrives on diversity and values inclusion in the business community. We feature an enhanced focus on Minority Business Development through aggressive and robust Minority Business Accelerator programs. Programs that build mutually beneficial relationships, both professional and personal.

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/



By the Numbers

26 INDIVIDUALS SEEKING TO START OR EXPAND A BUSINESS DURING THE PERIOD

\$20 THOUSAND IN MICROLOANS

150 INDIVIDUALS LISTED IN FEATURED SEMINARS

\$5.3 MILLION: MINORITY BUSINESS ACCELERATOR YEAR TO DATE BUSINESS REVENUE

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Minority Business
Development