

THE INFLUENCE OF THE AGRICULTURAL CLUSTER TO WOODFORD COUNTY'S ECONOMY

PREPARED FOR
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Executive Summary

This study estimates the influence of the Agricultural Cluster to the economy of Woodford County. Historically, employment associated with agriculture has been limited to production agriculture. Recently, the agricultural cluster has been extended to include agricultural inputs and food processing and manufacturing. However, there are many establishments in the county that are service-based finance, veterinary, recreation, transportation, wholesale and retail businesses that are dedicated to agriculture. These businesses have never been included in an economic study exploring the impact of agriculture in Woodford County. Ignoring these businesses underestimates the true importance of the agricultural sector.

Woodford County is diverse in the type of industries represented, with the manufacturing sector as the largest, followed by the government sector, crop and production agriculture, education services, and retail trade. Although it is not the largest sector in terms of employment, production agriculture has the highest location quotient (LQ) of 15.4 in the county. A LQ greater than 1 means that the agricultural sector is more concentrated in the county than the national average. This is not surprising given that agriculture is one of the biggest industries in the county.

When the Agricultural Cluster is defined to include business services, retail, and wholesale trade dedicated to agriculture, in addition to the traditional way agriculture has been measured, it is estimated that **2,783 jobs** are attributed to this cluster. Given total employment in the county (approximately 9,478) these results suggest that roughly **1 out of every 3 jobs** is directly or indirectly associated with the Agricultural Cluster. In addition, the Agricultural Cluster generates more than **\$565 million in revenue** annually and **\$340.2 million dollars** in additional income, profits, and dividends. It is estimated that the Agricultural Cluster's contribution to the local tax base (payroll taxes) is **\$1.1 million**.

In order to have a better understanding of the agricultural cluster in Woodford County, in addition to secondary economic data, we had informal conversations with community representatives in the area. The conversations focused on factors that make Woodford County a desirable place to operate a business, to work, and to live. Despite the diversity of representatives, common themes emerged:

- Woodford County has a beauty and charm that draws people to the area.
- The area has an attractive small-town feel to it, while also close to larger cities.
- Woodford County has a diverse and friendly business environment and the advantage of being close to I-75 and I-64.

The report concludes with a section on the value of land use for the county. Approximately 14% of total properties are farms and generates \$5.2 million in property taxes (25% of the total property tax).



1 out of every 3
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with the Ag Cluster.



Introduction

In 2016, community leaders from Woodford County funded a study to investigate the impact of the Agricultural Cluster to the county's economy. The project is organized into four sections, using different methods and information sources to gain a more complete picture of this complex topic:

- I. Economic Overview of Woodford County
- II. The Influence of the Agricultural Cluster
- III. Interviews with Local Community Leaders
- IV. Land Use Value

I. Economic Overview of Woodford County

Most industry types are represented in Woodford County; however, manufacturing leads in the number of jobs. Government, agricultural production, educational services, and retail trade round out the top five industries (Table 1). Table 1 shows industries present in Woodford County by 2-digit NAICS (North American Industry Classification System) codes. From 2012 to 2015, the number of jobs increased for most industries, except for 5 of the 19 industries in the county. Overall, Retail Trade had the most jobs lost, while Educational Services and Other Services had the largest employment increase. Figure 1 reveals that Restaurants and Other Eating Places was the fastest growing industry, while Colleges and Universities was the fastest declining industry in the county.

Location Quotients (LQ) are a way to measure the concentration of employment in a selected area as compared to the national average, in a given industry. When the LQ is above 1, the area holds a greater share of total employment than the national average. In this instance, Crop and Animal Production, Educational Services, and Manufacturing sectors have Location Quotients greater than 1, indicating that

there is a higher concentration of employment for these industries in Woodford County as compared to the national average. On the other hand, if the LQ is under 1, then that industry's employment is less concentrated in Woodford County than the rest of the country, on average. In addition, when the LQ is high, there is a likelihood of support industries to be present in the area, as seen with agricultural production.

Table 1. Industry Overview by 2-digit NAICS Codes.

NAICS Code	Description	2012 Jobs	2015 Jobs	2016 Average Earnings	2016 Location Quotient
11	Crop & Animal Production	1,148	1,207	\$42,386	15.41
22	Utilities	32	12	\$109,332	0.70
23	Construction	248	251	\$52,544	0.64
31	Manufacturing	1,663	1,730	\$76,336	1.97
42	Wholesale Trade	273	285	\$63,688	0.69
44	Retail Trade	885	856	\$30,595	0.81
48	Transportation & Warehousing	176	172	\$56,616	0.52
51	Information	62	63	\$78,815	0.30
52	Finance & Insurance	190	185	\$57,057	0.46
53	Real Estate & Rental & Leasing	26	31	\$49,616	0.23
54	Professional, Scientific & Technical Services	452	464	\$61,474	0.72
55	Management of Companies & Enterprises	0	10	\$118,368	0.09
56	Administrative & Support & Waste Management & Remediation Services	207	303	\$36,460	0.54
61	Educational Services	318	595	\$27,925	3.51
62	Health Care & Social Assistance	526	545	\$58,453	0.48
71	Arts, Entertainment & Recreation	95	92	\$38,541	0.58
72	Accommodation & Food Services	523	680	\$17,544	0.84
81	Other Services (except Public Administration)	172	446	\$25,675	0.82
90	Government	1,345	1,551	\$55,108	0.96
Total		8,341	9,478	--	--

Source: BLS, Business Analyst and EMSI, 2016

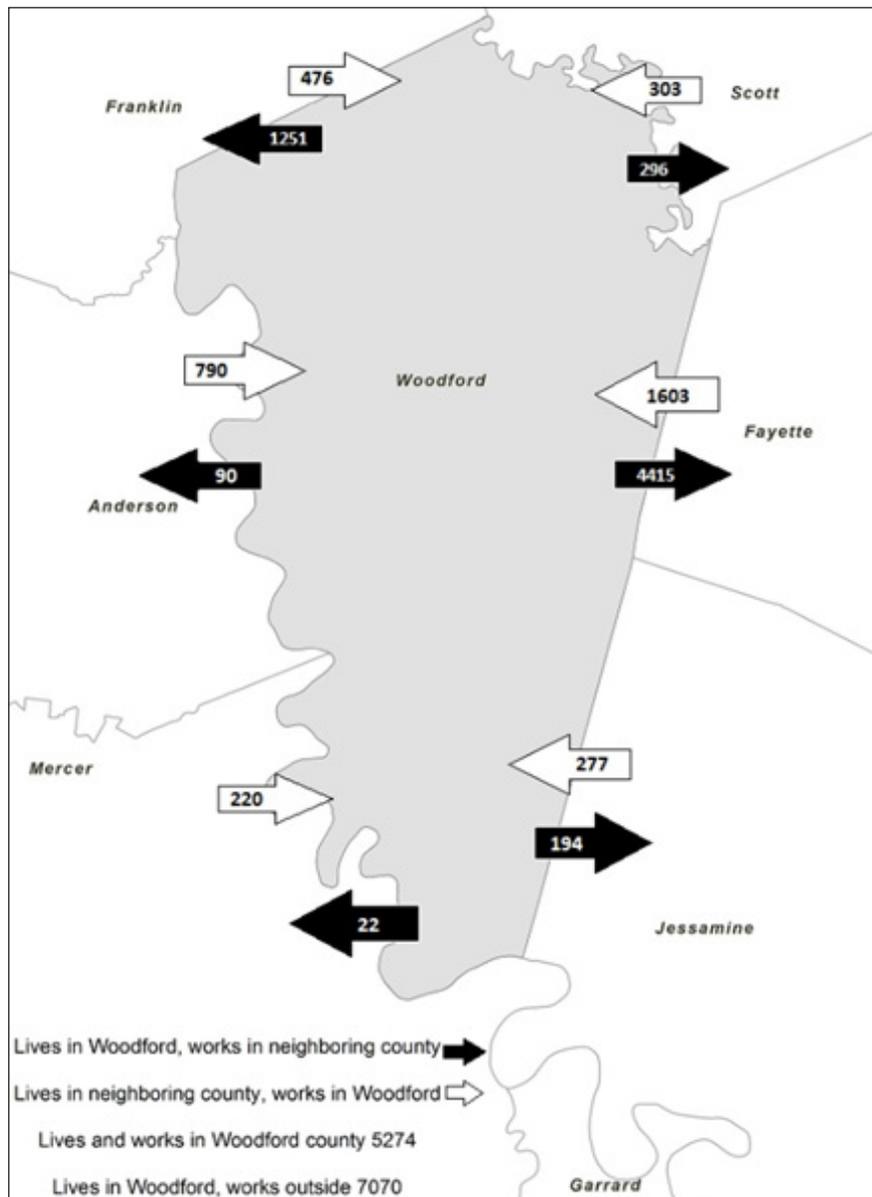
Figure 1. Fastest Growing and Declining Industries, Change in Jobs from 2012 - 2015.



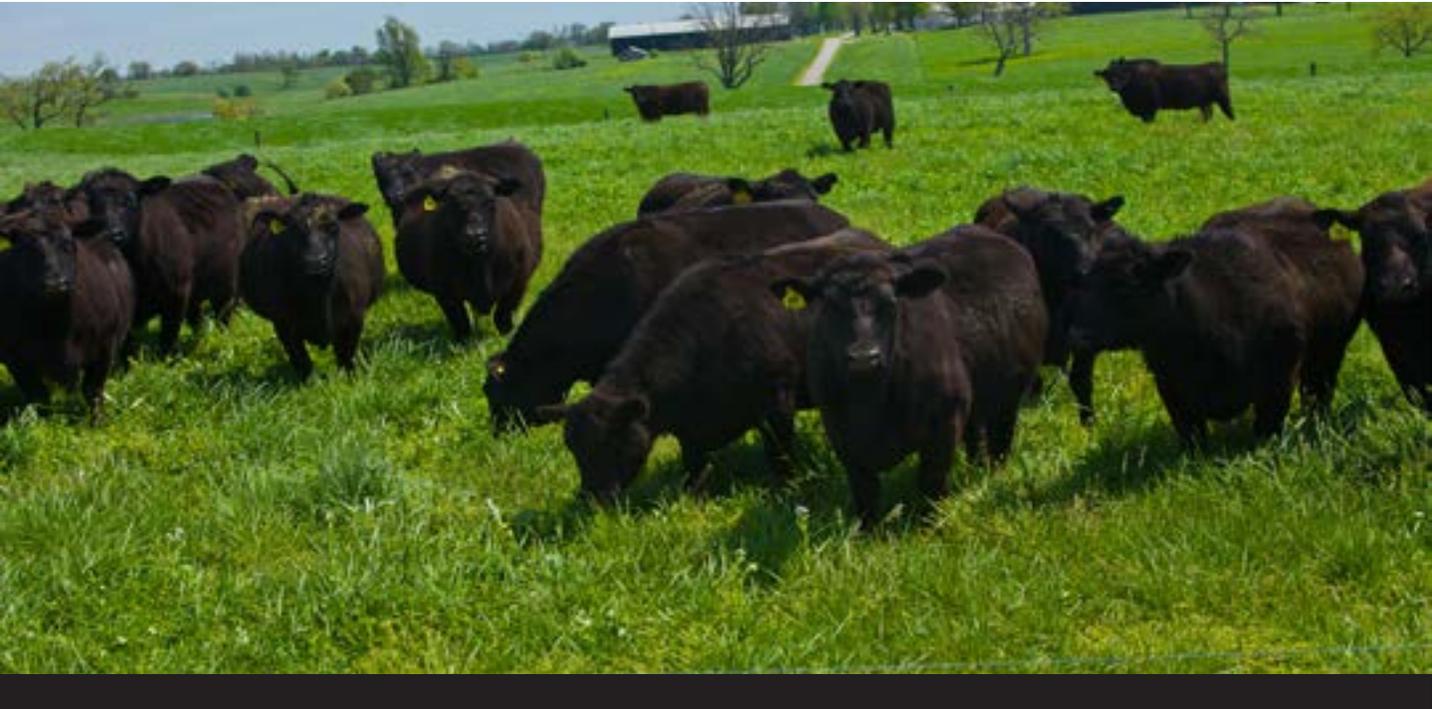
Source: JobsEQ, 2016

Figure 2 presents a visual representation of local commuters. According to 2013 U.S. Census data, over 54% (5,274) people work and live inside Woodford County. The remaining 4,406 people employed in Woodford County are in-commuters (people who live outside the county and travel to work in Woodford County). Furthermore, Woodford has 7,070 out-commuters (people who live in Woodford County but work outside their county of residence). Of the out-commuters, more than 4,400 Woodford County residents work in Fayette County and over 1,200 in Franklin County. Fayette County has 1,600 residents commuting to work in Woodford County, and nearly 800 Anderson County residents working in Woodford County.

Figure 2. Commuting to Work.



Source: Census/On the Map, 2013



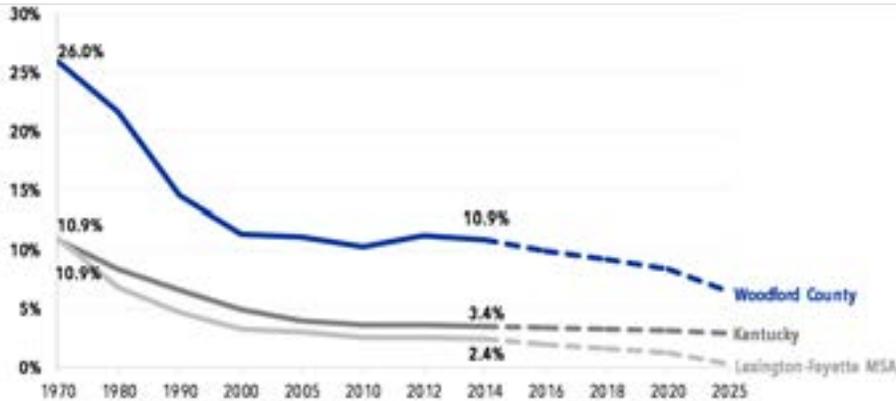
II. The Influence of the Agricultural Cluster

Agriculture employment often includes employment only from production agriculture. In 2014 Woodford County's agricultural sector holds 10.9% of the jobs in the area (Figure 3). In the Lexington-Fayette Metropolitan Statistical Area, which includes Woodford County, farm employment represents 2.4% of the MSA's total employment. For the entire state of Kentucky, 3.4% of total employment is from farms.

Although agricultural employment has fallen in Woodford County, there are still about 1,200 jobs in this sector, a decrease from about 2,100 in 1970. However, total employment for the county has increased from approximately 8,200 to nearly 9,500, reducing the percentage of farm employment. Figures 3 and 4 provide an overview of farm employment as percent of total employment and farm and nonfarm employment over the last 35 years.

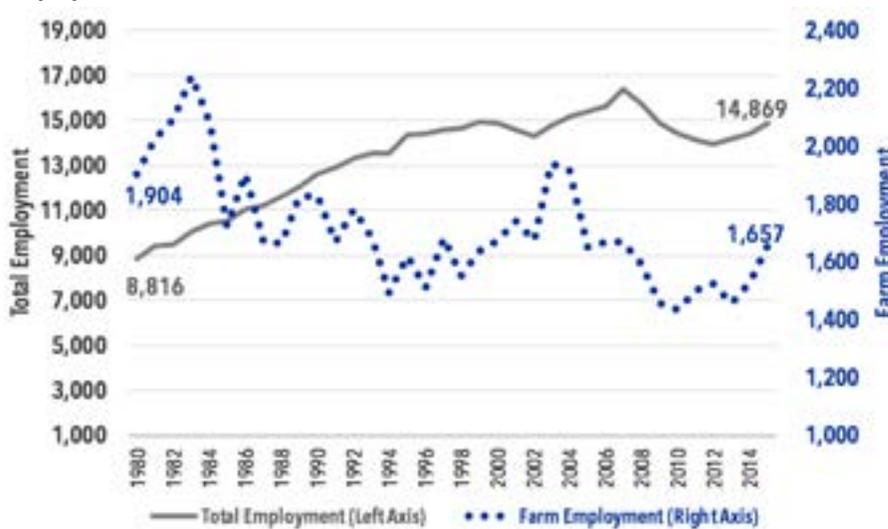
Figure 4 provides an overview that better describes the activity in Figure 3. Farm employment as a percentage of total employment has fallen over the last 35 years. Figure 4 suggests that this decline is due to two factors. The first is the decline in total farm employment. Farm employment hit a high of roughly 2,200 full and part-time workers in 1983 and a low of 1,435 in 2010. In 2015, the number had recovered to just over 1,600 workers. At the same time, employment in Woodford has steadily increased over the last 35 years. In 1980 there were 8,816 full and part-time workers in Woodford County. Right before the Great Recession there were 16,409 full and part-time workers. This number fell significantly during the recession but has rebounded to approximately 14,869 full- and part-time workers in 2015. Thus, the numerator (ag jobs) has fallen slightly and the denominator (total jobs) has increased significantly over the last 35 years.

Figure 3. Farm Employment as a Percentage of Total Employment 1970-2014 (Projections to 2025).



Source: Bureau of Economic Analysis; data after 2014 are projected

Figure 4. Woodford County Employment (Total vs Ag) Full and Part-Time Employment, 1980-2015.



Source: Bureau of Economic Analysis, 2015



Total employment has significantly increased, while farm employment has slightly decreased.

The Agricultural Cluster

Agriculture has evolved into a broader definition that includes production agriculture, agricultural inputs, and food processing/manufacturing. These businesses have never been included in an economic impact study exploring the impact of agriculture in Woodford County. Excluding these firms underestimates the value of the agricultural sector. Furthermore, the county is home to service-based firms (finance, veterinary, and recreation), transportation, communications, wholesale, and retail businesses that are 100% dedicated to agriculture. After an extensive search, and the creation of a new agricultural business directory, we have data about employment in many industries that are part of the agricultural cluster. In total,

we found there were a minimum of 566 jobs associated with this cluster. These establishments were identified through conversations with local community representatives as well as by searching through a national business database (ESRI Business Analyst). We also downloaded the entire database of all registered businesses and identified likely NAICS industry codes where agricultural businesses might reside. While the directory is not all inclusive of all agriculture specific firms in the county, it is an attempt to inventory the number of establishments and employment. It is expected the directory will grow once it becomes publicly available.

The perfect analysis would incorporate employment within all industries that support the Agricultural Cluster even if the business also serves other industries. Including all employment overstates the importance of agriculture and excluding all employment understates the value of agriculture. Without having specific information detailing the distribution of employment devoted to the Agricultural Cluster, the authors felt uncomfortable including some of the industries in the analysis and assumed that a percentage of the real employment associated with agriculture would be picked up in the multiplier impact.



Woodford County is ranked second in Kentucky, and third in the U.S. in the production of horses. In 2016, 58 Woodford County stallions covered 7,210 mares. (See appendix)

Figure 5 on the next page provides a mapping of the industries that are considered part of the Agricultural Cluster. Agricultural production is the center of the cluster. Historically, employment associated with agriculture has been limited only to production. More recently, agricultural cluster studies across the nation have measured the agricultural cluster to include inputs to production and food processing and manufacturing. Our study is unique in that it also includes the other sectors that are a byproduct of production agriculture. Each of the industries provided in Figure 5 consists of businesses that are solely dedicated to agriculture. When appropriate, examples of specific firms are included. Although professional services, for example, is one of the components of the cluster, recall that only businesses devoted to agriculture, or where we were provided specific data related to the distribution associated with agriculture, are included in the analysis.

Employment and Sales in the Agricultural Cluster

Table 2 (next page) provides employment, output, employee compensation, and value-added for each of the industries included in the production agriculture and food processing cluster. There are a total of 1,315 jobs and \$363 million in output in this cluster with over \$85 million in employee compensation. These data are primarily provided by IMPLAN and augmented with Census of Agriculture and Bureau of Economic Analysis data. IMPLAN uses a combination of Census of Agriculture data, Bureau of Labor Statistics and Bureau of Economic Analysis data to compile a county-specific database.

Of the \$363 million in output, \$268.4 million is associated directly with production agriculture. The appendix (page 25) provides an overview of sales by commodity type.

Figure 5. The Agricultural Cluster.**Table 2. The Ag Production and Food Processing Cluster.**

Industry	Direct Employment from Ag	Output	Employee Compensation	Value Added	Other Property Type Income
All Production Agriculture	1,207	\$268.4 M	\$79.4 M	\$205.1 M	\$54.1 M
Food Products	46	\$45.1 M	\$2.6 M	\$5.3 M	\$2.4 M
Beverage & Tobacco	62	\$49.1 M	\$3.1 M	\$25.2 M	\$6.5 M
Total Ag and Food	1,315	\$363 M	\$85.2 M	\$235.6 M	\$63 M
Total for All Industries	9,478	\$2,009 M	\$550.2 M	\$1,021.3 M	\$276.7 M
Agriculture's Share of All Industries	13.9%	18.0%	15.5%	23.1%	22.8%

Sources: IMPLAN (2014), Census of Agriculture (2012), BLS (2015)

In addition, there are businesses directly related with the agricultural sector (Table 3). There were 13 additional aggregated IMPLAN sectors that are included in the Agricultural Cluster such as wholesale trade, retail trade, transportation and real estate. In total, there are 566 direct jobs associated with including these additional establishments that directly support agriculture. These establishments are estimated to generate almost \$72 million in output.

Table 3. Industry Detail for Businesses that DIRECTLY Support Agriculture.

Industry	Direct Employment	Output	Employee Compensation	Value Added
Construction	7	\$1,241,871	\$142,391	\$386,495
Wholesale Trade	92	\$20,754,848	\$5,690,216	\$13,146,197
Retail Trade	64	\$4,578,068	\$1,512,195	\$2,848,262
Transportation & Warehousing	58	\$7,452,113	\$1,599,913	\$2,807,460
Publishing	3	\$871,950	\$198,699	\$456,590
Insurance & Real Estate	26	\$4,950,099	\$538,448	\$2,196,142
Professional services	184	\$23,098,281	\$7,719,585	\$11,248,972
Administrative support services	6	\$373,337	\$168,361	\$246,691
Educational services	27	\$1,727,256	\$1,171,518	\$1,361,765
Amusement- gambling & recreation	57	\$3,579,339	\$849,057	\$1,731,297
Non-veterinary pet care	10	\$678,086	\$172,609	\$459,431
Religious, grant making & similar organizations	12	\$813,703	\$207,131	\$551,318
Government & non NAICS	20	\$1,779,930	\$1,217,549	\$1,394,799
Total	566	\$71,898,881	\$21,187,672	\$38,835,419

Sources: IMPLAN (2014), ESRI/Business Analyst (2015), Business Websites, and Interviews with Businesses

Only those jobs that are likely to have a measurable on-farm impact were included in Table 3. Thus, some establishments were removed from the analysis. For example, although wholesale trade is one of the industries in the cluster, companies like Beam Global Spirits & Wine and Clark Distributing are not included because there was not enough specific information detailing the distribution of their employment to the Agricultural Cluster in the county.

Economic Impact of the Agricultural Cluster

To estimate the value of agriculture we used an input-output (I-O) model with 2014 IMPLAN data. The full economic impact of agriculture includes the “multiplier effect” which summarizes the total impact that can be expected from a change in a given economic activity. While there are several types of multipliers, the Type II multiplier is most widely used in I-O analysis. A Type II multiplier includes the effect of direct or initial spending, indirect spending based on the income earned from the direct and indirect effects. Essentially, these latter induced effects represent employees spending on goods and services.

The output multiplier estimates the total change in local sales resulting from a \$1 increase in sales outside of the study area. Multiplying the increase in sales of the industry by the output multiplier provides an estimate of the total increase in sales for the study area, including the initial \$1. The output multiplier is used to assess the interdependence

of sectors in the local economy. The final economic impact from the Agricultural Cluster is just over \$565 million. This includes the direct effect of \$434.5 million as well as \$130.6 million in output due to indirect and induced effects.

The employment multiplier measures the total change in employment resulting from an initial change in employment in the Agricultural Cluster. In the county, there are 1,881 individuals who work directly for the Agricultural Cluster. However, total employment associated with the Agricultural Cluster is 2,783 individuals after including indirect and induced effects. Given the total employment in the county, these results suggest that roughly one out of 3 jobs, or 29% of jobs, in Woodford County is directly or indirectly associated with the Agricultural Cluster.

The value added multiplier provides an estimate of the additional value added to the product as a result to the Agricultural Cluster. Value added includes employee compensation, indirect business taxes, and proprietary and other property income. Value added is often interpreted as new income paid to workers or profits and dividends. The direct value added of the Agricultural Cluster is \$274 million. The indirect and induced impact is \$66 million, meaning that this is the “value” that is added to products in other industries affected by the Agricultural Cluster.

Table 4 below provides an overview of the economic impact of the entire Agricultural Cluster. In summary, there are **2,783 jobs associated with the Agricultural Cluster**. Of the 2,783 workers, 902 jobs were created because of business (indirect effect) and household (induced effect) spending. In total, there is just over \$565 million in sales associated with the Agricultural Cluster including direct, indirect, and induced effects. Total value added is approximately \$341 million.

Table 4. The Economic Impact of the Agricultural Cluster.

	Total Employment with Multiplier	Total Output with Multiplier	Total Value Added with Multiplier
The Traditional Ag & Food Processing Cluster	1,999	\$471.4 M	\$289.8 M
Secondary Ag Businesses	784	\$93.7 M	\$50.9 M
Total Ag Cluster Impact	2,783	\$565.1 M	\$ 340.7 M

**Includes Support Businesses from Business Directory*

Sources: IMPLAN (2014), ESRI/Business Analyst (2015)

Industries Impacted by a Loss in Agriculture

With the increasing pressures on land use in a growing county, it is interesting to explore what happens to the overall county’s economy when there is a loss in production agriculture. Because of the linkages between agriculture and the other industries, a \$1 loss in production agriculture will ripple throughout the rest of the economy. For example, if we expect production agriculture to decline by 10% (\$26.8 million), there will be an overall additional decrease of over \$8.4 million in output.

Table 5. Top 15 Industries with a Loss in Sales (indirect effect).

Industry
Production agriculture (in addition to 10% loss)
Wholesale trade
Real estate
Food products
Maintenance and repair construction of nonresidential structures
Truck transportation
Monetary authorities and depository credit intermediation
Other local government enterprises
Electric power transmission and distribution
Warehousing and storage
Architectural, engineering, and related services
Veterinary services
Employment services
Accounting, tax preparation, bookkeeping, and payroll services
Printing

Source: IMPLAN (2014)

Table 6. Top 15 Industries with a Loss in Sales from a Reduction in Household Spending (induced effect).

Industry
Owner-occupied dwellings
Real estate
Limited-service restaurants
Wholesale trade
Hospitals
Monetary authorities and depository credit intermediation
Junior colleges, colleges, universities, and professional schools
Retail - Food and beverage stores
Other local government enterprises
Electric power transmission and distribution
Funds, trusts, and other financial vehicles
Full-service restaurants
Offices of physicians
Other financial investment activities
Retail - Nonstore retailers

Source: IMPLAN (2014)

Tables 5 and 6 provide detail about those industries that would be most affected with a decrease in production agriculture. Table 5 suggests that production agriculture, other animal food manufacturing, wholesale trade, and retail trade would be most affected by a loss in agriculture due to indirect effects. There would be approximately \$2.4 million reduction in sales from business spending (indirect effect) in addition to the direct loss of \$26.8 million in agriculture sales, with a 10% decrease in the Agricultural Cluster.

Table 6 suggests that the induced effects from a reduction in household spending, associated with the ripple effects of a decrease in production agriculture would most affect housing, real estate, going to restaurants, wholesale trade, and visiting the doctor and hospital. Therefore, if workers have less money to spend, Table 6 reflects those sectors that will be affected the most. The total reduction in sales from a decrease in household spending would be approximately \$6 million.

Notes about the methodology:

a. The input-output methodology relies on national transaction matrices that suggest the ratio at which one industry purchased from another. We hypothesize that while this serves as a good starting point that the agriculture industry is unique and there is likely a different transaction matrix that if modeled accurately would result in larger indirect effects than what is provided in Table 3. However, without having more specific information about the transactions associated with the Agricultural Cluster in the county, we are limited to these findings.

b. The indirect effects capture the degree to which there are transactions between agriculture and other industries. To avoid double counting, the indirect effects were reduced by the direct employment attributable to the agriculture.

c. The estimated employment multipliers for this analysis ranged from 1.1 to 3.3. The largest multipliers were associated with production agriculture (oilseed and grain farming), which is not unique to this study. The output multipliers ranged from 1.1 to 1.8 and the value added multipliers ranged from 1.2 to 5.2.

It is estimated that the Agricultural Cluster's contribution to the local tax base (payroll taxes) is \$1.1 million. This estimate is based on total cluster annual employee compensation of \$106 million. In addition, the Bureau of Economic Analysis suggests that in the South on average non-taxable benefits comprise 29% of total employee compensation. As a result, the estimated local payroll tax was calculated as 1.5% of taxable income (\$75 million).



Table 7. Replacement Demand for Woodford County Occupations.

Job Title	Percent Replacement Demand
Farmworkers, Farm, Ranch, and Aquacultural Animals	76%
Farmers, Ranchers, and Other Agricultural Managers	61%
Nonfarm Animal Caretakers	26%
Animal Trainers	83%
Farmworkers and Laborers, Crop, Nursery, and Greenhouse	25%
First-Line Supervisors of Farming, Fishing, and Forestry Workers	29%
Landscaping and Groundskeeping Workers	24%
Office Clerks, General	22%
Agricultural and Food Science Technicians	43%
Bookkeeping, Accounting, and Auditing Clerks	9%
General and Operations Managers	27%
Maintenance and Repair Workers, General	27%
Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	10%
Self-Enrichment Education Teachers	25%
Heavy and Tractor-Trailer Truck Drivers	19%
Weighers, Measurers, Checkers, and Samplers, Recordkeeping	30%
Agricultural Equipment Operators	27%
Managers, All Other	58%
Agricultural Workers, All Other	19%

Source: JobsEQ, 2016

Table 7 provides an overview of the expected replacement demand as a percentage of the existing workforce in Woodford County for the next ten years. These results can provide some guidance about the need for apprenticeship programs, recruiting efforts, and educational offerings. For example, it is estimated that 83% of the existing animal trainers will need to be replaced in the next 10 years. The majority of animal trainers have at least an Associate's Degree (64%) and Midway University recently awarded 13 total degrees in Equestrian/Equine Studies. Further research would need to determine if the given training programs are sufficient to meet this expected demand. In addition, the farmworkers and farm managers are the next two largest replacement demands. How is the agricultural community planning to recruit the next generation of farmers and farm managers? This is an ongoing discussion across the country but certainly is a valid concern for Woodford County. Given the overall concerns raised by stakeholders around available labor, the issue of replacement demand should be on the forefront of economic development professionals, educators and planners in the County.

Table 8 (next page) provides an overview of the estimated average annual mean wages, average wages for entry-level positions and the experienced worker (top quartile of earnings), for the top occupations that support the traditional agricultural cluster in Woodford County.¹ Veterinarians are paid the highest on average with a mean annual salary of \$96,700. The location quotient (LQ) in the last column illustrates

¹Dean and Dorton provide a detailed wage and compensation survey for the Kentucky Thoroughbred Industry. Their 2014 report is available online.

the relative concentration of these occupations in Woodford County. The top six occupations listed in this table are higher than the average Woodford County annual salary. This table excludes many of the occupations that would support the industries listed in table 5 including lawyers (\$82,400), accountants (\$64,900), insurance brokers (\$48,800), realtors (\$45,200), and professors (\$78,400) (average annual salary in parentheses).

Table 8. Average Wages Per Occupation.

Occupation	Annual Mean Wage	Annual Wage, Entry Level	Annual Wage, Experienced	LQ
Veterinarians	\$96,700	\$31,000	\$129,500	5.72
General & Operations Managers	\$89,300	\$39,000	\$114,500	0.93
Farmers, Ranchers & Other Agricultural Managers	\$63,000	\$39,300	\$74,900	6.81
First-Line Supervisors of Farming, Fishing & Forestry Workers	\$52,600	\$26,400	\$65,700	16.79
Agricultural & Food Scientists	\$52,500	\$29,700	\$63,900	3.85
Farm & Home Management Advisors	\$44,600	\$28,100	\$52,900	5.86
Animal Breeders	\$37,800	\$26,900	\$43,300	94.37
Driver/Sales Workers & Truck Drivers	\$36,200	\$21,900	\$43,400	0.75
Secretaries & Administrative Assistants	\$35,700	\$24,200	\$41,500	0.78
Bookkeeping, Accounting & Auditing Clerks	\$34,400	\$21,800	\$40,700	0.93
Maintenance & Repair Workers, General	\$33,300	\$21,400	\$39,300	1.14
Agricultural & Food Science Technicians	\$28,200	\$16,500	\$34,100	14.63
Weighers, Measurers, Checkers & Samplers, Recordkeeping	\$28,200	\$19,200	\$32,700	3.04
Office Clerks, General	\$28,100	\$19,900	\$32,200	0.88
Animal Trainers	\$27,700	\$16,800	\$33,200	43.11
Self-Enrichment Education Teachers	\$27,200	\$16,800	\$32,400	1.56
Miscellaneous Agricultural Workers	\$25,300	\$18,300	\$28,900	11.39
Miscellaneous Production Workers	\$25,100	\$19,100	\$28,100	2.57
Grounds Maintenance Workers	\$24,900	\$17,700	\$28,500	1.40
Nonfarm Animal Caretakers	\$24,300	\$17,800	\$27,500	8.32

Source: JobsEQ, 2015

Conclusion

This report provides an overview of the economic impact of a newly defined Agricultural Cluster in the county. By broadening the definition of the cluster to include businesses that strictly support the Agricultural Cluster, we can now capture a more accurate value of agriculture in the area. While in the past employment estimates for agriculture have been very low, but incorporating production agriculture along with food processing in addition to the businesses that have located in this county to support primarily agricultural production, these employment numbers are substantially larger than previously documented. The results suggest that nearly one in three workers in Woodford County is either directly or indirectly associated with the Agricultural Cluster. These are likely conservative numbers, as the analysis does not fully account for businesses that partially support agriculture. Undoubtedly, there are other important clusters in the county, including manufacturing, government, and retail to name a few. These results suggest that agriculture is also an important component to this diverse, growing economy.



III. Interviews with Woodford County Business Leaders

Introduction

Over the fall and winter, representatives from 15 area businesses in Midway and Versailles agreed to participate in an informal conversation/interview. These interviews provided a way to explore what each business considers meaningful or important to doing business in the community. People participating in these interviews represented different economic sectors, such as hospitality and food services, advanced manufacturing, design and printing, and agriculture. A list of interviewees is provided in the appendix.

The following prompts guided these discussions:

- What makes Woodford County (Versailles or Midway) an attractive location for you to do business? What makes Woodford County (Versailles or Midway) an attractive location for your employees?
- What are the three main reasons you believe your business is located in Woodford County (Versailles or Midway)?
- In what ways do the horse industry and agricultural-related (e.g., Farmer's Market) activities in Woodford County influence your business? How much of your on-going business do you attribute to the presence of horse and ag-related businesses?
- How would your views on Woodford County (Versailles or Midway) as "a place to do business" change if the rural landscape declined significantly?
- How would you describe Woodford County (Versailles or Midway) to another business considering moving to this community?

These questions encouraged broad-ranging discussions about the relationship between the characteristics of Woodford County and economic opportunities as well as any challenges that the businesses experience. Despite the very different sectors of the economy represented, there is considerable consensus in participants' perspectives on Woodford County.



Question: What makes Woodford County (Versailles or Midway) an attractive location for you to do business?
What makes Woodford County (Versailles or Midway) an attractive location for your employees?

Common Theme: Woodford County is an attractive location because of the quality of life. The location, small town feel, beauty of the landscape, low unemployment rate, economic opportunities and quality of workforce make it an attractive location both to do business and for employees and their families.

Selected Quotes

"Woodford is a diverse county. You have agriculture, manufacturing, loyal people; "a family feeling, a caring community. There is "beauty of the land when driving to work", horse farms, variety of good housing, great schools, friendly people, variety of midrange restaurants."

"Woodford County is a beautiful place to live and most employers from the county grew up here. The unemployment rate is very low; it is centrally located, rural nature, good quality of life, historic spaces and horse country. Woodford County location is good for our businesses because it is on the Bourbon Trail, is close to Keeneland and the Horse Park, has great tourism opportunity and the county is pro-business."



Question: What are the three main reasons you believe your business is located in Woodford County (Versailles or Midway)?

Common Theme: The top three reasons for choosing Woodford County as a place to do business are:

1. Location (i.e., easy access to I-64 & I-75, and to railway tracks);
2. Being close to a big city; and,
3. Beauty of the area.

Almost all participants mentioned at least one of these top three reasons. Other reasons were proximity to Toyota or other manufacturing plants, quality of schools, great community, good business environment, non-union state and local government openness.

Question: In what ways do the horse industry and agricultural-related (e.g., Farmer's Market) activities in Woodford County influence your business? How much of your on-going business do you attribute to the presence of horse and ag-related businesses?

Common Theme: The agricultural cluster creates both a direct and indirect impact on the ability to attract and retain employees as well as the ability to attract visitors. However, there appears to be a disconnect between the agricultural and non-ag industries.

Selected Quotes

"We do not have a direct relationship with ag, but the landscape/pastoral beauty of the region is good for marketing. Many customers are coming from areas that are not so beautiful, so they plan meetings around Keeneland events. The brand for this region is bourbon and horses. This is a Kentucky thing."

“There is no influence from agriculture on my business and not much involvement with community from the big farms. However, the farms are definitely a factor in attraction and retaining of employees. This is a good location for attracting visitors. Ag landscape does not necessarily bring in more business, but definitely makes it more attractive to visit.”



Question: How would your views on Woodford County (Versailles or Midway) as “a place to do business” change if the rural landscape declined significantly?

Common Theme: Woodford County would lose its appeal as a place to do business and a place to live, recruitment and retention of employees would become more difficult, Woodford County would lose its distinctive identity - its brand. While some development is wanted, careful consideration of available labor and the impact of infrastructure is needed in the planning process.

Selected Quotes

“The landscape is all there is, it is the county’s identity; without it, there is nothing, no recreation, no lake or resort that would attract anybody to the area, except the vicinity to I-64 and I-75. It is what makes this place unique. The farms are beautiful and it is what defines the area.”

“With more business coming in – it is hard to find employees because of skills, so it would tax the area in terms of employment availability. Area is ready for expansion, but hopefully not too quickly because it would stress the infrastructure.”

Question: How would you describe Woodford County (Versailles or Midway) to another business considering moving to this community?

Common Theme: Woodford County is a great place to live and raise a family, great schools, the natural beauty of the landscape, economic opportunities, and good business support.

Selected Quotes

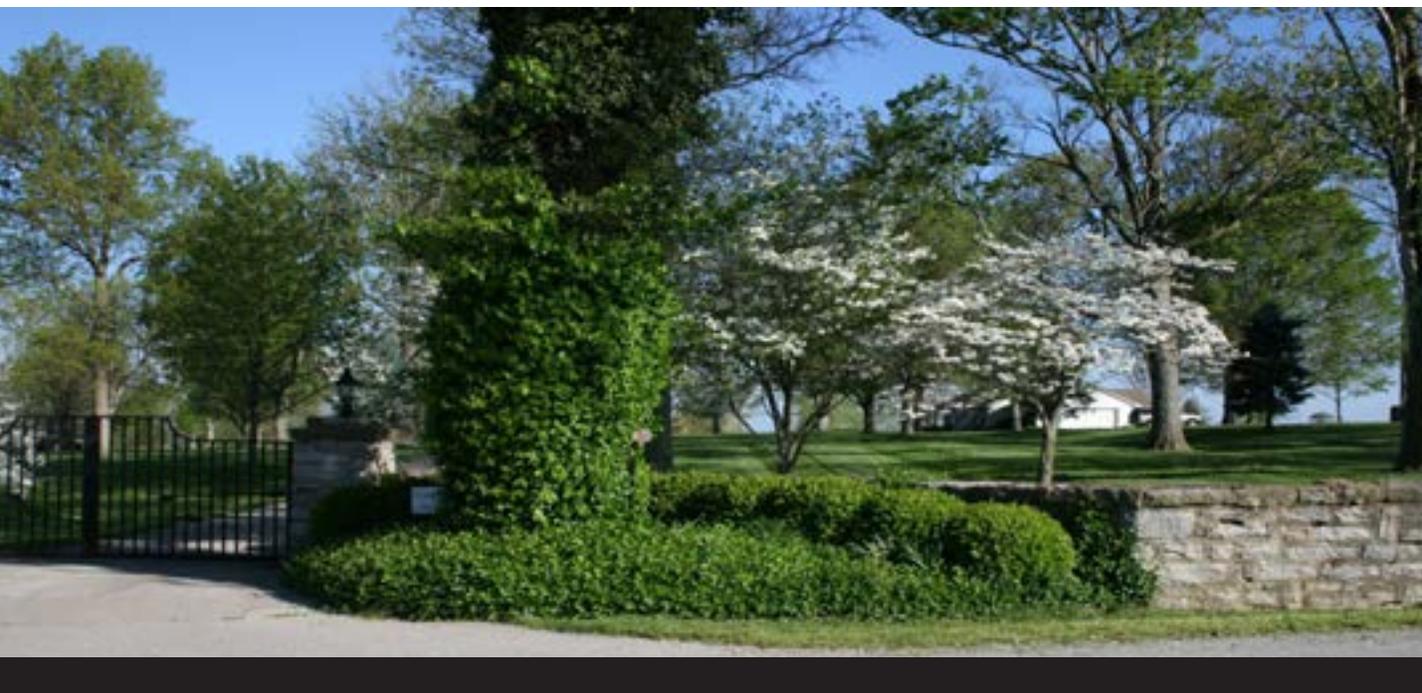
"A close knit community, loyal customers, beautiful community and gorgeous setting; for volume business you need to attract from other areas as well not just the city - a more regional approach; good schools, good business climate, but not enough of businesses in each industry."

"It is easy to do business in Woodford County. It has an entrepreneurial environment; easy to take care of all the transactions on a daily basis, an active Chamber of Commerce; progressive and supportive planning and zoning office."

As a result of the interviews, several concerns were raised

- 1) There is a shortage of workers in Woodford County. The unemployment rate is very low which signals the tension between the agricultural industry and other manufacturers looking for workers from the same labor pool.
- 2) There is a too much of a disconnect between the ag and non-ag industries. Communication needs to improve and planning needs to be better integrated.
- 3) The relationship between Midway and Versailles is also a bit disconnected. A vision for the county should equally include both cities.





IV. Land Use Value

Land is an essential input for housing and food production; it is the backbone of agriculture and it provides substantial economic and social benefits. Land use change is necessary and important for economic development and social progress; however, it does not come without costs. For the most part, communities try to balance out the private and the public interests and to find the best solutions for protecting the agricultural land while also allowing for development. In Woodford County, more than 90% of land is considered farm land. This has declined very little between 2007 and 2012 (Table 9). Figure 6 illustrates that the vast majority of the parcels in the county are at least 20 acres with many large farms concentrated between Versailles and Midway area.

Table 9. Ag Sector Characteristics.

	2007	2012
Land in Farms (acres)	119,087	111,917
Number of Farms	712	713
Average Size of Farm (acres)	167	157

Source: Census of Ag, 2012

Table 10. Farmland Type.

Category	Number of parcels
All areas are prime farmland	2,163
Farmland of statewide importance	3,013
Not prime farmland	2,249
Prime farmland if drained	44
Prime farmland if drained and either protected from flooding or not frequently flooded during the growing season	131
Prime farmland if protected from flooding or not frequently flooded during the growing season	709

Source: Woodford County Planning Commission

Figure 6. Parcel Size by Acres.

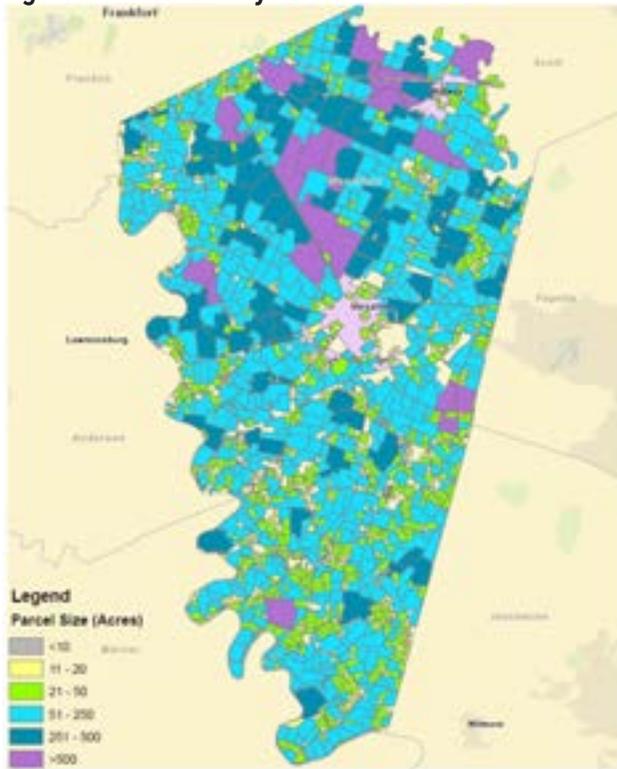
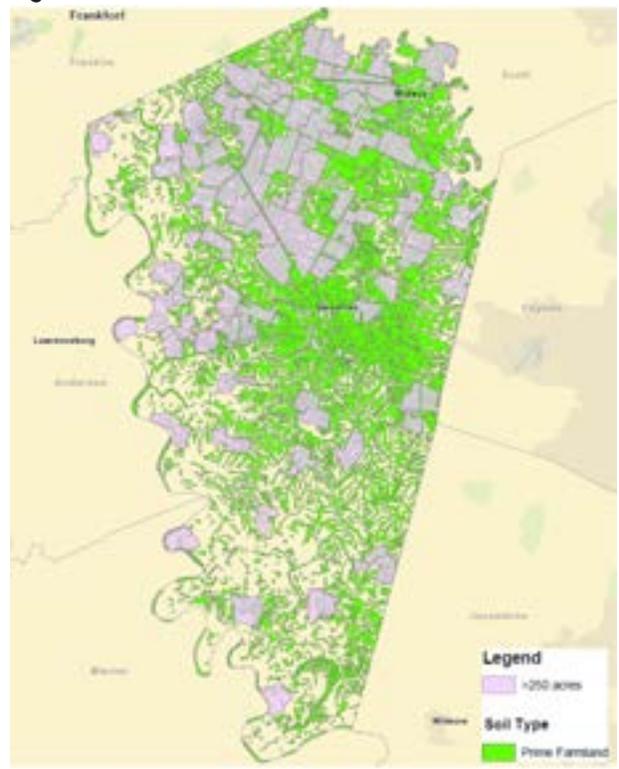


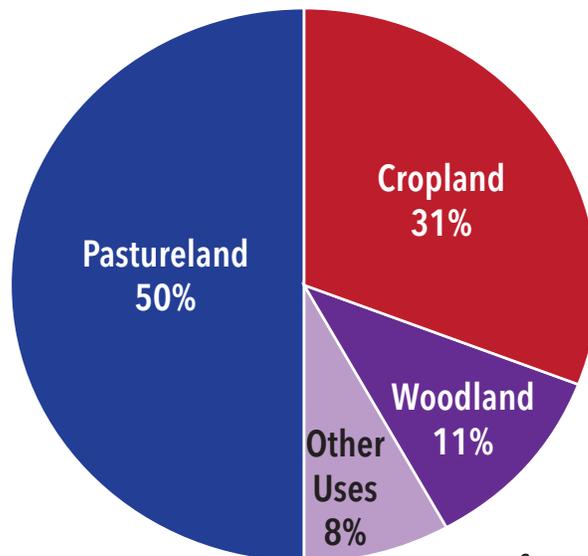
Figure 7. Parcels >250 Acres, on Prime Farmland.



Source: Woodford County Planning Commission

Based on 2012 Census of Ag data, 50% of the total land in farms was pastureland and 31% was used for crops (Figure 8). More than 60% of land parcels in Woodford County are either prime farmland or farmland of statewide importance (Table 10). Prime farmland is land that has the best combination of physical and chemical characteristics for producing food, feed, forage, fiber, and oilseed crops and that

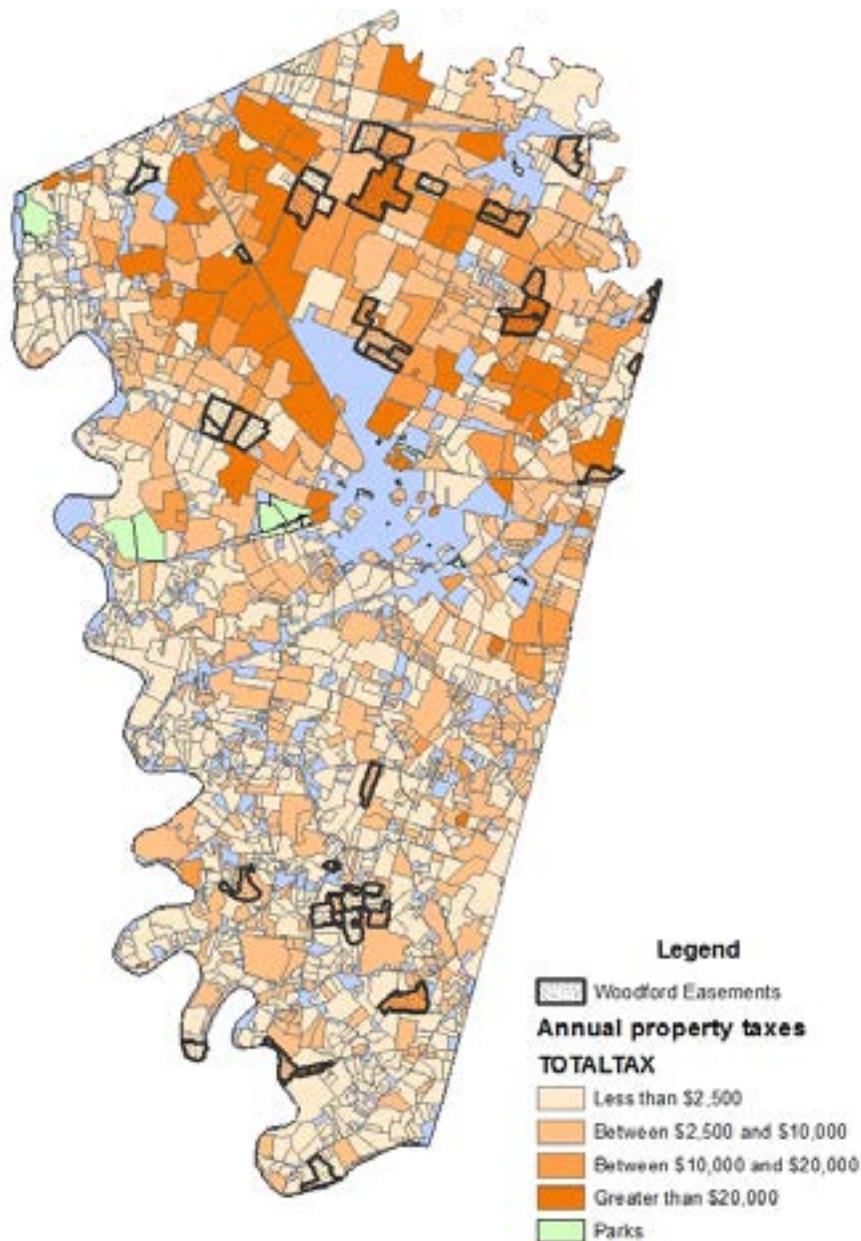
Figure 8. Farmland Use.



Source: Census of Ag, 2012

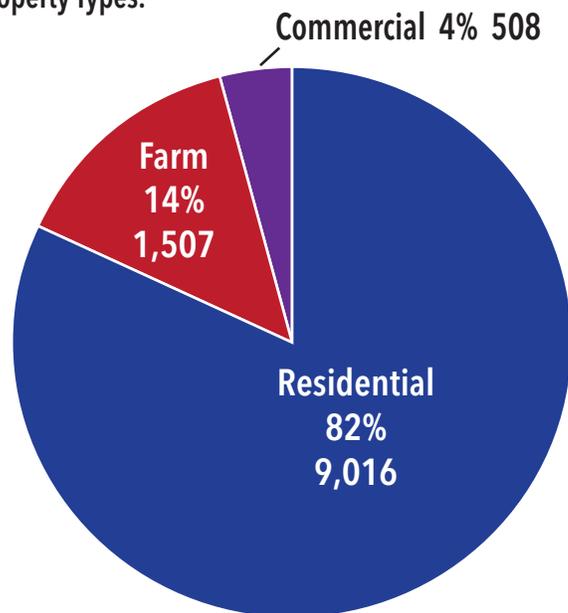
is available for these uses. It has the combination of soil properties, growing season, and moisture supply needed to produce sustained high yields of crops in an economic manner if it is treated and managed according to acceptable farming methods.² Almost all prime farmland areas are categorized as not highly erodible land, are well drained and in areas with rare or no flood frequency. The larger farms are almost always located on prime farmland. Figure 9 illustrates the distribution of assessed property taxes across Woodford County farm properties. In addition, the highlighted parcels reflect conservation easements in the County.

Figure 9. Woodford County Property Tax Roll.



² USDA Definition: Prime Farmland Soils (622.04)

Figure 10. Property Types.



Source: Woodford PVA Tax Roll, 2016

Though most of the land in Woodford County is considered land in farm, farms account for 14% of property types according to Woodford PVA (Figure 10). Table 11 illustrates that most of the property tax collected in Woodford County is generated by residential households (64%), followed by farms (25%) and commercial properties (11%). In 2016, the total taxable value of all properties in Woodford County was approximately \$2.2 billion. Of that \$524 million was considered farmland. The total assessed taxes across the County were \$21 million, and farm parcels were assessed just over \$5 million.

Table 11. Property Values and Tax Assessments.

Parcel Type	Number Parcels	Share Parcels	Taxable Value	Share Property Value	Tax Assessed	Share Property Tax
Commercial	508	4.6%	\$247,260,313	11.2%	\$2,379,289	11.3%
Residential	9,016	81.7%	\$1,443,414,672	65.2%	\$13,541,736	64.0%
Farm	1,507	13.7%	\$524,270,300	23.7%	\$5,225,109	24.7%

Source: Woodford PVA, 2016

Appendix

Table 12. Sales by Commodity.

Commodity	Sales
Crops Totals	\$9,606,000
Corn, soybean & wheat	\$3,592,000
Other field crops, incl hay	\$724,000
Tobacco	\$4,190,000
Fruit & tree nuts	\$508,000
All other crops, nursery & greenhouse	\$592,000
Livestock Totals	\$258,838,508
Poultry & eggs	\$14,000
Cattle & calves	\$10,303,000
Sheep, goat & products	\$117,000
Horses & other equine*	\$165,410,580
Other animals & animal products*	\$82,993,928

* Values calculated based on a 22.2% decrease in the equine industry, from 2007 to 2015

Source: Census of Ag, 2012 & Authors' Calculation

Table 13. Breeding and Stud Fees, 2016.

	Number of Tmes Bred	Listed Stud Fee		Number of Tmes Bred	Listed Stud Fee
Uncle Mo	253	\$ 75,000	Fed Biz	128	\$ 12,500
American Pharoah	208	\$ 200,000	The Factor	127	\$ 25,000
Verrazano	190	\$ 20,000	Speightstown	126	\$ 100,000
Munnings	182	\$ 25,000	Lookin At Lucky	126	\$ 20,000
Bodemeister	174	\$ 30,000	Creative Cause	125	\$ 15,000
Constitution	172	\$ 25,000	Union Rags	123	\$ 35,000
Gemologist	165	\$ 15,000	Daredevil	123	\$ 12,500
CarpeDiem	162	\$ 25,000	Pioneer of the Nile	120	\$ 125,000
Competitive Edge	160	\$ 12,500	Fast Anna	120	\$ 7,500
Twirling Candy	159	\$ 15,000	Mr Speaker	117	\$ 10,000
Palace Malice	158	\$ 20,000	Lemon Drop Kid	113	\$ 40,000
Super Saver	154	\$ 65,000	Quality Road	112	\$ 35,000
Declaration of War	154	\$ 40,000	Revolutionary	109	\$ 7,500
Congrats	154	\$ 20,000	Sky Mesa	104	\$ 20,000
Commissioner	154	\$ 75,000	Take Charge Indy	103	\$ 17,500
Paynter	153	\$ 20,000	Distorted Humor	102	\$ 100,000
Shanghai Bobby	150	\$ 15,000	Overanalyze	93	\$ 10,000
Liam's Map	148	\$ 25,000	Tale of the Cat	83	\$ 30,000
Cairo Prince	148	\$ 15,000	Majesticperfection	77	\$ 20,000
Honor Code	144	\$ 40,000	Magician	76	\$ 10,000
Will Take Charge	144	\$ 30,000	Strong Mandate	73	\$ 10,000
Candy Ride	140	\$ 60,000	Include	72	\$ 10,000
Tonalist	138	\$ 30,000	Noble Mission	63	\$ 25,000
Stay Thirsty	137	\$ 10,000	Morning Line	56	\$ 10,000
Summer Front	137	\$ 10,000	Giant's Causeway	48	\$ 85,000
More Than Ready	132	\$ 50,000	Istan	40	\$ 6,000
Mineshaft	132	\$ 25,000	Fusaichi Pegasus	32	\$ 7,500
City Zip	129	\$ 40,000	Langfuhr	31	\$ 5,000
Tiznow	128	\$ 60,000	Caleb's Posse	29	\$ 5,000

Source: BloodHorse, 2016

A 2011 Research Report, “The Kentucky Thoroughbred Breeding Industry and State Programs that Assist the Equine Industry” explored the economic importance of Kentucky’s breeding industry on employment as well as contribution to the breeders incentive fund (BIF).¹ Kentucky provides assistance to the horse industry by allocating sales tax revenue generated from stud fees to BIFs. The BIFs are available for Thoroughbred, Standardbred and nonrace breeds and are allocated based on how their horses perform in races, shows and contests. Kentucky levies a 6% sales tax on all stud fees in the state. By statute, the tax revenue is then redistributed to the Thoroughbred BIF (80%), the Standardbred BIF (13%), and Horse BIF (7%). In FY 2016, the total BIF was equal to \$14.1 million reflecting total stud fees of approximately \$235 million.² These sales tax revenues are highly dependent on individual terms between the stud and mare owners.

In 2016, Kentucky Stallions covered 17,750 mares in North America. This represents 16% of all stallions and 52.6% of all mares bred (Bloodhorse, 2016). In Woodford County, data suggest that 58 stallions covered 7,210 mares. Nationally, Uncle Mo (Ashford Stud) led all stallions in the United States with 253 mares bred in 2016. Furthermore, 11 of the top 20 stallions, as measured by breeding activity, are located in Woodford County. Table 13 provides an overview of stallions in Woodford County, number of mares bred, and listed stud fee. The total estimated stud fees for 2016 would have been approximately \$264 million if the listed stud fees reflected actual negotiated price.

¹ Perry Nutt, Mike Clark, Rick Graycarek, Christopher Hall, Jonathan Roenker, “The Kentucky Thoroughbred Breeding Industry and State Programs that Assist the Equine Industry.” Research Report NO. 406. Legislative Research Commission, 2011.

² Commonwealth of Kentucky Tax Expenditure Analysis, Fiscal Years 2016-2018, Governor’s Office for Economic Analysis.

Woodford County Businesses Interviewed

Quad Graphics
YH America Inc
Pilkington North America Inc
84 Lumber
Henton Farms
Ruggles Sign Company
Kain Ford
Horse Country
More than a Bakery
KY Performance Products
Heirloom
Holly Hill Inn
Equus Run

Interview Questions and Responses

What makes Woodford County (Versailles or Midway) an attractive location for you to do business?

What makes Woodford County (Versailles or Midway) an attractive location for your employees?

It is a great community and location with loyal employees, close knit feel, friendly, warm and welcoming people, low turnover rate, good workforce, low unemployment and high postsecondary education.

There are two sides to doing business in Woodford County: from a marketing perspective, it is a beautiful area that attracts many visitors; from the region's perspective, there is support for businesses, good quality of employees, people that are hardworking, trainable, and loyal.

We are ten miles away from Lexington. People are filtering out of Lexington, which is good for our business. Woodford County is a beautiful county to work in. Has a small town feel and a great quality of life.

Woodford was attractive as being on the outskirts of Lexington and has a small town feel. Versailles is a small community, good to raise children, close to bigger city, close to the airport. Here we can be a "bigger fish in a smaller pond" and are able to help the community more.

Woodford is a diverse county. You have ag, manufacturing, loyal people; "a family feeling, a caring community." There is "beauty of the land when driving to work," horse farms, variety of good housing, great schools, friendly people, variety of midrange restaurants.

If you are in the equine business this is where you want to be. It gives credibility to your business.

Woodford County was on the list of places recommended by a site-selection company for us. By process of elimination, we chose this area. Based on land and schools we located in Versailles.

It is close to where home is. Versailles is a small town, which makes it easy to deal with city government, less traffic, shorter distances, and small town feel, close to family. This particular location was chosen for the accessibility to Bluegrass Pkwy.

We are a destination town, a slice of Americana. A quaint little place with a train track running through downtown. "I can't place my finger on it, it's just special." We pull customers from outside Woodford; people from Louisville often come out here. We are a small town that embraces the restaurant scene.

The beauty of the drive to Midway is positive – those driving from Lexington leave all of that behind them. Midway is known as a "restaurant town" now.

Traffic here is so easy compared to bigger places; we have short commutes, it is easy to get to Lexington.

The scenic beauty and historic location and there is the vicinity with the Woodford Reserves, "a national landmark."

Woodford County is a beautiful place to live and most employers from the county grew up here. The unemployment rate is very low; it is centrally located, rural nature, good quality of life, historic spaces and horse country. Woodford County location is good for our businesses because it is on the Bourbon Trail, is close to Keeneland and the Horse Park has great tourism opportunity and the county is pro-business.

What are the three main reasons you believe your business is located in Woodford County (Versailles or Midway)?

The top three reasons for choosing Woodford County as a place to do business are:

1. "Location" (i.e., easy access to I-64 & I-75, and to railway tracks);
2. "Being close to a big city"; and,
3. "Beauty of the area."

Almost all participants mentioned at least one of these top three reasons. Other reasons were proximity to Toyota or other manufacturing plants, quality of schools, great community, good business environment, non-union state and local government openness.

In what ways do the horse industry and agricultural-related (e.g., Farmer's Market) activities in Woodford County influence your business?

How much of your on-going business do you attribute to the presence of horse and ag-related businesses?

We do not have a direct relationship with ag, but the landscape/pastoral beauty of the region is good for marketing. Many customers are coming from areas that are not so beautiful, so they plan meetings around Keeneland events. The brand for this region are bourbon and horses. "This is a Kentucky thing".

Midway is more farm to table than Versailles.

If you have horses then you have barns, need fences, running sheds and remodels. This directly affects our business.

It is lovely that the equine industry is there and it looks so beautiful, but there is not a lot of connectivity with the local community. Support for local businesses is limited these days because money does not flow through the community.

There is no influence from ag and not much involvement with community from the big farms. However, the farms are definitely a factor in attraction and retaining of employees. This is a good location for attracting visitors. Ag landscape does not necessarily bring in more business, but definitely makes it more attractive to visit.

The horse industry is good because we sell a lot to farms and their employees. We are involved with Farm Management Bureau; help out with Co-op Extension, there is an active farm manager's association in the county.

For the quality of life, the horse industry helps greatly (Keeneland, for e.g.): the tourist aspect of that and the quality esthetic of it, plus the local foods, especially in Midway. Horse industry and activities related to it have an impact on horse tracks and other ag-related activities.

Keeneland and farm owners are a huge influence. We "know them by name". Many do not live here, but come in for the month of May and Keeneland – "that business brings a lot to the table."

We are part of Farm to Table program and Restaurants Rewards in Frankfort and have good interaction with other businesses. We do more business in Midway than Versailles because of the divide between Midway and Versailles.

Part of the business is local, but not ag. "We are such a specialized industry – there are not a lot of things we can purchase here."

How would your views on Woodford County (Versailles or Midway) as "a place to do business" change if the rural landscape declined significantly?

Would not affect the business directly, but the beauty of the area helps in recruiting. It is a good place for families with kids and close to Lexington, with a strong sense of community. It would lose its uniqueness.

With more business coming in – it is hard to find employees because of skills, so it would tax the area in terms of employment availability. Area is ready for expansion, but hopefully not too quickly because it would stress the infrastructure.

Probably would help because it would allow for development and increase of employee-base.

I am not a fan of the commercialization of Woodford County. It misses the point a bit because Woodford County is known for "horses". It would take away its brand and given the vicinity with Lexington, commercialization is not really a big issue.

Charm of the community will diminish if Versailles will become more like Lexington. "Do we want to be Georgetown?"

Depends on what they would do in business development - if it's an industrial park, then it would have a negative impact for his business; if they are building houses/subdivisions our business would increase.

For the appeal of the county, it would be a loss, because Woodford County is one of the most beautiful places in KY due to its farms. They provide a clean and beautiful environment. "More development not bad, but not "Walmart-type."

The landscape is all there is, it is the county's identity; without it, there is nothing, no recreation, no lake or resort that would attract anybody to the area, except the vicinity to I-64 and I-75. It is what makes this place unique. The farms are beautiful and it is what defines the area.

Woodford County has expensive property compared with other places - no land as a bargain-buy. If you bring in new companies you want more infrastructure and services, but the system is set up so that it will cost farms more. Maybe brings in more amenities, but not necessarily an advantage.

I see disadvantages in companies coming here because it needs to convert farmland and roads to commercial and "this place becomes like every other place". "Woodford County is a unique area and economic development in a standard model would destroy it."

Probably would not affect recruitment or retention, but it would diminish the appeal of the area.

Some development sounds bad, some sounds good. It would be good to have "a happy medium for business and the beautiful landscape for the county."

Recruitment and retention might be negatively impacted. It would be disappointing; the landscape is a big attraction.

More industries means more competition and since industry

employees are mainly from outside Woodford county, not that much Woodford employment would be added.

It could make recruiting difficult and loss in the equine industry would have a big impact on the company. The ag sector in Woodford County is strong, which means that things are being produced locally. There is also good support for all ag businesses in the area.

People love the drive out here (from Lexington). Changing that "look" would hurt – it would change the experience. We definitely do not want to lose the horse industry.

The greatest impact would be on customers - it would affect their attraction for our business. "We would have to change our marketing story, and we pride ourselves on our rural economy."

It "is one thing being progressive vs destructive" in growing a community, too much change is destructive for tourism. KY is known worldwide for KY Fried Chicken, horses, Bluegrass and recently for the bourbon. Many internationals come for the Bourbon Trail and the views, the tourism. They want to visit KY "pet a horse, take a picture, and taste some bourbon."

How would you describe Woodford County (Versailles or Midway) to another business considering moving to this community?

A good sense of community, beautiful landscape, good for families. Overall, a great area.

Proximity to Lexington is good for company's visitors. Quality of life is good, but not a lot going on for the young generation. My opinion is "very favorable across the board". I lived in nine states and this area is very attractive, good schools, good business climate. UK brings a more diverse culture; thus, vicinity to Lexington or even Louisville is very good. Midway is the next niche community.

Fantastic place to raise a family, good business climate, universities bring diverse culture, employees tend to be creative, find their own way, sometimes do not follow directions. "Not enough bodies of water that you can't see across."

"I'm a big fan of the area," a good place for our business, unemployment rates are low and this can make for challenges with hiring skilled workforce.

Depends on the business. "Stagnation is not good", but there "needs to be balance". A college, university or hospital - good for development, high-tech also good, but another low paying company - what good does it do? Need more "high paying jobs."

Woodford County has all the benefits of a small town and it is close to a big city: college/university, restaurants, shops, close to airport. The "best of both worlds."

Great place to raise a family and close to airport.

Great farmers market. Good Ag office in Woodford County.

A close knit community, loyal customers, beautiful community and gorgeous setting; for volume business you need to attract from other areas as well not just the city - a "more regional approach"; good schools, good business climate, but not enough of businesses in each industry.

Some of the biggest horse farms are here – it cannot get any better than that; active main street; active farmer's market. A very welcoming community, very proud people, beautiful landscape which helps in retaining and recruiting employees, loyal employees, good schools, warm and friendly community.

"It's a great place to be, we are happy out here; it's a great place to have a business."

It is easy to do business in Woodford County. It has an entrepreneurial environment; easy to take care of all the transactions on a daily basis, an active Chamber of Commerce; progressive and supportive planning and zoning office.

Limitations and other comments

Hard to find skilled workers; must have competitive pay. The recruitment is an on/off issue especially if Toyota is hiring at the same time (higher pay scale), but there is good support from representatives to help with the recruitment.

There are no "hubs of employees" available in Woodford County.

The cost of living is higher than in other places, but not a huge factor. Housing affordability is not great or much and is either old or cookie-cutter neighborhoods.

"The county is struggling with being innovative, and fight the old horse farms for any growth."

Ag in Woodford County is equine and non-equine. They do not always intersect, but act as two different components and neither communicates well with non-ag. There is a disconnect between leadership, but mainly because ag does not go to meetings (ag a bit "cynical").

The horse-farms are in their own category/world.

The Extension Office does a good job at being present in the community.

Maybe downtown needs a bit more revitalization, but it is still good and there is room and willingness to improve. People are looking

for more of an "experience." For example, "Melissa's in downtown Versailles is a place in the community. We need to create more such places."

There are several big companies in the area and there are enough lower paying jobs; need to bring in higher paying jobs, especially to attract millennials. The 50-100K range is missing. Housing is also a bit limited for mid-income families. There is disconnect between type of businesses attracted and type of housing. There needs to be an increase in the middle-range type of jobs. Woodford County has the environment for that, but needs to be careful not to lose its uniqueness.

The culture of the place, of the business is important. Having resources to help small businesses is important. Being a smaller area means closeness to clients, good customer services.

Midway is easier to perceive because it is smaller; strong leadership, clear vision of what the town is. Versailles lacks a community center; it is hard to figure out as a community. There is a disconnect between Midway and Versailles. There is hope to bridge the divide and provide a new vision.

Used to think the area had a stronger work ethic, but not so much with the new generation.

Small businesses would have a hard time surviving so close to Lexington/Frankfort.

There is no public transportation and that is a challenge.

 College of Agriculture,
Food and Environment
CEDIK - Community & Economic
Development Initiative of Kentucky
cedik.ca.uky.edu