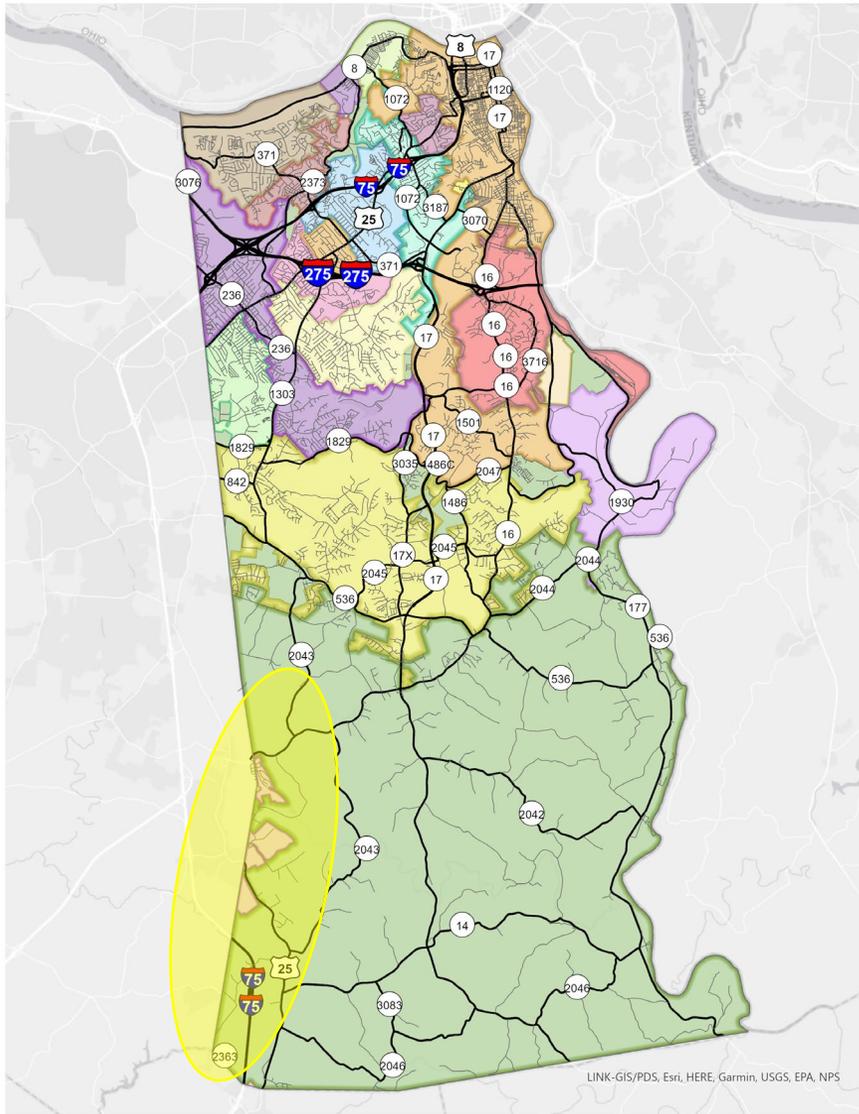


# KENTON COUNTY SITE READINESS INITIATIVE





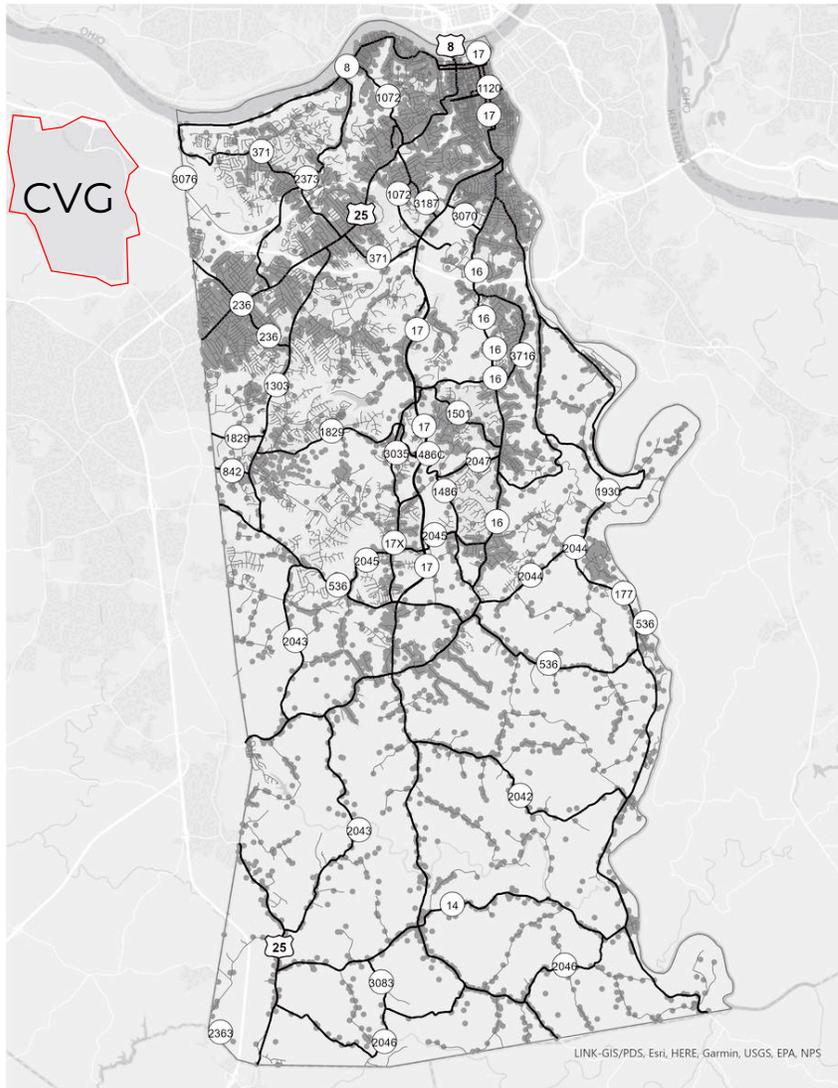
Kenton County is entering a Third Era of economic development.



## First Era of economic development in Kenton County (1815 to 1963)

Prior to the development of CVG (1947) and the interstate highway system (1960s), most economic development in Kenton County occurred along the Ohio River, Licking River, and Dixie Highway.

The map on the left shows development in Kenton County up to 1970, immediately after the completion of I-71/75.

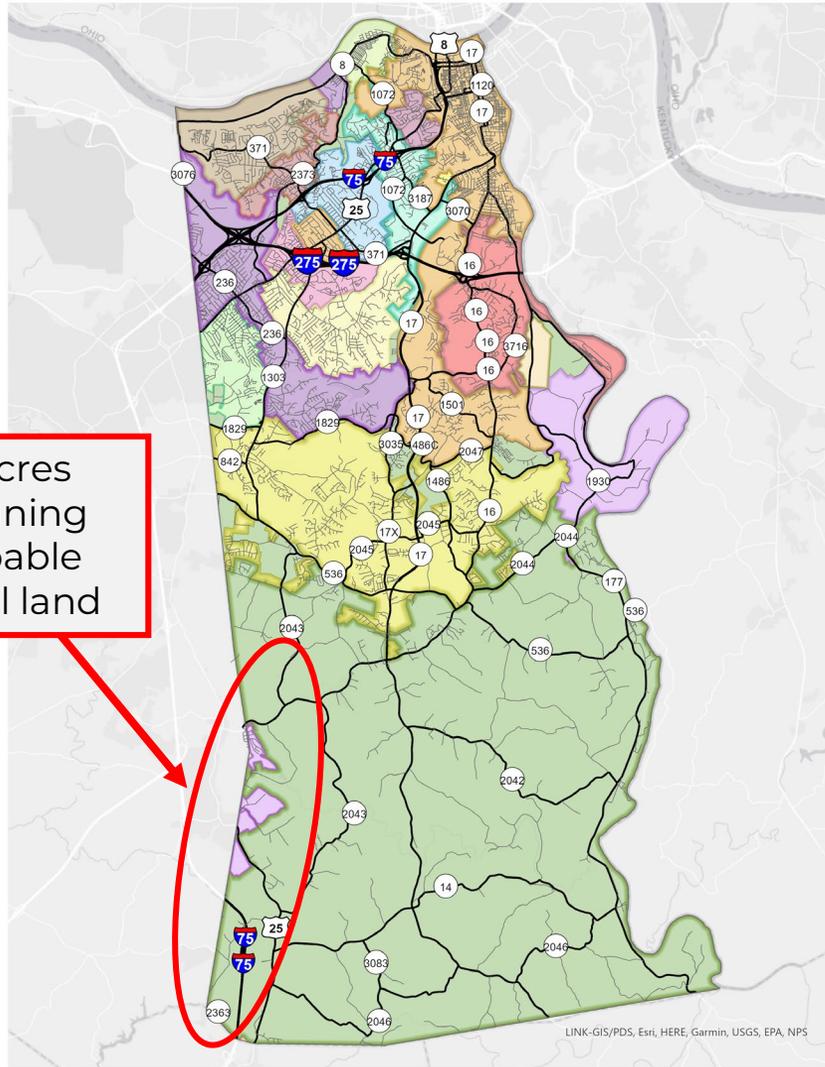


## Second Era of economic development in Kenton County (1963 to TBD)

Since World War II, the primary source of economic development in Kenton County has been manufacturing.

After the development of CVG (1947) and the interstate highway system (1960s), development accelerated and expanded throughout the county.

The red dots represent development after 1963



5,485 acres of remaining developable industrial land

The end of the Second Era: Undeveloped land in Kenton County suitable for industrial development is on a trajectory to be depleted in approximately 10 years.

What makes land suitable for industrial development?

- Flat (by Kentucky standards)
- Existing infrastructure and utilities
- Proximity to interstate

What about other land in Kenton County?

- Costly to develop topography

# Manufacturing creates more and higher-paying jobs and more tax revenue per project than warehousing and logistics.



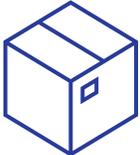
### Manufacturing:

- 30% more jobs per project
- 68% higher wages
- 5% more investment per project

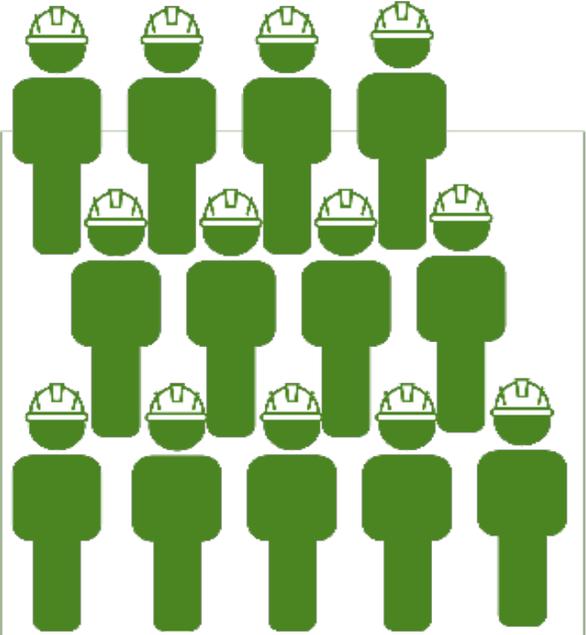
Average Wages in Kenton County  
All Industry Sectors: \$65,596



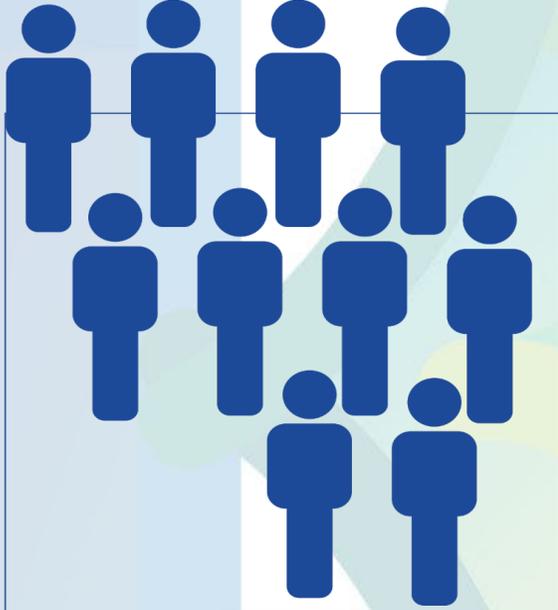
Manufacturing  
\$75,603



Warehousing  
\$44,910



Manufacturing



Warehousing

But warehousing and logistics are currently squeezing manufacturing out of the market.

The average warehouse size is nearly double the size of the average manufacturing facility size.

Truck traffic from warehouse facilities is more than twice truck traffic from manufacturing facilities.



## Manufacturing Facility



Average 90 Trucks Daily



## Warehouse Facility



Average 210 Trucks Daily



Absent action, the remainder of Kenton County's development will produce lower-paying jobs than the current median household income of Kenton County.



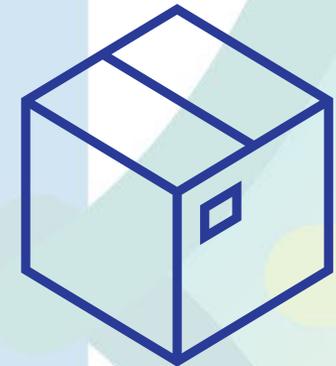
**\$75,603**

Industry/Manufacturing



**\$66,541**

Current Median Household Income



**\$44,910**

Warehousing/Logistics

# And action or no action, in approximately 10 years, Kenton County will enter a Third Era of Economic Development.

Once undeveloped land is largely gone, manufacturing projects will have to activate redevelopment.

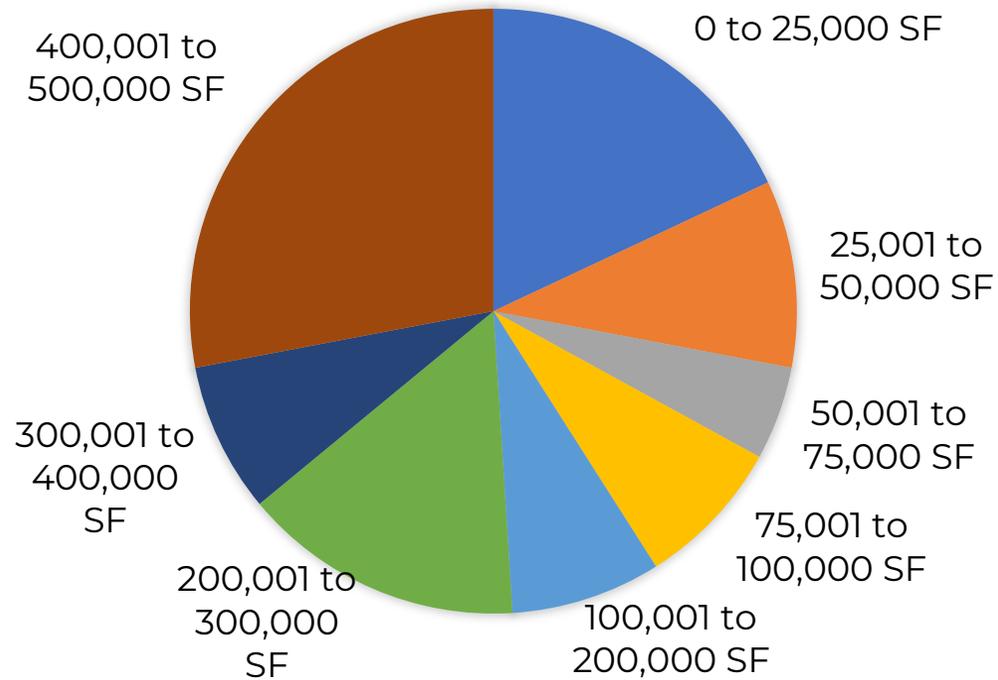
This type of redevelopment takes more time and more money.

- Manufacturers often want build-to-suit.
- Brokers/developers are hesitant to subdivide large buildings.
- Many distribution centers don't have adequate utility capacity to support manufacturing.
- Economics don't support redevelopment to manufacturing – it is cheaper for owners to wait for another warehouse tenant.

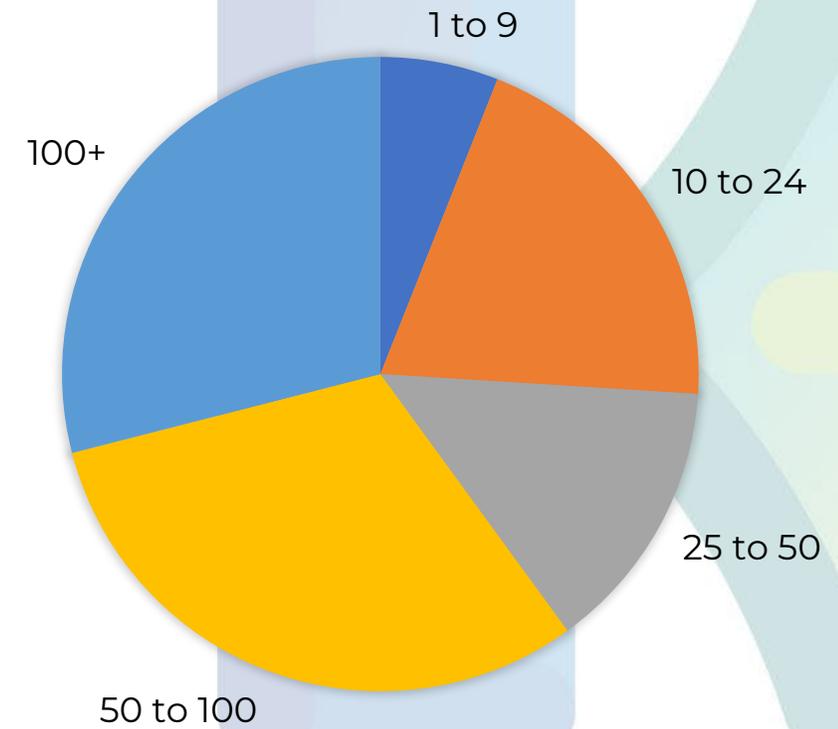
**Goal:** Create an inventory of readily available sites for purchase and development to reduce uncertainty for manufacturing prospects, increasing the chances of attracting them to Kenton County.

# Current sites do not meet market demands.

## Prospect Building Requirements



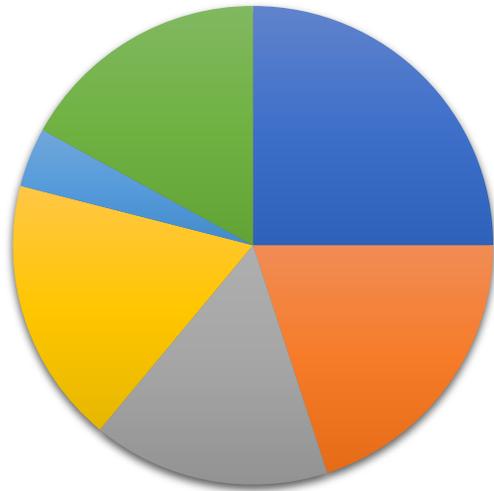
## Prospect Acreage Requirements



Source: BE NKY Growth Partnership

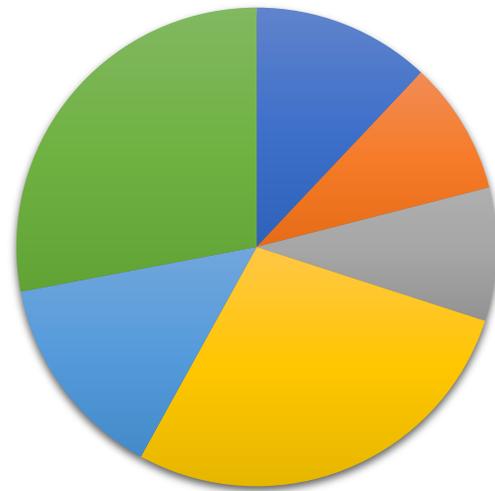
# Utilities are increasingly important in site selection process.

## Electric



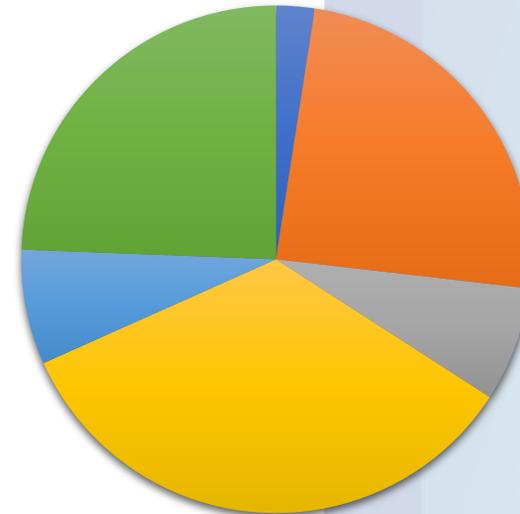
- 1 - 5 MW
- 6 - 10 MW
- 11 - 25 MW
- 26 - 50 MW
- 51 - 100 MW
- 100+ MW

## Water



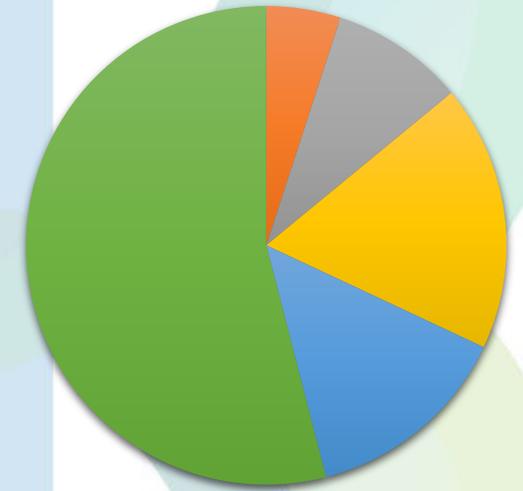
- < 10,000
- 10,000 to 50,000
- 50,000 to 100,000
- 100,000 to 500,000
- 500,000 to 1M
- > 1,000,000

## Sewer



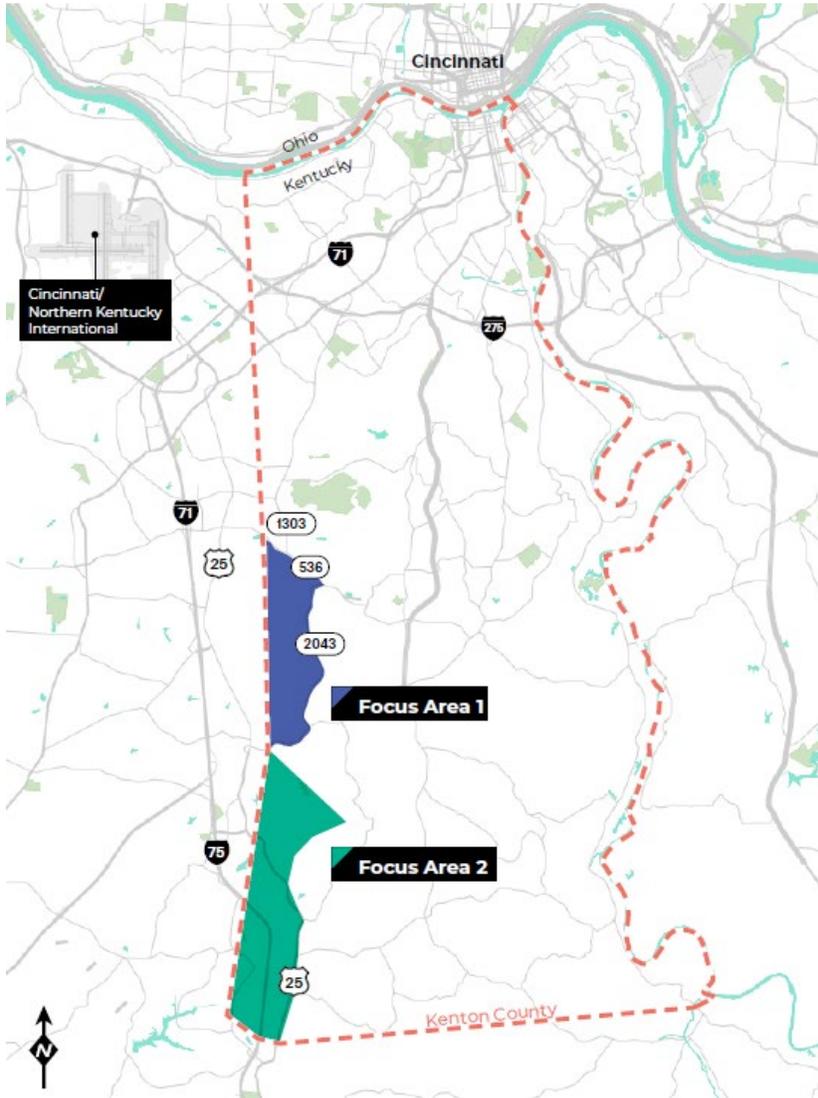
- < 10,000
- 10,000 to 50,000
- 50,000 to 100,000
- 100,000 to 500,000
- 500,000 to 1M
- > 1,000,000

## Gas



- < 100
- 100 to 500
- 501 to 1,000
- 1,000 to 5,000
- 5,000 to 10,000
- > 10,000

Source: BE NKY Growth Partnership

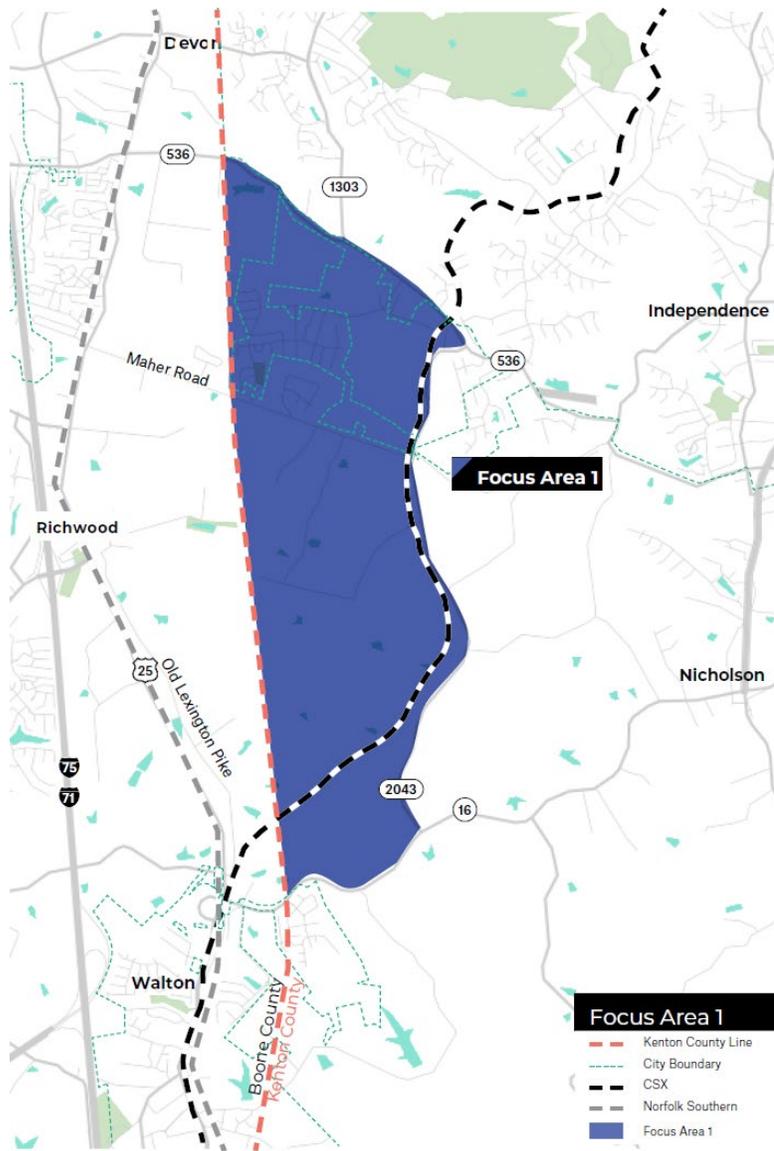


## Initiative examines two focus areas located in Southwest Kenton County.

Both areas are relatively undeveloped, with pockets of residential and small commercial developments scattered throughout.

They are in prime locations to access multimodal freight infrastructure due to proximity to Interstate 71/75, CSX railway and Cincinnati/Northern Kentucky International Airport.

Connecting the two focus areas to the larger network will play a significant role in attracting high-paying industrial development.



## Focus Area 1 could unlock \$1.5B in potential economic value.

Focus Area 1 benefits from its existing physical boundaries that clearly define the area. This will encourage targeted development. In addition, Focus Area 1 is adjacent to an area already experiencing industrial development, making it a straightforward extension of existing development.

Total acreage.....	2,180 acres
Potential building coverage .....	22.38%
Site capacity .....	21,251,588 sq. ft.
Building value .....	\$1,487,611,174

Improving access to Focus Area 1 is critically important to unlocking potential development.

We examined three alternate access options. Each present their own opportunities and challenges.

**New road from  
KY 536/1303  
intersection to  
KY 16**

**New road from KY  
16 to the current  
terminus of  
Banklick Road and  
KY 536.**



**Improving  
Banklick Road**

# To accommodate new industrial tenants, utility capacity needs expansion across the board.

## **Electric**

Limited electric capacity within Focus Area 1's existing infrastructure necessitates the creation of a new, centralized Owen Electric substation and a new Duke Energy substation near Walton Nicholson Road.

## **Gas**

Natural gas main improvements, including a new natural gas main, are needed to serve the new industrial tenants in Focus Area 1 following Duke Energy design standards.

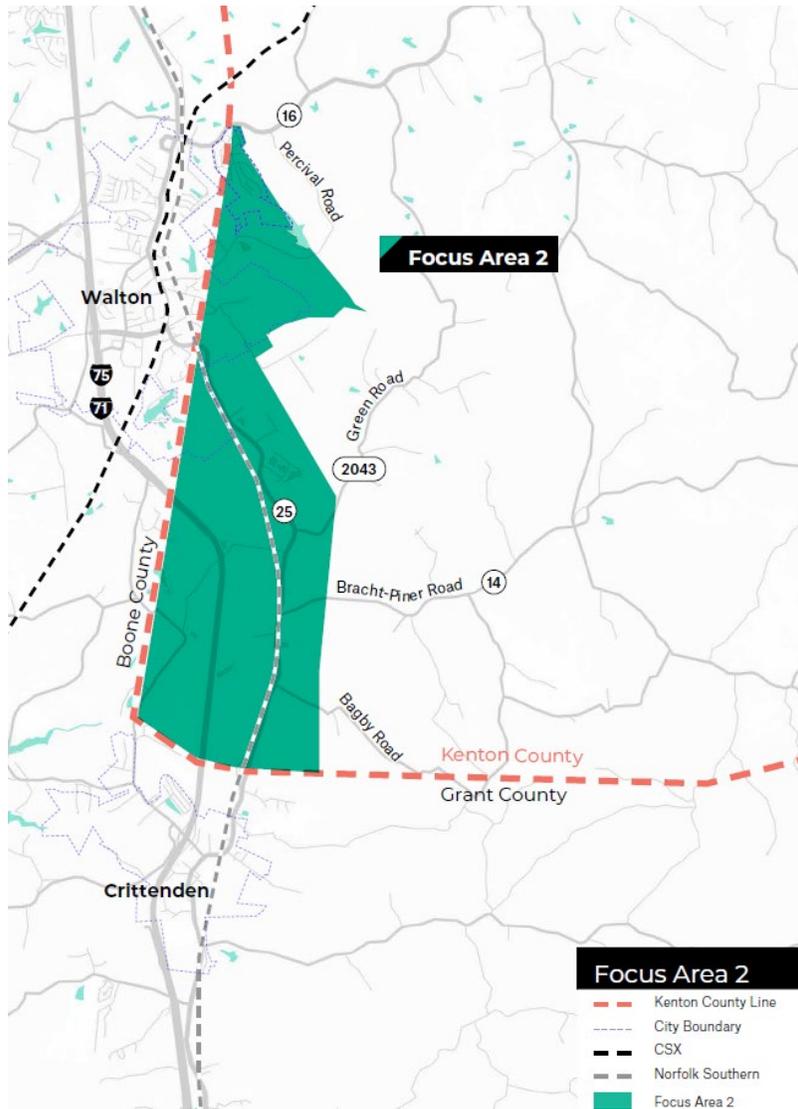
## **Water**

To accommodate estimated new capacity, a 12-inch water main should be constructed along the new road alignment right-of-way to meet Northern Kentucky Water District standards, tying into the existing water main along KY 536.

## **Wastewater**

The estimated average wastewater capacity for future industrial parcels for the total project area is approximately 2.2 million gallons per day.

Solutions are predicated by which roadway alternative is selected.



## Focus Area 2 features three distinct sections.

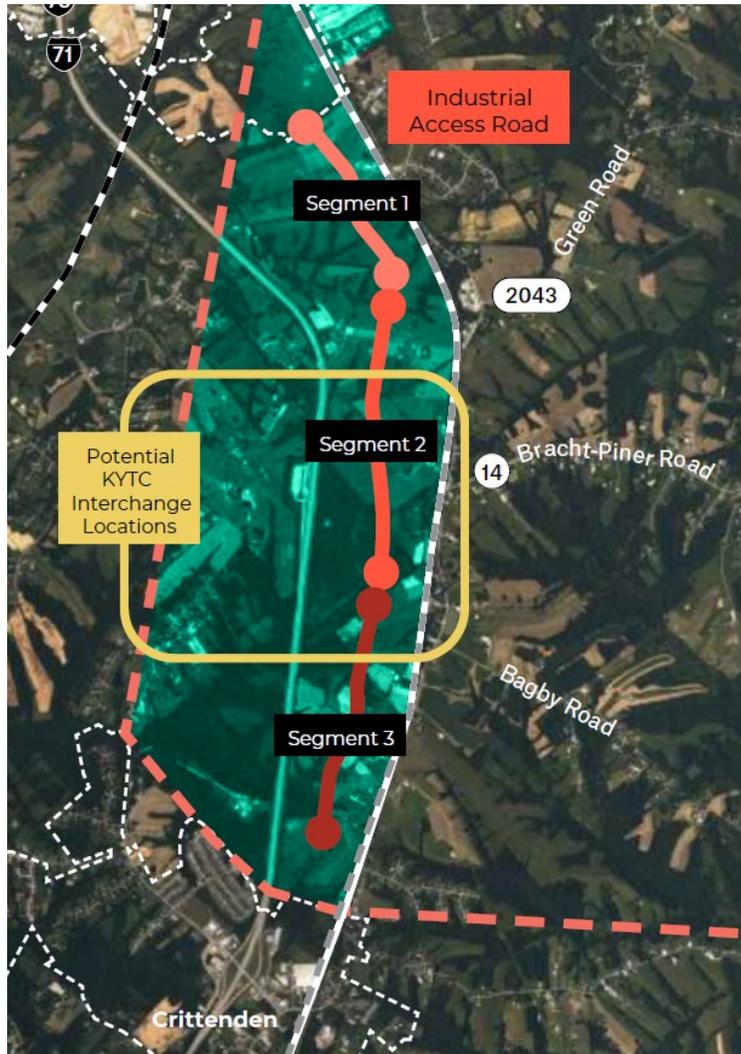
### North

- Available for immediate development via Richard Knock Boulevard and US 25.
- Existing residential development limits opportunities for new industrial

### South

- Provides best opportunity for long-term industrial development
- Suitable access is not feasible currently and is only available via on-grade railroad crossings.

### Wildlife preservation



Focus Area 2's southern section is better prepared for industrial development but requires construction of I-75 interchange for access purposes.

The Kentucky Transportation Cabinet (KYTC) is planning improvements to the existing interchange at Mary Grubbs Highway and is evaluating where to create a new interchange within Focus Area 2. Currently there are three options in consideration.

# Existing partnerships and completion of Focus Area 1 present potential utility cost savings for Focus Area 2.

## Electric

Estimated electric capacity for Focus Area 2 includes an additional 350-420 MW of service from Duke Energy depending on if the 65 MW from Owen Electric Cooperative is utilized.

The area will need multiple substations by Duke Energy and potentially Owen Electric to meet user demands.

## Gas

Natural gas improvements are needed to serve new industrial tenants along the proposed Walton Bypass. How this is done is dependent in part of the successful build out of Focus Area 1, as well as Duke Energy's standards.

## Water

To accommodate estimated new capacity, an 8- and 12-inch water main should be constructed along the new road alignment right-of-way to meet Northern Kentucky Water District standards. This accounts for the northern and southern sections of Focus Area 2.

## Wastewater

The estimated average wastewater capacity for future industrial parcels for the total project area is approximately 4.2 million gallons per day. Potential to tie in any sewer improvements to projects included in Focus Area 1.

# Looking forward there are five priorities.

- Owner engagement
- Zoning
- Infrastructure
- Stream mitigation
- Project financing

