

Bluegrass Area Development District

# COVID Resiliency Plan



2022



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# MULTI-JURISDICTIONAL PLANNING PROCESS

## Introduction & EDA/JFA Scope of Work

As a part of the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, the U.S. Department of Commerce, Economic Development Administration (EDA) received a supplemental appropriation to “prevent, prepare for, and respond to COVID-19.” This includes necessary expenses for responding to economic injury as a result of COVID-19. In the summer of 2020, Kentucky, through its Joint Funding Administration (JFA) program, funded each of the state’s 15 Area Development Districts (ADD’s) to aid in the coordination of the state’s response to the Coronavirus Pandemic. The scope of work that each ADD is expected to carry out entails the following activities:

1	The development of an economic recovery and resilience plan, tied to the ADD’s approved Comprehensive Economic Development Strategy (CEDS), to address the economic impacts of the coronavirus pandemic,
2	The deployment of disaster recovery coordinators to orchestrate the region’s response to the pandemic,
3	The provision of technical assistance, as necessary, to local governments, business, and other stakeholder organizations, and
4	The funding of appropriate technology and staff support for these pandemic-response activities.

This plan document seeks to directly address item 1, and indirectly address items 2,3, and 4 on the list above.

The BGADD COVID Resiliency Plan will summarize the economic and social effects that the pandemic had on the region, will summarize the region’s emergency response and the various economic responses that the state and the nation enacted, and will provide strategies and resources for economic recovery.

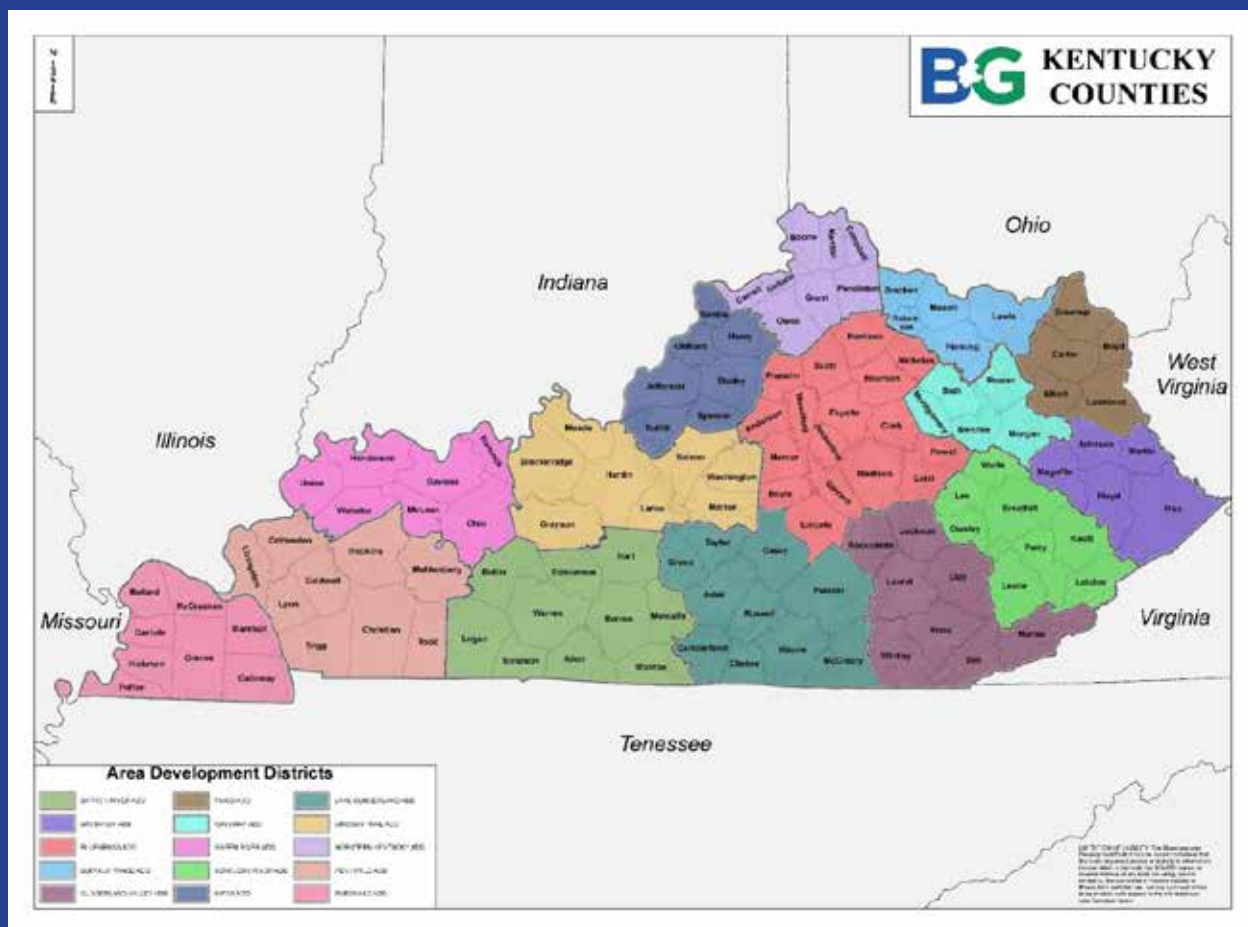
# WHO'S INCLUDED?

## The BGADD Region

Almost 4.5 million people call Kentucky's 120 counties and 40,409 square miles of land home, and every Kentuckian's way of life, some more than others, has been affected by the COVID-19 pandemic. KRS statute divides Kentucky into 15 Area Development Districts (ADD's) for the purpose of regionalized planning, governance, and

economic development. The Bluegrass ADD (BGADD) is one such district and represents a seventeen-county portion region in the Bluegrass region, the heart of Central Kentucky.<sup>1</sup>

1 BGADD 2020 CEDS Plan

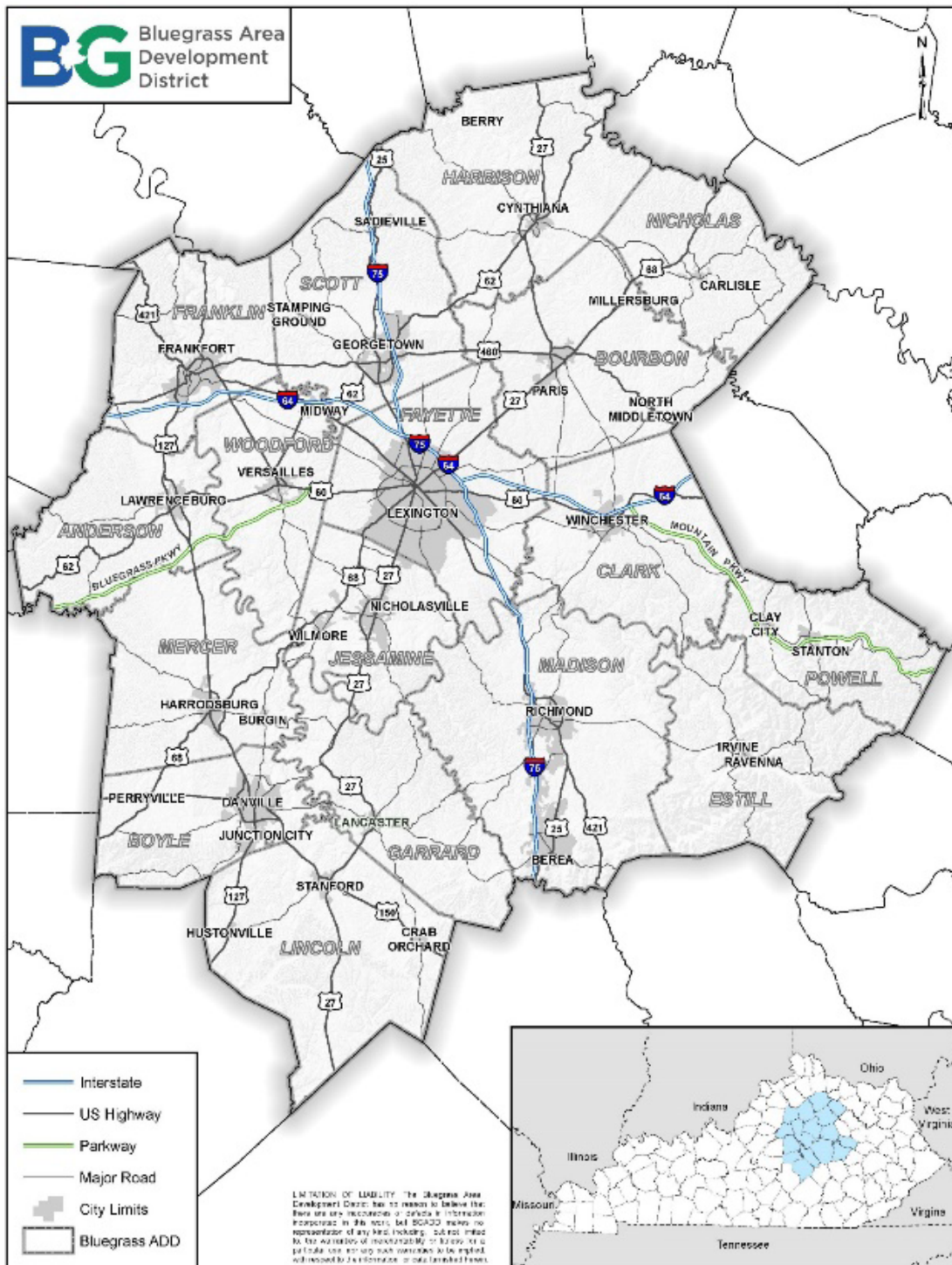


The table below lists the cities and counties that make up the BGADD region:

The region is comprised of a diverse set of jurisdictions, from urban Lexington-Fayette County, home of the University of Kentucky and upwards of 350,000 people, to the state Capitol of Frankfort, to very rural counties and communities. Nicholas County, the region's least populated county, is home to 7,269 Kentuckians.<sup>2</sup> A more detailed map of the BGADD's 17-County Region is included on the page to follow. The 17 counties that make up the BGADD are home to approximately 840,000 people. The Region's population is also experiencing a growth rate of 4.6% annually, a rate far higher than any other ADD region in the state.<sup>3</sup>

COUNTIES	CITIES
Anderson	Lawrenceburg
Bourbon	Paris Millersburg North Middletown
Boyle	Danville Junction City Perryville
Clark	Winchester
Estill	Irvine Ravenna
Fayette	Lexington
Franklin	Frankfort
Garrard	Lancaster
Harrison	Cynthiana Berry
Jessamine	Nicholasville Wilmore
Lincoln	Stanford Crab Orchard Hustonville Eubank
Madison	Richmond Berea
Mercer	Harrodsburg Burgin
Nicholas	Carlisle
Powell	Stanton Clay City
Scott	Georgetown Sadieville Stamping Ground
Woodford	Versailles Midway





## Participation Procedures & Solicitation

- BGADD Board
  - ◊ Weekly COVID Response and Recovery Zoom Meetings
- BEDAC Participation (Local ED Directors)
  - ◊ Local Interviews
- Commerce Lexington Meetings
- Multiregional Collaboration

### BGADD Board of Directors Guidance and Directives

The Bluegrass ADD's primary direction and mission is dictated by the Area Development District's Board of Directors, made up of the 17-County region's Mayors and County Judge-Executives, as well as other at-large members representing other elected positions, City and County appointees, and citizen stakeholders. The Bluegrass ADD's Executive Board meets monthly, while the full Board of Directors meets quarterly. Going into the year 2020 (well before the pandemic reached Kentucky), the primary directive from the Board of Directors for Bluegrass ADD was two-fold: Work to facilitate broadband internet expansion regionwide (especially in rural areas), and take concrete actions to address the opioid and drug crisis that has long ravaged Kentucky.

As the COVID pandemic became a more concrete part of everyday life for Central Kentuckians in 2020, the need to address both of these areas became more and more apparent. The pandemic saw an influx in drug use, abuse, and overdoses across the state<sup>4</sup>. Children, college students, and countless employees from most every sector were forced to take their schooling and their work home with them and to convert to a virtual version of education and business for better than a year. Particularly in less populated areas, the lack of truly reliable internet connectivity was exposed. This need is one that was recognized not just in Central Kentucky but also nationwide- as such, hundreds of millions of dollars were allocated for rural broadband improvements in Kentucky through the CARES Act and the American Rescue Plan, making the issue one of the centermost parts of the public sector's response to the Pandemic.

### Weekly Regional COVID Response Zoom Meetings

At the outset of the COVID pandemic in Kentucky, the ability to have in-person meetings to conduct business disappeared quickly. Beginning April 30, 2020, Bluegrass ADD began facilitating weekly Zoom meetings on Wednesday mornings to provide a forum for the region's elected officials, legislative field reps, BGADD staff, and regional stakeholders to come together and discuss COVID's impacts and the steps that local governments could take in terms of a public health and economic response. The meetings quickly became the primary means by which BGADD was able to disseminate information to locally elected officials regionwide. Topics of weekly meetings included:

- Opening and closing of various public facilities
- Safety precautions to be taken by local governments
- Regular updates on COVID case counts by county

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4 See page 56

- Discussion regarding rollout of public sector vaccination efforts
- How to host community functions safely
- Open discussion on funding opportunities related to the CARES Act and American Rescue Plan
- Weekly Washington, D.C. updates from the offices of Congressman Andy Barr, Senator Mitch McConnell, and Senator Rand Paul
- Many other topics

As of May 5, 2021, regional discussions were dialed back to being held on a bi-weekly basis. Though the meetings came about out of necessity and to coordinate the regional COVID response and to allow local governments to exchange information, they were extremely well received by the area’s local officials, most of whom are BGADD board members. Tentatively, bi-weekly meetings via zoom will continue to be held even after the urgency of the pandemic dissipates entirely, as a means by which to facilitate regional collaboration.

### **The Bluegrass Economic Development Advisory Committee**

A critical group of regional stakeholders for the development of this economic resiliency plan document is the Bluegrass Economic Development Advisory Committee.

The committee, or the “BEDAC” for short, is made up of regional economic development stakeholders including County Economic and Industrial Development Authority Directors, Chamber of Commerce Presidents, and representatives of various industries and financial institutions from around the region. The committee meets quarterly to discuss future industrial and economic development in the region, to collaborate to solve challenges and barriers to growth that member communities are collectively facing, and to review grant funding applications related to economic development that have been submitted around the region. The committee also serves as the primary set of stakeholders to assist BGADD staff with the region’s Comprehensive Economic Development Strategy, also known as the “CEDS Plan.” The plan is updated annually and is rewritten every five years. In 2020 and 2021, the BEDAC was co-chaired by Jessamine County Judge-Executive David West and Madison County Judge-Executive Reagan Taylor.

Throughout 2020 and 2021, the BEDAC’s focus shifted greatly as a result of the COVID-19 pandemic. At each regular meeting, addressing the economic impacts of the pandemic was a primary topic. The Committee’s December meeting took the form of a roundtable forum on regional economic resiliency, with a focus on addressing and adapting as a result of the COVID-19 pandemic. BEDAC membership/representation is shown in the table below.



Name	County Represented	Title
Pam Brough	Anderson	Chamber President
Gordon Wilson	Bourbon	County IDA Director
Jody Lassiter	Boyle	County IDA Director
Todd Denham	Clark	County IDA Director
Chris Davis	Clark	Magistrate
Joe Crawford	Estill	County IDA Director
Andi Johnson	Fayette	Commerce Lexington
Terri Bradshaw	Franklin	County IDA Director
Ken Parsons	Garrard	County IDA Director
Garnett Furnish	Harrison	County IDA Director
David West	Jessamine (& BEDAC Chair)	County Judge-Executive
Craig McAnelly	Jessamine	County IDA Director
Tom Calkins	Jessamine	Utilities Director
George Leamon	Lincoln	County IDA Director; BGADD Industrial Devel.
Reagan Taylor	Madison (& BEDAC Chair)	County Judge-Executive
Bert Thomas	Madison	Planning & Building Code Director
Mike Willand	Mercer	County IDA Director
Bascom Sorrell	Nicholas	County IDA Director
Jim Galbraith	Nicholas	County IDA
Craig Dawson	Powell	County IDA Director
Jack Conner	Scott	County IDA Director and Chamber President
Lucas Witt	Woodford/Berea/Anderson	County IDA Director/Consultant
Michael Michalsin	Woodford	County IDA Board Chair

The input of the BEDAC was crucial in the development of this plan document. In addition to collective participation through roundtable/focus-group discussion, the BEDAC's individual members participated in one-on-one interviews with BGADD staff.

### Local One-on-One Interviews

By nature, both the BGADD CEDS plan and the BGADD Resiliency plan are data-driven documents; however, the importance of quantitative and anecdotal information from local stakeholders cannot be overstated. Through late 2020 and into the start of 2021, BGADD's resiliency plan team conducted one-on-one or small group interviews with stakeholders from each county and from many of the region's cities. These

interviews focused on the economic toll that the COVID-19 pandemic took on each community in the region, as well as recovery and future development strategies that will be enacted by economic development stakeholders across the region. These interviews (notes/paraphrased transcripts available upon request) are referenced intermittently throughout various sections of this plan document.

### **Commerce Lexington**

To gain insights into how the COVID pandemic affected the Lexington-Fayette County area, the region's primary economic engine (especially as it pertains to the dining, entertainment, and hospitality sectors which were among the hardest hit), BGADD had several virtual meetings with Bob Quick, President and CEO of Commerce Lexington, along with Chief Policy Officer Andi Johnson, Vice President of Economic Development Gina Greathouse, Project Manager Cheryl Clever, and Director of Business and Education Betsy Dexter. These interviews provided significant insight for data interpretation regionwide, and are detailed on page 18 of this document.

### **Statewide Collaboration**

Throughout the resiliency plan development process, BGADD planning team staff met at least monthly with the disaster resiliency coordinators and planning team members of Kentucky's other 14 area development districts in order to facilitate collaboration, exchange of ideas and research, and a multi-perspectival approach to plan development.

ADD planners across the state worked together to formulate uniform topics to be covered by each region's resiliency plan documents, to share data sources and information, and to provide feedback to one another on plan relevance and quality.

# WHAT HAPPENED?

## The COVID Public Health Crisis in Kentucky

The Covid-19 pandemic made its way to Kentucky by way of the Bluegrass Region, as the state's first confirmed COVID victim was a native of Harrison County.<sup>5</sup> Ten days after the March 6, 2020 diagnosis, the state's first COVID death was reported in Bourbon County. Though more detailed information regarding case counts, vaccination, the aging population, and the public health response to the pandemic are included in the latter sections of this plan document, the focus of this Economic Resiliency plan is upon the economic impacts that the region experienced as a result of, and throughout the duration of the pandemic. The table below shows COVID case counts and deaths in the Bluegrass Region (as of June 14, 2021).<sup>6</sup> The Kentucky Department for Public Health is actively maintaining a dashboard that monitors the state's current position and progress in the fight against COVID-19 (linked in footnote 6 below).

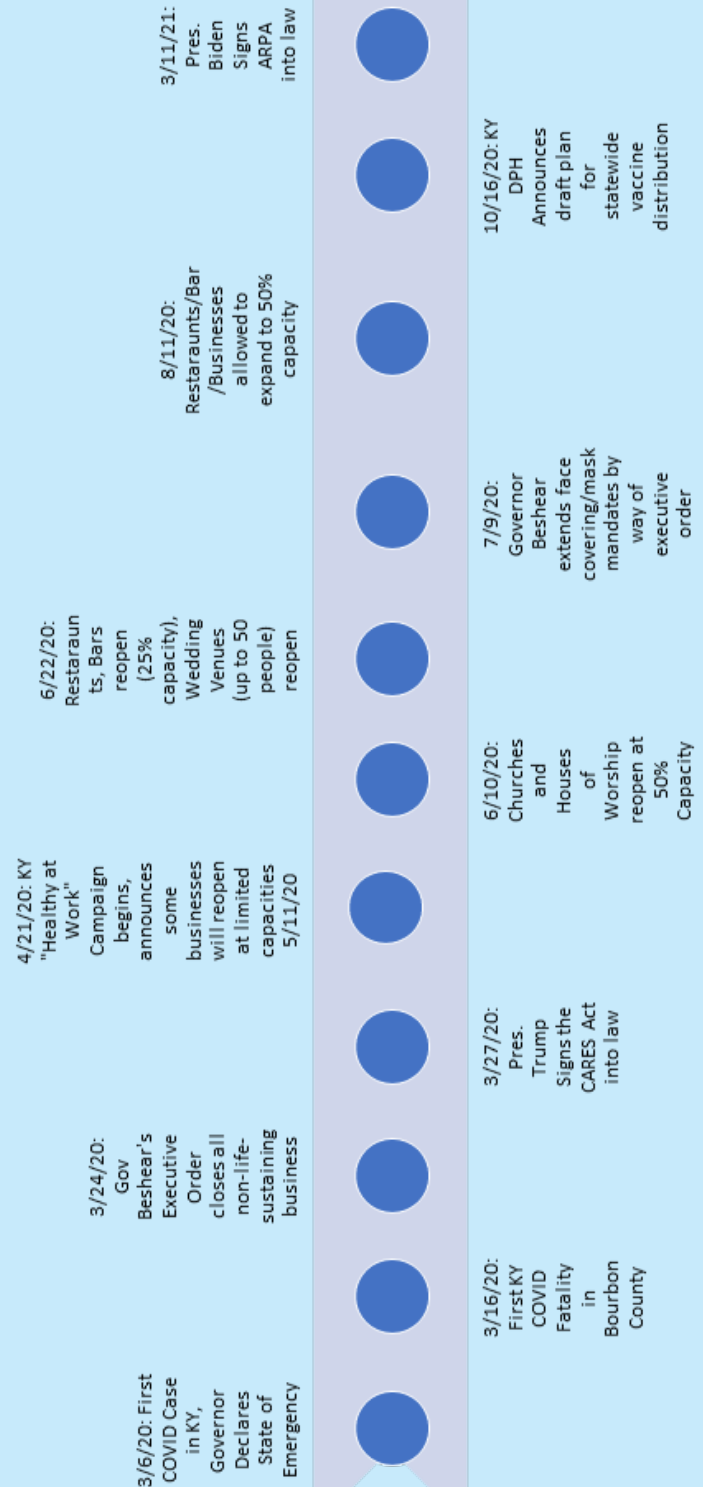
COVID-19 Cases and Deaths in the BGADD Region by County (As of 6/14/2021)		
County	Total Cases	Total Deaths
Anderson	2,115	23
Bourbon	1,759	19
Boyle	3,478	78
Clark	3,005	32
Estill	1,159	12
Fayette	36,375	315
Franklin	4,174	56
Garrard	1,551	36
Harrison	1,804	25
Jessamine	4,779	70
Lincoln	2,392	58
Madison	9,522	111
Mercer	2,630	54
Nicholas	590	8
Powell	1,342	13
Scott	5,492	36
Woodford	2,162	21
BGADD Total	84,329	967
Statewide Total	462,303	7,158

<sup>5</sup> <https://www.wkyt.com/2021/03/04/kentuckys-first-covid-19-patient-reflects-on-last-year/>

<sup>6</sup> KDPH COVID-19 Dashboard (<https://kygeonet.maps.arcgis.com/apps/dashboards/543ac64bc40445918cf8bc34dc40e334>)

# Kentucky's COVID Timeline

The timeline summarizes many significant pandemic-related mandates, milestones good and bad, and pieces of legislation.



# ANALYSIS

The objective of the analysis sections to come is to provide a snapshot of the overall impacts (primarily from an economics perspective) that the Bluegrass region felt as a result of the COVID-19 pandemic.

## County Summaries

Throughout the second half of 2020 and the first half of 2021, BGADD Staff interviewed the region's locally elected officials, economic development directors, and chambers of commerce to gain local perspective, statistics, and anecdotal information on the ways that the pandemic affected the region's local economies. The summaries to follow profile many of the major economic impacts that each BGADD county and their industries/major employers faced throughout the pandemic. As with any anecdotal planning exercise, these sections do not encompass all of the significant impacts that each BGADD county faced, but are intended to provide context and a frame of reference as actions are implemented to promote pandemic recovery and resiliency.

### ANDERSON COUNTY

Throughout the COVID-19 pandemic up through the fall of 2020, only one Anderson County business was forced to close its doors, but according to Chamber of Commerce President Pam Brough, restaurants and locally owned retailers in Lawrenceburg have struggled to stay afloat (a trend across all counties in our region, as well as across the country). Many of these businesses have taken advantage of SBA PPP loans, which have had a tremendous impact on local job preservation. In July of 2020, Anderson County's unemployment rate reached a height of 7% according to Brough but had fallen back to around 5% by the end of the calendar year. This statistic can be difficult to interpret, as a large percentage of Anderson County's workforce commutes daily to Lexington, Frankfort, or Louisville. Perhaps even more concerning for the county during the pandemic than challenges to employment, Brough noted that there seems to have



*Wild Turkey Distillery*



been an uptick in illicit drug use and arrests across the county (Preliminary regionwide statistics show that overdoses may have increased in the BGADD area from 2019 to 2020).

Despite the challenges that the pandemic created for Anderson County's economy, larger businesses thrived during the pandemic- Walmart, Kroger, and Wild Turkey experienced continued success and growth, and have also come to the aid of the community. Chamber President Brough mentioned that Walmart made a number of donations to support local small businesses and PPE distribution, and hired individuals who had lost employment due to the pandemic. Wild Turkey manufactured hand sanitizer that was donated to several local public organizations and healthcare facilities.

## BOURBON COUNTY

In many ways, the coronavirus pandemic's impact on Bourbon County's local economy is a microcosm of the way that the pandemic has affected the nation's economy- there have been mass layoffs and industrial shutdowns, virus outbreaks within factories, significant supply chain delays and disruptions, and small businesses (especially in the restaurant industry) that were ravaged. Despite all of these challenges, several major employers in the county have experienced growth, and the local economy does seem to be recovering.

In an interview with Bluegrass ADD's planning staff, local economic development director Gordon Wilson summarized many of the economic impacts Bourbon County faced in 2020, and a pattern became very clear: the local economy's interconnectedness led to both a couple of months of hardship for industry, and to a speedy recovery as well. Tragically, Central Motor Wheel of America (Bourbon County's largest employer) experienced an outbreak of COVID-19 in the spring of 2020, as well as the state's first COVID-related death. The company shut down for nearly 3 months, laying off over 650 employees for the duration of the shutdown. CMWA lost out on roughly \$120 million in revenue in that time. The company manufactures automobile wheels for Toyota Georgetown. As a result of CMWA's shutdown, several other Bourbon County employers were impacted as well. Kentucky Smelting Technology was forced to temporarily close its doors, as their supply of ingots was disrupted. This left roughly 100 temporarily unemployed and the company with revenue losses totaling approximately \$40 million. Because Kentucky Smelting's demand for ingots waned, TTI railroad experienced several

slow months, and the rail yard was put on hold. In tandem/chain reaction, Anova Premier, a Bourbon County tire manufacturer who produces the tires for CMWA's wheels for Toyota shut down as well, and the company lost \$20 million in revenue throughout the second quarter

of 2020. AgTech Scientific, on the leading edge of hemp and CBD research and production, also underwent a temporary shutdown in 2020 that carried over into 2021.



*Downtown Paris, KY*

All things considered, upwards of 1,000 industrial/manufacturing workers were either furloughed or laid off temporarily throughout the height of the pandemic in the spring and summer of 2020.

Despite all of these challenges, CMWA, Anova, and Kentucky Smelting Technology have bounced back quite impressively. Over the course of 8 weeks after its shutdown, CMWA was able to bring all of its employees back to work, and has been operating at maximum capacity, even on the weekends ever since. This level of activity has trickled down to the other manufacturers, who are back online and operating at full capacity as well. Throughout the pandemic, Hunt Brothers Pizza, headquartered in Bourbon County, never missed a beat, and the company grew by over 20% in 2020. Mingua Beef Jerky also experienced significant growth in 2020. Restaurants in Bourbon County, like most all other counties in the region, were hit particularly hard by capacity restrictions and social distancing. Many have adjusted well and are thriving on the curbside and delivery business model. Retail across Bourbon County struggled in 2020, and even the local Walmart was forced to cut the hours of many of its employees. During the interview, Wilson noted that many restaurants and retailers in Bourbon County took full advantage of the SBA PPP program. Both Kentucky Bank and Traditional Bank processed hundreds of loans for Bourbon County-based small businesses. Wilson noted that he has heard several businessowners say that PPP saved their businesses from permanent shutdown.

As Bourbon County looks to the future, the local economy has many strong points that it looks to continue to bolster, which might continue to attract future industrial growth and expansion. Paris-Bourbon Co Industrial Park is actively seeking to expand and become more attractive from a site-selection perspective. Additionally, the County has identified capital improvement projects for

the long-term with a focus on improved quality of life- primarily the development of the Bourbon County Park, planned for Millersburg Road.

## BOYLE COUNTY

The Coronavirus Pandemic has created a number of challenges for the Danville area and Boyle County's economy, primarily by slowing the continuation of



***Ephraim McDowell Regional Medical Center***

growth and development in the area. According to Develop Danville's President, Jody Lassiter, the county lost roughly 100 manufacturing jobs across 29 industries from December of 2019 to July of 2020. Lassiter noted that the impact upon local small businesses and entrepreneurs, retail, and dining was even more significant, with several businesses closing their doors, changing hands, or having to furlough/lay off employees in order to weather the challenges associated with mandatory closings and capacity restrictions. Danville and Boyle County have seen a significant uptick in the unemployment rate and according to

Lassiter, the area experienced 12-15 fewer significant new development initiatives in 2020 than it would have in a typical year. He also noted that the need for affordable childcare has been a major barrier for parents looking to re-enter the workforce as the pandemic winds down.



***Centre College***

Despite the overall hardship, Boyle County has seen an increase in the number of professional/white collar jobs (non-industrial and non retail) in the community, and there are employers looking to hire, and plenty of vacant positions to be filled across a number of industry sectors. At the time of BGADD's interview with Jody Lassiter, there were 617 jobs open across 6 industries in the county, with most being entry and mid-level positions with good wages. Over 100 of these job openings were health-care related and associated with Ephraim McDowell hospital. Many employers took advantage of the SBA's Paycheck Protection Program (PPP) loans and Economic Injury Disaster Loans (EIDL's) which has helped to soften the economic blow to the county and has led to fewer businesses closing than perhaps otherwise. During the pandemic, Danville has even seen four new businesses come to town- a UPS store, Penn Station Subs, Big City Pizza, and a Spectrum storefront. A major economic development goal for the County going forward is to retain more of its residents during the workday, as many of them commute to the Lexington area and the Counties surrounding Fayette for higher-paying jobs. The county, at present, imports roughly 66% of its day-to-day workforce from neighboring counties, making Danville and Boyle County heavy net-importers of workforce capacity. Additionally, Lassiter noted that the pandemic has brought to light the significance of the need that the region has for expanded broadband internet access and cell service- which is a major focus of both the BGADD Board of Directors, and the pandemic response being funded by the American Rescue Plan Act (ARPA).

Coming out of the pandemic, Boyle County's widespread availability of good jobs represents both an opportunity for growth, as well as a threat to the success of fledgling industries/employers.

## CLARK COUNTY

Clark County's manufacturing and industry-heavy local economy faced significant challenges throughout the COVID pandemic, and saw the doors close on several long-time employers. In August of 2021, Gate Precast, a subsidiary of the Jacksonville, Florida-headquartered Gate Petroleum Company (a large company operating in many different precast concrete manufacturing, convenience retail and gas station, and real estate businesses across the southeast US), permanently closed the doors of their Winchester Concrete Manufacturing plant- a location that started producing concrete castings for nearly fifty years. The company's vice president of operations, Steve Schweitzer, attributed Gate's shutdown of the plant directly to the COVID-19 Pandemic, stating that the "construction industry has not rebounded as expected after the COVID shutdown, and future operations for work in the Midwest is limited."



This shutdown led to the loss of between 40 and 50 full-time jobs in Winchester. The Kentucky Career Center deployed rapid response to work to mitigate the impact on individual workers and their families and aided in the job hunt for those permanently laid off.

Even almost two years after the onset of the pandemic, the effects were still taking a toll locally, as Leggett & Platt furniture manufacturing laid off 40 employees in late December of 2021. Though the layoffs were supposed to be on a temporary basis and last 2-3 months, the KY Career Center provided rapid response and Leggett and Platt had not started to re-hire any of the lost positions as of mid-March, 2022.



***Gate Precast's Winchester Manufacturing Plant***

## ESTILL COUNTY

COVID-19's economic impact on Estill County throughout 2020 has mirrored that of much of the rest of the region: though many industries and employers have faced hardship, the county has weathered the storm. Undoubtedly, locally-owned retailers and restaurants are the sectors that have been hit the hardest by the pandemic, as an increased demand for online retail and restrictions

upon indoor dining capacities have hamstrung small retailers and dining establishments from reaching their clientele. Though this is the case, Estill County's businesses have survived. According to Estill Development Alliance Director Joe Crawford, no Estill County businesses had been forced to close their doors permanently as of November 16th, 2020. Mr. Crawford reported that many of Estill County's employers took advantage of the SBA's Paycheck Protection Program as a means by which to keep their doors open and avoid significant cutbacks during the outbreak.



***The Historic Chesapeake & Ohio Engine 2716***

Since the height of the pandemic, Estill County's workforce and job availability has recovered in much the same way as the region's has as a whole.

According to Mr. Crawford, retaining talented and educated employees will be a larger challenge for the county going forward than job availability. In 2020, Carhartt, the County's largest employer and manufacturer, reached 100% employment for the first time in several years, and has stayed at capacity throughout most of the year. Additionally, hardware stores and small construction contractors have enjoyed a record year in Estill County in 2020. Coming out of the pandemic, Estill County,

Irvine, and Ravenna stand to benefit greatly from the development of “The Yard” between the two cities, an outdoor venue to be developed on a retired rail yard, which will set up a pavilion-style area to champion regional art, food, music, and events, while celebrating Kentucky’s railroad history.

## FAYETTE COUNTY & LEXINGTON

BGADD staff collaborated with Commerce Lexington to gain insights into specific ways that the metro area was affected by the pandemic. Fayette County and Lexington serve as the BGADD region’s metropolitan hub for economic activity and the COVID pandemic took a major toll on many industry clusters that are the lifeblood of the metro area. During discussions with BGADD staff, Commerce Lexington President Bob Quick and Chief Policy Officer Andi Johnson indicated that LFUCG lost out on well over \$800,000 in occupational license tax revenues in the first three months of pandemic shutdowns and restrictions alone (a period coinciding approximately with the second quarter of Calendar year 2020).

Though all sectors of the economy suffered due to the pandemic, Fayette County and Lexington uniquely suffered in the tourism and hospitality sector. Tourism/hospitality and dining/entertainment make up a larger portion of Fayette County’s jobs than any other industry or sector. Though still difficult to quantify at this time, thousands of individuals employed in Lexington’s restaurants and hotel industry were still out of work, as of the early fall of 2020, despite a recovery of over 65% of the positions laid off or furloughed earlier in the year. Perhaps no single entity makes a more significant impact on the Lexington area’s tourism and hospitality economy than Keeneland Race Course. According to the University of Kentucky’s Center for Business and Economic Research in a 2015 study, Keeneland generated an estimated \$590,000,000 in economic activity for Lexington alone, over \$100,000,000 of which was directly brought in by the spring racing meet in the same year. In the years since, this number has crept closer and closer to \$150,000,000 in total spending in conjunction with the spring racing meet. In 2020, COVID forced the race course to cancel its spring meet, a necessary yet unfortunate development that dealt a major blow not only to the horseracing economy, but to Fayette County’s restaurants and bars, hotels, and entertainment, as well as to other regional tourist attractions such as bourbon distilleries.

*Keeneland Race Course*



Fayette County also shouldered a major economic and public health burden in the healthcare industry. While no monetary estimates exist for revenues lost, there has been a large decrease in elective surgeries. Elective surgeries and their follow-up services make up a large portion of the revenue in most Hospitals. University of Kentucky Hospital, Baptist Health, CHI St. Joseph, and UK Good Samaritan Hospital serve the residents of Fayette County, but they are also home of many of Kentucky’s premier medical experts. This concentration of experts makes the hospitals of Lexington



primary destinations for many people with life-threatening conditions. Covid stretched Lexington to its max, requiring the City to set up testing and vaccine clinics within Kroger Field and all over the city to avoid overflow at main hospital but with beds overflowing during the covid outbreaks elective surgeries must be rescheduled for in the future or outright cancelled.

## FRANKLIN COUNTY

Despite numerous challenges and hardships to small business and to the public sector as a result of the coronavirus pandemic, Frankfort and Franklin County's economy continued to grow overall in 2020. Due to the success of "big box" retailers such as Kroger and Walmart and the continued growth of the bourbon industry, especially Buffalo Trace, the county's occupational tax revenues have increased in 2020 from 2019 levels. Growth in these two sectors overshadowed a large number of layoffs, furloughs, and hiring freezes that affected the state government's many agencies housed in Frankfort. The unemployment rate in Franklin County flirted with a whopping 20% in the late spring of 2020 but had stabilized between 4.5 and 5% by October. Many businesses capitalized on the opportunity to receive paycheck protection program loans from the SBA, and the City and County made good on a promise to make a part of their allocated coronavirus relief funds that they received from the federal government available in the form of grants to small businesses.



*Buffalo Trace Distillery*

According to Terri Bradshaw, Executive Director at Kentucky Capital Development Corporation, jobs are available in Frankfort, and the workforce issue that the community will face in the future will not be a lack of job opportunities but will be an inability for employers to fill job vacancies with qualified talent. This is a problem that Bradshaw assumes will only continue to grow in the future. The community's shortage of talented young professionals will likely be compounded in the years to come by a severe lack of available housing stock and new residential real estate development. The lack of suitable housing and new development has led to drastic increases in real estate prices overall. While a shortage of housing exists in the county, a surplus is growing in professional and government office space. Throughout the coronavirus pandem-

ic, many professional offices and government agencies transitioned to “work from home,” remote, or hybrid business models, and are utilizing less space than ever before. Bradshaw anticipates a huge influx in vacant office space, and the use of much of Frankfort’s building stock will have to be reimagined. At present, there is over 1,000,000 square feet of vacant office and professional space in the county and counting.

## GARRARD COUNTY

Lancaster and Garrard County’s economy has been impacted heavily by COVID-19 in many ways. In an interview with Bluegrass ADD staff, Lancaster-Garrard County Industrial Development Authority Director and City Councilman Ken Parsons shared a number of insights. As has been the case in many communities nationwide, Parsons noted that in Garrard County, restaurants were probably the industry that was hit the hardest by shutdowns, restrictions, and public health protocol throughout the spring and summer months of 2020. All dining establishments were required to close their

doors to indoor dining, at least for a short time. Parsons did mention, however, that the majority of restaurants in Garrard County either had drive-through windows, or the capability to transition to curbside or delivery-centered business models, which allowed them to maintain at least a portion of their revenue streams. Several local banks provided SBA pay-check protection loans, which had a tremendous impact on local businesses. Grocery and alcohol retailers in Garrard County, both large and small, remained successful throughout the year 2020.



***Downtown Lancaster, KY***

During the portion of the interview that focused both upon manufacturing/industry as well as white collar and professional occupations, Parsons mentioned that the unemployment rate since late summer of 2020 seems to be back to a low percentage. He noted that before the pandemic, roughly 5,000 citizens of Garrard County and Lancaster commuted out of the county each day for work. In a county of just over 17,500 people, this makes up a huge portion of the working population. As such, Parsons believes that Garrard County’s unemployment statistics do not truly measure the toll that COVID-19 has taken on the livelihoods of Garrard County families. Parsons also discussed how many workers in Garrard County voluntarily left the labor market in 2020, speculated that school closings motivated many secondary breadwinners to stay home with their children, in order to both assist with their education, as well as to avoid expensive childcare bills. Further, significant supplementation to traditional unemployment benefits compelled many individuals who had been laid off to remain, at least temporarily, unemployed.

Looking ahead, a number of development opportunities will hopefully be coming Lancaster and Garrard County's way. The city and county's joint industrial park is beginning to attract businesses and is seeing development, and a number of solar and agricultural industries have expressed an interest in locating in the county due to its existing infrastructure.

## HARRISON COUNTY

Everyday life and the economy in Cynthiana and Harrison County were altered significantly from the very start of the COVID-19 pandemic in Kentucky. The state's first confirmed positive case of the virus was discovered in Cynthiana, triggering Governor Andy Beshear's declara-



***Biancke's Restaurant in Cynthiana***

tion of a state of emergency in Kentucky on March 6, 2020. This declaration was hastily followed by a number of requirements and restrictions around the state, with a focus on stopping the spread of the virus. Fortunately for Harrison County and Cynthiana, the County's three largest employers (Bullard, E-Z Pack, and 3M) were all considered to be "essential" businesses under the Governor's COVID guidelines, and all three were allowed to continue operating fully intact.

As statewide mandatory shutdowns and sanctions came into play and economic uncertainty and the number of coronavirus cases rose, despite being considered an essential business/employer, 3M was forced to lay off 120 of their temporary employees. Of those 120, Bullard was able to provide positions for 40. Bullard and E-Z pack were not forced to lay off or furlough any employees- according to county Economic Development Authority Director Garnett Furnish, manufacturing overall has not significantly been hurt by the pandemic. Furnish noted that mandatory shutdowns and capacity restrictions have hurt many of the community's small businesses, especially dining establishments. Despite these challenges, Harrison County's occupational tax revenues increased by 5%, and the City of Cynthiana's by 6% in Fiscal year 2020, and 6 new businesses opened as well. This news seems very encouraging, but the City's occupational tax revenues appear to have decreased by roughly 2% in each of the first two quarters of FY 2021. Throughout the pandemic, quality jobs have remained available to Cynthiana and Harrison County's workforce. According to the best data that the city has, Cynthiana's unemployment rate is one of the lowest in the area, hovering around 4.1%. Garnett Furnish, local EDA Director, and Mayor James Smith mentioned that the true workforce challenge that the area faces is that local employers struggle to find and retain talented and qualified employees. Mayor Smith pointed to drug-related societal issues as a major challenge for employee retention.

The City of Cynthiana was the benefactor of Coronavirus Relief Fund monies through the CARES act. Mayor Smith noted that the funds have been a huge help, and the city's reimbursement was significantly larger than the amount of occupational tax revenue that they lost in the first two quarters of FY 2021.



## JESSAMINE COUNTY

Despite a large number of economic roadblocks throughout 2020 due to the coronavirus pandemic, Jessamine County is positioned for continued growth and prosperity moving forward. With that being said, many of the issues created by the pandemic may well continue to be major issues for the county in the years to come.

In an interview with BGADD, county Economic Development Director Craig McAnelly provided a number of insights. Though many small businesses have been hurt by the COVID pandemic and had to close their doors temporarily, McAnelly was pleased to report that despite shutdowns and lost revenue no Jessamine County employers have yet had to close their doors permanently due to the pandemic and he noted that the economy is in many ways “back to normal.” The biggest issues, according to McAnelly, that the county will face going forward are challenges to access to loans for business expansion, an overall accumulation of debt across several sectors of the county’s economy, and workforce and hiring challenges that employers will face.



***The Barbasol Championship- PGA Event in Nicholasville, KY (Cancelled 2020)***



***Camp Nelson National Cemetery***

Due to a very high degree of uncertainty around the future of dining, retail, and entertainment, many Jessamine County businesses are having trouble accessing affordable loans for business expansion. Local banks countywide have issued an average of 60-100 SBA PPP loans to businesses with operations in the county, and their impact, McAnelly says, was huge and was a large reason why no major business closings or permanent shutdowns have occurred. He also mentioned one business that was saved from permanent shutdown by a loan from the USDA’s Rural Development Program. Beyond SBA-backed PPP loans, many banks and lending institutions are hesitant to provide financing to businesses looking to start up or expand. As an example, McAnelly mentioned that banks simply are not going to be willing to loan money to restaurants as long as they are restricted to serving guests at less than 50% of capacity. He also mentioned that one hotel that had planned to locate to Jessamine County has been unable to start construction because they have been unable to secure a loan. When discussing a general accumulation of debt in the county, McAnelly noted that many landlords have experienced challenges with collecting rent payments from tenants.

Despite all of these challenges, a major bright spot in 2020 for Jessamine County and Nicholasville is that the county is in the process of developing a new industrial park for the first time in decades.

On the issue of workforce, job availability is not an issue at present in Jessamine County. Though the county unemployment rate spiked to 17% in the Spring of 2020, it had fallen all the way back to below 4% by the Fall. McAnelly mentioned that wages in the region seem to be increasing rapidly,

and he believes that increasing wages are one of the ways which employers are enticing new applicants to pursue work opportunities. Many individuals throughout the spring and summer months could collect more in unemployment benefits than they had previously made in wages. In the aftermath of supplemental unemployment payments, Jessamine County employers are struggling to fill positions. As an example of the measures that employers are taking to find workers, McAnelly mentioned that the Arby's in Nicholasville was offering a \$500 signing bonus to new employees, in addition to higher wages than they had offered pre-pandemic. As government assistance to individuals citizens wains and COVID vaccines are developed, McAnelly believes hiring and retaining employees will gradually become easier.

## LINCOLN COUNTY

As the pandemic continued (June 4, 2021), BGADD staff caught up with Lincoln County Judge Executive Jim Adams and County Economic Development Director George Leamon for a discussion on the pandemic's effects on Lincoln County's economy. Traditionally, according to both Leamon and Judge Adams, Lincoln County's unemployment rate is one of the higher rates in the region. As of May 2021, the county was between 7% and 8% unemployment.

Throughout the Spring of 2020, several of Lincoln County's larger employers were forced to temporarily shut down due to health concerns and the need for social distancing. Both Lincoln manufacturing and DecoArt closed their doors for approximately 8 weeks, and due to mandatory precautionary measures, many of the county's dining, non-essential retail, and entertainment businesses were required to close as well. Lincoln Manufacturing and DecoArt each took full advantage of the SBA's Paycheck Protection Program- as such, employees of the two companies were able to continue to re-

ceiving income, and the financial blow of the COVID pandemic was certainly softened. The Stanford-Lincoln County Industrial Development Authority received PPP funds and other assistance, which was made available to local businesses in the form of both grant and low-interest loan.



***Historic L&N Train Depot and Museum, Stanford, KY***

A large portion of Lincoln County's economy is agricultural. The majority of farmers, according to Leamon and Judge Adams, caught onto the Paycheck Protection Program quite early, and were able to use SBA assistance to stay afloat during the most stringent portions of the State's economic shutdown. The Farm Service Agency also provided major relief for many farmers. Though the relief was considered income and taxed, this provided an additional avenue for agricultural producers to stay ahead of the economic downturn induced by the pandemic. Moving out of the COVID-19 pandemic, both Leamon and the Judge emphasized that Lincoln County's biggest challenge to economic growth is the need for a bolstered workforce. At



present, there are more jobs available in the county than there are individuals with a desire to fill them. Additionally, wages have risen dramatically regionwide over the last several years, making it difficult for many Lincoln County employers to continue to compete for high-quality workers.

## MADISON COUNTY

In Madison County, the effect of Covid has been quite interesting in that the Cities of Richmond and Berea were hit far harder than the county at large. In an interview with County Judge Reagan Taylor and Deputy Judge Colleen Chaney, the pandemic truly did not negatively affect the county government's financial position, and most of the large employers in the county at large did not miss a beat (though the same certainly is not true within the city limits of Richmond and Berea). Throughout the pandemic, the total number of prisoners housed in the Madison County jail dropped considerably, which freed a considerable amount of the County's revenue. Notably, Sherwin Williams was never required to close its doors, and did not end up having to lay off or furlough employees. The Bluegrass Army Depot, in the middle of its disarmament, shut down for only about one week.



***Eastern Kentucky University,***

The Bluegrass Army Depot, in the middle of its disarmament, shut down for only about one week.



***Chemical Weapons Destruction Plant at BG  
Army Depot***

Madison County staff and the Fiscal Court was fairly well positioned to transition into the virtual world that COVID required. County officials were able to transition fully to a remote style of work in a matter of days. The county had many of the required technological elements in place previously to be able to make the transition happen quickly. Judge Taylor and Colleen Chaney noted that the county was quite fortunate, and being a larger county, they had many resources that many other counties were simply not equipped with. Of all economic development issues, COVID showed the County that broadband expansion, especially to rural areas, will have to be a major advancement priority going forward. The county's COVID task force also brought together many businesses and agencies that are now collaborating to advance the county's economic interests in ways that have not been used before.

The City of Berea's experience was radically different than that of Richmond and the county at large, as the community's industry as well as its lifeblood, tourism, were ravaged by the pandemic's economic affect. Due to the major shutdown at Toyota in Georgetown and disruptions in the supply chain's capability to provide materials, several of Berea's largest employers were forced into lengthy shutdowns that led to mass temporary unemployment. Hitachi, KIUSA, and Kentucky Steel, who combine to employ at least 1,500-1,800 workers at any given time, shut down for a minimum of

8 weeks, and Hyster-Yale Materials Handling has closed its doors for one week out of each month throughout the pandemic. Additionally, the company's 171,000 square foot expansion (which would have led to many new hires) was delayed considerably. As such, a huge number of Bereans were forced into unemployment, at least temporarily. As the country's economy has slowly recovered, so too have local manufacturing employers. Hitachi, KIUSA, Kentucky Steel, and Hyster have all resumed work at full capacity and have rehired most if not all of those who were laid off or furloughed. Stemco, an employer of roughly 65, was bought by a larger company during the pandemic, and has been slow to return to action. Tourism and hospitality are undoubtedly the driving economic forces in Berea, and are in many ways where the community finds its identity. In this regard, the pandemic was difficult on the community across the board as most all dining establishments, attractions, and Berea College all had to shut down to in-person activities for an extended period.

Coming out of the pandemic and over the next several years, Madison county will be faced with the continuing disarmament and closure of the Bluegrass Army Depot, which will leave a huge hole in the County's economy and at least 1,200 highly skilled and educated Kentuckians in need of a new job. Regionwide, a major opportunity exists to work to retain as many of the depot's highly skilled employees, as well as their families, as possible.

## MERCER COUNTY

Similar to several other counties in the Bluegrass ADD Region, Mercer County's employers have been faced with challenges to hiring and retaining quality employees throughout the coronavirus pandemic. The County's four largest employers: Essity (Bay West/Wausau) Paper, Hitachi Automotive, Toyota-Boshoku, and Corning Glass, all managed to survive the difficult calendar year that 2020 was. All four companies have had to reinvent the way that they do business, at least in terms of social distancing and retrofitting of their factory floors. The companies implemented shift change policies that allowed employees to have little to no contact with workers on other shifts, enhanced sanitation protocols, installed plexiglass barriers and altered workspaces, and heavily invested in PPE. Harrodsburg-Mercer County IDA director Mike Willand in an interview with BGADD, explained that Bay West Paper was hit the hardest of any of Mercer County's manufacturers and did have to shut down temporarily. He also noted that all four manufacturers have experienced



*Old Fort Harrod State Park ([parks.ky.gov](https://parks.ky.gov))*

supply chain challenges during the pandemic that have affected production capabilities. According to Willand, Harrodsburg and Mercer County's small businesses were hit even harder than large retailers and manufacturers. Across the region, the trend has been that large "big box" retailers (i.e.- Walmart, Kroger) have managed the pandemic well and have enjoyed largely uninterrupted patronage and revenue. Willand believes that without the SBA's PPP and a responsive set of actions for businesses in the CARES Act, many of Harrodsburg's mom-and-pop retailers and eateries would have been forced to close their doors for good.

Moving forward, Willand noted that hiring and retaining talented employees is a huge challenge for Mercer County that will only grow in the future. During the pandemic, many individuals have voluntarily exited the labor market. Willand sees childcare affordability (or the lack thereof) as a major reason this is occurring, in addition to supplemental unemployment assistance and overall uncertainty regarding the pandemic and the health of our families. Willand also believes that the pandemic has shown Mercer County's manufacturers that a renewed emphasis should be placed on creating relationships with local suppliers and building an industrial economy where manufacturers and suppliers do business based on locally sourced materials. In addition to the challenges that COVID has created for the county, Mercer County is in need of new space for industrial expansion, but has a number of existing facilities on the market that could attract significant new employers.

## NICHOLAS COUNTY

Beyond a myriad of temporary shutdowns, temporary restaurant and entertainment business restrictions and closures, and other economic challenges like counties across the nation, Carlisle and Nicholas County experienced a particularly challenging series of events in 2021 late in the pandemic that created extremely challenging conditions during which pandemic response was still critical. In July and August of 2021, Carlisle experienced a pair of catastrophic flooding events that led to the loss of a life, and to the total destruction of the County's EMS facility, along with the loss of several ambulance and fire apparatus. This major challenge only compounded the difficult situation created by the pandemic environment by crippling the County's emergency services.

At the time of this publication, Nicholas County had received assistance from a number of state and federal sources, and the community was making inroads toward recovering from local flooding disasters.



*Carlisle Kentucky*



## POWELL COUNTY

As one of the more rural localities in the BGADD region, nearly all Powell County's manufacturers and industries were able to stay open throughout the entirety of the pandemic, and the County's economy weathered the COVID crisis effectively unscathed. At the height of the pandemic locally, Tebco (Truck & Equipment Body Co of Kentucky)'s Stanton location shut down for approximately one week due to fairly widespread sickness among employees. According to Director Craig Dawson, the Powell Industrial Authority did not hear of any other closures or shutdowns, even on a short-term or temporary basis.

Similarly to many other parts of Central Kentucky, tourism is a major portion of the local economy. Across the nation, the pandemic catalyzed a renewed interest in outdoor activities, eco-tourism, and other similar activities. Effectively leveraging the Red River Gorge as a significant natural tourism attraction, Powell County saw a major uptick in cabin rentals, hiking and kayaking, park visits, and more, and saw an increase in the number of individuals visiting from out of town for pleasure-related travel and overnight stays.

As the pandemic winds down, Powell County is actively working to continue to leverage the outdoors and recreation as draws to their community (the county fiscal court acquired a large parcel planned for outdoor attractions, and many private investors have considered Powell County and the Slade area as a prime location for the development of lodges, resorts, and various natural/outdoor attractions).

## SCOTT COUNTY

The coronavirus pandemic has taken a toll on Georgetown and Scott County, but like the rest of the region, the county seems to be recovering and bouncing back. In a virtual interview with BGADD staff, Scott County Chamber of Commerce President and Economic Development Authority Director Jack Conner mentioned one issue for the county's economy above all else: the county's need for growth in its talented and career-ready workforce pool. According to Conner, hiring and retaining talented employees is the biggest challenge he sees for the county across many industry sectors ranging from manufacturing and logistics, to professional services, to dining, hospitality, and entertainment.

Throughout 2020, manufacturing was the industry hit hardest in Georgetown. While many retailers transitioned to a more online-centric model, professional industries worked from home, and restaurants focused on curbside/delivery and outdoor dining, manufacturing did not even have the luxury of operating at a limited capacity. Throughout April and into May, the region's largest employer, Toyota Motor Manufacturing Kentucky, shut down entirely for a five-week span, leaving over 8,000



*Red River Gorge, KY*



### ***Toyota's Georgetown Production Plant (USA TODAY)***

workers either laid off, furloughed, or waiting to return to work. Despite the lengthy shutdown, Toyota's Georgetown plant has continued to grow and remains one of the nation's premier auto manufacturing sites. Though revenues were down, all locally-owned downtown businesses have been able to keep their doors open, at least to some extent. According to Chamber President Jack Conner, many restaurants have fared well with a curbside/delivery model and have remained profitable by cutting down on overhead and expenses. A huge number of Georgetown/Scott County Businesses took advantage of PPP loans from the SBA, and Conner attests that the paycheck protection program may well have allowed many businesses to survive and even remain profitable in 2020 who might not have otherwise.

Conner identified workforce readiness and availability as the biggest challenge for Georgetown and Scott County in the years to come, whether the region's economy recovers quickly from the pandemic or not. Historically, he noted that the region has struggled with attracting and retaining talented and educated employees for the long-term, and he believes that mitigating this problem is the key to future growth and success. This, he says, is achieved through education and job training for residents of central Kentucky, and by making the area as attractive a place to live and work as possible, in order to draw talent from other regions. The current lack of qualified employees, he believes, has been compounded during the pandemic, because many talented individuals (especially secondary breadwinners/primary caregivers) have voluntarily left the labor market for various reasons (uncertainty about the pandemic, lucrative supplemental unemployment payments, high childcare expenses, etc).



## WOODFORD COUNTY

Woodford County's economy, despite the hardships created by the virus, continued to grow throughout the Coronavirus pandemic. BGADD staff caught up with Michael Michalisin, Lucas Witt, and Elizabeth Carter of the county's economic development authority, and discussed the impacts of the pandemic and the county's response. Woodford County's largest industries each effectively navigated the pandemic, though not without suffering through considerable staffing and revenue challenges and the cancellations and closing of many significant regional events and venues.



***Street Fair in Downtown Versailles, KY ([woodfordcountyky.gov](http://woodfordcountyky.gov))***

Manufacturing and distribution are the county's largest employment sectors, providing in excess of 2,000 jobs at companies including Yokohama Industries, NSG, Lakeshore Learning Materials, and Clark Distributing. Many of these jobs were temporarily lost due to furloughs, layoffs, and COVID-related temporary shutdowns, but the county's industry has sprung back fairly quickly. The county's bourbon industry, namely Woodford Reserve and Castle and Key, were challenged by the inability to draw in tourists for tours, tastings, and visits to their facilities, but demand for retail product continued to increase throughout the pandemic. Witt reported that most of the county's major employers were able to benefit from the SBA Paycheck Protection Program and Economic Injury Disaster Loans (EIDL's), which softened the blow to both individual employees/families, as well as to corporate balance sheets. Throughout the second half of 2020 and into 2021 as employers worked to transition back into regularity and to recall their workers, Witt cited the lack of availability in childcare as a major barrier to returning to work for many individuals. As in many of the other counties in the BGADD region, availability of jobs on the tail end of the COVID pandemic has not been an issue, but rather the challenge has been finding ample qualified applicants for those jobs- an issue that the county has attempted to address by way of a number of job fairs.

The County's agricultural economy and its massive equine sector faced significant challenges due to COVID. Though farms continued to operate, cancellations of many of 2020's most significant thoroughbred racing events, as well as logistics and supply chain challenges for farmers, brought addi-

tional revenue hardships. As the pandemic winds down, Woodford County is well-positioned for growth, with several new industries and developments slated to come to town in 2021 and 2022.

## Labor Force Change and Unemployment During the Covid-19 Pandemic

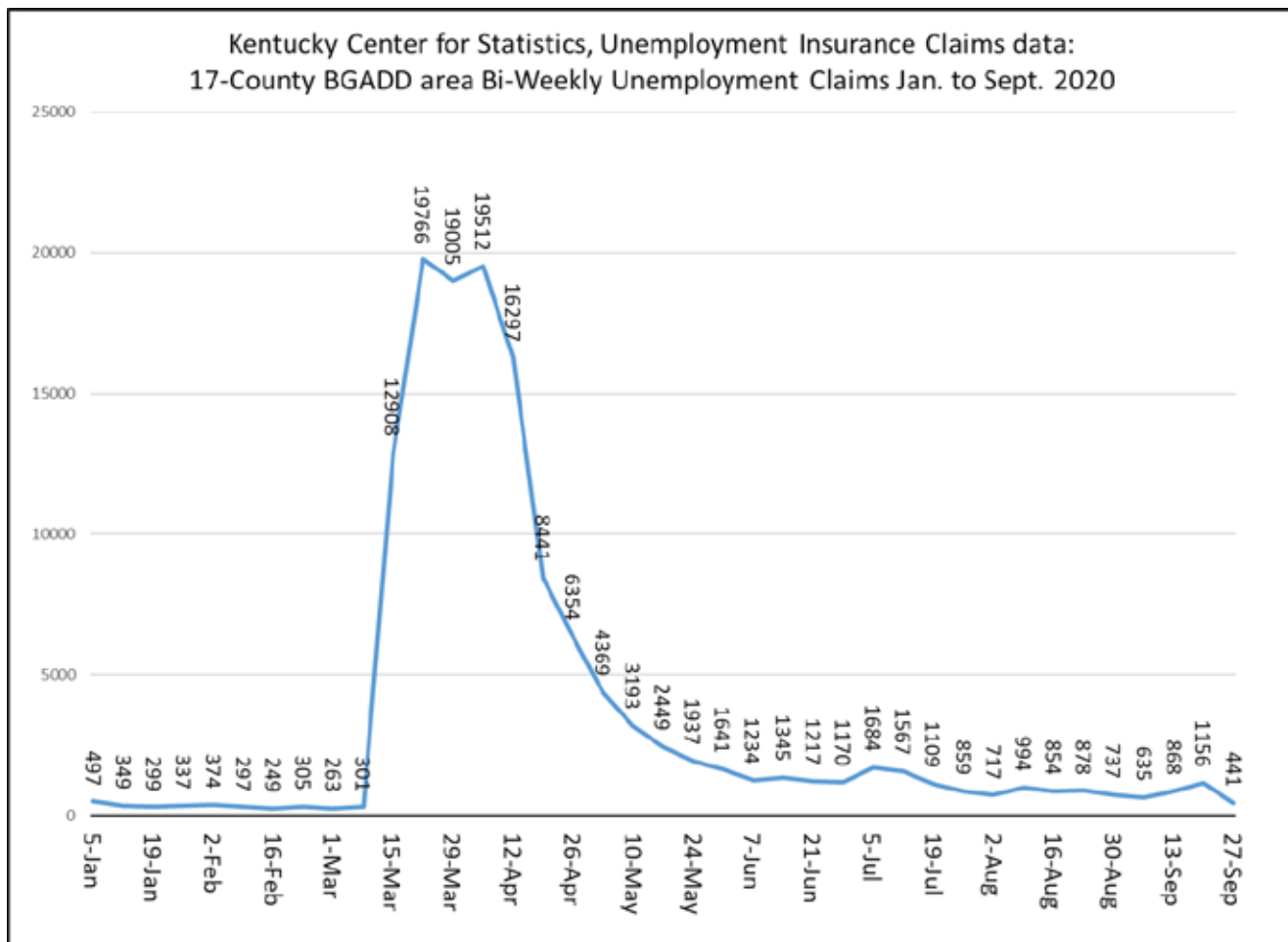
On March 13, 2020, President Trump announced a State of Emergency due to the Covid19 virus outbreak. According to the Governor Beshear's Covid19 website, [www.governor.ky.gov/covid](http://www.governor.ky.gov/covid), on March 17, 2020, Governor Beshear closed the State Capitol to non-essential employees, closed state government buildings to in-person services, and signed an executive order that by March 18 at 5:00 p.m. businesses that encourage public congregation or that by nature cannot comply with social distancing guidelines set by the CDC must cease their operations. Such businesses included:

- entertainment and recreational facilities,
- community and recreation centers,
- gyms and exercise facilities,
- hair salons, nail salons, and spas,
- concert venues, theaters, and sporting event facilities.

A few days later on March 22, 2020, Governor Beshear ordered all in-person non-life sustaining retail businesses to be closed to the public on Monday, March 23, at 8 p.m, while allowing non-life sustaining retail to provide online and phone orders with pickup or delivery as long as the employees were able to adhere to the CDC's social distancing and hygiene guidelines. The order allowed life-sustaining retail businesses to stay open and the order included a full list of those retail businesses which included grocery stores, pharmacies, banks, hardware stores, and gas stations, and other retail businesses.

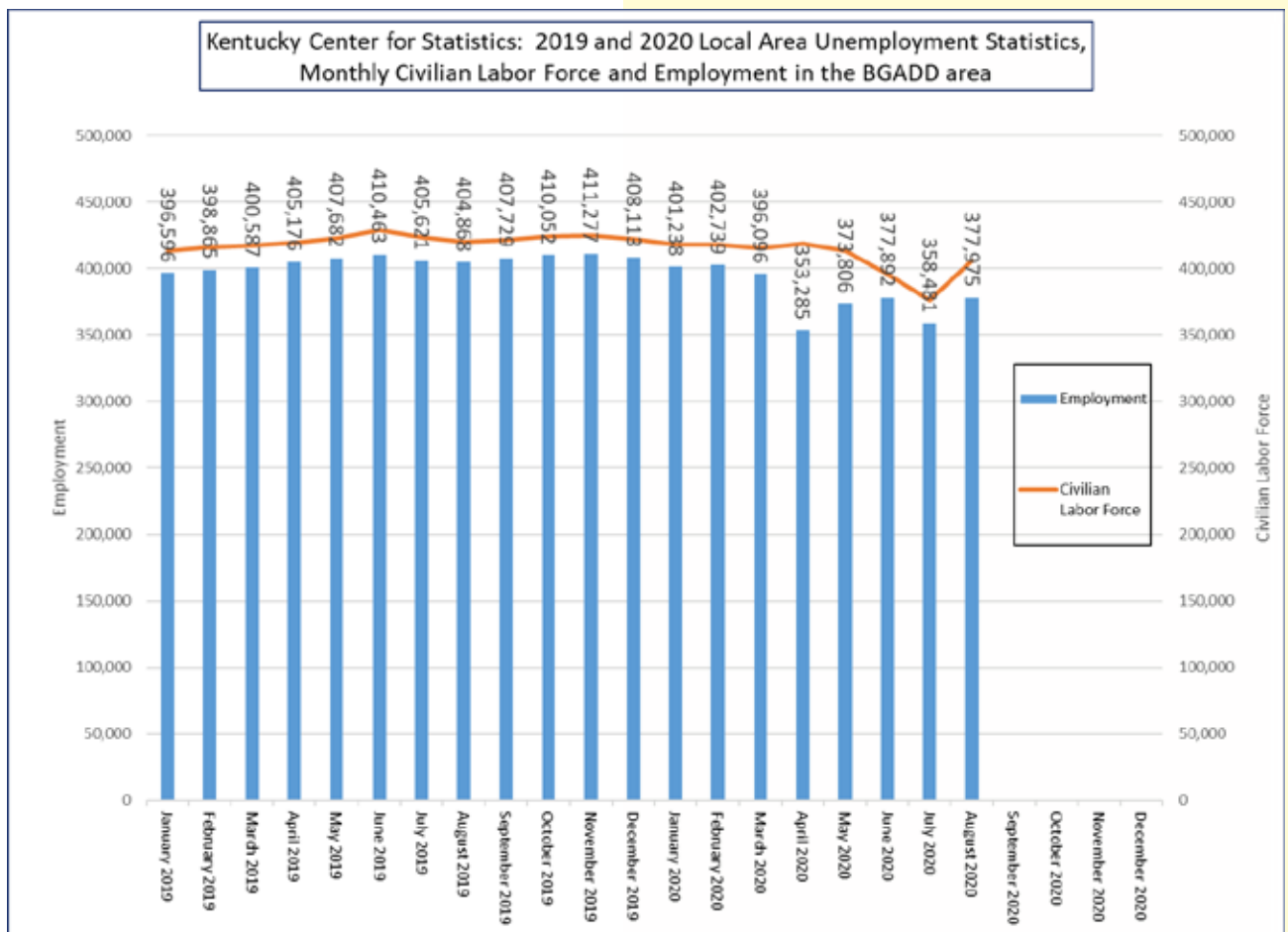
Then on March 24, 2020 the Governor closed in-person traffic to all non-life sustaining businesses. Life-sustaining businesses allowed to stay open included, but were not limited to: gas stations, media, businesses needed for transportation, grocery and pharmacies, financial services, hardware stores, agricultural operations, logistics, shipping, housing, construction, laundry, home-based care, manufacturing and other businesses key to national interests or under the federal critical infrastructure sector. In the chart on page 32, the decrease in employment for the month of March 2020, as compared to March 2019, reflects the Executive Orders in March 2020. With the lowest employment occurring in April 2020.

The chart on the page to follow shows the effect of Covid-19's shutdowns and restrictions on unemployment insurance claims from January to September of 2020:



May and June of 2020 showed the employment beginning to increase, but not back to what employment numbers were in May and June of 2019. The May 2020 and June 2020 slight rebound in employment from the low in April 2020 was, in part, due to laid off medical and dental workers going back to work as instructed by Governor Beshear on April 27, 2020 when he initiated the phased reopening of healthcare services with Phase I allowing non-urgent medical, dental, physical therapy, diagnostic radiology, and lab testing to resume. Then on May 6, 2020 Phase 2 allowed outpatient surgery and invasive procedures to start back up. Next, with Phase 3 on May 13<sup>th</sup> hospitals were allowed to begin conducting non-emergency surgeries and procedures at half the volume as before the pandemic. And the final Phase of Healthcare reopenings was on May 27 when Phase 4 began where most restrictions on procedures were lifted with volume and oversight left up to the individual facilities.

The chart below shows the Civilian Labor Force as an orange line, and the number employed in the blue bars using Local Area Unemployment Statistics data from the Kentucky Center for Statistics. The gap between the top of the blue bars and the orange line are the Unemployed workers. April 2020, with the largest gap, had the highest Unemployment so far with the data that has been released. July 2020 showed Employment decreasing again, but not as low as April. Some businesses had to cease so their former employees will have to face looking for employment elsewhere instead of waiting for that business to reopen to go back to their jobs. The chart shows a trend of increasing employment in August 2020, and hopefully September will show a continuance of that trend.

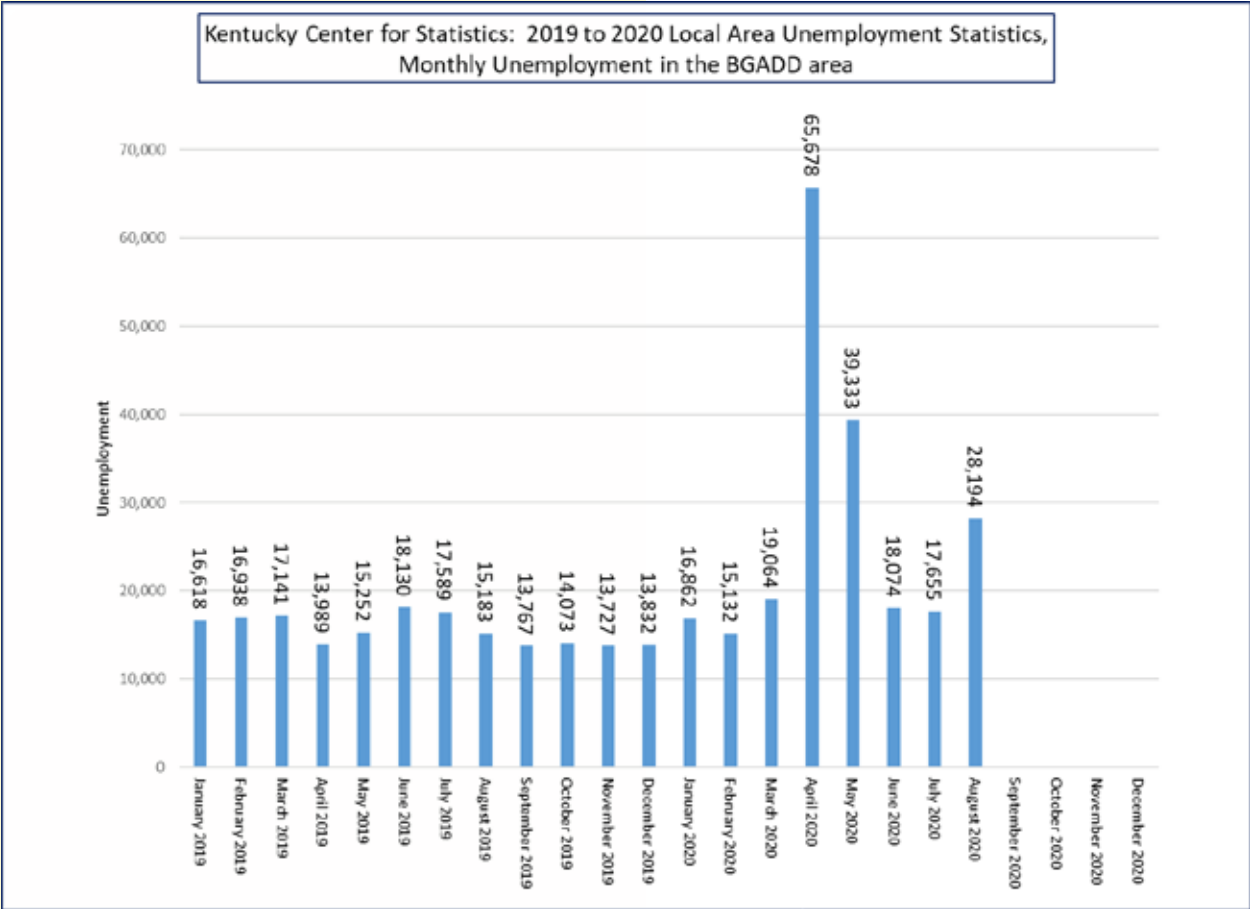


Source of data: [www.kystats.ky.gov](http://www.kystats.ky.gov) Kentucky Center for Statistics, 2020 Current LAUS and Historical LAUS-Substate

In the chart above, the Civilian Labor Force's (orange line) downward dip from May to July means that there was an unusual number of workers that left the labor force, meaning they were not working AND were not seeking work. Then in August the Civilian Labor Force increased to above 400,000, but not back to the levels before Covid19. A number of possibilities may have caused this dip then rebound in Civil Labor Force. One such possibility is that there were record numbers of government workers retiring from the state retirement system. The Kentucky Retirement System includes state and local government workers. Local government employment includes teachers and school staff working for the county's school districts. Local government employment also includes the public safety workers in Cities and Counties such as Police, Corrections, Fire, and EMTs. The pandemic occurred concurrently with the tensions and rioting over the Breonna Taylor case in Louisville and the George Floyd case in Minneapolis where some cities voted to defund or redesign their police departments. Some public safety workers retired due to the tensions over the Breonna Taylor and George Floyd cases, and some teachers and public school workers retired due to concerns about the Covid19 virus. Then a month or two later, the increase in the Civilian Labor Force in August may be due to some of these retirees that retired May through July returning to work in August. Another contributing factor to this increase in labor force in August could be that a household member that wasn't in the labor force, but began working.



This chart below shows the Unemployed workers from January 2019 to August 2020 for the Bluegrass ADD area. As depicted, March 2020 showed Unemployment being higher than any of the prior months in this time period and the government ordered closings began in late March. April 2020 showed the highest unemployment with May 2020 being second highest. June 2020 actually had lower Unemployment than June 2019, and July 2020 only had slightly higher Unemployment than July 2019 even with the pandemic ongoing crisis. Then in August 2020 Unemployment spiked again but much lower than April and May of 2020. Further investigation into employment by industry in this report reveals some interesting trends during this time.

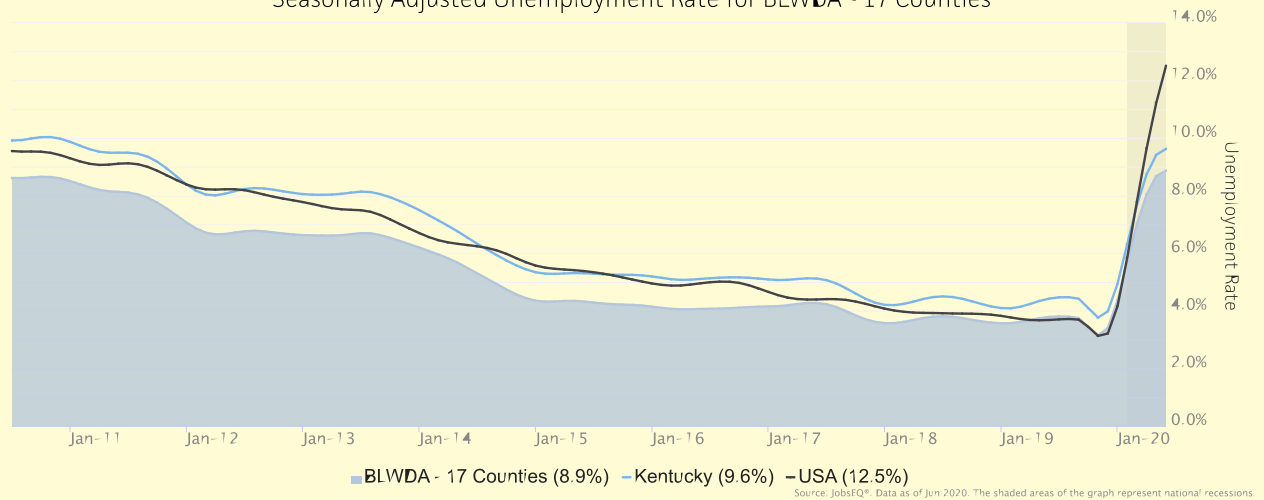


Source of data: [www.kystats.ky.gov](http://www.kystats.ky.gov) Kentucky Center for Statistics, 2020 Current LAUS and Historical LAUS-Substate

## Unemployment Rate

This chart below shows the seasonally adjusted Unemployment Rate for the Bluegrass Local Workforce Development Area's (BLWDA) 17 Counties over ten years, 2011 through to June 2020, compared to the Unemployment Rate for the state of Kentucky and the USA for the same time period. The BLWDA covers the same 17 counties as the Bluegrass Area Development District (BGADD). The seasonally adjusted unemployment rate was 8.9% for the month of June 2020. The regional unemployment rate was lower than the national rate of 12.5%. One year earlier, in June 2019, the seasonally adjusted unemployment rate in the BLWDA - 17 Counties was 3.8%.

Seasonally Adjusted Unemployment Rate for BLWDA - 17 Counties



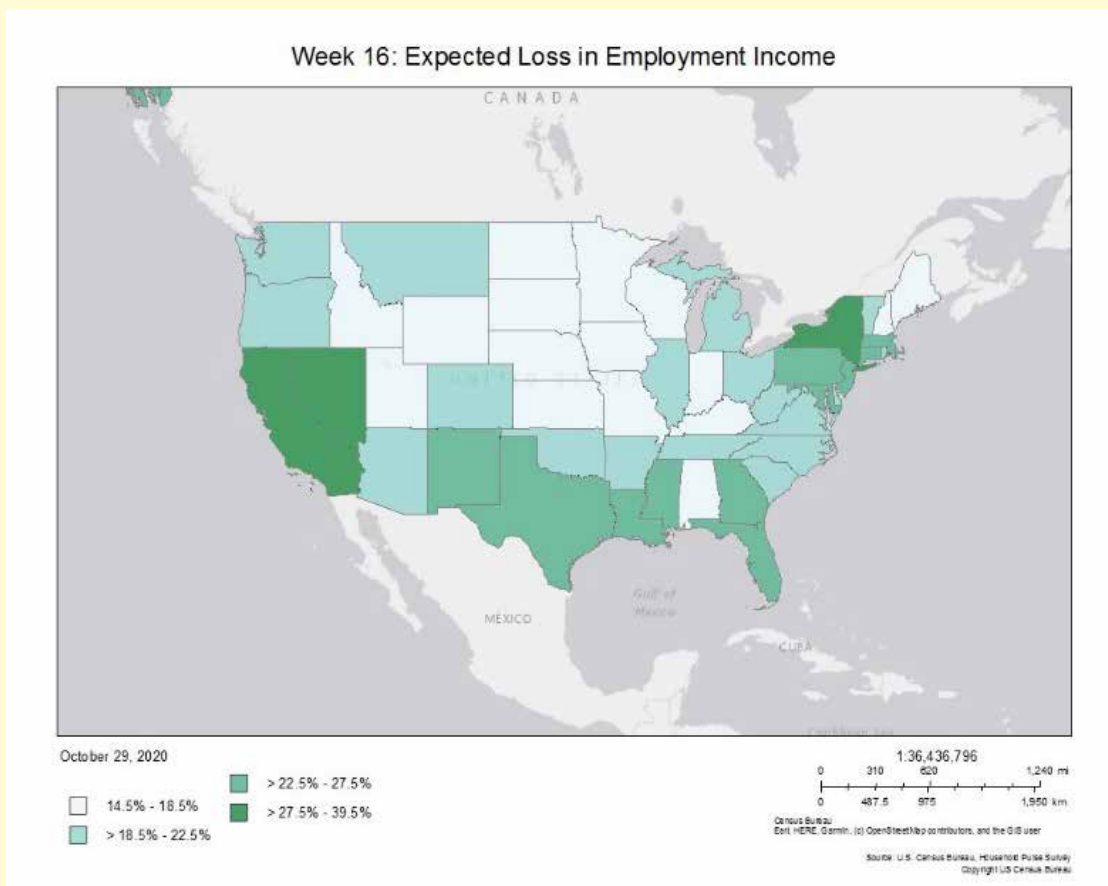
To help monitor the effect of the Covid-19 pandemic on the people and the economy, the US Census Bureau conducted weekly and biweekly surveys, providing timely data, with one of those surveys being the Household Pulse Survey.

The Household Pulse Survey began with week 1 on April 23 to May 5, 2020 which was the beginning of Phase I. Phase I survey ran to July 16 to July 21, 2020. Phase II of the Household Pulse Survey began with August 19 to August 31, 2020, and is still ongoing. The Household Pulse Survey includes questions on eight categories: Education, Employment, Food Sufficiency and Food Security, Health, Housing, Social Security, Spending, and Transportation.

One of the employment related questions in the survey was about the person's expectation of someone in their household losing their employment in the next upcoming 4 weeks. The first 'week' of Phase I, 4/23/20 to May 5, of the Household data showed that in Kentucky 38.2% of survey respondents expected someone in their household to lose their jobs in the next four weeks, while at week eight, 6/18/20 to 6/23/20, the percentage went down to 28%, and then later in Phase II, week 16, 9/30/20 to 10/12/20, the percentage reporting they expected someone in their home to lose their jobs in the next four weeks lessened to 18.4%.

Below is a map of the states color coded by their percentage of Household Pulse Survey respondents reporting between September 30 and October 12, 2020 that they expected someone in their household to lose their job in the next 4 weeks.<sup>7</sup> Kentucky's percentage of respondents expecting employment loss by someone in their household in the next four weeks was lower as compared to many other states. Below the map is a comparison by week between Kentucky and the United States overall of the percentage of households who experienced a loss of employment income between April and July 2020.

<sup>7</sup> (Source of Map: <https://www.census.gov/programs-surveys/household-pulse-survey.html> . US Census Bureau's Household Pulse Phase II, Household Pulse Data Tool)



## COVID-19's Impact on Business and Industry

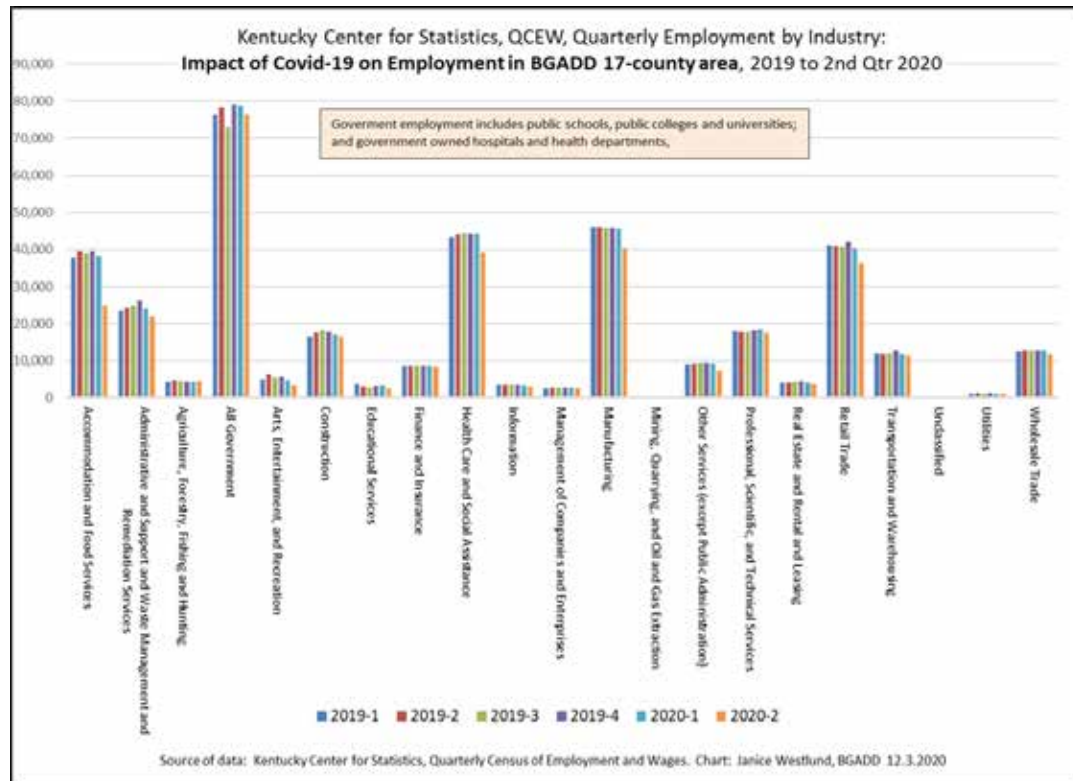
Drilling beyond the summaries and anecdotes provided by regional economic development directors and stakeholders, the data below summarizes the overall trends related to business, and industry in the Blue-grass region throughout the coronavirus pandemic.

### Data: Bureau of Labor Statistics, Quarterly Census of Employment and Wages (QCEW)

The BLS' Quarterly Census of Employment and Wages is based upon the county the employment is located, and not the county where the worker lives. Many workers live in one county and work in another. While the unemployment and financial status of households in a county are important, knowing the status of the employers and industries within each county are crucial to that city and county's ability to provide services, such as public safety, road maintenance, waste removal, etc., since payroll tax revenues and net business profit tax revenue, based upon the location of the employment, make up a large portion of local revenue. These statistics also act as reliable indicators of the overall health of a County's local economy.

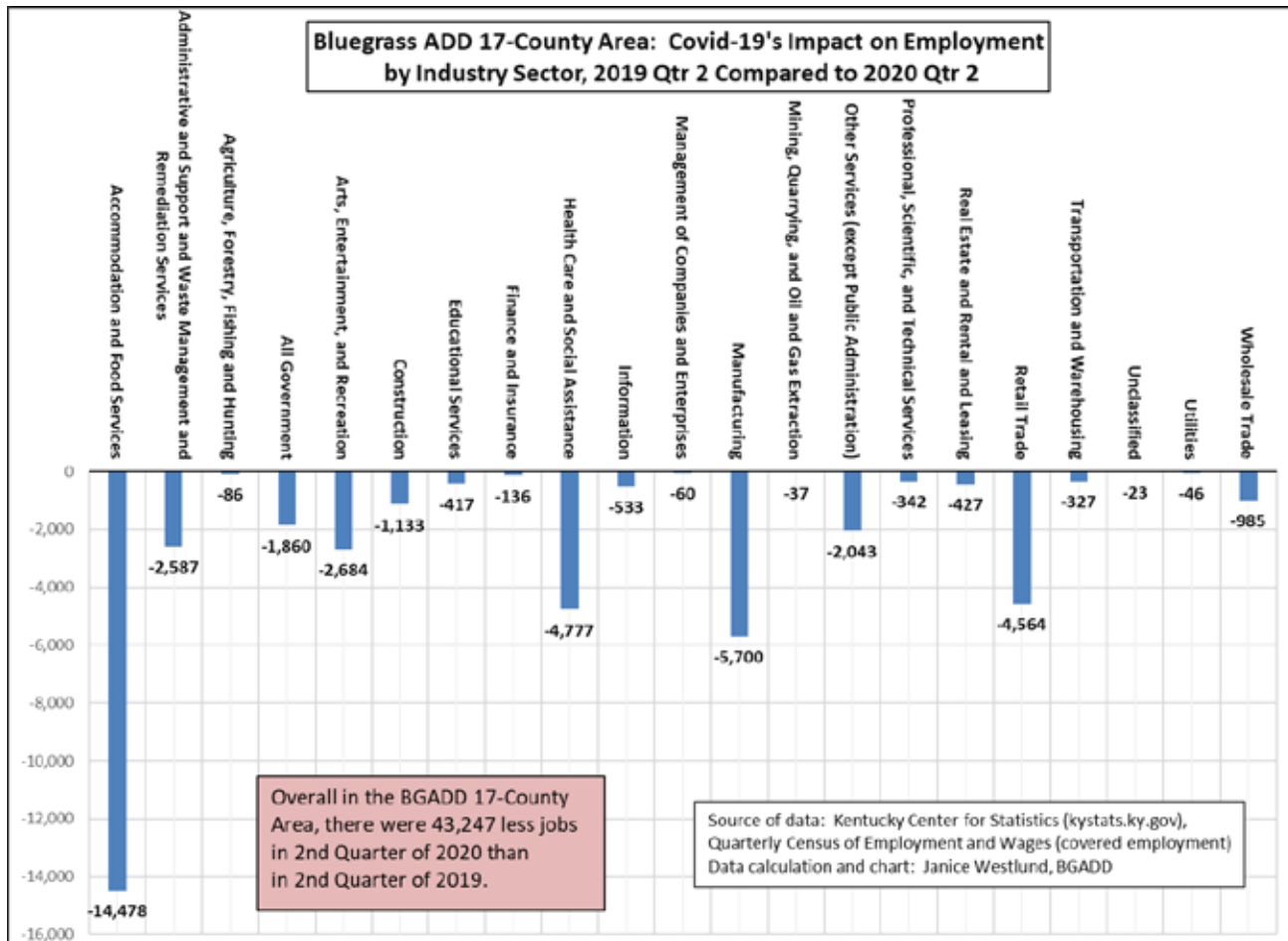
QCEW Employment by Industry Sector for all of 2019 through Second Quarter 2020:

Kentucky Center for Statistics provided the 2<sup>nd</sup> quarter 2020 data from the U. S Bureau of Labor Statistics' Quarterly Census of Employment and Wages (QCEW) on their website [www.kystats.ky.gov](http://www.kystats.ky.gov) on November 13, 2020. The chart below shows the quarterly employment by industry sector for all quarters of 2019 and the first and second quarter of 2020 for the combined 17-county BGADD area. The restrictions on businesses due to the pandemic began mid to late March so you will see a slight dip on 1<sup>st</sup> quarter of 2020 on some industry sectors, however, by 2<sup>nd</sup> quarter of 2020 the loss of employment due to the pandemic's shutdowns and restrictions on businesses is more evident:



From that QCEW dataset in the chart on the previous page, comparing the 2<sup>nd</sup> quarter of 2019 to the 2<sup>nd</sup> quarter of 2020 (April, May, and June) revealed some of the impacts of the Covid-19 pandemic on industry sectors:





In the chart above, looking at the overall Bluegrass Area Development District (BGADD) 17-county area shows the following findings when comparing the 2<sup>nd</sup> quarter 2019 to the 2<sup>nd</sup> quarter 2020 employment by industry sector:

- Out of all the industry sectors' employment combined within the BGADD area, the 2<sup>nd</sup> Quarter of 2020 had 43,247 less jobs than did the 2<sup>nd</sup> Quarter of 2019, which was an 11.5% decrease in employment from the 2<sup>nd</sup> quarter 2019.
- Accommodation and Food Services lost the most employment which was 14,478 jobs. This industry sector includes such businesses as hotels, restaurants, and fast-food restaurants.
- The four industry sectors with the highest number of jobs lost in the 17-county combined BGADD area were Accommodation and Food Services, Manufacturing, Health Care and Social Assistance, and Retail Trade. The job loss from these four industry sectors made up 68% of all of jobs lost during that quarter. See the table on the next page:

BGADD Area, Industries with the Highest Number of Jobs Lost	
Industry	Employment Loss
Accommodation and Food Services	14,478
Manufacturing	5,700
Health Care and Social Assistance	4,777
Retail Trade	4,564

- Arts, Entertainment, and Recreation industry sector lost the highest percentage of employment which was 43.8% of the jobs in that industry sector as compared to 2<sup>nd</sup> quarter of 2020.
- The four industry sectors with the largest percentage of employment lost were:

BGADD Area, Industries with the Highest Percentage of Jobs Lost	
Industry	Percentage of Employment Lost
Arts, Entertainment, and Recreation	43.8%
Unclassified (no industry indicated)	37.1%
Accommodation and Food Services	36.7%
Other Services (except Public Administration)	22.1%

In looking at how Covid19 affected each industry sectors' employment in the 2<sup>nd</sup> quarter of 2020 for each of the 17 counties individually, while some counties' data expectedly showed the same trends, there were also some outliers. When an industry sector in one of the counties shows an increase in employment for the same quarter in which the 17-county combined area has lost employment, that needs further investigation to find out why that industry sector was resilient in that county. Were the types of businesses in that county in that industry sector unique? Were those businesses of similar type but they adapted in some unique way? Or were all the businesses in that industry sector in that county considered essential services? For example, Retail Trade sector was 4<sup>th</sup> in lost jobs. If a county had no retail except for grocery stores, then that industry sector for that county would most likely have been stable or may have even increased in employment since grocery stores were deemed an essential business and left open to the public while restaurants were being closed to the public at times, except for curbside/drive thru, and/or restricted to a limited capacity.

### 2<sup>nd</sup> Quarter of 2020 Resilient Industry Sectors by County:

Using QCEW data, the second quarter of 2019 employment data was subtracted from the second quarter of 2020 employment data. Usually this finds the growth in jobs for the same time period from year to year. Unfortunately, with the Covid19 pandemic's impact the result is often a negative number meaning a loss of jobs. The second quarter is April, May, and June. The employment data collected for those three months

are averaged to create the 2<sup>nd</sup> quarter employment. The month of April 2020 had the highest number of initial Unemployment Claims filed.

The list below is about loss, no loss, and gains in jobs (Employment) by Industry Sector from the 2<sup>nd</sup> quarter of 2019 to the 2<sup>nd</sup> quarter of 2020. The instances where there is a gain in employment shows resiliency. Sometimes an industry sector is resilient in one county, but not in another, and that is because within those industry sectors are many different types of businesses. For example, grocery stores and jewelry stores are both in the Retail sector. However, grocery stores were left open as they were essential services/businesses while a retail jewelry store would have been closed to public during certain shutdowns and restrictions. The instances of resilient industry sectors by county that gained employment need to be further investigated to find out what type of business(es) were involved, were they some different type of product or service or market, or were they similar to ones in other counties that lost jobs but they found an innovative way to adapt to the pandemic to not lose jobs.

### **Resiliency of Employment by Industry Sector by County for the 2<sup>nd</sup> quarter of 2020:**

#### **-Accommodations and Food Services:**

During the COVID-19 pandemic, all BGADD Counties lost jobs in this sector. This industry sector lost more jobs than any other sector of the BGADD area's economy, and that loss made up 36.7% of the total employment in this sector. This industry sector includes restaurants, fast-food restaurants, and hotels. Many of the fast-food restaurants had their drive-thrus open even though their dining rooms were closed to public. Many restaurants added to their outdoor seating, identified more parking spaces as curbside/carryout, and/or redesigned their drive-thrus. Chick-fil-a drive-thrus became famous on social media for the way they added canopies, lanes, and managed the heavy drive-thru traffic.

One fast-food restaurant chain reported record growth during the pandemic. An article, on RestaurantNews.com on January 12, 2021, titled "[Fazoli's Prepares to Scale New Heights in 2021 after Most Successful Year in Brand History](#)", described how Fazoli's had recording breaking sales month after month from June to December of 2020, with a 15% increase in sales for the seven month average. When dining rooms were forced to close, Fazoli's focused on a "guest-focused off-premise strategy" where they kept quality while innovating the menu with popular family meal packages of quality and value, adjusting oven temps, and drive thru timers with free bread sticks given out to drive thru customers like are given out in the dining room when it is open. Their delivery sales grew 560.7% and their online order sales grew 295.4%. Fazoli's started their new curbside service in less than a week to deliver meals to guests' vehicles. Their new innovative menu included five meals under \$5 and a new "Super Family Meal". In June, Fazoli's launched their 2020 Franchise Incentive Program where quick-service or fast casual restaurants could convert their existing building to a Fazoli's with less financial commitment and relaxed conversion requirements. This led to a surge of new locations and Fazoli's expects record-breaking openings in 2021.

### **-Administrative & Support & Waste Management & Remediation:**

All the counties lost jobs in this industry sector except for these five counties.

<b>Counties with Resilient Administrative &amp; Support &amp; Waste Mgmt. &amp; Remediation 2<sup>nd</sup> Qtr. of 2020</b>	
<b>County</b>	<b>New Jobs</b>
Garrard	16
Mercer	10
Nicholas	20
Powell	1
Scott	939

### **-Agriculture, Forestry, Fishing, and Hunting:**

There was no loss of jobs in five counties, while five counties lost jobs, five counties had a small gain of 6 or less jobs each, and two counties had large gains in jobs, Harrison with 34 new jobs and Clark with 116 new jobs in this industry sector.

### **-All Government:**

All counties lost jobs, except for Garrard which gained three jobs and Anderson which gained 132 new jobs!

### **-Arts, Entertainment, & Recreation:**

Nine counties lost jobs, five counties had no loss (Anderson, Garrard, Harrison, Lincoln, and Nicholasville), and three counties gained five or less jobs (Clark, Estill, and Woodford). This industry sector is one of the smaller employers, but it was the hardest hit percentage wise in the BGADD at a 43.8% loss. Fayette County lost 2,215 jobs in this industry sector.

### **-Construction:**

All counties lost jobs except for four counties which had increases in Construction jobs – Anderson 4, Jessamine 82, Lincoln 46, and Nicholas 16.

### **-Educational Services:**

Five counties lost jobs, 11 counties had no job loss, while Franklin gained 138 jobs. (note that this industry sector does not include public education jobs such as public elementary, middle and high school, and public colleges and universities, since public education is under the industry sector of All Government.)



### **-Finance and Insurance:**

Thirteen counties lost jobs, but four counties gained jobs in the industry sector - Estill 6, Franklin 21, Lincoln 1, and Scott 24.

### **-Healthcare and Social Assistance:**

All counties lost jobs except for Nicholas and Powell. Nicholas gained one new job and Powell gained 10 new jobs in this industry sector. Many people think it is odd that Healthcare would lose jobs during a pandemic, however, to reduce the spread of the virus, elective healthcare and elective medical procedures were shut down for some time. Even a total knee replacement surgery was considered elective which is a major surgery. Many of these laid off healthcare workers were called back to their jobs later.

### **-Information:**

Garrard, and Mercer gained three jobs each in this industry sector. Harrison, Nicholas, and Powell didn't lose any jobs, and the remaining 12 counties lost jobs.

### **-Management of Companies & Enterprises:**

Twelve counties didn't lose any jobs in this industry sector, four lost jobs (Clark, Franklin, Madison, and Scott), but Fayette gained 55 new jobs in this sector.

### **-Manufacturing:**

Every county lost Manufacturing jobs, except for Powell county where there was a gain of 46 jobs!

### **-Mining, Quarrying, Oil and Gas Extraction:**

There was no change in jobs in this industry sector for 14 of the counties, while Estill and Franklin lost jobs, and Fayette gained four jobs.

### **-Other services:**

Every county lost jobs in this industry sector. It is uncertain what type of industry these jobs would be.

### **-Professional, Scientific, and Technical:**

Ten counties lost jobs in this industry sector, Estill had no job loss, and five counties gained jobs - Bourbon 7, Harrison 22, Lincoln 19, Nicholas 5, and Woodford 52.

### **-Real Estate and Rental Leasing:**

Thirteen counties lost jobs in Real Estate and Rental Leasing, two had no loss of jobs (Estill and Nicholas), and two gained jobs - Jessamine 13 new jobs and Woodford 1 new job.

### **-Retail Trade:**

Ten counties lost jobs in Retail Trade, but seven counties gained jobs in Retail: Anderson, Bourbon, Boyle, Clark, Garrard, Harrison, and Mercer. Finding out what types of retail gained jobs during the pandemic and then adding those types of retail uses to a county that lost retail jobs overall may help stabilize that county's mix of retail during a crisis, assuming there is a market for it. One type of Retail affected was food. With the restrictions on indoor dining and lessened allowed customer capacity inside restaurants, and with many people working from home and/or staying home with children due to daycares and schools being closed, people began to cook more meals at home. Grocery store retail remained open to the public since it is an essential service. Grocery stores that had online ordering with pick up and delivery saw increased online orders, long lines for pickups of orders, and expansion of their pickup lanes and parking spots to handle the increase. Another effect from bars and restaurants being closed at times to the public or open with required reduced capacity, was an increase in sales of alcoholic beverages in Liquor stores and from grocery stores. More people were drinking alcohol at home, instead of at a bar or restaurant.

Another type of Retail affected was home improvement and building supply, which was also an essential business. Many people took advantage of the "Healthy at Home" time to do the home improvement and landscape projects they wanted to get done. With mortgage interest rates being record lows, many took advantage of refinancing or getting home equity loans to add on space to their homes, renovate kitchens, replace flooring, add a screened in patio, add home air filtration systems, etc. As families increased the use of their own yards to get some sunshine to increase their immune system, and to just get out of the house to relax after working from home and/or caring for and helping with remote education of their children, the demand increased for private outdoor space furniture, grills, pools, and landscaping.

Online ordering was already part of life for many households and businesses before the pandemic, but with the pandemic this increased for not only food but also everything else. Customer traffic in stores, when they were open, reduced due to many wanting to avoid catching the virus. Amazon online sale of goods and deliveries greatly increased. Some Amazon facilities are classified in the Retail industry sector while others are classified in the Wholesale industry.

<b>Counties with Resilient Retail during 2<sup>nd</sup> Qtr of 2020</b>	
<b>County</b>	<b>New Jobs</b>
Anderson	21
Bourbon	2
Boyle	4
Clark	14
Garrard	10
Harrison	18
Mercer	30

### **-Transportation and Warehouse:**

Eight counties lost jobs in this sector. Nicholas had no loss nor gain. Eight counties experienced a gain in jobs in this industry sector.

Counties with Resilient Transportation and Warehouse during 2 <sup>nd</sup> Qtr of 2020	
County	New Jobs
Anderson	11
Franklin	171
Harrison	13
Jessamine	14
Lincoln	3
Mercer	87
Powell	3
Woodford	7

### **-Unclassified;**

There was a loss of jobs in four counties, but no loss of jobs in the other 13 counties. It is unknown what kind of industry these jobs may be.

### **-Utilities:**

No loss of jobs in 10 counties, loss of jobs in four counties while a gain of jobs in Clark (4), Fayette (25), and Franklin (10)

### **-Wholesale Trade:**

No change in Nicholas, but loss of jobs in all the other counties, except for a gain of 20 jobs in Clark and a large gain in Jessamine of 159 jobs.

### **Instances of Resiliency**

The next page shows a chart of instances of resiliency in employment in the BGADD region during the pandemic. This chart shows the accumulation of gains in employment by industry sector, but only for the counties in the BGADD area that gained employment in that sector. Therefore, it is not showing the resulting overall gain or loss of employment by industry sector since this chart does not include the counties that had no change in the number of jobs, or that lost jobs, in that industry sector in the aggregation.

## Overall Losses and Gains by Industry Sector by County

See the chart with data table on the next page showing the losses and gains in employment for each Industry Sector by County for 2<sup>nd</sup> Quarter of 2020, as compared to 2<sup>nd</sup> Quarter of 2019.

Area	Anderson	Bourbon	Boyle	Clark	Estill	Fayette	Franklin	Garrard	Harrison	Jessamine	Lincoln	Madison	Mercer	Nicholas	Powell	Scott	Woodford	BGADD
Quarter	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	chg 2019-2 to 2020-2	
All Industries	-327	-727	-1522	-1179	-441	-24195	-2889	-214	-513	-1679	-340	-5266	-685	-42	-149	-1683	-1396	-43247
Accom. and Food Svcs	-105	-71	-479	-355	-94	-9093	-905	-40	-68	-487	-106	-1419	-158	-7	-45	-624	-422	-14478
Adm.&Supp.&Waste Mgmt&Rem.	-9	-21	-296	-94	-87	-2009	-161	16	-52	-77	-7	-728	10	20	1	939	-32	-2587
Agric., Forestry, Fishing & Hunting	0	-153	1	116	0	1	0	0	34	-37	-7	5	-20	1	0	-33	6	-86
All Government	132	-68	-111	-98	-80	-242	-235	3	-57	-25	-115	-536	-80	-30	-67	-120	-131	-1860
Arts, Entert., & Recr.	0	-70	-50	2	5	-2215	-139	0	0	-19	0	-124	-64	0	-8	-7	5	-2684
Construction	4	-18	-33	-8	-5	-473	-210	-59	-153	82	46	-40	-34	16	-16	-221	-11	-1133
Educ. Svcs	-36	-5	0	-7	0	-359	138	0	0	-148	0	0	0	0	0	0	0	-417
Finance & Insur.	-11	-5	-11	-3	6	-75	21	-5	-7	-30	1	-10	-14	-2	-11	24	-4	-136
Healthcare & Soc. Assist.	-71	-171	-197	-280	-73	-2241	-460	-55	-128	-199	-2	-475	-63	1	10	-283	-90	-4777
Information	-3	-10	-12	-10	-3	-146	-70	3	0	-129	-15	-124	3	0	0	-9	-8	-533
Mgmt. of Co's. & Enterprises	0	0	0	-95	0	55	-7	0	0	0	0	-10	0	0	0	-3	0	-60
Manufacturing	-154	-59	-19	-300	-77	-1557	-528	-38	-74	-364	-97	-620	-258	-26	46	-886	-689	-5700
Mining, Quarry, & Oil & Gas Extr.	0	0	0	0	-5	4	-36	0	0	0	0	0	0	0	0	0	0	-37
Other Svcs (exc. for Public Admin)	-1	-24	-49	-24	-8	-1141	-86	-10	-25	-299	-31	-175	-7	-11	-15	-101	-36	-2043
Prof., Scientific, & Tech. Svcs	-10	7	-19	-20	0	-46	-19	-1	22	-21	19	-266	-39	5	-6	0	52	-342
Real Estate & Rental Leasing	-5	-3	-25	-4	0	-309	-15	-4	-8	13	-12	-27	-3	0	-5	-21	1	-427
Retail Trade	21	2	4	14	-7	-3550	-332	10	18	-103	-6	-579	30	-9	-2	-32	-43	-4564
Transp. & Warehse.	11	-24	-7	-35	-12	-252	171	-14	13	14	3	-30	87	0	3	-262	7	-327
Unclassified	0	0	0	0	0	-10	0	0	0	-7	0	-1	-5	0	0	0	0	-23
Utilities	0	0	-9	4	0	25	10	0	0	0	0	-3	-59	0	-14	0	0	-46
Whs. Trade	-89	-35	-209	20	-1	-561	-26	-21	-31	159	-11	-102	-14	0	-20	-43	-1	-985
2019-2 tot employment	4,744	6,903	13,708	14,405	2,392	195,591	31,109	2,190	4,937	16,978	3,982	33,618	6,478	792	2,643	26,568	9,126	
	Ander.	Bourb.	Boyle	Clark	Estill	Faye.	Frank.	Garr.	Harr.	Jessa.	Linc.	Madis.	Merc.	Nich.	Powe.	Scott	Woodf.	
percent of 2019-2 lost	-6.9%	-10.5%	-11.1%	-8.2%	-18.4%	-12.4%	-9.3%	-9.8%	-10.4%	-9.9%	-8.5%	-15.7%	-10.6%	-5.3%	-5.6%	-6.3%	-15.3%	

## Education and the COVID-19 Pandemic's Effects on K-12 Schools, Colleges, and Universities

### K – 12 Education, Household Pulse

Questions about the effects of the Pandemic on Education were part of the US Census Bureau's ongoing Household Pulse Survey. The format and categories of the questions changed between the two Phases of the survey, with Weeks 1 – 12 being Phase 1 (April 23, 2020 through July 21, 2020) and Phase 2 beginning with Week 13 on August 19, 2020. The Household Pulse Survey results are released for each state and for the top five largest population Metropolitan Areas, therefore, the results for Kentucky as a whole are the smallest geography of these results available for the Household Pulse survey results of the effects of the Covid-19 pandemic on the households within the 17 county Bluegrass ADD area.



## Phase 1 April 23 to July 21, 2020 – Time and Place of Learning

Comparing the characteristics of “Time Spent” on school at home for Week 1, 4, 8, and 12 is possible even though an additional subcategory was added for Week 8 and 12. This data is only available for the state as a whole so consideration of the fact that some of the counties’ schools may have been open while most were closed during the same week should be acknowledged.

<b>Education Table 1. Time Spent in Last Week on Home Based Education for Households with Children in School: Kentucky</b>						
Source: U.S. Census Bureau Household Pulse Survey, Weeks 1, 4, 8, and 12						
Total Population 18 Years and Older in Households with Children in School						
Week during Household Pulse Surveys	Children enrolled in public or private school				With only children normally home-schooled	Did not report
	Total	Average household hours spent in last 7 days on all teaching activities with children	Average household hours spent in last 7 days on all live virtual contact between students and their teachers	Average household hours spent in last 7 days by children on learning activities on their own		
week 1, 4/23 - 5/5	905,789	12.9	3.2	na	52,987	2,106,703
week 4, 5/21 - 5/26	782,632	8.0	1.6	na	47,314	2,308,324
week 8, 6/18 - 6/23	778,096	2.6	0.4	2.2	74,695	2,273,424
week 12, 7/16 -7/21	659,939	3.5	1.0	3.1	44,504	2,179,200

In the table above, for the first week, which was end of April and beginning of May the hours householders and teachers spent on teacher were significantly higher than Week 4 which was the end of May, even though it was during the regular school year, however, this was most likely due to “week 1” including nine school days, while “week 4” only included three school days and a holiday, May 25. As expected, in June the hours spent on teaching both by teachers and by parents at home was very low and probably due to it being summer break. Interestingly, in mid to late July, even though still summer break, the number of hours teaching both at by the householder, by remote with the teacher, and by the student on their own all slightly increased.

The education questions in the US Census Bureau’s Household Pulse Phase 1, about how the Covid-19 Pandemic has had an impact on the learning environment/location of learning of the householder’s children, included whether or not classes were moved to online learning or paper materials sent home, cancelling of classes, and no change from classes not being closed. The education questions pertained to children enrolled in both public and private schools in Kentucky. Week 1 had the most classes cancelled, while week 8 had the second most classes cancelled, however, week 8 was during the summer when most schools are on summer vacation. For those with classes moved to distance learning, during “Week 1” 60% were online and 40% were by paper materials sent home. During “Week 4”, 71% were online and 29% were by paper materials sent home. See table below for more details about “Weeks” 1, 4, 8, and 12 from Phase 1. For Week 8 and 12, it is uncertain why so many reported classes online or with paper materials during the summer when schools are normally closed, except that there are options for summer school.

<b>Education Table 2. COVID-19 Pandemic Impact on How Children Received Education, by Select Characteristics: Kentucky</b>							
Source: U.S. Census Bureau Household Pulse Survey, Weeks 1, 4, 8, 12							
Total Population 18 Years and Older in Households with Children in Public or Private Schools							
Select characteristics	Total Households with Children in School Surveyed	Impact of pandemic on children's education *					
		Classes were moved to a distance		Where classes were cancelled	Where classes changed in another way	Where no change to classes because schools did not close	Did not report
		Using online resources	Using paper materials sent home				
<b>Week 1, 4/23 - 5/5</b>	905,789	541,069	360,782	343,795	58,436	7,130	7,017
<b>Week 4, 5/21 - 5/26</b>	782,632	557,804	226,351	279,582	58,972	1,125	2,316
<b>Week 8, 6/18 - 6/23</b>	778,096	501,990	254,610	316,902	42,369	2,474	3,052
<b>Week 12, 7/16 - 7/21</b>	659,939	451,414	235,968	248,670	51,888	-	20,320
* Totals may not sum to 100% as the question allowed for multiple categories to be marked.							

### Phase 1 – April 23 to July 21, 2020 - Access to Broadband and Computers for Education

School districts in Kentucky closed schools on differing dates over the course of the pandemic. Fayette County schools, with Fayette being the county with the largest student population, closed schools on March 16 and throughout the remainder of the spring semester of 2020. Fayette County schools remained closed, but with remote instruction, in the Fall semester of 2020, and into the Spring 2021. However, in mid-February 2021 began a graduated return to in-person learning beginning with K-2. When schools across Kentucky closed and transitioned to online remote classes from their homes or elsewhere, it became an obstacle for many households that had no computer device to watch online classes and/or had no internet or strong enough internet to watch the classes online.

During week 1 on Phase 1 of the Household Pulse Survey, April 23 to May 5, 2020, less than 1% of the householders in Kentucky with children in public or private schools never had a computer or device for educational purposes, and about 7% reported they rarely had a computer or device available, while about 63% reported they always had a computer or device available for educational purposes. By week 4, May 21 – May 26, 2020, the percentage of students that rarely or never had a computer or device available for educational activities decreased.

**Education Table 3. Computer and Internet Availability in Households with Children in Public or Private School, by Select Characteristics: Kentucky**

Source: U.S. Census Bureau Household Pulse Survey, Weeks 1, 4, 8, and 12.

Total Population 18 Years and Older in Households with Children in Public or Private Schools

Select characteristics	Total	Availability of computer for educational purposes					
		Device always available for educational purposes	Device usually available for educational purposes	Device sometimes available for educational purposes	Device rarely available for educational purposes	Device never available for educational purposes	Did not report
week 1, 4/23 - 5/5	905,789	568,414	141,301	41,173	82,595	65,895	6,411
week 4, 5/21 - 5/26	782,632	531,135	124,368	104,772	7,330	10,916	4,110
week 8, 6/18 - 6/23	778,096	501,806	96,794	120,173	42,512	12,727	4,083
week 12, 7/16 - 7/21	659,939	389,433	144,284	81,744	26,819	6,377	11,283

During week 1, April 23 to May 5, 2020, about 7.4% of the households, with students enrolled in school, never had internet available for educational purposes. While 65.8% of the households with children in school responded that they always had internet available for educational purposes that same week. Then by week 4, May 21 to May 26, 2020, the percentage of households reporting no internet available for educational purposes decreased to 2.2%, and the percentage of households with children enrolled in school that reported that they always had internet available for educational activities increased to 73.1%.

**Education Table 3. Computer and Internet Availability in Households with Children in Public or Private School, by Select Characteristics: Kentucky**

Source: U.S. Census Bureau Household Pulse Survey, Weeks 1, 4, 8, and 12.

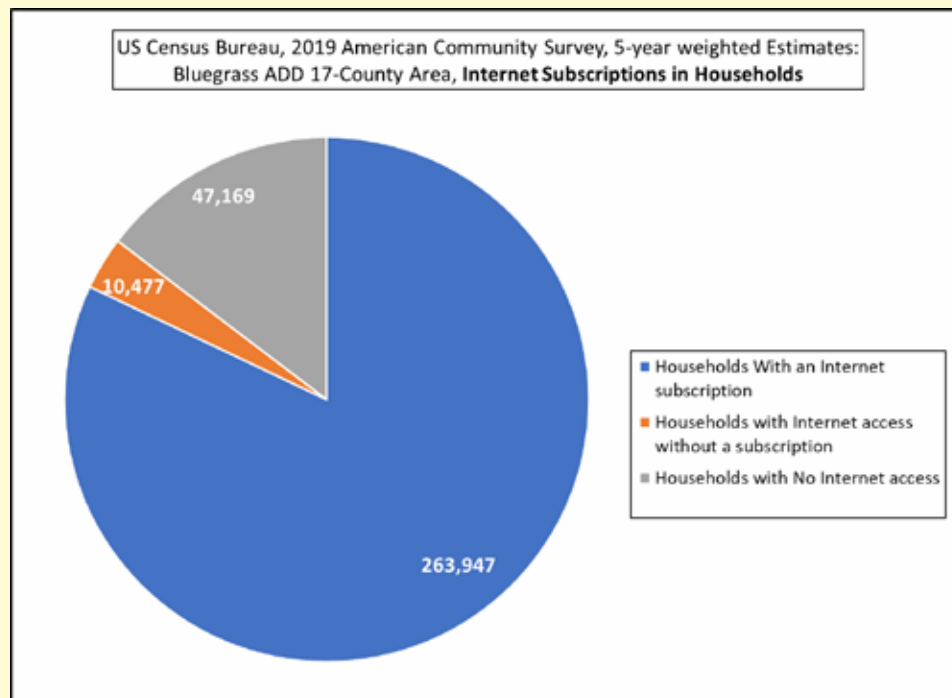
Total Population 18 Years and Older in Households with Children in Public or Private Schools

Select characteristics	Total	Availability of Internet for educational purposes					
		Internet always available for educational purposes	Internet usually available for educational purposes	Internet sometimes available for educational purposes	Internet rarely available for educational purposes	Internet never available for educational purposes	Did not report
week 1, 4/23 - 5/5	905,789	596,114	128,791	85,475	22,346	66,651	6,411
week 4, 5/21 - 5/26	782,632	572,346	135,381	42,342	8,855	17,192	6,516
week 8, 6/18 - 6/23	778,096	557,319	119,235	49,149	12,470	33,925	5,997
week 12, 7/16 - 7/21	659,939	429,435	125,153	52,814	31,822	6,561	14,154

**2019 American Community Survey, Access to Broadband and Computers in Households**

While the Household Pulse provided insight into access to internet during the Covid-19 pandemic for the state as a whole, the US Census Bureau's American Community Survey (ACS) includes ques-

tions about Internet access in households at the county level, though not released as timely as the Household Pulse, the ACS data is available at the county level and is a source of fairly recent data. For counties with populations less than 65,000, the most recent released ACS data about internet in households was from the 2019 ACS 5-year weighted survey. Since most of the counties in the 17-county BGADD area have less than 65,000 people living in them, the 2019 ACS 5-year survey data was used. Larger counties like Fayette have the one-year ACS data available, but to compare the counties using the same dataset, the five-year survey was used for all counties in the BGADD.



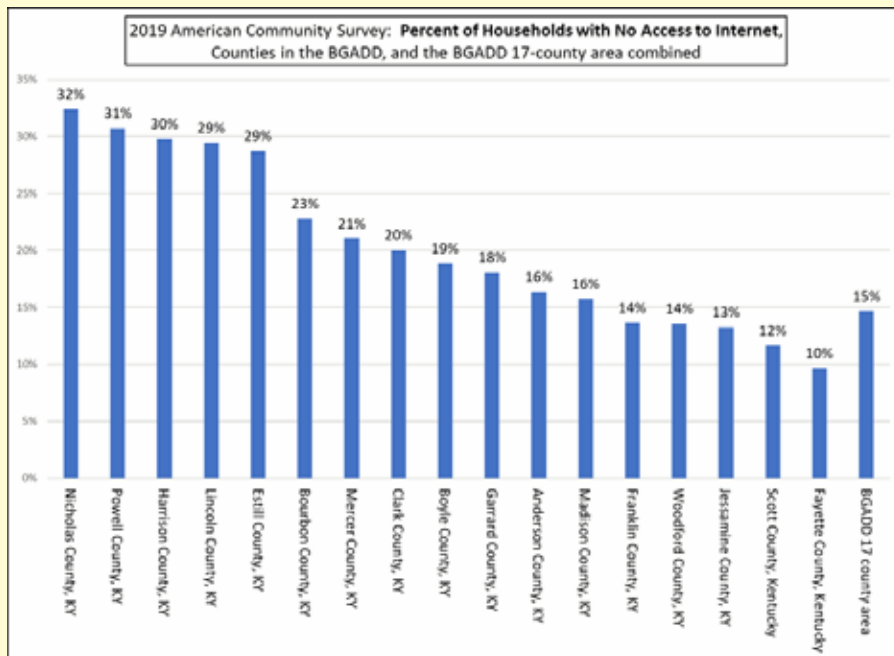
Overall, according to the 2019 ACS 5-year survey, there were 47,169 households in the 17-county BGADD area with no access to the internet. See the chart to the left. The ACS survey goes out to one of every 12 households on a monthly basis to random computer selected households and is compiled and weighted into datasets.

The status of internet subscriptions/access by households by county data, shown in the table on the next page, comes from the 2019 ACS 5-year weighted survey. While Fayette County has the most households without internet access, Fayette has 46 times more households than the smallest county. Other than Fayette, Madison County has the second most households with no internet access at a little over 5,000, then third highest number of households with no internet access was Clark County at 2,903 households. Franklin County at 2,882 and Lincoln County at 2,854 households with no internet access were close behind. Madison has almost four times the population that Lincoln County has. Households with children that don't have internet access is an obstacle to learning when the children, and adult students, need to attend school remotely during times when schools are closed to in-person teaching. This table on the next page shows the estimate of Households in the 17 BGADD counties with and without Internet access:



**2019 American Community Survey 5-year weighted Table B28011:  
Internet Subscriptions in Households**

Geographic Area Name	Household Estimate	Households With an Internet subscription	Households with Internet access without a subscription	Households with No Internet access
Anderson County, Kentucky	8,694	6,760	510	1,424
Bourbon County, Kentucky	8,106	6,033	224	1,849
Boyle County, Kentucky	11,023	8,613	333	2,077
Clark County, Kentucky	14,509	11,372	234	2,903
Estill County, Kentucky	5,499	3,726	193	1,580
Fayette County, Kentucky	129,784	112,733	4,556	12,495
Franklin County, Kentucky	21,076	17,033	1,161	2,882
Garrard County, Kentucky	6,706	5,250	244	1,212
Harrison County, Kentucky	7,283	4,910	203	2,170
Jessamine County, Kentucky	18,821	15,891	433	2,497
Lincoln County, Kentucky	9,697	6,664	179	2,854
Madison County, Kentucky	33,359	27,128	979	5,252
Mercer County, Kentucky	8,556	6,594	161	1,801
Nicholas County, Kentucky	2,804	1,816	80	908
Powell County, Kentucky	4,770	3,093	212	1,465
Scott County, Kentucky	20,551	17,639	521	2,391
Woodford County, Kentucky	10,355	8,692	254	1,409
<b>BGADD 17 county area</b>	<b>321,593</b>	<b>263,947</b>	<b>10,477</b>	<b>47,169</b>



In looking at the 2019 ACS 5-year weighted survey data, released by the Census Bureau in 2020, for the percentage of households with no internet access by county, Nicholas had the highest percentage of households with no access to internet at 32%, followed by Powell at 31%, then by Harrison at 30%, with Lincoln and Estill at 29% with no internet access. See the table on the next page of percentage of households with no internet access for each county. Overall, 15% of the households in the BGADD 17-county area have no internet access according to the US Census Bureau's 2019 American Community Survey data.

## Household Pulse Phase 2 and 3 – Class Environment, Remote Learning and Cancelled Classes

Phase 2 of the U.S. Census Bureau's Household Pulse survey began on August 19, 2020, and continued through to October 26, 2020. Phase 3 collection of data began October 28, 2020 and is still ongoing, but will end on March 1, 2021. Unlike Phase 1 of the Household Pulse Survey which was collected and disseminated on a weekly basis, or about seven days, Phase 2 and 3 are in spans of time of about 12 days. For example, "Week 13" of Phase 2 was for August 19, 2020 through August 31, 2020. Despite going to a two-week collection period, the Household Pulse Survey continues to call these collection periods "weeks" for continuity with Phase 1.

<b>Phase 2 and 3, Education Table 2. Coronavirus Pandemic Impact on How Children Received Education: Kentucky</b>							
Source: U.S. Census Bureau Household Pulse Survey, Week 15, 17, 19, 21, and 23.							
Total Population 18 Years and Older in Households with Children in Public or Private Schools							
Household Phase and Week	Total Surveyed Population 18 years and Older in Households with Children in Public or Private Schools	Impact of pandemic on children's education*					
		Classes were moved to a distance learning format		Where classes were cancelled	Where classes changed in another way	The coronavirus pandemic did not affect how children in this household received education	Did not report
		Using online resources	Using paper materials sent home				
Phase 2, Week 15 Sept. 16 - Sept. 28, 2020	704,229	556,122	130,726	205,315	86,748	28,222	6,830
Phase 2, Week 17 Oct. 14 - Oct. 26, 2020	759,308	467,718	120,706	177,277	146,341	89,638	9,633
Phase 3, Week 19 Nov. 11 - Nov. 23, 2020	773,035	589,883	114,797	263,748	75,421	32,631	6,717
Phase 3, Week 21 Dec. 9 - Dec. 21, 2020	609,458	509,580	92,003	191,669	58,217	10,715	10,961
Phase 3, Week 23 Jan. 20 - Feb. 1, 2021	544,616	422,896	104,630	148,435	58,789	17,597	8,884
* Totals may not sum to 100% as the question allowed for multiple categories to be marked.							

## Post-Secondary Education

According to the article "Higher Education Responses to Coronavirus (Covid-19)", 7/27/2020, by Andrew Smalley on the National Conference of State Legislatures website, <https://www.ncsl.org/research/education/higher-education-responses-to-coronavirus-covid-19.aspx>, the University of Washington was the first major university to cancel in-person classes, which was on March 6, 2020, in response to the pandemic, which was one week before President Trump declared a federal state of emergency for the Covid-19 Pandemic. Throughout mid-to-late March more than 1,100 colleges and universities cancelled in-person classes and/or switched to online-only instructions. Many spring graduation ceremonies across the county were postponed or cancelled. For Fall 2020 semester, colleges and universities have reopened with their own unique reopening plans that generally range from In-person instruction with social distancing, a hybrid model of blending in-person and online classes with limits on the number of students, and/or transitioning to online-only classes.

## Has Covid-19 Affected College Enrollment?

The Pandemic has affected almost every aspect of post-secondary education creating stress for teachers and students:

- class environment becoming online or reduced capacity
- lessened on-campus dining options, dormitories closing and dormitory move in procedures
- cancellation of activities and sports, and cancellation, postponement, or graduates only graduation ceremonies
- Covid testing, masks, and social distancing on college campuses
- Unemployment of students, families, and faculty

Students that were already enrolled in the Spring semester of 2020 finished out that semester sometimes in a very different format than before. Many colleges and universities changed in-person classes to online during the second half of the semester. Some colleges and universities gave partial refunds of on-campus fees, meal plans, and even dormitories if they were closed early. Some colleges already on a tight budget, met with more financial setback from the impact of the Covid-19 pandemic. Furloughs, layoffs, and complete shutdowns of some colleges in the United States occurred. Students that lost their jobs due to the pandemic lost income that helped them afford college, and some students that didn't have family as back up housing fell into a housing crisis when the dormitories closed at some colleges and universities.

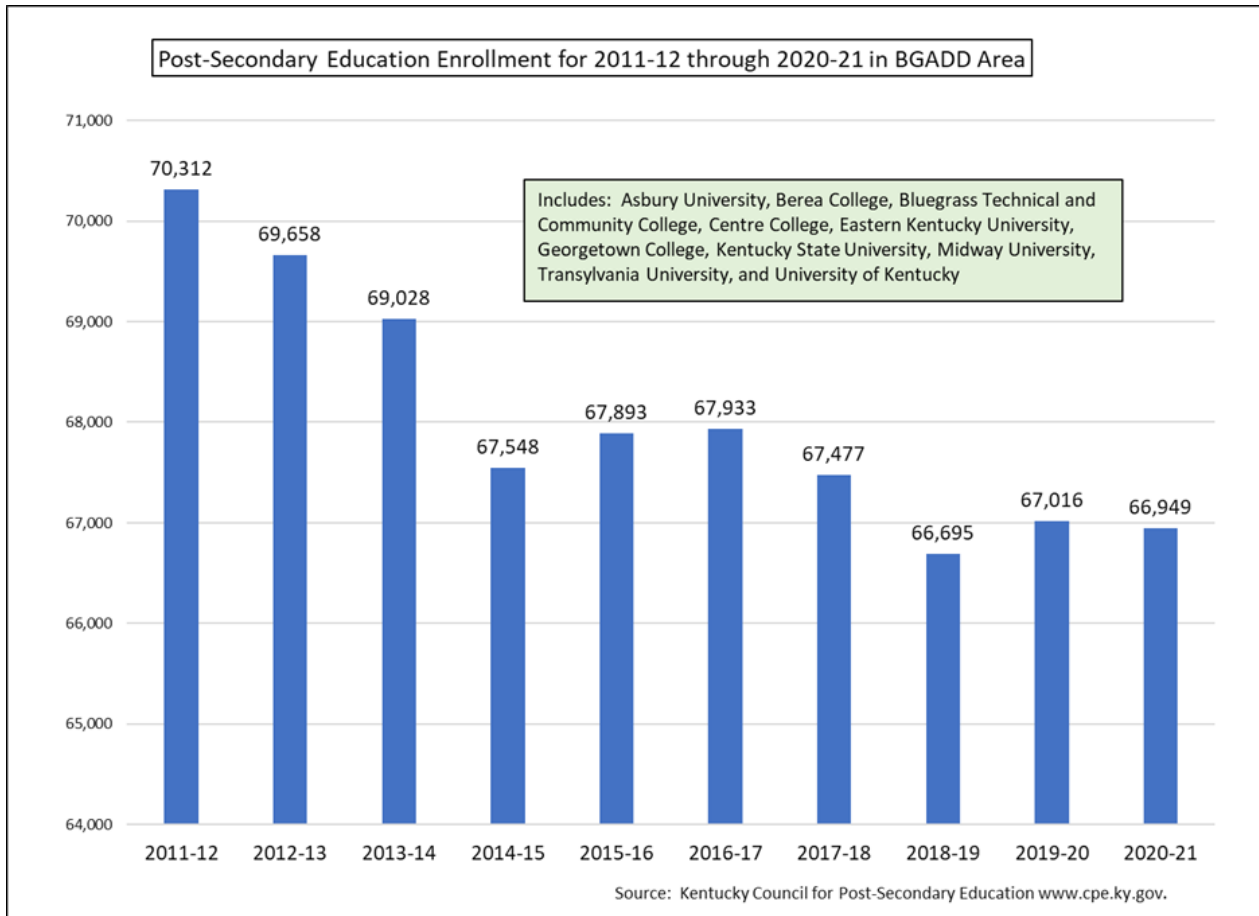
To observe how enrollment in post-secondary education may have been affected by the Covid19 pandemic, the enrollment data for the school years of 2019-20 and 2020-21 for the colleges and universities in the BGADD 17-County area were obtained from the Kentucky State Government's Council for Post-Secondary Education's Interactive Data Center. ([www.cpe.ky.gov](http://www.cpe.ky.gov)) Then calculations were added to show the change in enrollment between those two years. Year 2019-20 only experienced the Covid19 impact in the middle of the 2020 Spring semester, while Year 2020-21 has been affected the entire school year. See the table below of the changes in enrollment by each of the 10 colleges/universities in the BGADD 17- county area.

Covid19 Impact? Change in Enrollment between Years 2019-20 and 2020-21 at Post-Secondary Educational Institutions in BGADD Area*				
Post-Secondary Educational Institution Name	2019-20 Enrollment	2020-21 Enrollment	Change in Enrollment 2019-20 to 2020-21	Percentage Change in Enrollment 2019-20 to 2020-21
Asbury University	1,940	1,734	-206	-11%
Berea College	1,688	1,432	-256	-15%
BCTC	10,144	10,182	38	0%
Centre College	1,411	1,333	-78	-6%
Eastern Kentucky University	14,980	14,465	-515	-3%
Georgetown College	1,488	1,566	78	5%
Kentucky State University	2,171	2,290	119	5%
Midway University	1,703	1,880	177	10%
Transylvania University	946	957	11	1%
University of Kentucky	30,545	31,110	565	2%
Ten BGADD Post-Sec. Educational Insts. Combined	67,016	66,949	-67	0%
(* Enrollment data not available for Maysville Technical and Community College campuses in Bourbon County and Harrison County. Data source: Council for Post-Secondary Education cpe.ky.gov . Calculations: BGADD.)				
All Post-Secondary Educational Institutions in Kentucky Combined	258,251	251,103	-7,148	-3%

Clearly, while the ten post-secondary institutions in the 17-county BGADD area combined experienced only a fraction of one percent in loss of enrollment during the pandemic, there were some colleges/universities that had a decrease while others showed an increase in enrollment. When comparing the ten colleges/universities, Berea College lost the highest percentage of enrollment (-15%) between those two years, and Midway University gained the most percentage of enrollment (+10%) between those same two years. While the University of Kentucky experienced the highest enrollment count increase with a gain of 565 students during the pandemic, Eastern Kentucky University experienced the greatest decrease in student enrollment at a loss of 515 students.

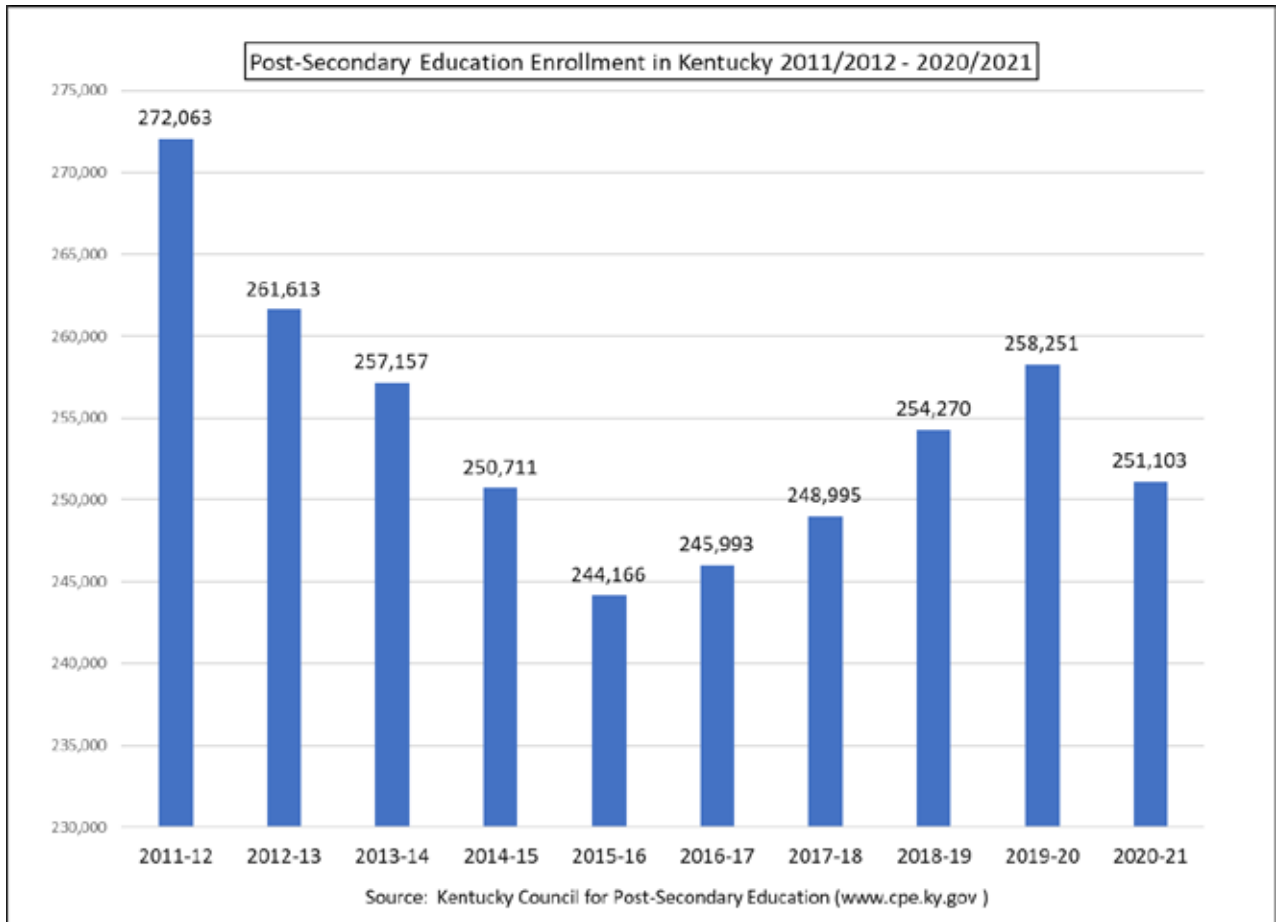
Obviously, there may be many other factors involved that may be affecting levels of enrollment for each college and university, not just the Covid19 pandemic. Changes in programs offered, increases in tuition, availability of online classes, new dormitories and/or facilities, available scholarships, etc. would affect enrollment both pre-Covid and during Covid. The bar chart below shows that the enrollment at post-secondary education institutions as a combined total in the BGADD area experienced decreases and increases in enrollment over the last ten years.





With the level of enrollment in colleges and universities as a combined total in the 17-county BGADD area being similar in the most recent three years, and with Year 2020-21 showing higher enrollment than Year 2018-19, there is no proof from the enrollment totals that the Covid19 pandemic was responsible for any loss of enrollment when looking at the combined total of ten institutions in the BGADD area overall. However, looking at each individual college and university in the BGADD area shows that some increased significantly while other decreased significantly in enrollment. In looking at the last ten years of enrollment in the BGADD 17-county area, the questions should be why has enrollment decreased since 2011-12? Was the Year 2011-12 unusually high due to the recession and people out of work going back to college? How does it compare to the state of Kentucky's enrollment figures over the same time period?

When looking at post-secondary education institutions enrollment for the ten years, Year 2011-12 through Year 2020-21, the total enrollment each year for all the institutions in the state of Kentucky combined show a more consistent trend. For Kentucky, there was a consistent decrease in enrollment from Year 2011-12 to Year 2015-16, then a change to a consistent increase in enrollment until the Year 2019-20, followed by a drop of enrollment for the Year 2020-21. This significant drop from Year 2019-20 to Year 2020-21 most likely reflects the Covid19 pandemic's impact, especially since at least one college in Kentucky, outside of the BGADD area, completely closed down and will not reopen because of the Covid19's negative fiscal impact.



Seeing the trend in the post-secondary educational institution enrollment for the state of Kentucky as a combined total with a 2.8% drop in the Year 2020-21 enrollment, and then comparing Kentucky's drop in enrollment during the Covid19 pandemic to the BGADD 17-county area's 2020-21 enrollment as a combined total loss of enrollment, which was only .1% (a tenth of one percent), shows that the post-secondary educational institutions' enrollment in the BGADD 17-county area, as a combined total, were more resilient in student enrollment during the Covid19 pandemic. The rate of loss of student enrollment for the state of Kentucky was about 28 times higher than the rate of loss of student enrollment overall in the BGADD area. Within the BGADD area, University of Kentucky's enrollment increased the most at 565 students, Midway University's enrollment increased by 177 students, and Kentucky State University's enrollment increased by 119. Several other post-secondary educational institutions in BGADD gained enrollment instead of losing it. Comparing how or what those colleges/institutions did during the pandemic that not only maintained enrollment, but also increased it during the pandemic, to how or what the other colleges/universities did that lost enrollment during that same time, may give clues as to how to increase resiliency in post-secondary education.

College or University	Semester	Mode of Instruction between Thanksgiving and end of Fall semester	Mode of Instruction for Winter Session
Eastern Kentucky University	Fall 2020	All remote	All remote
Kentucky Community and Technical Colleges	Fall 2020	Majority of coursework remote. Limited access to laboratories and workforce assessment facilities	All remote
Kentucky State University	Fall 2020	Beginning on Nov. 30 <sup>th</sup> all remote	All remote
University of Kentucky	Fall 2020	Nov. 30 was a reading day and classes did not meet	All remote

## Healthcare Industry

Healthcare, as an industry sector, is Central Kentucky's largest employer and economic cluster, and has been for at least a couple of decades. The region's EDA-Funded "Analysis of the Economic Clusters in the Bluegrass Area Development District" from 2009 cited the University of Kentucky, Central Baptist Hospital, and the St. Joseph Healthcare System as 3 of the region's most critical employers, as well as the region's lynchpins for the availability of healthcare services. As was the case nationwide, hospitals in the BGADD region were inundated by COVID patients in need of ICU beds during the height of "spikes" in case numbers early in the pandemic. Availability of beds was a major challenge that led to the establishment of temporary hospitals in a number of prominent locations, including the Nutter Fieldhouse, adjacent to the University of Kentucky's Kroger Field. Kroger Field and countless other sites also became pop-up COVID-19 testing facilities, most of which had drive through capabilities. Obviously, healthcare, and especially emergency healthcare, saw far fewer layoffs, furloughs, and staffing decreases as a result of the pandemic than most any other industry. During the pandemic, the popularity of "telehealth" visits that made use of videoconference technologies, especially for check-ups and routine appointments increased rapidly.

Throughout the height of the pandemic, according to Director Michael Dossett of Kentucky Emergency Management, Personal Protective Equipment (PPE) procurement and the logistics of distributing PPE where needed were major challenges that took considerable time and resources for the commonwealth to overcome. By August of 2021, according to Dossett, Kentucky Emergency Management distributed 17.8 million individual pieces of PPE statewide. The state's Division of Emergency Management expended \$84 million in CARES Act funds in the same time frame for PPE, COVID testing, logistics, freight, and operations.<sup>8</sup>

<sup>8</sup> "Crisis Management in A Pandemic Environment:" Presentation by Director Michael E. Dossett at the 2021 Governor's Local Issues Conference.

At the time of this plan's adoption, the healthcare sector continues to work towards widespread vaccination and "herd immunity" against COVID-19, and is battling the threat of a labor shortage in the nursing field. As of September 10, 2021, four of Kentucky's five most vaccinated counties by percentage of population are in the BGADD region (Woodford, Franklin, Fayette, and Scott).<sup>9</sup> Information regarding case counts, hospitalizations, and COVID-19 deaths in the BGADD region can be found in this plan's introductory "What Happened" section.

## The COVID-19 Pandemic and the Drug Epidemic

Drug Overdoses in the BGADD Region by County, 2016-2020									
Nonfatal Overdoses (Any Drug) Requiring ER Visit/Hospitalization					Drug Overdose Fatalities		Total Documented Overdoses		
County	2016	2017	2018	2019	January-September 2020	2019	January-September 2020	2019	January-September 2020
Anderson	89	71	66	54	23	11	<5*	64	23-27
Bourbon	34	52	49	62	57	9	<5*	71	57-61
Boyle	93	64	70	57	66	8	<5*	65	66-70
Clark	139	153	147	90	107	15	16	105	123
Estill	32	63	61	80	50	11	<5*	91	50-54
Fayette	885	1,014	783	714	976	99	129	813	1,105
Franklin	168	161	159	147	123	18	<5*	165	123-127
Garrard	60	67	32	40	40	<5*	<5*	40-44	40-44
Harrison	108	106	85	53	39	7	<5*	60	39-43
Jessamine	272	228	211	197	202	22	<5*	219	202-206
Lincoln	90	76	72	70	75	5	<5*	75	75-79
Madison	280	364	327	253	243	53	<5*	306	243-247
Mercer	78	98	63	60	43	5	<5*	65	43-47
Nicholas	12	10	22	8	6	<5*	<5*	8 to 12	6 to 10
Powell	51	53	50	45	17	5	<5*	50	17-21
Scott	166	203	176	192	163	13	13	205	179
Woodford	70	69	47	71	32	9	<5	80	32-36
<b>BGADD</b>	<b>2,627</b>	<b>2,852</b>	<b>2,420</b>	<b>2,193</b>	<b>2,262</b>	<b>292-300*</b>	<b>158-214*</b>	<b>2,485-2,493</b>	<b>2,420-2,476</b>

\*1-4 Indicates exact number not reported, but less than 5 fatalities

\*158; 292 Assumes 0 overdoses in nonreporting counties, 214;300 assumes 4 overdoses in nonreporting counties

\*Source: Kentucky Injury Prevention and Research Center, <http://www.mc.uky.edu/kiprc/pubs/overdose/Kentucky-Overdose-Morbidity-County-Profiles.html>

Even before the onset of the COVID-19 pandemic in the early Spring of 2020, the Bluegrass ADD's Board of Directors had identified opioid and illicit drug use, abuse, and addiction as a key societal issue that the region's elected officials and councils of government must work together to address, and along with exploring rural broadband expansion, addressing the opioid/drug epidemic was the BGADD Board of Directors' highest-priority directive/area of focus for Bluegrass ADD staff. The Commonwealth of Kentucky has long struggled with high rates of drug abuse, addiction, and overdose, especially with opioids. Over the last several years, however, the state has invested increased effort and resources, both public and private, into the fight against illegal drugs with a focus on rehabilitation of sufferers of substance use disorders rather than long-term incarceration. As evidenced in the table below (according to the Kentucky Injury Prevention and Research Center), the Bluegrass ADD region experienced statistically significant decreases in the overall number of drug overdoses requiring hospitalization from 2017 to 2018, and again from 2018 to 2019. Further, the number of opioid



overdose fatalities that the Bluegrass region has seen each year has decreased dramatically over the last several years. Many factors have contributed to this decrease in overdose deaths, including the availability of many more treatment and support options for those who have struggled with opioid use, a shift in the public's perception and supportiveness on the issue of substance abuse disorders, and the increasing availability of life-saving emergency treatments such as naloxone, or "Narcan." Coming out of the pandemic, a major focus of both the BGADD Board, and the Kentucky Department for Local Government will be recovery housing programs for victims of substance use disorders. This will be addressed in this plan's recovery section.

Unfortunately, COVID-19 almost certainly had a negative effect on the momentum that the region had gained on its downward trend concerning the number of overdoses. The most recent statistics available at the time this plan was written (Spring 2021) indicate that it is likely that there were significantly more overdoses in 2020 in the Bluegrass region than there were in 2019. According to the Kentucky Injury Prevention and Research Center, there were between 2,485 and 2,493 overdoses in the Bluegrass Region that required hospitalization or led to a fatality. Tragically in 2020, there were between 2,420 and 2,476 such instances by the end of September. We can only assume that the total number of overdoses by the end of 2020 far surpassed the total from 2019. Whether or not there exists any kind of causal relationship between the COVID-19 pandemic and drug abuse/overdose is quite difficult to say. Regardless, the surge in overdose frequency seen in 2020 is cause for concern and attention coming out of the COVID-19 pandemic.

## **Aging, COVID's Effect on the Elderly, Assisted Living/Long-Term Care, and Aging Services**

Though COVID took a serious toll on all demographic groups, perhaps none had a more challenging year or were more vulnerable than the elderly, especially those living in long-term-care and assisted living facilities. Due to living in close proximity with one another, making social and physical distancing inside of care facilities difficult, a widespread need for a number of social services, and a high percentage of immunosuppressed and at-risk individuals, life changed fundamentally for senior citizens during the COVID-19 pandemic and 2020.

### **Precautionary Measures at Senior Centers, Assisted Living Facilities, and LTC's**

An executive order by Governor Andy Beshear in early March of 2020 was released which closed all senior centers to the public statewide. Additionally, beginning on March 10, 2020, the executive order forbade visitation at long-term care (LTC) facilities across Kentucky, except for end-of-life situations (so long as the visitor was not expressing any symptoms of COVID-19). Ombudsmen (advocates to protect the special legal rights of seniors) were not allowed into facilities. The order also stated that all individuals aged 60 or over could receive delivered meals during the state of emergency, regardless of eligibility under normal circumstances. On April 23, 2020, Governor Beshear issued protocol for assisted living and LTC facilities that mandated all residents wear masks, cancelled all communal dining and social activities, minimized staff entry into resident rooms, restricted non-essential personnel from entering resident rooms, and implemented daily temperature checks, with a threshold to transfer ill residents to a higher level of care/a difference facility.

## Response by Aging Services Staff

As senior centers closed and the number of individuals signing up to be meal delivery recipients, each county senior center faced the challenge of figuring out staffing and logistics for the influx of new meal participants. Most senior centers rely on volunteers but lost the majority of their volunteer pool during the pandemic. All senior center staff duties were transitioned from their normal work functions to meal delivery. BGADD Department for Aging and Independent Living's Caterer who prepares the meals for 16 of our 17 counties had to increase their staffing and work double shifts in order to get all the meal orders filled for delivery each day. Additionally, extra precautions had to be taken when providing in-home services to homebound seniors. Many seniors, for fear of the virus, requested that in-home services cease until the pandemic subsided.

The BGADD Region's senior centers typically support their seniors by providing transportation to grocery shop and pick up medications from the pharmacy on a weekly basis. Due to safety issues and the need for social distancing, most counties discontinued this and instead of taking seniors to the store, staff would go shopping for the senior and deliver their groceries to them. The local Sheriffs' Departments provided instrumental assistance to ensure success. In order to promote continued socialization for seniors, virtual programming through county senior centers was attempted, however due to most of our Seniors not having technology access in the home, efforts proved to be unsuccessful in most counties. Fayette and Franklin counties were able to provide some online/zoom programming. The remaining 15 BGADD counties were not able to implement social programs for seniors during the pandemic.

## The Pandemic's Effects on the Elderly

It has been well documented that COVID-19 is far more dangerous to the elderly, and to those individuals with preexisting health conditions- thus the stringent precautions at senior centers and assisted living facilities laid out by the Governor's executive orders in the Spring of 2020. Despite the region's best efforts, the death rate of individuals diagnosed with COVID-19 in LTC facilities stands at 35.9% (as of 5/21/2021).<sup>10</sup> Beyond the catastrophic impact that COVID-19 itself has had on the health of those seniors who have contracted it, the pandemic spurred a number of additional health challenges for seniors. Without daily hot meals being provided at senior centers and a number of senior citizens isolating entirely due to the pandemic, malnutrition became a major concern for BGADD's aging staff.

The pandemic created a situation that was also very challenging for the mental health of many seniors- especially for those in assisted living and LTC facilities. Social isolation, depression, and emotional health challenges became everyday realities for many seniors. In many instances in assisted living facilities and LTC's, seniors had to be quite literally isolated and quarantined with no face-to-face social interaction, and were unable to see family members or have visitors for extended periods of time. For many seniors suffering from dementia and/or Alzheimer's disease, social isolation was particularly difficult, as they had trouble remembering and understanding why isolation/quarantine was needed. This only increased confusion and depression, and in some instances led to feelings of abandonment due to a lack of interaction with family and caregivers.

## Vaccination of Seniors

Seniors were among the highest priority groups for vaccination in Kentucky. The BGADD Aging and Disability Resource Center made provisions to assist seniors with registering for vaccination, especially since many seniors face technological barriers that other groups do not. Additionally, homebound seniors in the region who wished to be vaccinated were provided with in-home vaccination through a joint effort between BGADD aging and county health departments. As of May 2021, roughly 700 homebound seniors had been vaccinated/prioritized for in-home vaccination.

## Food Insecurity and the Pandemic

As the news about the Covid19 virus coming to the United States came to light and as the number of cases grew, the news reported grocery and household supply shortages. Many people began stocking up on household supplies and groceries, and some hoarding with plans of selling at a high price. This led to a lack of inventory in grocery stores for such things as toilet paper, sanitizing wipes, and hand sanitizer. As meat processing and packaging plants began to close down due to employees testing positive for Covid19, this led to the incidence of some limited choices of meat products in meat departments of grocery stores- an issue that was at its worst in the pandemic's earliest stages, in April and May of 2020.

According to the July 19, 2020 KyForward article, "Food insecure in Kentucky? Not if UK Cooperative Extension has a say in battle against hunger" by Carol Lea Spence, issuance of Supplemental Nutrition Assistance Program benefits increased from about \$55 million in February to about \$174 million for April and May due to an increase in participants and an increase in the amount of benefits people received. States were allowed to issue the maximum amount of benefit to each household, and children who would normally receive free or reduced-price school meals were eligible for Pandemic EBT cards. Agencies and organizations partnered together to help with assisting those applying for benefits, distribution of food, cooking education, and growing vegetables at home. Distribution of groceries and meal deliveries to senior citizens became significantly more challenging during the pandemic. The basic logistics of the region's response to this issue were outlined in this plan's aging section on page 57.

In addition to increased Nutrition Assistance Program spending and expanded EBT benefits by the government, many private-sector food suppliers made efforts during the pandemic to assist with safely providing individuals and families with cost-free opportunities to purchase needed groceries and supplies. Kroger, Walmart, and many other major grocery retailers in the Bluegrass made online grocery shopping with contact-free curbside pickup free for all customers- a trend that has continued in many instances through the summer of 2021.

## Homelessness, Evictions, and the Housing Market

Loss of employment income during the coronavirus pandemic made eviction, foreclosure, and even homelessness a terrifying possibility for many Kentuckians in 2020. As a protective measure, Gover-

nor Beshear enacted an executive order providing protection from evictions by way of a moratorium, extended at least through June 30, 2021. A website named Eviction Lab provides a score for each state on how well they have prepared for housing issues from after effects of the Covid19 pandemic. Kentucky's score is 2.65/5.00 as of April 24, 2020. And on the state scoring, this is what is described for Kentucky: "Kentucky's governor has directed law enforcement to not carry out evictions and foreclosures during the state of emergency, and the court system has also taken action to suspend eviction cases and prevent new filings. However, without action on rental debt, Kentucky could still see a surge of evictions soon after the state of emergency expires."

In a Georgetown News Graphic article titled, "Kentucky closes website that offers rent assistance during pandemic", by J.D. Davidson, The Center Square, October 22, 2020, Gov Beshear reported that the program, Healthy at Home Eviction Relief Fund, set up to help people in Kentucky struggling with rent, had received over 5,000 completed applications since it began a little over six weeks prior, and would use almost all of the \$15 million in CARES Act money allocated for the program.<sup>11</sup> The state plans to close the website, but in the event other funds become available the state may begin taking applications again. Gov Beshear noted other options for help such as the Team Kentucky Fund. The article continued telling about how the Kentucky Public Service Commission was ending its moratorium on disconnections for nonpayment for utilities it regulates and Beshear signed an executive order that ends the state-wide moratorium on Nov. 6.

On the subject of nonpayment for utilities, the state's Department for Local Gov-

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<sup>11</sup> [Kentucky closes website that offers rent assistance during pandemic | Bluegrass Region \(spotonkentucky.com\)](#)

ernment has made \$38 million in CARES Act funding available for individuals and families with utilities delinquencies to apply for up to \$1,500 in direct assistance through the CDBG-CV program. As of the spring of 2021, every BGADD county and the majority of BGADD cities had pursued CDBG-CV funding, thus any resident of the Bluegrass region with a need for utilities assistance should be able to find it, beginning in the summer of 2021.

## The Real Estate and Housing Market

Interestingly, amid concerns that the COVID pandemic could spark long-term economic hardship, the real estate market in the Bluegrass region and nationwide experienced an unprecedented "seller's market," with skyrocketing home values. According to the Lane Report, every metro area in the entire country that is tracked by the national association of realtors experienced an increase in both mean and median home price when comparing the fourth quarter of 2019 to the fourth quarter of 2020.

In Kentucky, the Lane Report indicated that the median closing price for a single-family home in the state increased 11% from \$172,477 to \$191,012 from December 2019 to December 2020. Additionally, the inventory of available dwellings on the market throughout 2020 hovered at about 45% of 2019 levels.

## Tourism, Hospitality, and Travel

During the spring and summer of 2020, the native industry, tourism/entertainment, and hospitality sectors of the BGADD region's economy faced extremely difficult circumstances in light of closings and restrictions mandated as a result of the pandemic. Out-of-state travel was

very strongly discouraged, and advisories were issued in order to discourage visitors from out of state to visit Kentucky. In March 30, 2020, the Governor issued an order requiring any Kentuckian who traveled out of state to self-quarantine upon their return. On April 2, 2020, the governor issued an order requiring all people traveling into Kentucky to self-quarantine for two week- an order that was contested in court and was refined on several occasions throughout the summer of 2020.<sup>12</sup> As reported on page 35 of this plan document, the BGADD region alone was down 14,478 full-time equivalent jobs in accommodations and food service during the pandemic, and at one point 43.8% of the region's jobs in the arts, entertainment, and recreation sectors were lost. Though many employees in these areas have been re-hired, businesses in this part of the Bluegrass economy are certainly still struggling. April of 2020 saw one of the region's economic and cultural staples, the Spring Racing Meet at Keeneland, wind up totally cancelled for the first time in the race course's nearly 90-year history. In 2019, wagers on races at Keeneland alone brought \$153 million to the local economy, and this figure reflects only a fraction of the overall economic activity generated by Keeneland's racing season.<sup>13</sup>

On top of lost economic activity due to the cancelled thoroughbred racing season, the Kentucky Bourbon Trail was unable to generate the majority of the tourism and travel activity that it normally does, due to the need to cancel most of the in-person tours that would have had occurred statewide. According to the Kentucky Bourbon Trail's website, Kentucky's distilleries (a major portion of which are found in the BGADD region) recorded over 2 million visits in 2019, over 70% of

which were from travelers out of state.<sup>14</sup> Not only did the region's distilleries feel the weight of the lost tourism opportunity, but this burden was also shouldered by hotels, restaurants, and businesses all the way across the tourism and hospitality spectrum due to a lack of tourists and vacationers coming to Kentucky.

## Local Government

Local governments in Kentucky were forced during the pandemic to implement a huge number of changes in order to adapt and maintain functionality in the remote and socially-distanced world that the pandemic made necessary. The list below summarizes some, but not all, of the precautions taken and changes made by BGADD cities in counties in order to maintain safe local government functionality.

- Local statute/ordinances were amended in many cases to allow for City Council/Commission and County Fiscal Court Meetings to be conducted via public videoconference.
- Additional cleaning measures had to be implemented at courthouses, city halls, and municipal buildings.
- Implementation of drive-through utility bill and tax payment options for citizens.
- Remote alternatives to (or suspension of) clerk's office activities such as vehicle registrations, drivers' licenses, etc.
- Closures of public facilities that encourage gathering of crowds (public pools, wellness centers, senior centers, basketball courts, etc).
- Many changes and special provisions were made for the 2020 primary and general elections, including no-excuse absentee ballots, early voting locations, mail-in

<sup>12</sup> [Kentucky's Response to COVID-19 - Kentucky Governor Andy Beshear](#)

<sup>13</sup> <https://www.nkytribune.com/2021/04/keeneland-ends-springs-meet-with-limited-number-of-fans-permitted-and-7-55-increase-in-wagering/>

<sup>14</sup> <https://kybourbontrail.com/kentucky-bourbon-trail-members-take-precautions-to-combat-coronavirus-some-suspending-tours/>



voting, and more in order to encourage citizens to continue to vote in the midst of the pandemic. As a result, higher-than-normal voter turnouts were achieved.

Despite many adaptations made by local governments, many challenges arose as a result of the pandemic that had not been encountered before:

- Jails and detention centers in the BGADD area faced challenges associated with the rapid spread of COVID-19 amongst inmates and staff.
- Collections on water, sewer, and other municipal utility bills became more challenging than ever before. Shutoff moratoriums compounded the utilities bills collection issue even further.

### **Community Events**

Due to the COVID-19 pandemic, a huge amount of community programming, events, and social opportunities were cancelled, postponed, or missed in 2020 and 2021 as a result of the COVID-19 Pandemic. The list below, a mere sampling of the cancellations induced in the BGADD region during the pandemic, showcases the extent to which our communities' routines, traditions, and way of life were upset by COVID-19.

- 2020 Anderson County Fair – June 2020
- 2020 Bourbon County Fair- June 2020
- 2020 Harrison County Fair – June 2020
- All county fairs across the Bluegrass Region were at least postponed
- 2020 Summer Baseball in Anderson County
- Clark Co and Anderson County – drive in only fireworks in 2020
- Franklin County Youth Baseball was cancelled for Summer of 2020
- Powell Co Corn Festival Cancelled August of 2020
- Fall Arts Festival Cancelled in Frankfort for 2021
- Berea Spoonbread Festival Cancelled in September of 2020
- Kentucky Bourbon Festival Cancelled for September 2020
- Lexington Pride Festival Cancelled 2020 and 2021
- Great American Brass Band Festival in Danville Cancelled September 2020
- Railbird Festival @ Keeneland cancelled August 2020
- Rolex/Land-Rover Equestrian Event Cancelled in 2020 and 2021
- Winchester Beer Cheese Festival Cancelled in 2020
- Cancelled University of Kentucky Basketball Games 20-21 Season
- EQUITANA USA 2020 @ KY Horse Park Cancelled in 2020
- March 2020 Kentucky Boys and Girls Sweet 16 Basketball Tournament
- Kentucky Book Festival – Cancelled November 2020
- Ford Harrod Beef Festival – Cancelled May 2020
- Midway Fall Festival – Cancelled in September 2020 (back in 2021)

# RESILIENCY FOCUS AREAS AND RECOVERY STRATEGY

## Major Federal Legislation

### CARES Act

As the pandemic unfolded throughout mid-2020, Congress passed the “CARES,” or Coronavirus Aid, Relief, and Economic Security Act, which triggered many of the programs discussed in the analysis section of this plan, including individual stimulus checks, the SBA Paycheck Protection Program (PPP), the CD-BG-CV utilities assistance program, and many others. In total, the state of Kentucky received approximately \$1,732,387,747.50 in federal COVID relief funds by way of the CARES Act.<sup>15</sup> The CARES Act allocated the CRF, or Coronavirus Relief Fund, to each local government in the BGADD region. These funds were intended to offset expenses incurred by cities and counties as a result of the pandemic. The vast majority of BGADD jurisdictions captured CRF funding to reimburse themselves for the payroll/staffing expenses associated with frontline first responders, such as Fire, Police/ Sheriff, and EMS.

Counties	CRF Funding Amount
Anderson	\$1,036,762.00
Bourbon	\$901,897.00
Boyle	\$1,370,074.00
Clark	\$1,652,793.97
Estill	\$642,876.00
Fayette	\$27,000,000.00
Franklin	\$2,324,066.00
Garrard	\$805,180.44
Harrison	\$750,996.00
Jessamine	\$2,466,452.32
Lincoln	\$1,118,894.00
Madison	\$4,238,158.71
Mercer	\$746,735.00
Nicholas	\$331,306.52
Powell	\$563,028.00
Scott	\$2,598,126.64
Woodford	\$1,218,481.63

<sup>15</sup> <https://home.treasury.gov/system/files/136/Payments-to-States-and-Units-of-Local-Government.pdf>

Cities	CRF Funding Amount
Berea	\$1,613,591.00
Burgin	\$92,726.00
Carlisle	\$140,865.00
Clay City	\$112,635.00
Crab Orchard	\$84,594.00
Cynthiana	\$647,530.00
Danville	\$1,711,023.00
Frankfort	\$2,821,228.00
Georgetown	\$3,517,079.00
Harrodsburg	\$865,996.00
Irvine	\$236,238.00
Lancaster	\$277,271.00
Lawrenceburg	\$1,170,032.00
Midway	\$185,527.14
Millersburg	\$57,381.00
Nicholasville	\$3,141,337.00
North Middletown	\$44,247.79
Paris	\$1,001,128.00
Perryville	\$76,468.20
Ravenna	\$40,771.00
Richmond	\$3,662,415.00
Sadieville	\$36,420.61
Stamping Ground	\$74,504.00
Stanford	\$374,950.00
Stanton	\$374,950.00
Versailles	\$949,058.00
Wilmore	\$654,576.00
Winchester	\$1,891,690.00
**Junction City, Berry, and Hustonville didn't have information to report.	

## BGADD Coronavirus Relief Fund Allocations CDBG-CV

Through the CARES Act, the State of Kentucky received \$39 million to be utilized through the HUD Community Development Block Grant Program. Initially, the state's intent was to utilize nearly the entire allocation for the establishment of a program to provide utility bill relief and assistance to households/individuals across the state whose incomes were affected by the pandemic. Each NEU city and County in Kentucky was given the opportunity to apply for \$200,000 at a time in HUD CDBG funds, in order to establish a pool of funds at local Community Action Offices that could be used to pay delinquent water, sewer, electric, and natural gas bills on behalf of families who faced income hardships. In the BGADD Region, all 16 non-entitlement counties, and many of the area's cities, were approved for funding. Due to the nature of the CDBG program and the passage of several months before each community received release of federal funds, many individual utility districts had worked with their customers to remedy their arrearages before CDBG-CV funds were utilized. Additionally, the majority of the labor force returned to work throughout late 2020 and early 2021, and the number of qualifying households fell. At

the time of this plan's publication, the Kentucky Department for Local Government had authorized alternative uses of CDBG-CV funds with Community Project-oriented scopes of work and a nexus to the COVID Pandemic. The Bluegrass ADD (at publication of this plan) has filed the following funding requests:

- Madison County God's Outreach (\$1,000,000 food bank expansion)
- Clark County Community Services (\$460,000 development of curbside/drive through food bank service).

### The American Rescue Plan Act (ARPA)

Congress passed the American Rescue Plan Act on March 11<sup>th</sup> of 2021, which triggered countless grant and loan programs targeted at individuals, businesses, and local governments. A major portion of the funds made available to Central Kentucky through ARPA will come in the form of direct allocations to local governments, through "State and Local Fiscal Recovery Fund" or SLFRF payments. The tables below summarize the allocations that each BGADD jurisdiction is set to receive.

Counties	First Distribution (FY2021)*	Second Distribution (FY2022)	Total
Anderson	\$2,209,169.00	\$2,209,169.00	\$4,418,338.00
Bourbon	\$1,921,793.50	\$1,921,793.50	\$3,843,587.00
Clark	\$3,521,831.50	\$3,521,831.50	\$7,043,663.00
Estill	\$1,369,962.50	\$1,369,962.50	\$2,739,925.00
Fayette	\$31,384,244.00	\$31,384,244.00	\$62,768,488.00
Franklin	\$4,952,202.00	\$4,952,202.00	\$9,904,404.00
Garrard	\$1,715,706.50	\$1,715,706.50	\$3,431,413.00
Harrison	\$1,834,192.00	\$1,834,192.00	\$3,668,384.00
Jessamine	\$5,255,602.00	\$5,255,602.00	\$10,511,204.00
Lincoln	\$2,384,177.50	\$2,384,177.50	\$4,768,355.00
Madison	\$9,030,817.50	\$9,030,817.50	\$18,061,635.00
Mercer	\$2,130,114.00	\$2,130,114.00	\$4,260,228.00
Nicholas	\$705,959.00	\$705,959.00	\$1,411,918.00
Powell	\$1,200,295.50	\$1,200,295.50	\$2,400,591.00
Scott	\$5,536,179.50	\$5,536,179.50	\$11,072,359.00
Woodford	\$2,596,383.00	\$2,596,383.00	\$5,192,766.00
Cities	First Distribution (FY2021)*	Second Distribution (FY2022)	Total
Berea	\$2,075,038	\$2,075,039	\$4,150,077
Berry	\$31,484	\$31,485	\$62,969
Burgin	\$128,443	\$128,444	\$256,887
Carlisle	\$257,146	\$257,147	\$514,293
Clay City	\$141,650	\$141,651	\$283,301
Crab Orchard	\$106,820	\$106,821	\$213,641
Cynthiana	\$820,511	\$820,512	\$1,641,023
Danville	\$216,242	\$216,242	\$4,342,484
Frankfort	\$3,593,703	\$3,593,704	\$7,187,407
Georgetown	\$4,530,746	\$4,530,747	\$9,061,493
Harrodsburg	\$1,104,848	\$1,104,849	\$2,209,697
Hustonville	\$47,778	\$47,778	\$95,556
Irvine	\$297,544	\$297,544	\$595,088
Junction City	\$298,579	\$298,580	\$597,159
Keene	\$11,394	\$11,394	\$22,788
Lancaster	\$500,697	\$500,697	\$1,001,394
Lawrenceburg	\$1,490,179	\$1,490,180	\$2,980,359

Midway	\$245,104	\$245,105	\$490,209
Millersburg	\$100,994	\$100,994	\$201,988
Nicholasville	\$3,996,385	\$3,996,385	\$7,992,770
North Middletown	\$78,945	\$78,945	\$157,890
Paris	\$1,252,196	\$1,252,197	\$2,504,393
Perryville	\$96,980	\$96,980	\$193,960
Ravenna	\$72,379	\$72,379	\$144,758
Richmond	\$4,681,590	\$4,681,591	\$9,363,181
Sadieville	\$46,871	\$46,872	\$93,743
Stamping Ground	\$103,842	\$103,843	\$207,685
Stanford	\$474,154	\$474,154	\$948,308
Stanton	\$351,278	\$351,278	\$702,556
Versailles	\$1,206,490	\$1,206,490	\$2,412,980
Wilmore	\$625,052	\$625,052	\$1,250,104
Winchester	\$2,401,586	\$2,401,586	\$4,803,172
*First Distribution Received by BGADD Cities and Counties (Summer 2021). Second Distribution will be deposited Summer 2022.			

ARPA Guidance outlines major eligible expenditure categories where Cities and Counties may use their allocations:

1. Public Health and Pandemic Response
2. Replacement of Lost Revenue
3. Providing "Premium Pay for Essential Workers"
4. Addressing Negative Economic Impacts spurred by the Covid-19 pandemic
5. Investing in Water, Sewer, and Broadband Infrastructure

## Public Facilities Infrastructure Resiliency

In addition to the direct allocation received by each City and County through the ARPA, the state legislature set aside funds for the Kentucky Infrastructure Authority to establish the Cleaner Water Program. The program allocates funds to each Kentucky County on a population basis, to be distributed among each water and sewer utility in the county for projects. The BGADD region's allocations are listed below.



BGADD County	Total Allocation
Anderson	\$835,407.33
Bourbon	\$726,734.97
Boyle	\$1,103,984.90
Clark	\$1,331,796.55
Estill	\$518,057.58
Fayette	\$11,868,094.74
Franklin	\$1,872,697.74
Garrard	\$648,802.30
Harrison	\$693,608.08
Jessamine	\$1,987,429.90
Lincoln	\$901,587.67
Mercer	\$805,512.33
Nicholas	\$266,961.62
Powell	\$453,897.18
Scott	\$2,093,531.44
Woodford	\$981,834.07

From the time of this plan’s publication through fiscal year 2026, Central Kentucky Communities will have a significant financial opportunity to bolster regional development and resiliency.

## Broadband Internet Expansion

Beyond the basics of electricity, clean water, and sanitary sewer, reliable broadband internet access is quickly becoming one of the most necessary utilities for families and businesses to communications, internet-based business and work opportunities, and even entertainment. Though the need for access to reliable internet was already clear (broadband expansion has been identified as a primary objective for several consecutive years by the BGADD Board), the COVID-19 pandemic served as a focusing event that brought the issue to the forefront. Across Central Kentucky, most every elementary, middle, and high school transitioned to a “NTI” or nontraditional instruction format for the spring and fall semesters of 2020, as well as for the spring of 2021, and the majority of the region’s white-collar employers were forced into a work-from-home and remote work situations. In a pandemic environment, the issue of rural broadband expansion moved from a long-term goal, to a priority necessary to ensure equity in education and business.

### New Funding Opportunities

Catalyzed by the pandemic, a number of new funding sources dedicated specifically for rural broadband expansion have become available to Kentucky, providing opportunities for broadband expansion that were previously unavailable.

- The CARES Act took existing/traditional sources of broadband funding and bolstered them.
- The American Rescue Plan Act (ARPA) gave the Kentucky General Assembly the ability to allocate federal funds at the state level. The General Assembly passed HB 320, which set up the Broadband Deployment Fund. In addition to the funds allocated, the General Assembly defined broadband as any wireline, fixed wireless, or terrestrial technology with a capacity to transmit data at a minimum speed of 25 Mbps downstream/3 upstream via KRS 224A.011, 112, and 1121. Traditionally, the USDA and other federal entities have defined broadband at a level of 10 Mbps down, 1 up. This change dramatically increases the number of areas of the state eligible to receive public financial assistance for broadband implementation.<sup>16</sup> The fund allocated:

◊ \$300 Million for Rural Broadband Expansion

- \$250 Million for Unserved/Under-served Areas, with the first \$50 Million to be targeted to unserved areas only.
- \$50 Million for securing economic development opportunities for commercial and industrial expansion.

<sup>16</sup> Governor's Local Issues Conference 2021- KIA Cleaner Water Program and Broadband Deployment Fund Updates August 26, 2021

## Regional Plans for Development

The Bluegrass Region and Bluegrass ADD were early to the table for the broadband expansion discussion. For several consecutive years, rural broadband expansion has been identified as the #1 development objective for the region by the BGADD executive board. In 2019 (pre-COVID), Bluegrass ADD developed and opened a Request for Information (RFI) for regional broadband development. Each of the nine Internet Service Provider (ISP) respondents to the RFI were interested in providing the region with a "middle mile" network, but were not interested in delivering service via fiber to homes. In the region's counties outside of the core areas within city limits, delivering internet service to unserved and underserved homes has most always been a cost-prohibitive development that ISP's were unwilling to pursue.

The Broadband Deployment Fund completely changed the broadband conversation for the region. With the \$300 million in funding discussed above becoming available, most ISP's in the region are now expressing a sincere interest in last-mile broadband expansion projects. ISP's are actively contacting county governments in the Bluegrass directly regarding project planning, whereas prior to the pandemic, the public sector had to pursue broadband development and pressure ISP's for activity.

## Bolstering Regional Resiliency

Going forward, readily accessible broadband internet figures heavily into Central Kentucky's resiliency and its ability to adapt and maintain continuity in times of crisis. Improved internet access will make the region more resilient and crisis-resistant in many areas, including<sup>17</sup>:

<sup>17</sup> "The Benefits of Rural Broadband" ([http://www.saveruralbroadband.org/consumerInfo?\\_c=143l47zg6zrhplj](http://www.saveruralbroadband.org/consumerInfo?_c=143l47zg6zrhplj))



- Aging-
  - ◊ Remote access for the elderly to communicate with healthcare providers in rural areas
  - ◊ Remote patient monitoring applications for medical professionals
- Telehealth-
  - ◊ Ability to perform general physicals and wellness check-ups via videoconference
- Education-
  - ◊ Equity in implementation of Non-Traditional Instruction, or “NTI” for primary schools in a pandemic or crisis environment
  - ◊ Access to postsecondary/college education online
  - ◊ Ability for the best instructors in a given field to connect with students without geography or distance as a barrier
- Agriculture-
  - ◊ Allows farmers to closely monitor weather patterns as well as market conditions for their crops/livestock
  - ◊ Allows for innovation in the sector of automated farm equipment
- Rural Business Development
  - ◊ Business Continuity and Remote work during times of Crisis
  - ◊ Teleworks and remote work as an opportunity for modernization/business development in rural/economically distressed areas



## Transportation

Similarly to broadband, the Coronavirus pandemic exposed holes in our region’s resiliency and disaster resistance/preparedness. Though this created many challenges and problems throughout 2020 and into 2021, it also catalyzed opportunities to facilitate improvements and fund long-term projects.

### **Challenges Exposed by COVID: The categories below represent only some of the challenges to transportation**

- Supply Chain and Logistics
  - ◊ Huge increase in demand for freight and semi’s made moving goods that were already in short supply extremely difficult (Recall the great “toilet paper shortage” of early 2020)
  - ◊ Blockages in the Suez Canal led to computer chip shortage nationwide, dramatically increasing vehicle purchase prices and reducing dealer inventory.
  - ◊ Kentucky’s availability of semi-truck parking is inadequate to allow for safe parking for all commercial drivers making use of the state’s interstate system, leading many trucks to park on inter-

state on or off ramps and rest stations.

- ◊ Advances in automotive technology may lead to the automation of freight industry and to the loss of thousands of CDL jobs.

- **Public Transportation Challenges**

- ◊ Barriers to Access to Healthcare for non-drivers
- ◊ Public transportation typically is not an option in rural areas
- ◊ Medicare and Medicaid Transportation can only be used when booked 3+ days in advance (not an option for emergencies).
- ◊ Decreased ridership levels during the pandemic for both public transportation and ridesharing services like Lyft and Uber.

- **Gas Tax Revenue Shortfalls**

- ◊ With the gas tax being tied to the average wholesale price of gasoline, revenues plummeted during the pandemic due to reduced consumption and record-low oil prices.
  - Gap in funding necessary to complete projects queued in the six-year highway plan
- ◊ Transition to more fuel efficient and electric vehicles suggests that alternative methods of transportation revenue generation may become necessary.

**Funding Opportunities Ahead:**

- In the first year of the pandemic, KYTC received nearly \$23 million in federal funding to distribute to public transit agencies through the CARES Act. This helped struggling public transit agencies who were losing riders but still needed to provide transportation services to essential workers. The funds went to employee pay for those who had to quarantine, sanitation

equipment, and PPE.

- Funding for transportation infrastructure was not included in either CARES or ARPA, however the bipartisan federal infrastructure bill, known also as H.R. 3684, would address these issues as it is currently written. If passed, and if funding is allocated directly to states as expected instead of through a competitive grant process, priorities in Central Kentucky would lead to investments in additional truck parking locations, overdue transportation infrastructure projects, an overhaul of revenue collection systems for transportation.

**Projects in the Pipeline:**

- The Projects listed below have been awarded and stand to considerably bolster regional resiliency:
  - ◊ Paris/Bourbon EDA connector road to facilitate economic development growth, showing support for increased in economic development/industrial activity in the region.
  - ◊ BUILD grant awarded to US 460 (<https://www.lanereport.com/118830/2019/11/bourbon-and-scott-counties-receiving-10-2m-federal-grant-to-upgrade-us-460/>) (Road supports Toyota's supply chain network)

## Response and Recovery to Opioid/Illicit Drug Use Uptick

In the wake of the COVID-19 pandemic, a significant uptick in illicit drug overdoses and abuse was seen (see page 56). In response, the state of Kentucky launched its Recovery Housing Program HUD CDBG Pilot Program. At the time of this plan's publication, the Bluegrass ADD was awaiting award confirmation from KY-DLG for two RHP initiatives.

- Isaiah House Expansion
- Franklin County Women and Family Shelter Expansion/Renovation.

Further, BGADD's Executive Board re-emphasized opioid epidemic response as a top priority for the staff of the Bluegrass Area Development District. In early 2022, BGADD was pursuing the following recovery initiatives in partnership with local governments in order to continue to address this challenge:

- Partnership with Boyle County and the Fletcher Group to expand the Shepherd's House
- Partnership with the City of Richmond, New Vista, and Fletcher Group to establish a 100-bed recovery housing initiative in Richmond, KY.
- Continuation of the Kentucky Career Center's T2T (Transitions to Transformation) Program, providing work-based learning opportunities for individuals in recovery.

### **Workforce and Employment Resiliency**

Despite the challenging circumstances brought on by the pandemic, both economic and social, job seekers should find ample opportunities at quality employment and high wages. As of early October, 2021, the Bluegrass Area Development District's Workforce team's reports indicate that in the 17-County BGADD region there are:

- 653 Occupations/Types of Careers with vacant job postings
- 27,267 available individual job opportunities
- 4,200 Employers looking to hire

The appendix of this plan document contains reports more fully summarizing available jobs, occupations, wages, and more.

### **Wage Trends**

During the job seeker's market that we are experiencing in 2021, most employers have had to increase the wages in the Bluegrass area, and have had to adapt based on what everyone else is paying for the positions. Many employers are finding that they are in competition for a relatively small applicant pool, and that a local employer who outcompetes others on starting wage and benefits receives the vast majority of applicants, while competitors see very few applicants come in the door. Additionally, high starting wages for new employs in many industries has led employers to have to offer new perks, incentives, and raise opportunities to retain incumbent employees.

Additional and supplemental unemployment benefit opportunities did end in September of 2021. Though the assistance provided an income safety net for families throughout the pandemic, the employers of the BGADD region will likely benefit from a much-needed increase in the number of workers re-entering the labor market.



# RESILIENCY TOOLKIT/RESOURCES:

Though not exhaustive, the summary below provides a number of available resources to assist individuals and families with navigating the COVID-19 pandemic into 2022 and beyond.

## Resources for Job Seekers

### BGADD Workforce Team & KY Career Centers

Even in the midst of the pandemic environment over the last two years, the Kentucky Career Centers were able to offer the following services to job-seekers:

- Job Postings
- Job Fairs: The Kentucky Career Center advertises and facilitates customized job fairs with various formats:
  - Traditional hiring events, where the KCC sets up tables and the job seekers attend the event and visits with the hiring manager to discuss opportunities.
  - Virtual hiring events- a virtual platform allowing employers to present to the viewers on opportunities and positions available as well as virtual facilities tours, Q&A sessions, and more.
  - ◊ Drive thru hiring events, allow the job seekers to drive up to the tents and pick up information on the available opportunities in a socially-distanced and nearly-contactless manner, allowing for safe and efficient dissemination of information and application materials.
- Take Home Job Fairs, through partnerships with many of the local libraries in central Kentucky.
- On-The-Job Training where KCC refers job seekers to employers who have positions that they need filled immediately. Participating companies develop training curriculums conducted in house through hands-on-work and active employment. KCC develops a training outline and for 4 weeks-24 weeks can reimburse employers up to 50% of the wages earned by OJT participants.
- Work Based Learning that allow KCC to place job seekers on KCC payroll and worker's compensation for 12-weeks, in order to give employers a risk-free trial of an employee to determine if the individual is a good fit.



# Resources for Households and Families-

## Family and Grocery & Medical Expense Assistance

Throughout the pandemic, the Kentucky Cabinet for Health and Family Services has provided and continues to provide a vast array of assistance programs to defray various unavoidable financial costs associated with family life during the pandemic. Some of these programs included:

- The Pandemic Electronic Benefit Transfer (EBT) Stimulus- As traditional school schedules became unavailable and children were sent home full-time, food insecurity heightened due to the loss of free and reduced-price school lunches for children. Thus CHFS established P-EBT, which credited existing EBT cardholders with the benefits necessary to replace lunches for children while schools are in an NTI format.
- SNAP Online- Families eligible for SNAP were able to purchase groceries online through many major retailers.

## Rent and Mortgage Assistance

Various options are available to Kentuckians in need of Rent and Mortgage Financial Assistance, including:

- Team Kentucky Fund (expired) allowed citizens to apply for financial assistance if COVID-19 financial hardship could be proven. This assistance was most frequently made in the form of rent/mortgage assistance payments
- Kentucky Housing Corporation (KHC) opened the online “Homeowner Assistance Fund” portal online on the morning of February 7, 2022. Qualifying families can receive up to 6 months of mortgage payment assistance or up to \$35,000 (<https://teamkyhaf.ky.gov/>)
- The Team Kentucky “Healthy At Home” Eviction Relief Fund is available to Kentucky Renters at least through the end of 2022 and likely longer. Qualifying applicants can receive up to 15 months worth of rent payments and 12 months worth of utility assistance. Application and eligibility requirements can be found online at (<https://teamkyherf.ky.gov/>).

## Utility Bill Assistance

For individuals and families in need of assistance making utility payments or with utility accounts in arrears, the following resources are available:

- The Team Kentucky “Healthy At Home” Eviction Relief Fund allows households to seek assistance for up to 12 months of utility bill relief.
- Community Action Programs: Community Action Council Bluegrass Community Action, and Kentucky River Foothills Development Council
  - ◊ Kentucky Community Action Partnerships offer utility assistance to qualifying Kentuckians in all 120 counties:
    - Low-Income Home Energy Assistance Program (LIHEAP)
    - Low-Income Home Water Assistance Program (LIHWAP)
    - Home Energy Assistance Program (HEA)

- CDBG-CV Utility Relief Funding through the CARES Act<sup>18</sup>

### **At-Home COVID Tests**

At the time of this plan's publication, households could order two free four-packs of at home COVID-19 rapid tests online, linked below.

<https://special.usps.com/testkits>

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18 See "Major Federal Legislation: CARES Act" section of this plan document.

# CONCLUSION AND MOVING FORWARD

Though the COVID-19 Pandemic took a devastating toll on Kentucky, the nation, and the world, many steps taken by Team Kentucky, local governments, businessowners, and families across the state have positioned Kentucky to be stronger and more resilient moving forward. Even in the post-pandemic world, many of the investments made as emergency response measures will provide continued benefit for many years to come, including:

## **Improved Broadband Infrastructure:**

The COVID pandemic and the federal funds provided by the CARES act for broadband deployment have served as a major focusing event that will lead to major expansions of Kentucky's internet access, both wireless and fiber, especially in rural and underserved portions of the state.

## **Much-Needed Water & Wastewater Infrastructure Maintenance:**

Many of Kentucky's aging water and wastewater systems will receive overhauls and much-needed maintenance, funded by federal dollars funneled through the Kentucky Infrastructure Authority's CWP, without significant rate increases or tax hikes on customers.

## **Workplace Modernization:**

Many employers have revolutionized outdated business models because they were forced by the Pandemic to make changes. Despite many layoffs and closures, both temporary and permanent, the overall unemployment rate remains fairly low in Central Kentucky. New manufacturing and industry technology advances and new job opportunities have come to Kentucky throughout the duration of the pandemic, including massive announcements in the electric vehicle industry, led by Ford.

## **Increased Flexibility in Education and the Workplace**

The COVID pandemic forced the hands of schools and institutions of higher education, both public and private, as well as most all employers (at least to some degree) to invest in technologies and protocols that allowed for continuity of service and business in a remote/virtual environment. The heightened level of adaptability/flexibility that Kentucky's society and economy have mainstreamed serves to make Kentucky far more resilient in the throes of a pandemic, more competitive and attractive in the global marketplace, and more prepared for future challenges and potential disasters.

