

**TEAM**  
**KENTUCKY**<sup>®</sup>

CABINET FOR  
ECONOMIC DEVELOPMENT



# Multimodal Freight Task Force Study

# What Do Companies Look For When Deciding Where to Expand or Relocate ?

1. Supply Chain
2. Workforce
3. Risk Management
4. Site Reliance
5. Overall Cost Environment
6. Incentives



Supply Chain, Risk Management and Overall Costs Environment are Impacted by Logistics

# Appreciation for the Study and Timing:

- ✓ Kentucky has Core Industries that Move Large Items:
  - Agriculture
  - Automotive
  - Metals
  - Plastics
  - Aerospace
- ✓ Planning for Multi-modal investments off the Foundation of Success in Kentucky Job Growth
- ✓ Businesses are more and more using Multi-Modal Transportation Options as a Key Business Driver
- ✓ Kentucky is a National Leader in Foreign Direct Investment- which relies upon Logistics
- ✓ Transportation Advantages are the great equalizer when needed
- ✓ Multi-modal for people is a key driver for improved quality of life and attraction and retention of talent
- ✓ KPDI Program has Stimulated Growth in Site Options for Business
- ✓ The CED has commenced a Strategic Planning Process to Define a Roadmap for continued growth

# SHARED RESPONSIBILITY - SHARED OPPORTUNITY

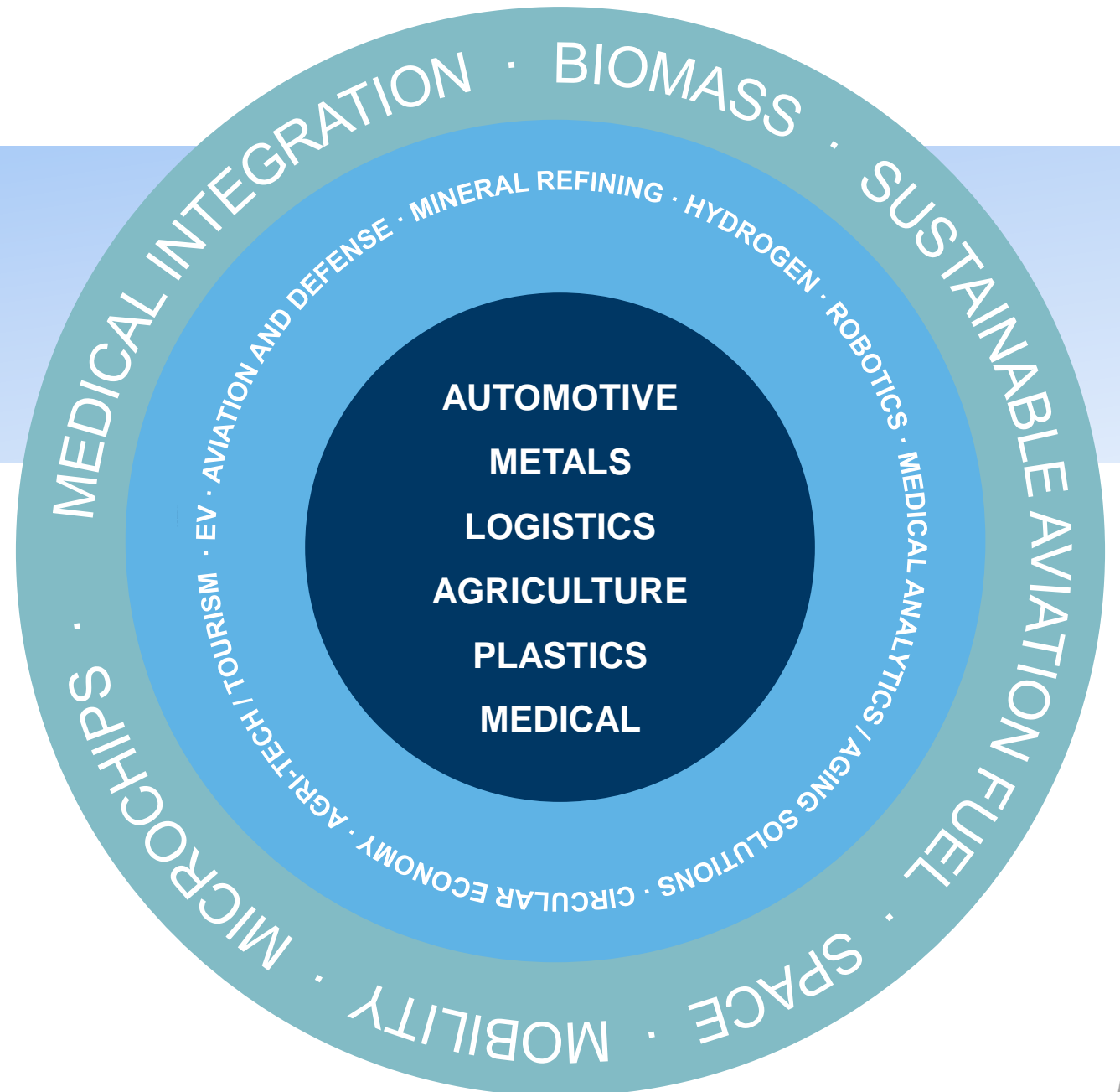
WHY?					
<b>Our Vision</b>	Team Kentucky: Great jobs for neighbors supporting one another to build a better Kentucky with an economy that works for all residents and not just a few				
WHAT?					
<b>Our Mission</b>	Earn trust, be strategic and a super collaborator in growing jobs, investments and opportunity in all our interdependent communities				
<b>Strategic Imperatives</b>	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 KY's economy	Shared responsibilities, Shared Regional opportunities	
HOW?					
<b>Operational Priorities</b>	<u>Flawless execution</u> 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	
<b>Leadership Behaviors</b>	Lead with Impact: Straight Talk: Bias for action with accountability		<ul style="list-style-type: none"> <li>• Serve</li> <li>• Listen</li> </ul>	<ul style="list-style-type: none"> <li>• Build</li> <li>• Lead</li> </ul>	
<b>Our Values</b>	Respect	Inclusion & Diversity	Teamwork	Spirit of Winning with Integrity	

**2023 Performance Goals**

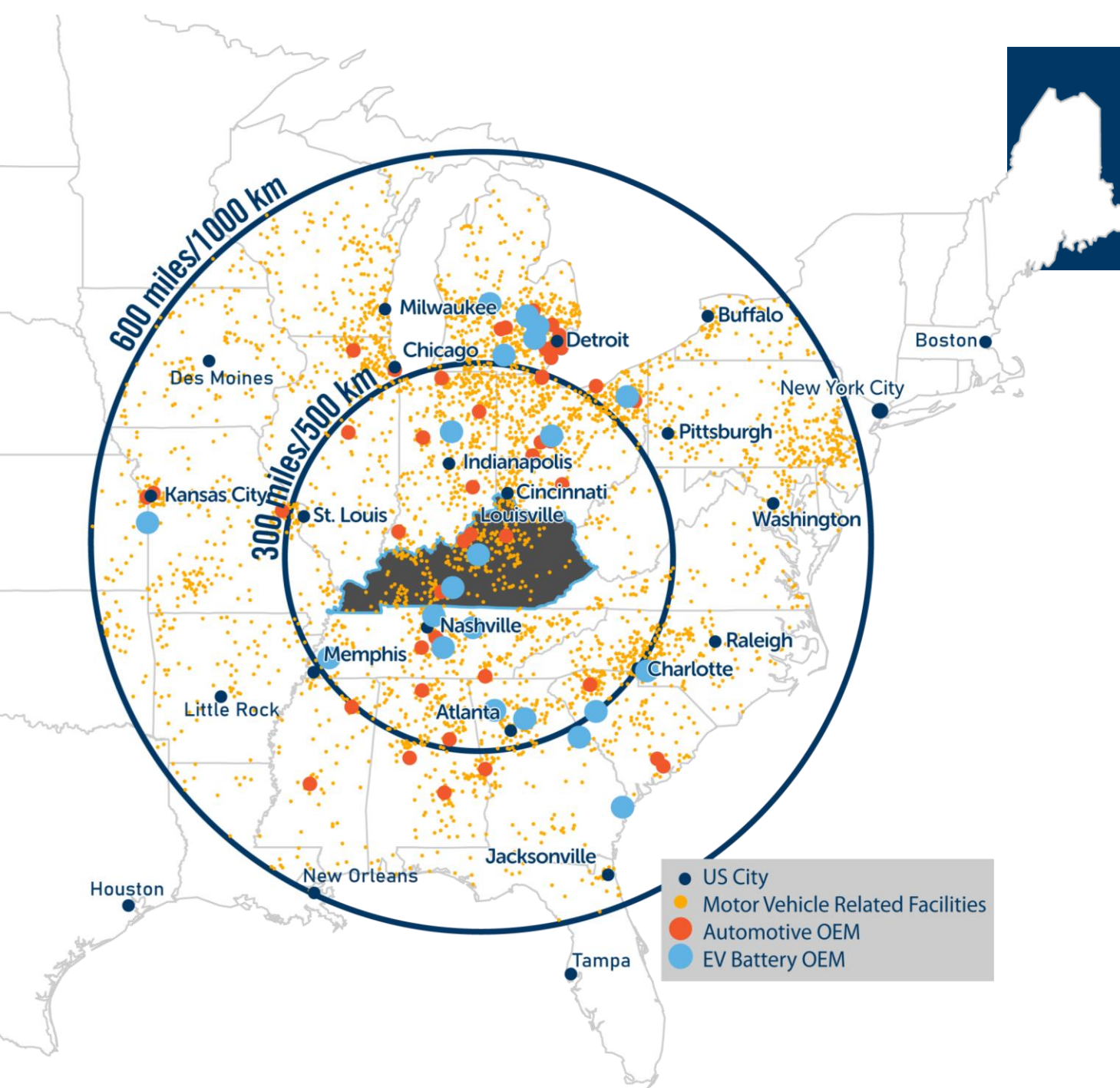
- 12,000 new jobs announced
- \$7.5 B new investment
- \$27 average hourly wage without benefits
- 5% increase in Team KY ED/Site media impressions
- 1,150 compliance reviews found acceptable
- 575 business applications approved

# Our Core Industries Depend Upon Logistics

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



# CENTER OF THE U.S. AUTOMOTIVE CORRIDOR



Kentucky is home to four OEMs and more than 550 automotive-related facilities

## Ford Motor Co.

- Operated in KY since 1913
- Louisville Assembly Plant opened in 1955
- Ford Truck Plant in Louisville opened in 1969

## General Motors

- Opened in Bowling Green in 1981
- Exclusive home to the **Chevrolet Corvette**

## Toyota Motor Manufacturing Kentucky

- Opened in Georgetown in 1988
- **Toyota's largest manufacturing operation**

# State of Resources

## KENTUCKY'S ABUNDANCE OF RAW MATERIALS

As manufacturers implement such innovations as lightweighting, digital manufacturing techniques and fuel efficiency breakthroughs, Kentucky offers the resources to implement these technologies and to create the innovative practices of the future. Here are just a few of the examples that make Kentucky the place to put innovation into practice.



### Aluminum

- ✔ More than 180 aluminum-related facilities with more than 21,000 full-time employees.
- ✔ Kentucky exported \$342 million worth of aluminum in 2022.



### Steel

- ✔ Steel in Kentucky is becoming lighter and stronger, expanding to include a lighter and high-strength variety.
- ✔ Kentucky has 45 steel and iron production companies, employing more than 6,400 full-time workers.
- ✔ Kentucky exported nearly \$504 million worth of iron and steel in 2022.

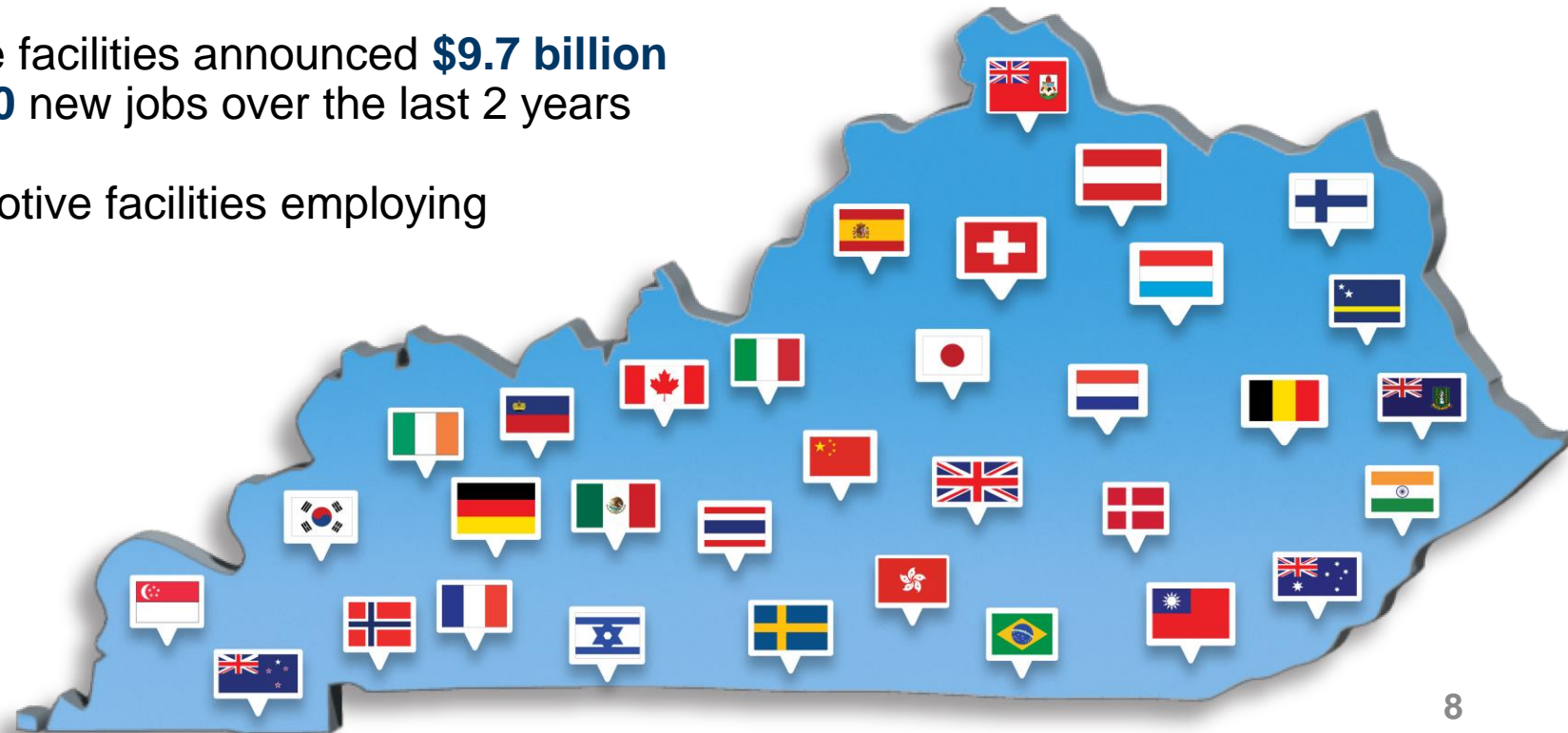


### Rubber & Plastics

- ✔ Kentucky is home to 260 rubber and plastics manufacturers with nearly 31,000 full-time employees.
- ✔ Kentucky exported more than \$564 million in rubber and plastics in 2022.

# INTERNATIONAL OPERATIONS DEPEND ON LOGISTICS

- ✓ **530+** internationally owned facilities employing more than **114,000** workers
- ✓ **33 nations**
- ✓ **5<sup>th</sup> nationally** in percentage of workers employed by an international company
- ✓ Internationally-owned automotive facilities announced **\$9.7 billion** investment and more than **10,600** new jobs over the last 2 years
- ✓ **217** internationally-owned automotive facilities employing more than 58,000 workers





# 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



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

# KENTUCKY IS LEADING THE CHARGE FOR EV

Kentucky is the **No. 1 producer of passenger vehicles per capita** in the United States

**\$1 out of every \$11** in Kentucky's economy is tied to the automotive industry

**1 out of every 18 U.S. workers** in the automotive industry are in Kentucky

Kentucky has established itself as a **national leader in the emerging electric-vehicle sector**

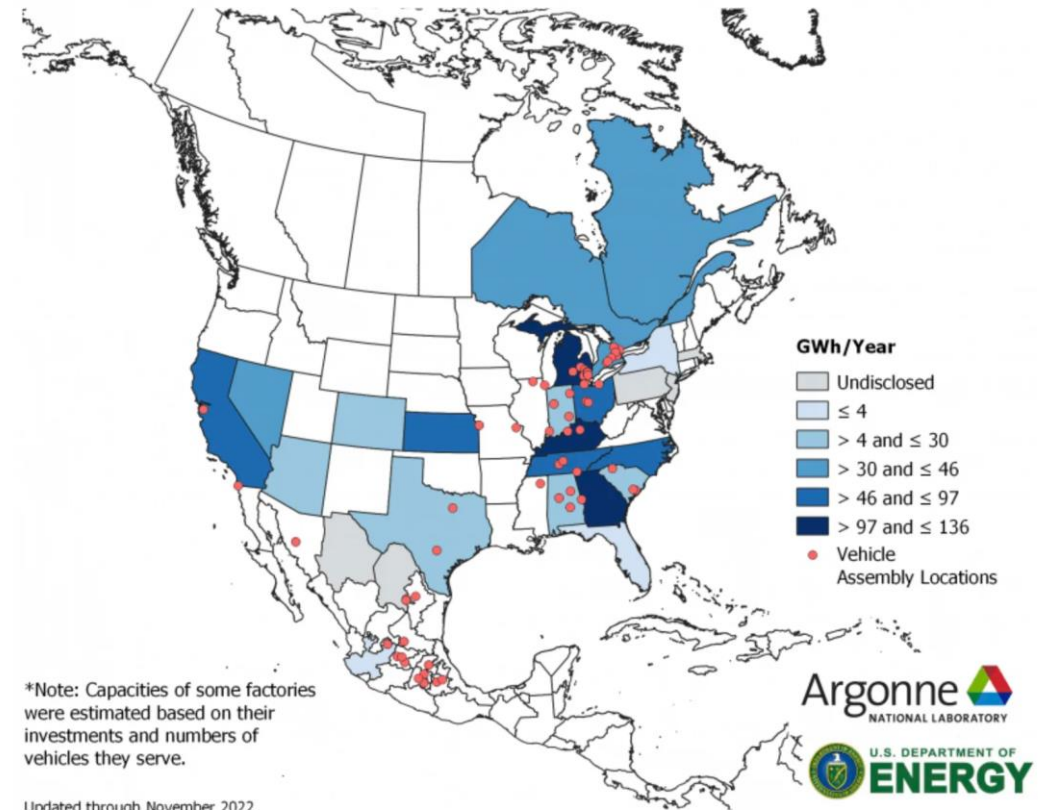
- Battery production
- Battery recycling
- Parts production

According to CNBC, Kentucky is poised to be among three states to **dominate EV battery manufacturing in 2030**

**\$10.7 billion** in EV-related investments since 2020 and the vast majority by foreign-owned companies

More than **10,000 full-time jobs** announced within the sector

**Planned Battery Plant Capacity in North America by 2030**



# Multimodal Transportation and Associated Benefits for Kentucky

Freight that involves the use of more than one mode of transportation to transport goods from the supplier to the buyer. Can be a combination of two or more of any means of transport, such as road, rail, sea or air freight.

- Reduces the following:
  - Congestion (seaports are congested due to the chain of ships and small vessels)
  - Costs in monitoring goods and provides greater security in tax collection
  - Customs costs and increasing smuggling control
  - Prices of imported goods
  - Cargo transportation time
  - Transportation costs
  - Risk of loss due to theft or looting
- Improves the competitiveness of national products in the international market
- Allows scheduling of activities and control of compensation goods

# When to Use Intermodal Transportation:

**1. Long-Distance Shipping:** Due to the cost savings that intermodal offers, shippers can enjoy reduced transportation costs when shipping long distances via intermodal of, ideally, 700 miles or more.

**2. High Freight Volume:** Shippers who are looking to ship high volumes of freight too can benefit from using intermodal transportation due to the capacity advantage and freight efficiency.

**3. Non-urgent Shipments:** Intermodal transit times are typically slower than truckload due to the additional time it takes to move containers from rail to truck and vice versa. Thus, intermodal is not a good option for those shippers who do not have a flexible timeline for delivery.

**4. Shipping High-Value Freight:** Intermodal transportation provides increased safety advantages by reducing the chances of theft, accidents, or damage. The chances of theft are decreased because rail is used for a majority of the land journey with intermodal.



## Where Demand for Industrial Space is Coming From Now

The automotive industry and construction, machinery and materials sectors are driving the need for space.

By [Paul Bergeron](#) | January 19, 2023

# Speed to Decision Making in Economic Development

- **Reality:** Every State has unique advantages with supply chains
- **Reality Check:** Optionality is the biggest advantage for pricing and reliability of in bound and outbound logistics
- **Customer View:** “When making a decision, businesses hate uncertainty”
- **Solution:** “Information is the resolution of Uncertainty”

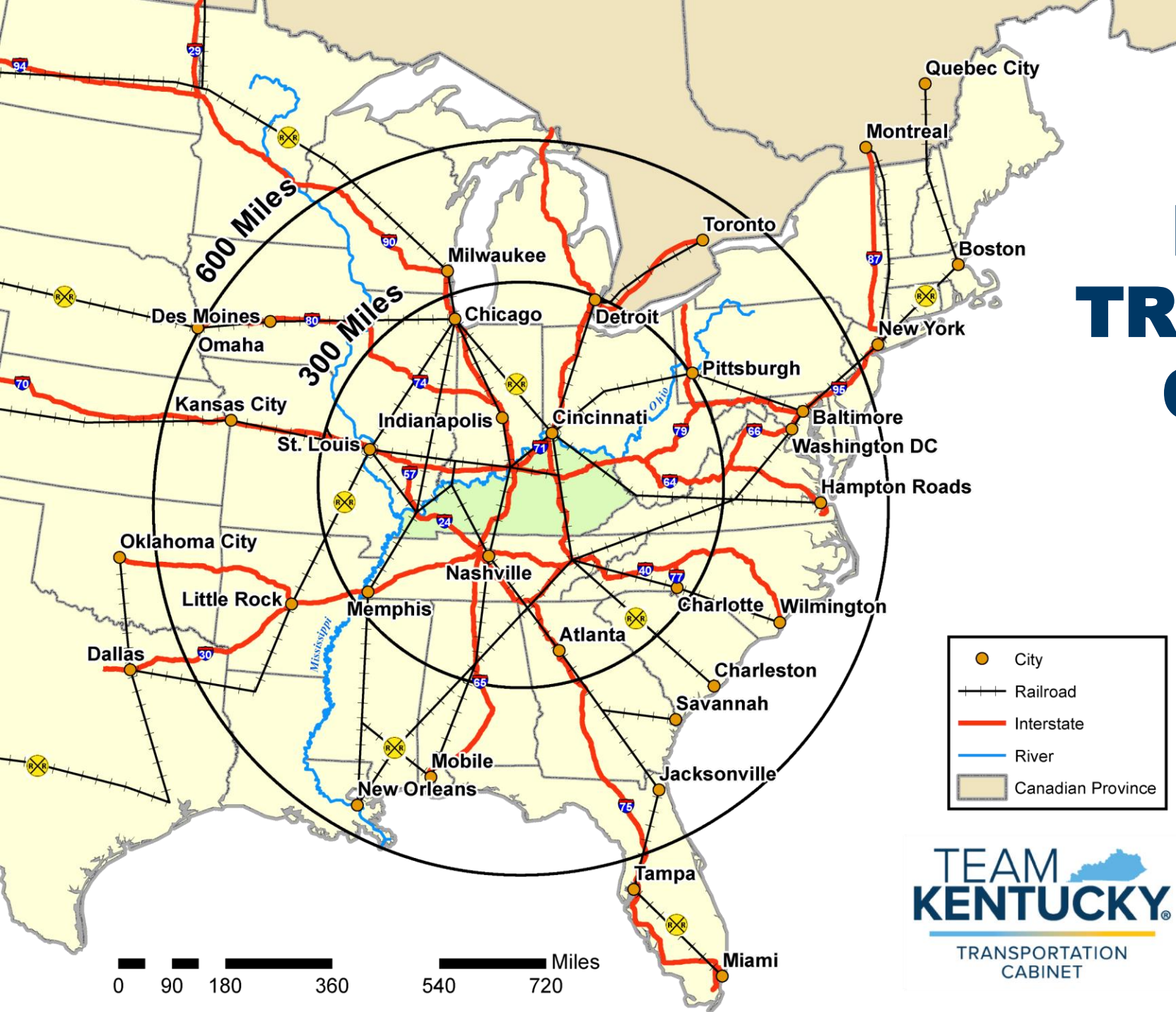
# MULTIMODAL OPTIONS SET KENTUCKY APART



"The location is part of the 300-acre Henderson Bypass Rail Site, located along a CSX branch rail line and one of only three CSX Select Sites in Kentucky. Its proximity to multiple transportation options — being on a branch rail line and located less than four miles from Interstate 69 and the Henderson County Riverport, through which some product will arrive — was crucial to landing Pratt."

- Missy Vanderpool, Executive Director, Henderson Economic Development

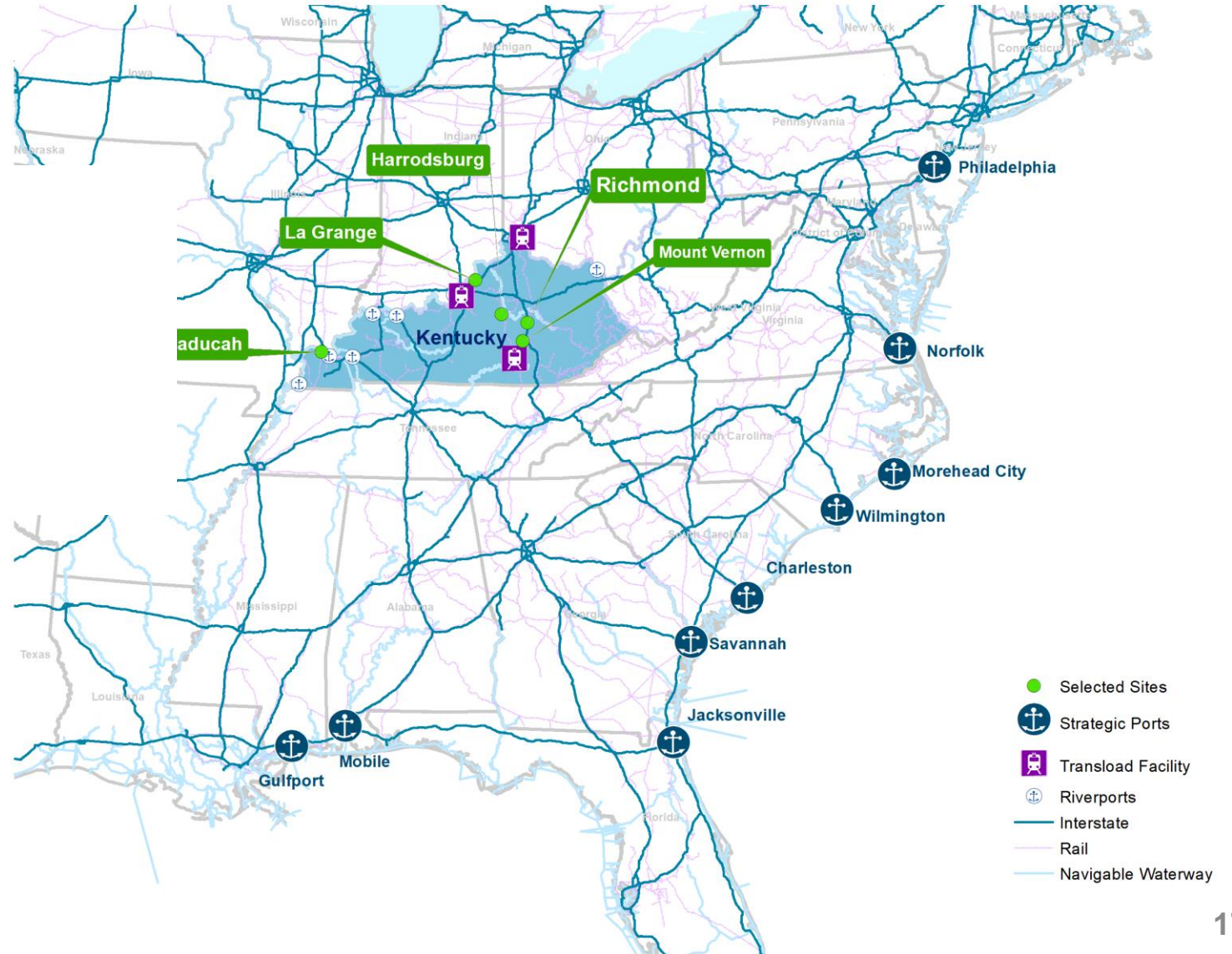
# KENTUCKY'S MULTIMODAL TRANSPORTATION CAPABILITIES





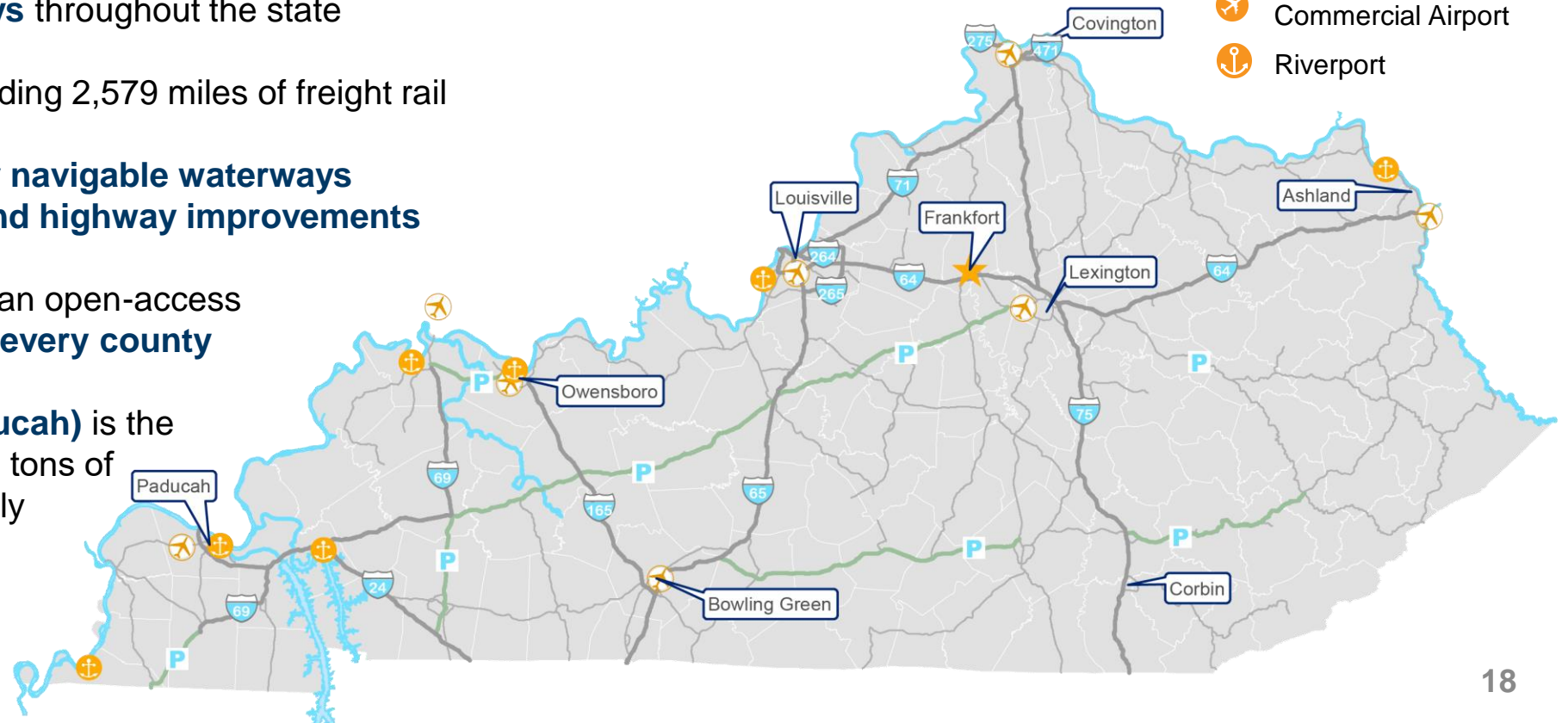
# GLOBALLY CONNECTED

- Railroads have intermodal terminals in Kentucky and the surrounding region that connect to most of the major sea ports in the US, including:
  - Savannah, GA
  - Jacksonville, FL
  - Charleston, SC
  - Norfolk, VA
  - Chicago, IL
  - New York, NY
  - Los Angeles, CA
- Kentucky's waterways link to the Great Lakes, Canada, Mexico and South American markets



# INFRASTRUCTURE TO SUPPORT IT ALL

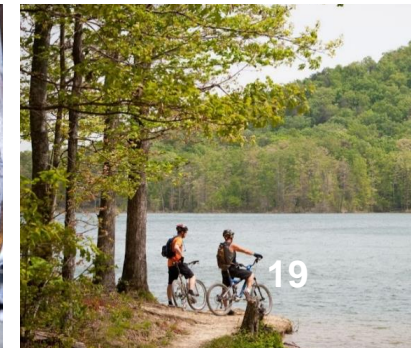
- **3 global air-cargo hubs** UPS, DHL and Amazon
- **6 commercial airports**, including **2 international** and **50+ regional**, with **direct flights to United Kingdom and France**
- **20+ interstates and parkways** throughout the state
- **2,895 miles of railroad**, including 2,579 miles of freight rail
- **1,020 miles of commercially navigable waterways**
- Major investment in **bridge and highway improvements**
- First state in the U.S. to build an open-access **fiber optic cable network in every county**
- **Olmsted Lock (West of Paducah)** is the nation's busiest lock with 73M tons of cargo passing through annually



# HOW KENTUCKY MEASURES UP

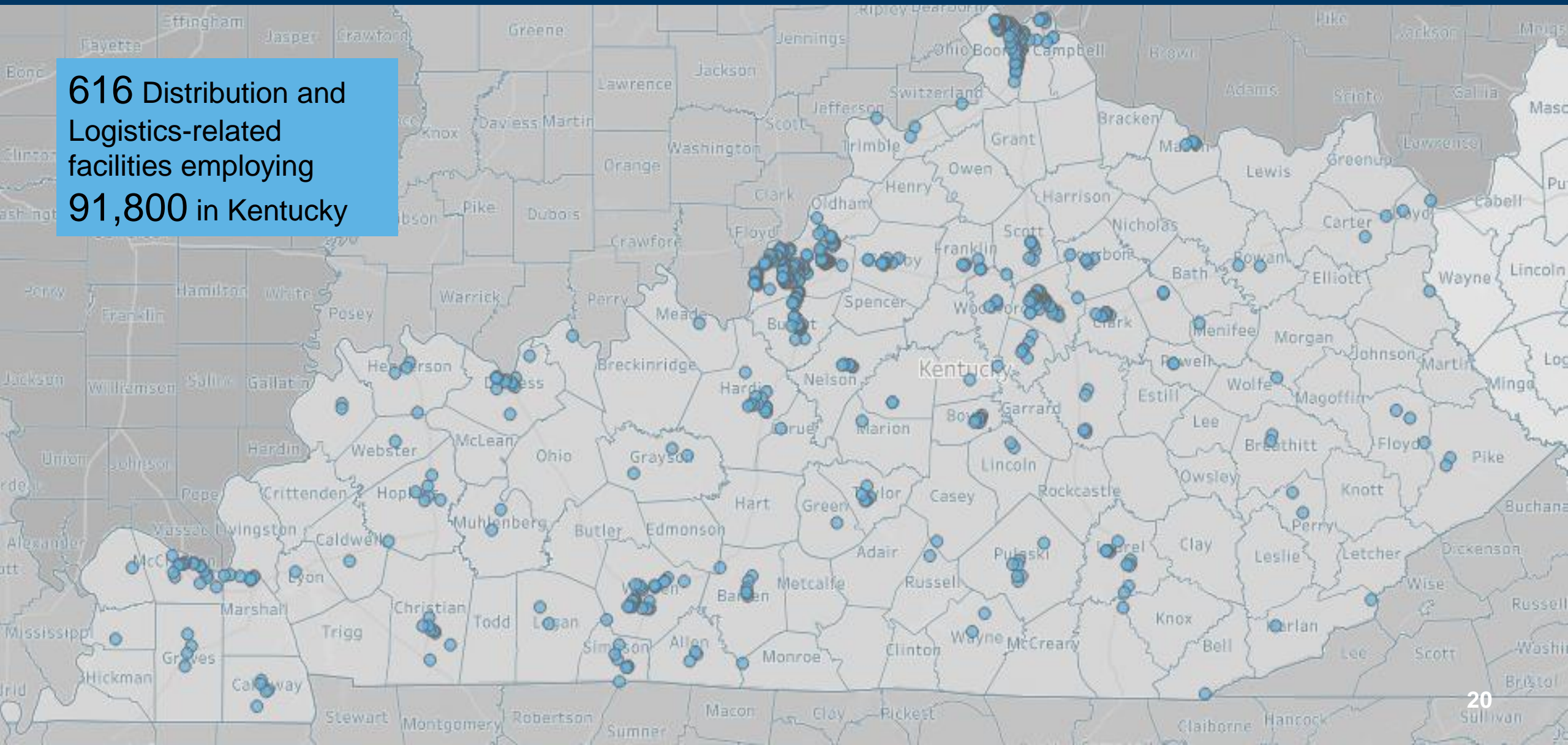
**Robust road infrastructure, air cargo, Internet access, Highways, Rail, and Riverports**

- Kentucky has among the **lowest industrial electric rates** in the nation (U.S. Energy Information Admin.)
- **5<sup>th</sup> nationally** in manufacturing GDP as a share of total GDP (US Bureau for Economic Analysis)
- **12.5% of KY's workforce** is in the manufacturing sector, compared to 8.1% nationally
- KY ranks **2<sup>nd</sup> nationally** in air cargo by landed weight (US Federal Aviation Administration)
- KY has **371 miles of roadway per 1,000 people**, more than SC,IN,TN,GA,OH...and growing
- **10 riverports**
- While **miles of freight rail per 10,000 square miles of land area** (at 902) is less than surrounding states, KY is strategically located



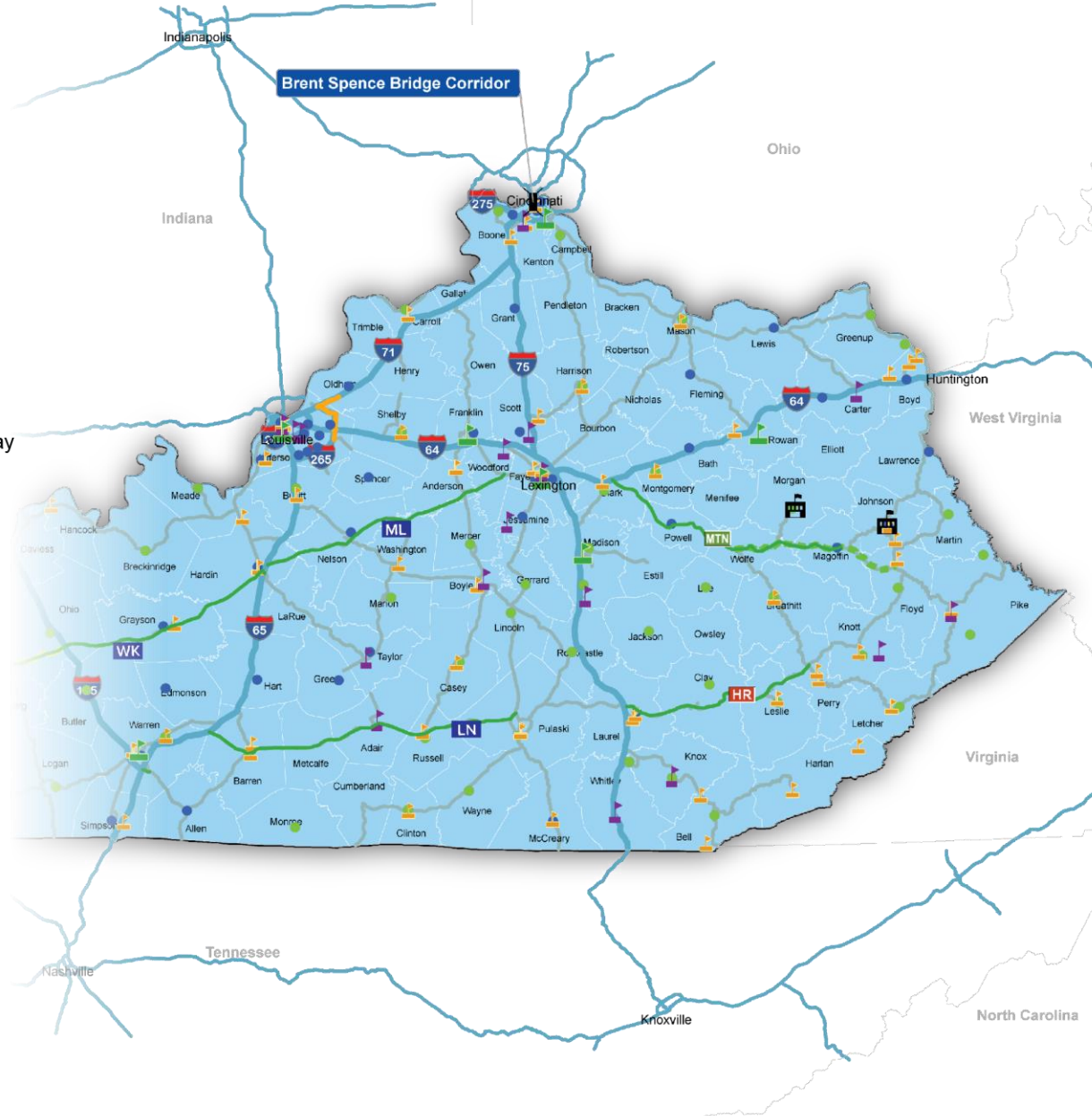
# DISTRIBUTION AND LOGISTICS FACILITIES

616 Distribution and Logistics-related facilities employing 91,800 in Kentucky



# EASTERN KENTUCKY WORKFORCE INFRASTRUCTURE

- Major Cities
- County Seat
- 🏫 4 Yr Public University
- 🏫 4 Yr Private University
- 🏠 eKAMI Locations
- 🚩 KCTCS Locations
- 🟢 Area Technology Center (ATC)
- 🟡 Career Technical Center (CTC)
- ML** Martha Layne Collins Bluegrass Parkway
- HR** Hal Rogers Parkway
- LN** Louie B. Nunn Cumberland Parkway
- MTN** Bert T. Combs Mountain Parkway
- 🛣️ Interstate
- 🟢 Parkways
- 🛣️ Truck Network Roads
- 🟢 Future Mountain Parkway
- 🟡 I-MOVE-KY: I-265, I-64, I-71



## Major Road Improvement Projects

### Brent Spence Companion Bridge

Designed to improve approximately 8 miles of Interstates 71 and 75 through Kentucky and Ohio, including the addition of a new companion bridge to the existing Brent Spence Bridge to reduce congestion, improve traffic flow and safety, and maintain key regional and national transportation corridors.

### Mountain Parkway Expansion

The Mountain Parkway Expansion will widen the Parkway to four lanes, allowing for higher volumes of traffic travelling along the Parkway. Once complete, it will be part of a 400-mile, four lane, high speed corridor from Paducah to Pikeville.

### I-Move Kentucky

180 million investment that will widen and improve interstates and revamp congested interchanges to improve safety along Interstate 265 (Gene Snyder Freeway), Interstate 71 and Interstate 64 in Jefferson and Oldham counties.

## Workforce Education and Training

ACTC Transportation Training Facility, East Park Industrial Park, Ashland, Kentucky - \$9.0 million investment















The recently established Estill County Area Technology Center (ATC) will serve around 300 students from Estill, Powell, and surrounding counties.

In 2021, \$75 million allocated for renovation costs for local vocational schools, which will support building the well-trained local workforce of the future.

### Awardees in the Region

- Fayette County Career & Technical Center - \$10,000,000
- Johnson County Career & Technical Center - \$10,000,000
- Lawrence County High School - \$9,280,350
- Knox County Career & Technical Center - \$10,000,000
- Magoffin County Career & Technical Center - \$4,369,381 (+\$5 million from a donor)

# WESTERN KENTUCKY WORKFORCE INFRASTRUCTURE

- Major Cities
- County Seat
  
-  4 Yr Public University
-  4 Yr Private University
-  KCTCS Locations
-  Area Technology Center (ATC)
-  Career Technical Center (CTC)
-  Audubon Parkway
-  Edward T. Breathitt Pennyrile Parkway
-  Julian M. Carroll Purchase Parkway
-  Wendell H. Ford Western Kentucky Parkway
-  Interstate
-  Parkways
-  Truck Network Roads
-  Future I-569
-  I-MOVE-KY: I-265, I-64, I-71



## Major Road Improvement Projects

### I-69 Ohio River Crossing

The I-69 Ohio River Crossing is the key final connection of I-69 between Evansville, Indiana and Henderson, Kentucky.

### U.S. 641

The U.S. 641 project, from Eddyville to Fredonia, aims to better connect the region and improve safety and mobility. Also, construction of the four-lane widening of U.S. 641 South from Murray to the Tennessee state line is in progress.

Other road projects include new highway signs marking a “Future I-569 Corridor” on a 38.4 mile-long section of the Western Kentucky Parkway in Hopkins, Muhlenberg and Ohio counties.

## Workforce Education and Training

Expansion of Leitchfield Technical College Campus, Grayson County, Kentucky - \$9.0M investment

\$15,095,059 in funding to Calloway, Graves and Marshall counties. The funding will improve vocational education, provide clean water, improve roadways and increase tourism funding in Western Kentucky.

In 2021, \$75 million allocated for renovation costs for local vocational schools, which will support building the well-trained local workforce of the future.

### Awardees in the Region

- Hopkinsville Christian County Academy - \$10,000,000
- Trigg County Public Schools - \$10,000,000
- Ballard County Career and Technical Center - \$68,896

# Spirit of Winning with Integrity in Kentucky:

**Success** in Economic Development is not about sites alone, rather it is the holistic approach to having a great product to sell that is better than the competition.

**Solution:** Thanks to the leadership of our Governor and our Legislature, the Kentucky PDI program was created to help raise the bar for Kentucky Communities to develop great products that includes sites to create success befitting the strength of all our interdependent communities in Kentucky.

- *Product Development Pilot Initiative ( 2019-2022)*
- *Kentucky Product Development Initiative ( HB 745) \$100 Million*

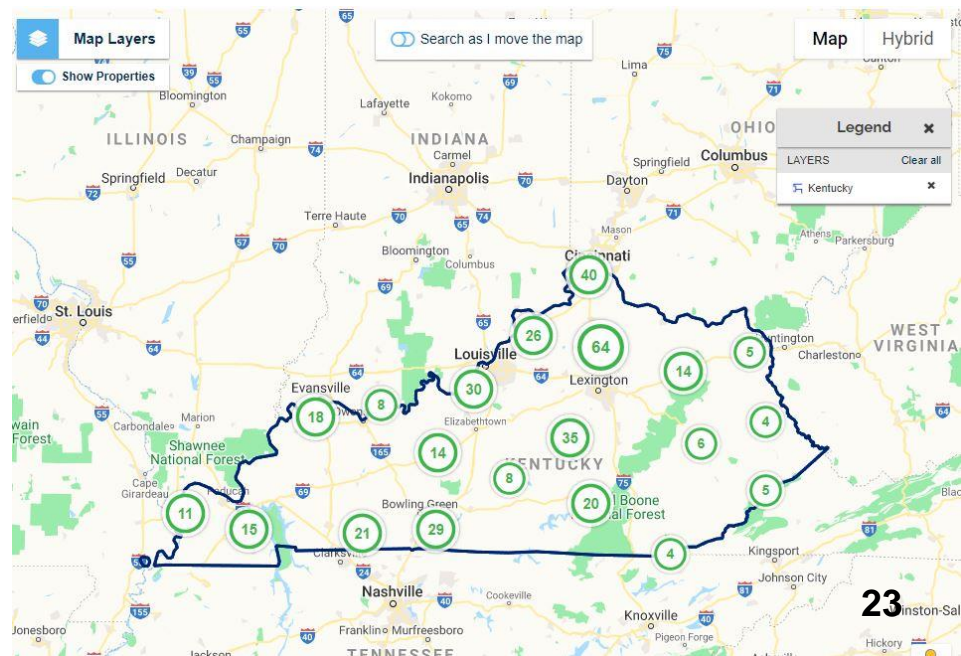
**TEAM KENTUCKY**  
377 Total Properties

Sort By: Featured | Descending | PDF | Excel | Print | Share

« Previous | 1 - 30 of 377 Results | Next »

Featured	Featured	Special
 <b>Southwest One Industrial Park</b> Address: 2209 Southwest One Boulevard, ... City: Benton County: Marshall County Zip Code: 42025 Min Size: 270.60 Acres Max Size: 270.60 Acres <a href="#">View Details</a>	 <b>John H. Stigall Business Center</b> Address: 99 Corporate Dr, Danville, KY 404... City: Danville County: Boyle County Zip Code: 40422 Min Size: 110.40 Acres Max Size: 221.40 Acres <a href="#">View Details</a>	 <b>Begley Properties - Lexington</b> Address: Exit 104, I-75 City: Lexington County: Fayette County Zip Code: 40515 Min Size: 233 Acres Max Size: 233 Acres <a href="#">View Details</a>

Additional listings shown below include Vacant Land, Industrial | Office | Vacant Land, and another Vacant Land property.

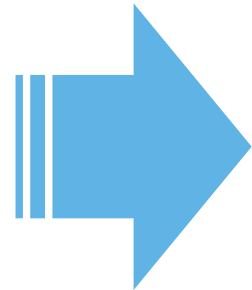


# AN OPERATIONAL BLUEPRINT FOR ECONOMIC DEVELOPMENT



## BLUEPRINT DEVELOPMENT PLAN

- Consultant-led study involving a steering committee that includes members from the Cabinet for Economic Development, KAED, state agency partners, and other economic development organizations.
- Regional stakeholder engagement with members from structured Government, Education, Business, Utilities, Workforce, and Entrepreneurship organizations.
- Process involves looking at the Economic Development community and what strategic direction it should take working through the structures of government within the framework of global business realities

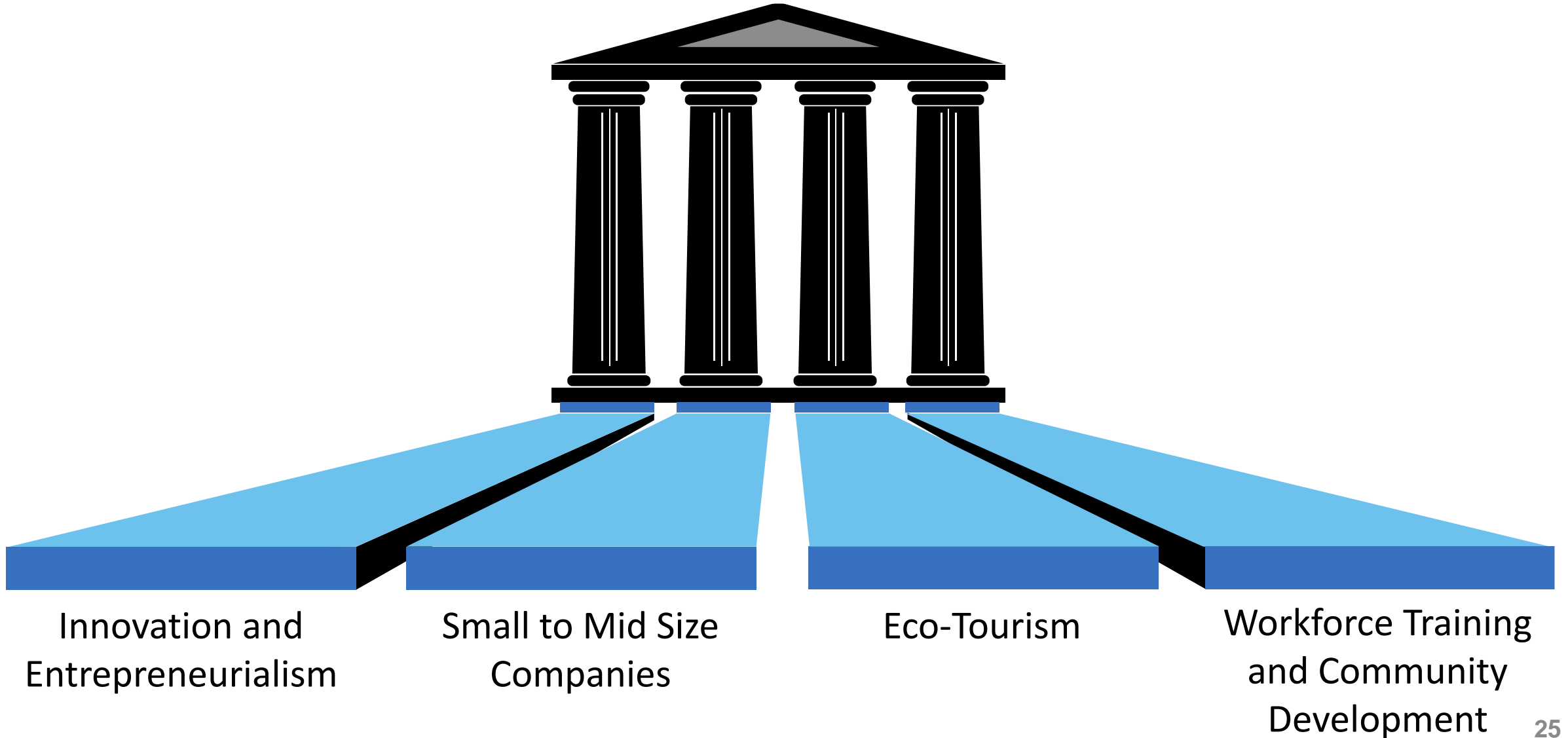


Final Report	
▪ 75 Pages	▪ State Priorities
▪ 5 Page Executive Summary	▪ Input From Every Region
▪ Top 10 Recommendations	▪ Emphasis On Local Flexibility



# Strategic Pillars

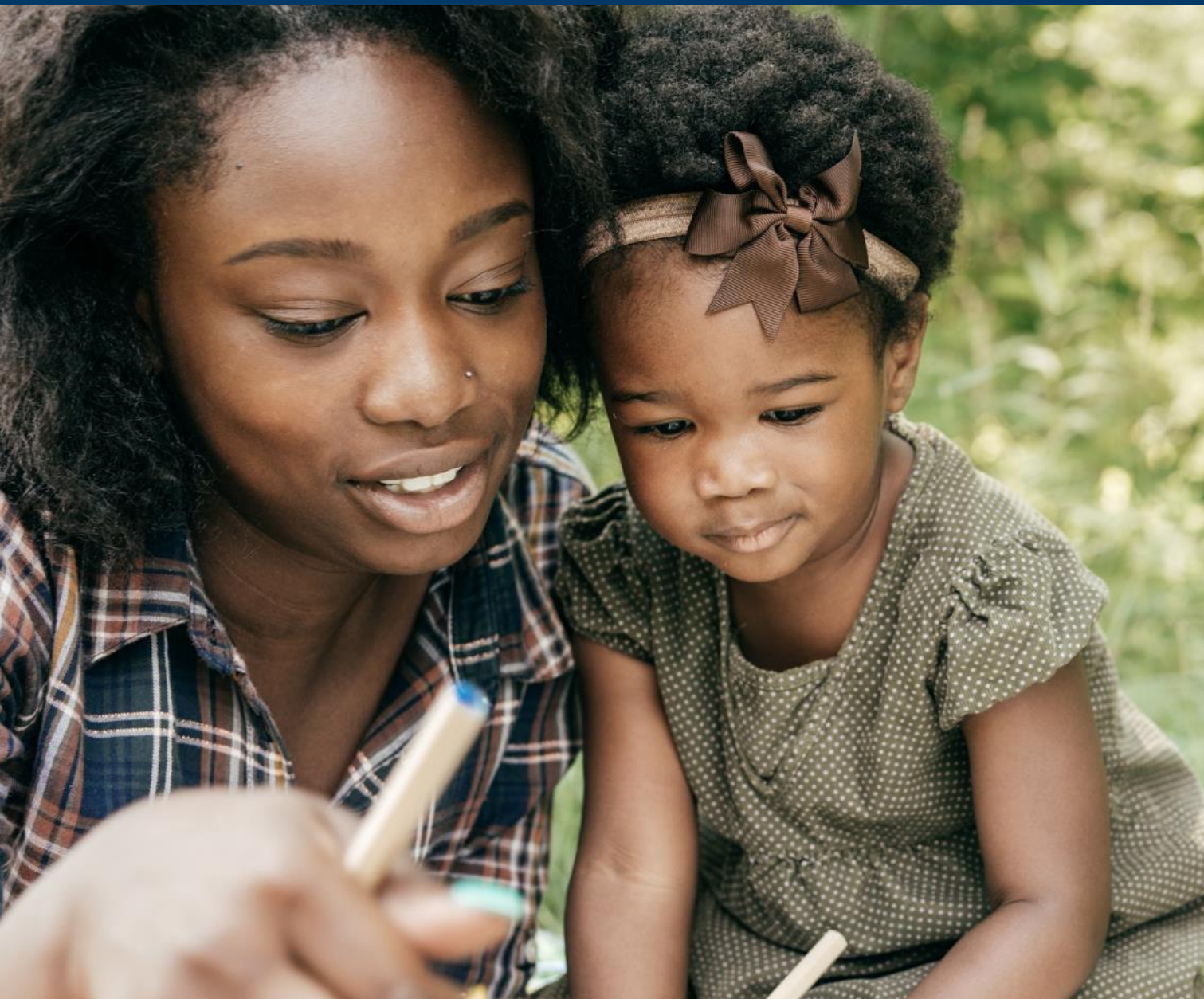
## Anchored by a Multi-Modal Strategy



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- ✓ KPDI Program has Stimulated Growth in Site Options for Business

**The CED Looks forward to Working with the Task Force as We Build out a Strategic Plan for the Future**

# **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.**



# THANK YOU

[CED.ky.gov](http://CED.ky.gov)

