



CABINET FOR  
ECONOMIC DEVELOPMENT

**“Shared Responsibility,  
Shared Opportunity”**

[www.planning.bradd.org](http://www.planning.bradd.org)

# CEDS SUMMIT

**SAVE THE DATE**

January 31, 2023

9:15am -2:15pm

Cave City Convention Center

502 Mammoth Cave St.

Cave City, KY 42127

**Register Here**



[https://bit.ly/CEDS\\_Summit23](https://bit.ly/CEDS_Summit23)





# **BUILDING A BETTER KENTUCKY**



**A stable job is the beginning, a safe place to live and a community to call home allows us to dream bigger, do better and create more opportunities for future generations who live in the special place we call Kentucky.**

***Mutual dependence is need of collaborative partners supporting one another, with outcomes that reduce resource requirements in a world of ongoing uncertainties by using collaboration strategies to deliver shared outcomes***



Colleagues

# ECONOMIC DEVELOPERS OF KENTUCKY

## Super Collaborators– with a Spirit of Winning

### *Why we exist?*

Great jobs for neighbors supporting one another to build a better Kentucky with an economy that works for all residents and not just a few

### *How?*

Earn trust, be strategic and a super collaborator in growing jobs, investments and opportunity in all our interdependent communities

### *Professionalism*

- We work through systems
- By definition, we do not make policy, do not create programs, nor make decisions that have the impact of law or regulation
- We are purveyors of opportunity that address holistic needs within an ever changing and complex changing
- We have to be naturally curious, we must be motivated to be problem solvers
- We must embrace accountability...we must be leaders, that thrive on uncertainty





# TAX INCENTIVE PROGRAMS

ALL ARE PERFORMANCE-BASED



Tax  
Increment  
Financing  
(TIF)



Kentucky  
Angel  
Investment  
Tax Credit  
(KAITC)



Kentucky  
Reinvestment  
Act (KRA)




Kentucky  
Investment  
Fund Act  
(KIFA)



Kentucky  
Business  
Investment  
(KBI)



Kentucky  
Entertainment  
Incentive  
(KEI) Program




Kentucky  
Jobs  
Retention  
Act (KJRA)




Kentucky  
Small  
Business  
Tax Credit  
(KSBTC)



Kentucky  
Enterprise  
Initiative Act  
(KEIA)



Kentucky  
Selling Farmer  
Tax Credit  
(KSFTC)



Incentives  
for Energy-  
Related  
Business  
Act (IEBA)

# RECORD-BREAKING MOMENTUM

2021 - 2022



**34,000+**

New full-time jobs  
announced



**\$26.78**

2022- Average  
hourly incentivized  
wage before  
benefits



**\$21.7B**

Announced  
investment



**BlueOvalSK and  
Envision AESC –**  
The two largest  
economic  
development  
projects in Kentucky



70 applications received in Round 1,  
7 regional submissions

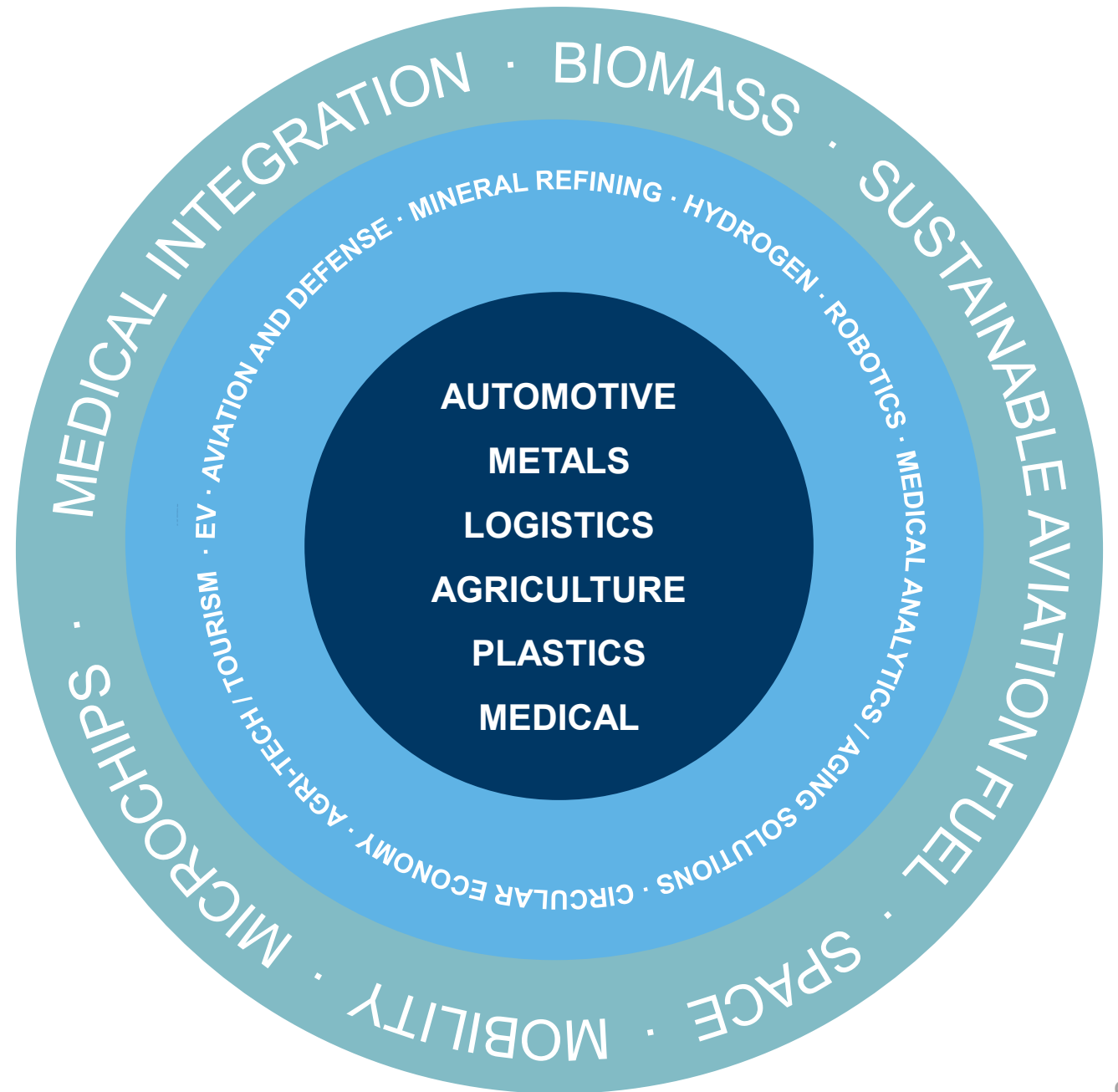


**Pilot PDI Program &  
Kentucky Product  
Development Initiative (KPDI)**



# THE CED PRIORITIZATION

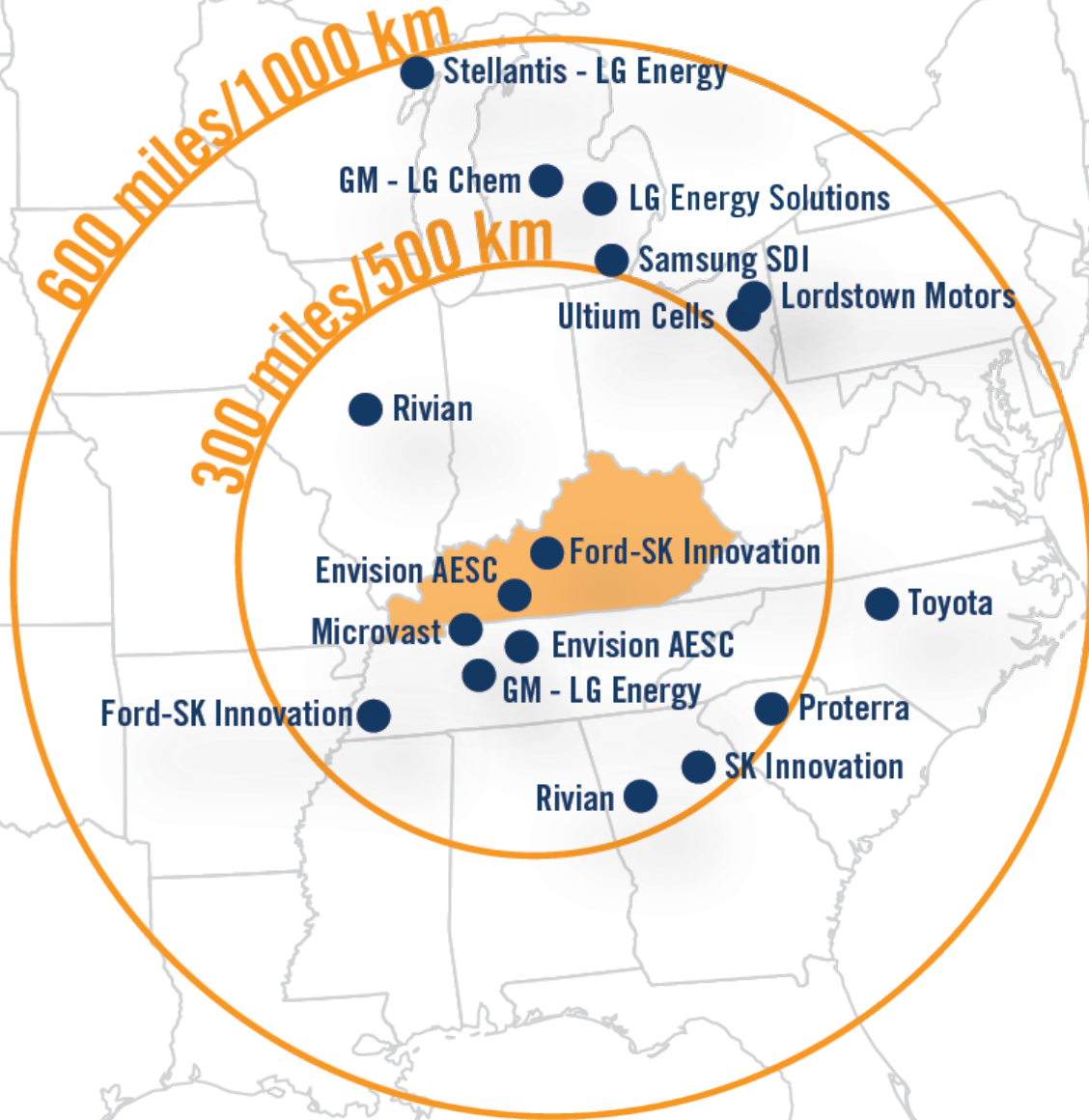
1. Focus on protecting our Core traditional industries
2. Extend the Core as ESG, Supply Chain and Geo-Political issues cause disruption
3. Be strategic in moving beyond the Core







# THE CENTER OF AN AUTOMOTIVE REVOLUTION



- Kentucky is located at the center of the **electric-vehicle** battery manufacturing corridor.
- The same ideal geographic location that makes Kentucky a national leader in logistics is positioning the state to lead the way in EV growth.

# IMPACT ON KENTUCKY

## Industry Leader

Recent announcements position Kentucky as the EV Battery Capital in the U.S.

## Opportunities

Skilled job opportunities for Kentuckians

**\$1 out of every \$11**

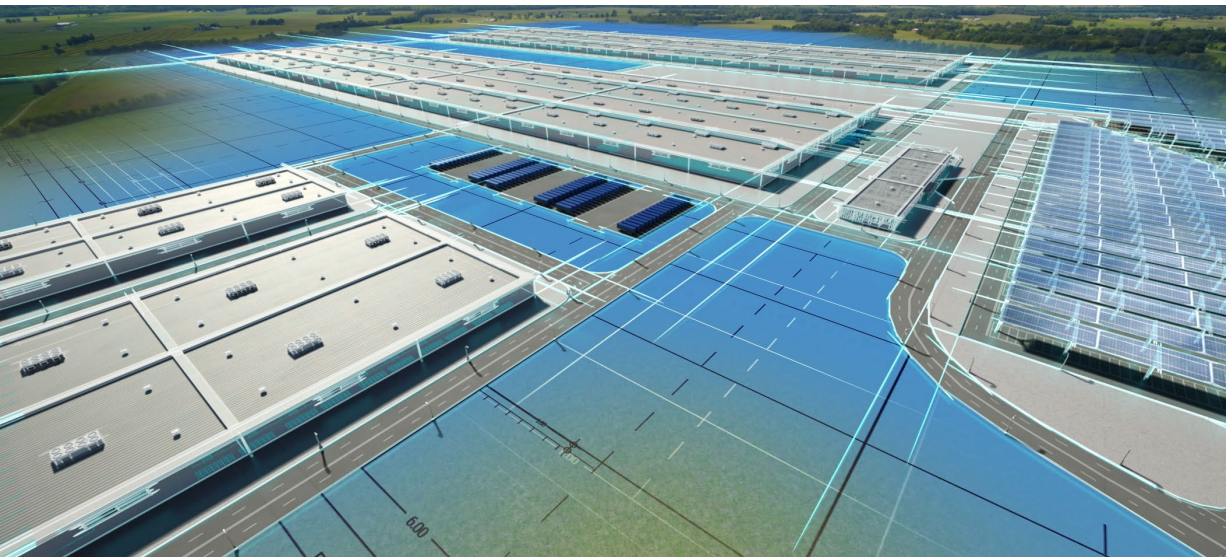
In Kentucky's economy is tied to the automotive industry

**1 out of every 16**

Workers who work in the U.S. automotive industry, work in Kentucky

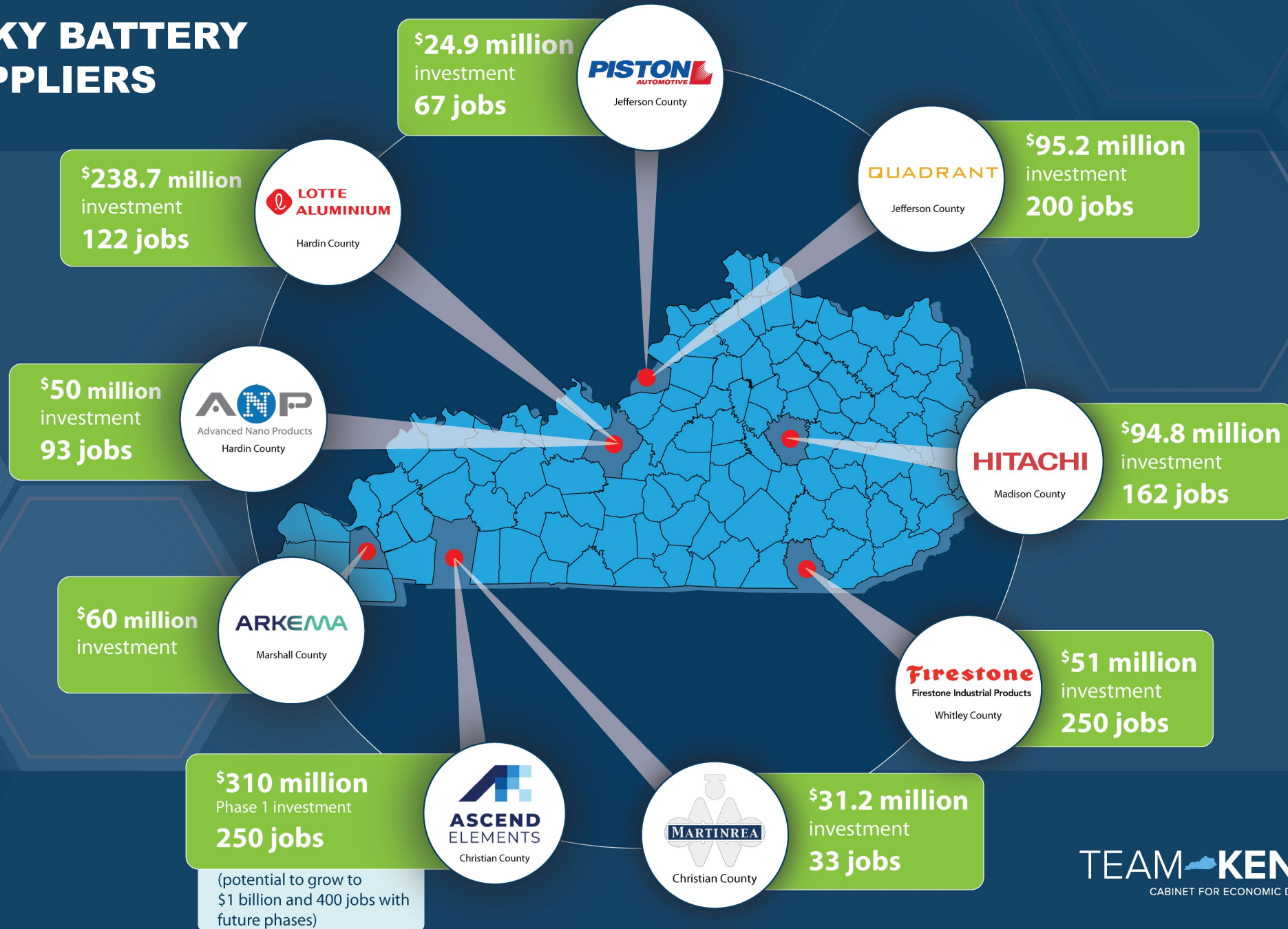
**\$8B+ Announced in EV Investments**

(Since 2021)





# KENTUCKY BATTERY & EV SUPPLIERS





# STRATEGIC PLAN BY ECONOMIC DEVELOPERS FOR ECONOMIC DEVELOPMENT





# CREATE AN OPERATIONAL BLUEPRINT

## FOR ECONOMIC DEVELOPMENT

### Timing

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- Massive disruptions in global supply chains presents opportunities
- Potential deindustrializing in Europe due to energy crisis
- 2022 Federal legislation for onshoring industry
  - IRA
  - Semiconductor
  - Biotech
  - DOD

### Opportunity

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- Kentucky's leadership in EV and Automotive creates a foundation on which to build
- Capture momentum of growing Life Sciences and other emerging industry sectors
- The Kentucky Product Development Initiative creates opportunities for communities across the state

### Benefits

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- Identify key economic areas of growth needed to be competitive
- Prepare communities and businesses across the state to be more strategic in attracting workforce
- Position Kentucky communities to competitively market their communities to attract industry

Age Old Question – Is Jeff Promoting A Regional Structure ?

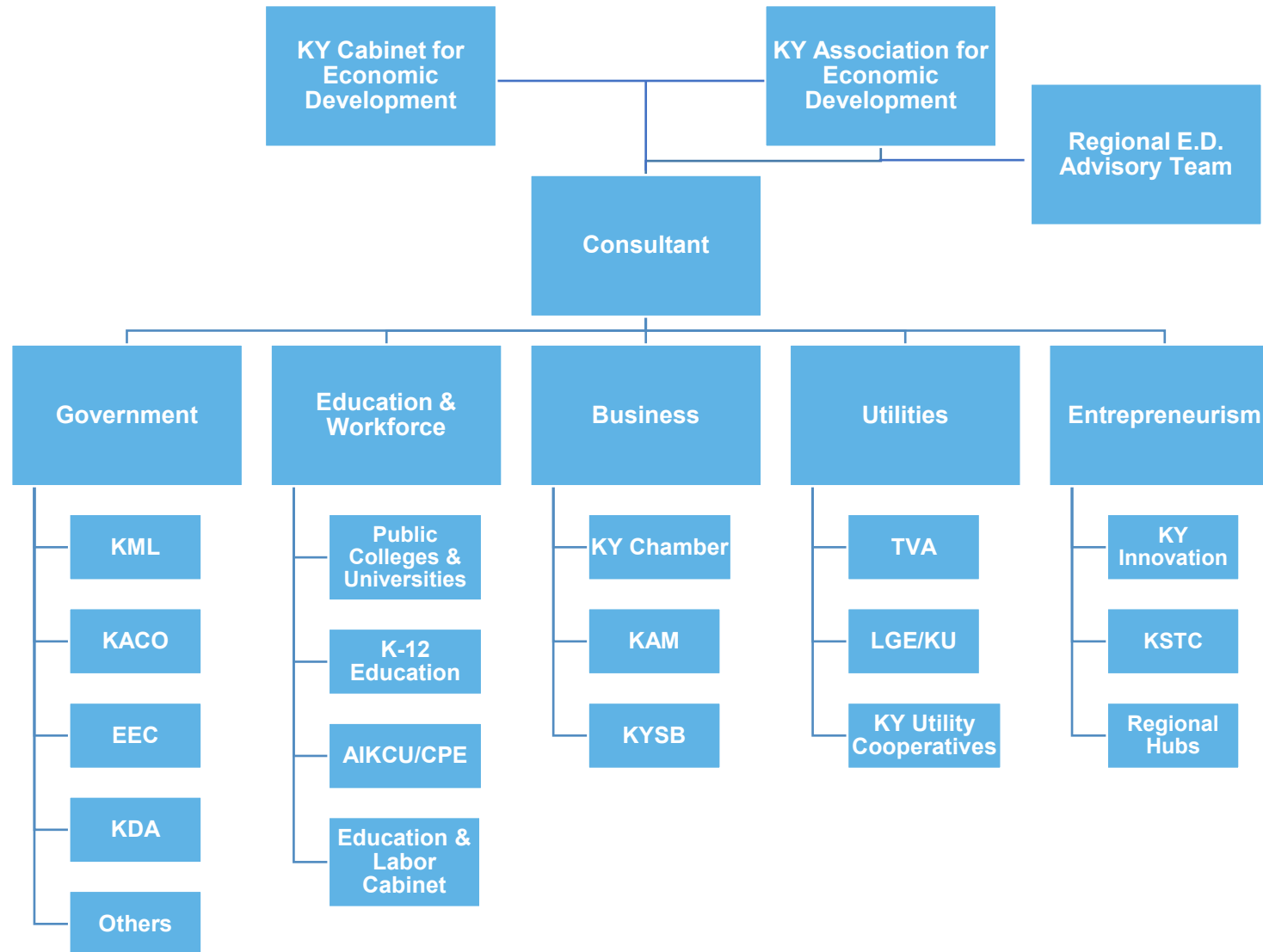
Yes on Regionalization – which is coordination of economic transactions, a recognition of mutual interdependencies that support that particular activity or need

**NOT**

Regionalism, which is defined as a political will to create a formal arrangement with a geographically restricted approach

# AN OPERATIONAL BLUEPRINT FOR ECONOMIC DEVELOPMENT

## PROCESS MAP





# OUTCOME ? WORKFORCE-TARGETED OPPORTUNITIES

## DEVELOP STRATEGIES FOR EACH TALENT AND WORKFORCE PIPELINES

Talent Pipeline	Annual Workforce	Agency/Programs
<i>New Workforce Opportunities</i>		
Transitioning Military from KY Bases	6,000	Education & Labor Cabinet KY Community & Technical College Economic Development Cabinet
Military Dependents (at KY Bases)	35,000	
High School Seniors	35,936	Education & Labor Cabinet Work-Ready Skills Initiative Work-Ready Scholarship Registered Apprenticeship Programs KY FAME
Community and Technical College Graduates	44,300	
College/University Graduates	26,700	KY Community & Technical College Bluegrass State Skills Corporation
Expected number of college drop-outs **	35,733	
<b>Annualized size of new workforce</b>	<b>183,669</b>	
<i>Existing Workforce Opportunities</i>		
Unemployed/Underemployed	350,500	Education & Labor Cabinet, KY Community & Technical College, Bluegrass State Skills Corp.
Bluegrass Army Depot – Departing by 2025	1,600	Education & Labor Cabinet, Military Services, KY Community & Technical College, Economic Development Cabinet
<b>Potential Annual Pipeline and Workforce Targets</b>	<b>535,769</b>	

**2021 Kentucky High School**  
 45,632: Total High School Students  
 35,936: Available for work \*  
 9,696: College, Technical School and Military



- State – Halo Statement of Benefits
- Regional – Captures Uniqueness of the Region – not government boundary
- Local – Defines key local advantages in sync with Brand Language





# 2023 STRATEGIC AND OPERATING ARCHITECTURE



# SHARED RESPONSIBILITY - SHARED OPPORTUNITY

## WHY?

### Our Vision

Team Kentucky: Great jobs for neighbors supporting one another to build a better Kentucky with an economy that works for all residents and not just a few

## WHAT?

### Our Mission

Earn trust, be strategic and a super collaborator in growing jobs, investments and opportunity in all our interdependent communities

### Strategic Imperatives

Strategic roadmap for entrepreneurialism, expanding innovation and growing new and existing industry leaders

Link Job growth to programs that inspire everyone to make lifelong learning and earning a values trait

Targeted industry clusters that strengthens the core areas of Kentucky's economy

Shared responsibilities, Shared Regional opportunities

## HOW?

### Operational Priorities

Flawless execution on all announced projects to deliver results. Effective compliance

Polished tool kit and narrative that builds the Kentucky Brand globally

Best Service  
Best Value  
Best Opportunity

Team Kentucky is a culture that delivers results that matter

### Leadership Behaviors

Lead with Impact: Straight Talk: Bias for action with accountability

- Serve
- Listen
- Build
- Lead

### Our Values

Respect

Inclusion & Diversity

Teamwork

Spirit of Winning with Integrity

## 2023 Performance Goals

12,000 new jobs announced

\$7.5 B new investment

\$27 average hourly wage without benefits

5% increase in Team KY ED/Site media impressions

1150 compliance reviews found acceptable

575 business applications approved

# STRATEGIC IMPERATIVES: BUILD OFF THE FOUNDATION OF SUCCESS

1

Extend and go beyond our “core” with jobs of the future through startup, expansion and attraction

## ENABLER

Create a strategic roadmap in building entrepreneurialism, expanding innovation and growing industry leaders across Kentucky

## ACTIONS

- Execute on a 6-month planning process
- Be proactive in growing and attracting EV suppliers and industry leading companies in sustainability, health sciences and advanced manufacturing
- Use data in all attraction efforts
- Strengthen our Brand and collaborate among regional and local ED efforts

2

Link job growth to programs that inspire everyone to make “lifelong learning and earning” a values trait

## ENABLER

Strategies for pathway jobs, clear skills needed for filling key roles, integrated workforce strategies across all providers, amplify success

## ACTIONS

- Be super collaborators in supporting existing businesses and linking them to services that work
- Standardize workforce information and programs by segment and area
- Encourage business ties to K-12 partnerships

3

Strengthen the core of Kentucky’s economy

## ENABLER

Embed SSBCI, support industry clusters, supply chain growth and shared learning

## ACTIONS

- Determine supplier needs and link to existing companies. Explore a linked system to promote “Buy KY” B2B
- Refine list of Core Industries
- Align on common objectives w/E&I
- Use PDI to encourage companies to bring supply chains to Kentucky

4

Shared Responsibilities  
Shared Regional Opportunities

## ENABLER

Data driven, defined roles around sense of place, residential and workplace capacities

## ACTIONS

- With input, define roles and accountabilities for Community colleges, universities and workforce training providers on metrics and ways to be collaborator
- Expand “Everybody Counts” as opportunities to scale allow
- Broad encouragement of community-based programs for “sense of place” activities





CABINET FOR  
ECONOMIC DEVELOPMENT

Leadership, Strategy,  
Structure & Process

Continued development of  
the CED Leadership  
model is the enabler for  
structural, sustainable  
progress

## Leadership Covenants

### MYSELF

#### ***Passion for Serving:***

Start with what our KY neighbors need and work backwards. Be obsessed on building a better Kentucky. Collaborate with local, regional and state partners, share in the successes, own the challenges

#### ***Straight Talk***

Face reality. Listen and speak up. Honesty is your responsibility

#### ***Bias for Action***

If you see something, do something. Simplify to move fast, winning is our culture

#### ***Lead with Impact***

Nothing worthwhile is given to you. True change starts with the end of your comfort zone. Create an impact that gets results

#### ***Accountability***

You own it. You are in charge. Do what you say you are going to do.

## At the Cabinet for Economic Development

### MY TEAM

#### ***Serve***

You earn the privilege to lead. There is no leadership without followership from your team and the stakeholders you serve

#### ***Listen***

Ask questions. Seek out different points of view. Walk the talk and collaborate, be inclusive

#### ***Build***

Hire better than yourself. Set the bar high. Equip your team, then get off the field. Go deep when needed. Unleash talent, it knows no rank

#### ***Lead***

Set the strategy. Develop a disciplined structure, follow process and create a management system. Recognize success.

#### ***Results Matter***

Building a better Kentucky is our shared responsibility, serving is a key, and being true to society, abiding the right governance and protecting the environment are not mutually exclusive

# BUILDING A BETTER KENTUCKY



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# TIME FOR DISCUSSION

