

# Economic Development Strategic Positioning for the Greater Owensboro Region, 2010-2015

## Executive Summary

Talent • Innovation • Industry • Place



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## ECONOMIC DEVELOPMENT STRATEGY AND 2010-2015 STRATEGIC PLAN

The economic development strategy for a greater Owensboro will consist of a three pronged emphasis focusing on **Talent, Innovation/ Industry, and Place.**

### TALENT

#### Developing, Attracting, and Retaining Talent

**Talent Attraction** is important. Joel Kotkin in his book the *Next Hundred Million* talks about how America is growing at a record rate. In his opinion, and in the opinion of other demographers and economic development experts, the heartland is going to be a winner in capturing the next 100 million Americans.



- ❖ *Owensboro U- College Town Marketing* efforts to brand Owensboro as a college town with a goal of having nearly 10,000, undergraduates enrolled by 2020. This is important since two out of three college graduates remain in the community where they attend college.



- ❖ *Second Lifers-* from retired career military to retiring Baby Boomers, the location quotient for retired people in Owensboro is high. The expansion of OMHS, the climate and location make it a favorable location for

second lifers to bring their nest eggs ready for second careers.

- ❖ *Young Professionals* – this is the hardest group to capture in Owensboro. Recent initiatives with Placemaking and downtown revitalization are directed toward success in attracting this demographic. While

professional job opportunities are a problem in attracting young professionals, an increasing number have portable jobs that allow them to work anywhere. As a result, they are choosing cities for quality

of place rather than jobs. According Kotkin, Americans working at home increased by 23 percent between 1990 and 2000 to over four million. This is a prime target area to attract young professional talent in

Owensboro.

- ❖ *Medical professionals-* assist OMHS with quality of life issues regarding the

recruitment of medical professionals.

**Education** is a top economic development tool. Research and development are particularly important, as the university has become the catalyst for economic development in the innovation-based economy.

- ❖ *Research and Education Corridor- between the OMHS Parrish Campus and the Carnegie Village area of downtown Owensboro.* This corridor will focus on the expansion of higher education and applied research programs that support entrepreneurs and create jobs. Bachelor and graduate programs aligned to workforce opportunities in health care and STEM areas will be an important part of reaching the goal of 10,000 undergraduates by 2020. The existing OMHS Parrish Avenue Campus can provide expansion opportunities in health care and medicine.

- ❖ *Workforce Aligned High School Programs-* encourage local school



districts to support the creation of joint academy programs aligned to health care, the arts, entrepreneurship, and STEM disciplines.

- ❖ *Certified Work Ready Community-* using criteria established by the state Workforce Investment Board Owensboro will remain on the forefront with cutting edge workforce development programs such as apprenticeships, innovative adult education, career pathway programs and internships.



**INNOVATION AND INDUSTRY**

**Support for Existing and Emerging Industry**

**Existing Business Program-** Support for existing businesses will continue to be a top priority,

since a majority of the new jobs and investment in any given region are created by existing



companies . EDC will partner with local businesses and industries to remain

engaged in our community, assist them with expansion projects, and increase their competitiveness in the wider marketplace. New industries are also attracted to a region based on agglomerations or clusters of existing companies in any given region. EDC will work within these existing clusters to attract new businesses using a targeted industry approach.

**Targeted Business Attraction-** EDC will employ a business attraction strategy, using a targeted approach for the attraction of new companies in the following clusters:

- ❖ *Logistics/ Fulfillment/ Transportation-* NAICS Codes 48-49, specifically NAICS 484- Truck transportation, 493 -Warehousing and Storage. The Owensboro Riverport Authority and Owensboro-Daviess County

Regional Airport (OWB), through its strategic planning efforts, should evaluate opportunities in the container and aviation industry to assist the ports

in attracting economic development opportunities associated with containers, warehousing, water and rail transportation, aircraft and military logistics.

- ❖ *Advanced Manufacturing-* due to Owensboro being designated as a non-



research and education corridor between OMHS and Carnegie Village.

- ❖ *Plant biotechnology*- working in support of the efforts of Kentucky BioProcessing to make Owensboro the world center of plant bioprocessing.
- ❖ *Green energy*- entrepreneurs are naturally attracted to this region for the opportunity to create new energy technologies for use in the various high energy consumption

attainment area in air quality, targets for manufacturing will emphasize clean industry, specifically NAICS Codes 311- Food Manufacturing, 336- Transportation Equipment Manufacturing, and 441- Motor Vehicle Parts Manufacturing



- ❖ *Professional and Business Services*- back office and call center facilities such as NAICS Code 522- Credit Intermediation and Related Activities, NAICS 52- Finance and Insurance, specifically NAICS 524 for health insurance claims due to the growth of health care activity regionally and nationally.

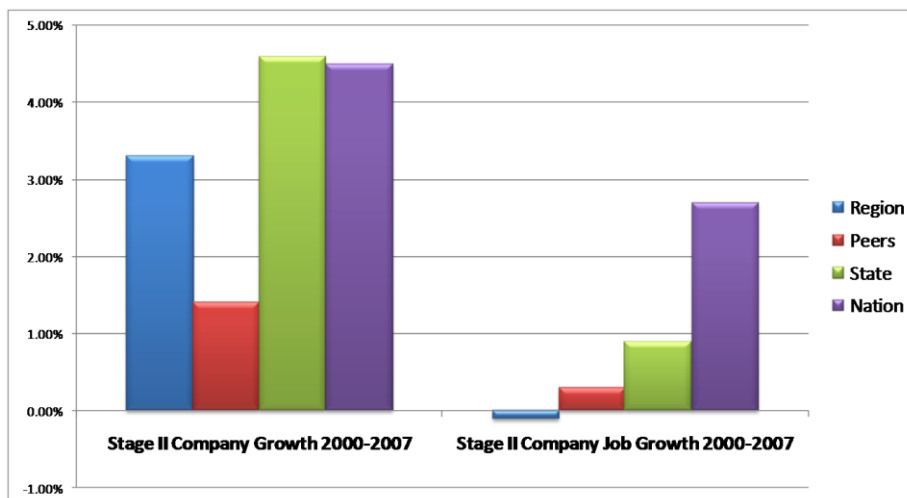
industries.

- ❖ *Health care related technologies*- capitalize on the expanding medical infrastructure to attract entrepreneurs interested in using the hospital as a platform for new health care methods.

**Technology Based Startup Companies**- support for startups linked to the areas of emphasis in the Centre for Business and Research and the

- ❖ *Innovative food production*- capitalizing on WKU- O Food Science Research Center, Food Manufacturing degree, and regional agriculture.

**Entrepreneurship** - The best long-term strategy



for sustained economic growth is to build on the talent in the community through new business startup, the commercialization of ideas, and providing support for Stage II companies to thrive. The infrastructure created during the last five years has been critical in establishing this strategy. Investments in Emerging Ventures, the Centre for Business and Research and the Emerging Ventures Seed Fund will continue.

- ❖ The growth of *Second Stage Companies* (those with between 10 and 99 jobs) has lagged behind the national pace since 2000 (0% of jobs in Daviess County compared to 3% nationally). Phase II Company program, such as Economic Gardening, is a critical aspect of closing this gap.
- ❖ Support for infrastructure useful to *Kentucky BioProcessing* will remain a high priority.

**PLACE**

**Creating a Quality of Place that Meets the Needs of Current and Future Residents**

**Place**, amenities, and livability are the key factor for people in today’s world when choosing a place to live. Many professionals, such as entrepreneurs and health care workers, are choosing smaller towns to avoid the business unfriendly environments of large urban areas, yet the urban appeal of a vibrant downtown with loft spaces and “urban villages” are critical components in winning the competition for a



highly skilled workforce. Investments in the downtown Place Making project, Carnegie Village, and the arts are all critical for not only the entrepreneur and high tech strategy, but to continue to attract and retain traditional industry.

- ❖ Continued implementation of downtown revitalization
- ❖ *Research and Education Corridor Redevelopment Master Plan* - between the OMHS Parrish Campus, Carnegie Village and downtown Owensboro.
- ❖ Well planned expansion of the new OMHS by creating an *I-64/I-65 Corridor Master Plan*.

**Logistics/ Transportation Infrastructure**

- ❖ The Owensboro Riverport Authority (ORA) should evaluate the opportunity for the container businesses. This includes the professional expertise in evaluating the business opportunity as well as the



*necessary infrastructure improvements needed to attract the container business.*

- ❖ The Riverport, Airport, and EDC will explore other infrastructure needs logistics industry growth, such as rail service to the Airport/ Airpark,
- ❖ Local leadership, including the EDC Board, the advocacy efforts of the Greater Owensboro Chamber of Commerce and other related economic development organizations will work collaboratively on funding opportunities from local, state, and federal sources to make the necessary investments in *transportation infrastructure*, such as I-69, for Owensboro to be competitive in the logistics industry.
- ❖ *Certified River Mega-Site*- explore opportunities to acquire river and rail property in Hancock County. Most of the largest and potentially transformational projects since 2006 have been interested in the river sites in Lewisport. However, the air quality non-attainment designation may impact the extent of investment and type of industrial targets for this property.

### **Conclusion**

Significant infrastructure investments and progress have been made over the past four years creating opportunities for economic diversification in high tech development, continued focus on workforce development and education, and helping to make the region more of a destination and quality place for groups like young professionals.

Despite the accomplishments over the past few years, the 2006 plan suggested a new long-term course for the region focusing on a more comprehensive approach to economic development that had ever been deployed in the Greater Owensboro region. The recent recession and the challenges the region is likely to face with environmental and energy policies necessitate a long-term and comprehensive approach now more than ever.

Community financial support for economic development lags behind many of Owensboro's peer cities. Dubuque, Iowa, for example—a region that consistently out performs Owensboro on most economic measures—has a \$1.7 million budget with nine full-time staff, including three dedicated to existing industries. This is an ambitious plan that will require a consistent level of funding for economic development, especially from the private sector.

The 2010-2015 Strategic Plan suggests continued investment into this strategy of economic diversification and quality of place. At its core this plan is about reaching the next level.

## **Greater Owensboro Economic Development Corporation**

As the Owensboro regional economic development agency, the Greater Owensboro Economic Development Corporation is a public-private partnership formed to create a diversified, sustainable economy generating wealth, quality jobs and improving quality of life of the Owensboro Metropolitan region.

The EDC fulfills its mission through the following activities:

- Create an environment to attract economic investment, business formation, company location and talent.
- Strategic positioning for the long-term development of the region by creating the infrastructure, nurturing a competitive workforce, and creating quality of place to enable the region to compete in the global economy.
- Serve as the primary point of contact for existing companies, new business prospects, and startup companies interested in investing in the region.



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