

Regional Competitiveness Plan for Greater LEX



**Regional Leadership
Council Meeting
August 30, 2023**

***Collaborating
for Success!***



For the purposes of this plan, the region includes nine Kentucky counties: Bourbon, Clark, Fayette, Franklin, Jessamine, Madison, Montgomery, Scott, and Woodford. Faced with a rapidly changing competitive landscape, the organization brought together a group of key regional stakeholders, and the consulting team from Economic Leadership, to create actionable intelligence about the region's current economy and actions to improve future competitiveness. The goal was not to create an extensive work plan with dozens of action items for all the organizations involved. It was to identify a limited number of new efforts that would be impactful, provide benefit to the whole region, be financially feasible, and have the broad support needed from key regional public and private leaders to be successfully implemented.

7 Takeaways for a More Competitive Region

#1

The regional economy needs to be more competitive.

Despite labor shortages, excellent educational attainment numbers and an outstanding quality of life, the regional growth in population, jobs, wages, and GDP lags many competitor communities and national averages. Aggressive actions and investments to improve the region's competitiveness are needed. Without action the region will continue to lag.

#2

The regional labor force needs to grow.

The availability of skilled workers will be a critical factor in economic success in the coming years – probably the most important factor. The region's labor force growth has been slow, and a better strategy for talent attraction and retention of younger workers is needed. Housing affordability is critical and Fayette County's average home value has increased 57% between 2016–2021 and an additional 13% so far in 2022.

#3

More ready sites & buildings are needed.

The investment decision process has accelerated in recent years. For most clients, the immediate availability of shovel-ready sites, or ready-to-occupy buildings that meet their needs, is a determining factor. Due to infrastructure needs, zoning decisions, and the lack of speculative building the region's real estate product is limited. Actions to expand and improve the available buildings and sites are needed to successfully compete for the opportunities that the region gets.

#4

Regional wages need to rise.

The region's current industry mix creates too few high paying jobs. Actions are needed to focus marketing and business support efforts on industries that raise the average wages across the region.

#5

Opportunities abound.

As the impacts of the pandemic wane, reshoring expands and innovation surges, most businesses report a need for new facilities and more workers. In addition, federal stimulus funding is available to cities and counties to invest in infrastructure, product development and worker training. Kentucky and our region have opportunities to grow the advanced manufacturing, business services, and technology sectors, if they can meet business needs.

#6

Data analytics are important, and mostly regional.

Counties in the region are working to grow and improve, and these efforts are important. Detailed data is easily accessible to any potential investor today and "regional" is the geography most often used for comparison. Labor sheds, housing availability, cost of doing business and many other factors are aggregated at the regional level by site selectors and compared to other regions across the country. Regional assessment, collaboration and alignment is imperative to success.

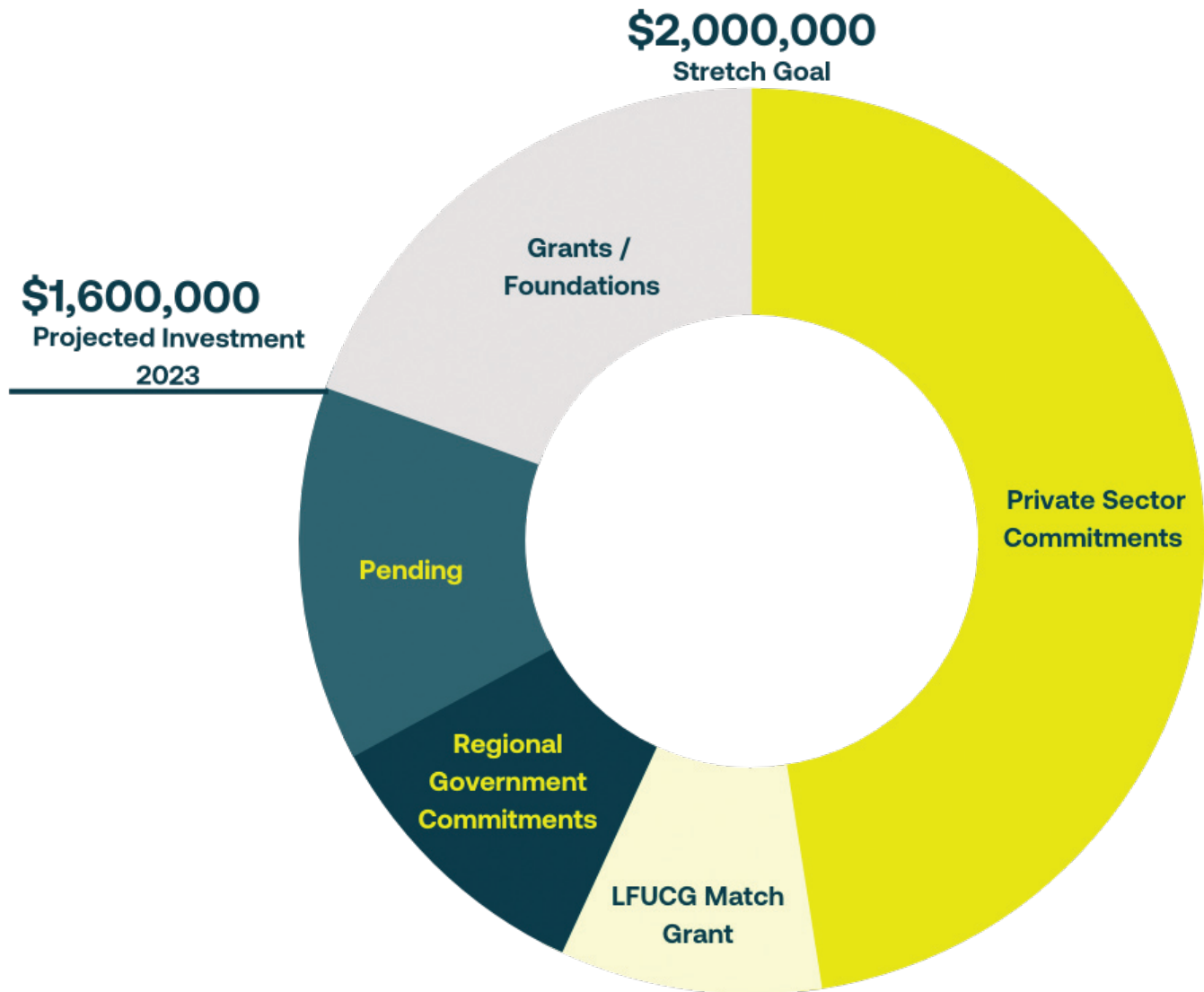
#7

Regional collaboration can be hard, but it is necessary for success.

Branding, economic development marketing, talent attraction and retention, product development, and business support are all activities where working together can improve efficiency and effectiveness.



Annual Funding FY 2023-34



AS OF AUGUST 30, 2023

COMMITMENTS:

Private Sector (Business):	\$975,000
City of Lexington Matching Grant:	\$192,000
<u>Regional Governments:</u>	<u>\$200,000</u>
Total:	\$1,367,000

PENDING:

Private Sector (Business):	\$75,000
City of Lexington:	\$150,000
<u>Regional Governments:</u>	<u>\$50,000+</u>
Total:	\$275,000

WORKFORCE / TALENT STRATEGY

ACTION ITEM:

Develop a regional talent recruitment/ attraction marketing campaign with messages aligned with the economic development branding effort.

ACTION ITEM:

Initiate Intern Connect - Create a work experience platform to connect business with students in the region for internships, etc. to increase the stickiness of young adults.

#1

Regional Talent Attraction Website

When forming perceptions on a region as a place to live and work, more than half of talent turn to the internet first. With that in mind, having a strong and effective web presence is a crucial marketing tactic in talent attraction campaigns. Greater LEX is fortunate to have multiple strong websites, however, it lacks a centralized place for talent to consult during their relocation process. To better reach this audience, we will build a unique talent website for the Greater LEX region.

The following tools and functionality for the website will be considered for inclusion:

- Key Quality of Life Marketing Messages (Live, Work, Play)
- Cost of living calculator
- Community quiz
- Key Sector Targets Jobs Listings
- Ambassador Messages
- An Interactive Map Profiling the 9-County Region

#2

Create New Talent Marketing Social Media Content

According to research, 38% of talent noted that social media influenced their perceptions of the communities they considered during relocation, making it a powerful attraction tool. Key assets to be developed by Spring of 2024 include:

- Utilizing the new regional brand to create a separate talent-focused presence across social media on the following platforms: **LinkedIn, Instagram & Facebook**.
- Focusing our content on the following pillars and profiling communities in the region:
 - Working Here
 - Living Here
 - Moving Here

#3

Internal Stakeholder Workshops + Talent Campaign Launch

When it comes to launching a new campaign, it is crucial for stakeholders to feel engaged and heard throughout the implementation process. We will share the new brand with regional partners and business leaders through a branding workshop. We will walk local partners through the brand's key messages and how to use them, providing them with the resources they need to showcase the region's key assets when promoting the region to talent. To foster collaboration across the nine-county region, we will:

- Host branding workshops with local stakeholders (education, tourism, business, and local government leaders, local media).
- Official Brand/Talent Launch Event with Regional Leaders & Local Media.
- Generate strong presence of internal regional followers/supporters before external marketing campaign launches in Fall 2024.





ECONOMIC DEVELOPMENT STRATEGY

ACTION ITEM:

Increase investment in regional branding and site selector awareness of key sectors with focus on quality of life & new land availability.

ACTION ITEM:

Support multi-jurisdictional product development strategy to secure more shovel ready land and buildings, including a regional business park.

ACTION ITEM:

Educate key leaders in the region about economic development needs and competitive realities.

#1 Update Regional Job Attraction Website

Greater LEX is fortunate to have a strong economic development website through Commerce Lexington (locateinlexington.com), however, it needs to be updated to reflect the new regional branding, quality of life messaging & design alignment with the talent website.

- Incorporate regional brand, talent marketing, interactive regional map.
- Elevate regional data tools for more visibility.
- Strengthen the website focus on key sectors.

#2 Evaluate Engagement with Top Site Selectors

Commerce Lexington is focused on meeting with site selectors and key business targets to market the 9-county region for potential projects. Site selector relationships are critical to regional visibility and ensuring our region is on the list for consideration in national selection processes.

- Meet with 100 site selectors and key business targets to share the advantages of the region.
- Attend key conferences for site selectors and key business targets to market the region.
- Update all marketing materials to reflect regional brand and quality of life messages.
- Host site selector visits in Chicago, Atlanta & Dallas in FY 23-24.
- Host National Site Selector Event in Greater LEX Region April 2024.

#3 Economic Development Briefings with Key Regional Leaders

Commerce Lexington works with the Bluegrass Alliance to host economic development briefings for leaders in the Greater LEX nine-county region.

- Economic development simulations.
- Utility 101 & Infrastructure Briefings.
- Industry Analysis Update.

#4 Key Sector Marketing & Engagement Strategies

Economic Leadership (Ted Abernathy) completed a targeted industry analysis for Lexington and the region. Commerce Lexington will work to develop additional marketing strategies related to these specific sectors and educate economic development leaders about what is needed to improve attraction efforts, including a more robust technology strategy.

- Additional industry trade shows and association memberships.
- Consistently getting in front of targeted firms that specialize in key sectors (nearby metros).
- As resources become available, expand engagement to West Coast and Europe.

POLICY STRATEGY

ACTION ITEM:

Coordinate advocacy for federal & state infrastructure, product development, talent marketing funding.

ACTION ITEM:

Advocate for improved policies related to key competitiveness issues such as improved tax/regulatory policies and housing affordability.

#1 Advocate for Government Funding Support

- Continued state investments in the Kentucky Product Development Initiative.
- Work with Governor's Office and legislature to identify additional funding support for key projects.
- Additional state grant funding to help the region with talent and jobs marketing campaigns.
- Work with federal delegation staff to identify funding opportunities, such as EDA.
- Consider investing in lobbying support to help apply for grant opportunities.

#2 Advocate for Improved Policies

- Tax and regulatory reform to improve competitiveness in key sectors.
- Improve collaboration among local leaders about housing affordability challenges and solutions.

2023-24 Regional Plan Timeline

2023	 <p>Educational Conference & Site Selector Engagement</p>	 <p>Educational Conference & Site Selector Engagement</p>	 <p>The Regional Summit</p>	
August	September	October	November	December
Regional Leadership Council Meeting	KPDI Round 2 Site Visits	KentuckyUnited Site Selector Key Market Trip (CHI) 	Educational Conference & Site Selector Engagement  <p>UK Alumni & Site Selector Engagement</p> 	KPDI Round 2 Announcement



2023-24 Regional Plan Timeline

2024



State
Legislative
Briefing



Social Media
Assets

SITE
SELECTORS
GUILD

Educational
Conference &
Site Selector
Engagement



Talent Website
Launch

January

February

March

April

May

Comprehensive
Data Updates
for Marketing &
Publications

United States[®]
Census
Bureau

Educational
Conference &
Site Selector
Engagement



Site Selector
Engagement
in Lexington

consultantconnect

Regional
Branding
Workshops

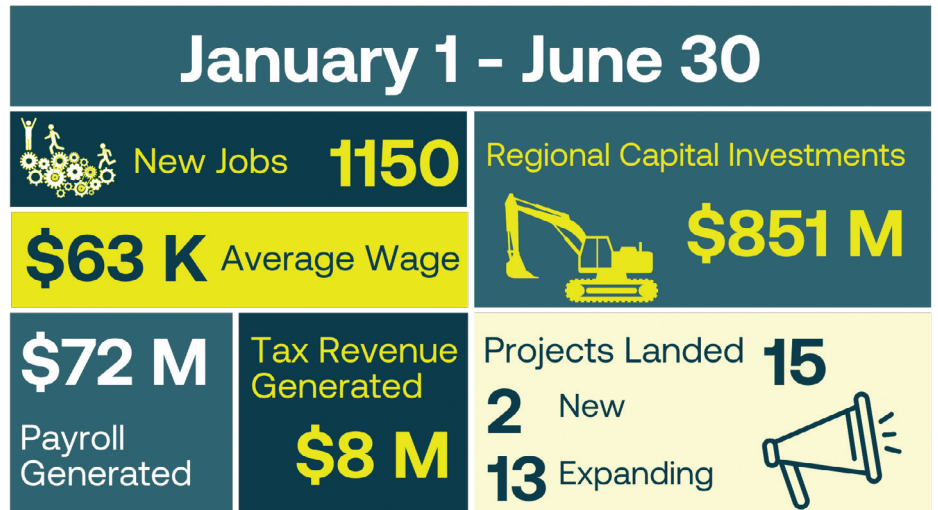
KEY METRICS

ECONOMIC DEVELOPMENT STRATEGY - METRICS

Increase the regional job, wage & GDP growth rates to the national average.

Key Metrics:

- Prospects
- Total jobs & investment from projects assisted
- Net new jobs in new targets (technology and business & professionals services)
- Average wages of new jobs
- Regional average wage growth above inflation
- Growth in new speculative buildings
- Leaders participating in educational meetings



WORKFORCE / TALENT STRATEGY - METRICS

Increase the regional labor force.

Key Metrics:

- Growth in regional labor force.
- Contacts/interest from marketing efforts.
- Interns active in the program.
- Interns taking jobs locally.

TALENT ATTRACTION WEBSITE:

1. Traffic and Awareness
2. Engagement: Session Duration, Pages/Sessions.
3. Conversion: Event Tracking on specific actions taken on the site such as:
 - Cost of living calculations
 - Community quiz completions
 - Jobs board interactions

SOCIAL MEDIA:

Impressions; Engagements; Engagement Rate; Link Clicks; Video Views; and Follower Counts.

POLICY STRATEGY - METRICS

Attract state & federal funding & advocating for policy improvements to support the plan.

Key Metrics:

- State & federal funding for regional jurisdiction & projects.
- Demonstrated increase in infrastructure capacity.
- Ranking of the state & region in third party comparisons.

