



## Advancing Economic Development in Kentucky

- Advanced Manufacturing & IT Center proposed at Jefferson Community & Technical College.

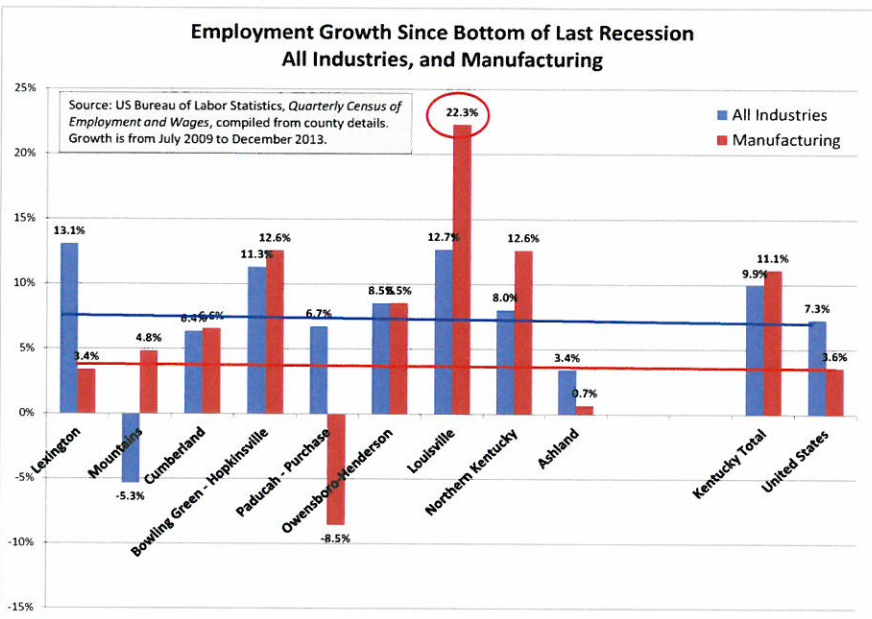
- 80,000-square-foot state-of-the-art Center, supported by area employers to help meet the immediate and growing need for entry-level, single-skilled and multi-skilled manufacturing and IT employees.

- 500-750 trained students per year, a 55 percent increase over current capacity.

- Potential economic impact of more than \$124 million annually.

## Growth of manufacturing causing skilled employee supply crisis

From 2009-14, the 18-county Louisville region added manufacturing jobs at more than four times the national rate and double the rest of Kentucky. Manufacturing jobs make up 11.7% of local jobs. The shortage of skilled employees is causing otherwise healthy employers to limit growth in Kentucky or make the difficult decision to go overseas.



We welcome the efforts to address this crisis by building an advanced manufacturing training center that will increase the pipeline of workers for Ford, its suppliers, and other Louisville manufacturers. If funded, Ford would welcome the opportunity to work with JCTC on curriculum development and ways to encourage students to pursue a career in manufacturing.



- Gabby Bruno, Ford Motor Co.

## Moving students from poverty to prosperity

Technical jobs, two-year degrees create thriving middle class

Although the unemployment rate is 4%, many are underemployed and not making a living wage.

- The median annual wage for the Louisville area is \$36,933, barely above the living wage for a family of four.



- Popular job categories not meeting the living wage include:

- ▶ Food prep workers - \$19,345 (61979)
- ▶ Retail Sales - \$26,405 (75787)
- ▶ Warehouse Workers - \$35,064 (48455)

- Two-year degrees in IT, Advanced Manufacturing Technology, Auto Technology and other technical fields lead to careers with starting salaries of \$40,000 and up, and 6-figure income potential.

- America's struggling low-wage workers are lifted by the high-wage middle skills jobs found in manufacturing, IT and other technical fields. Growing these skills benefits families and communities.

- Broad-based student recruiting and focused academic and other support help ensure more students reach graduation and move onto transfer or into the workforce.



## Information Technology: Addressing the Local Skills Gap and Eliminating Outsourcing

**Growth in IT is expected to continue to explode.**

- Coders/Software developers: 28%
- Healthcare IT: 22%
- IT Security: 37%
- IT networking and infrastructure professionals: 16%

● Employers are not able to execute on their IT needs with locally available talent, so they outsource out of Kentucky and out of the country.



### How Jefferson will meet the need

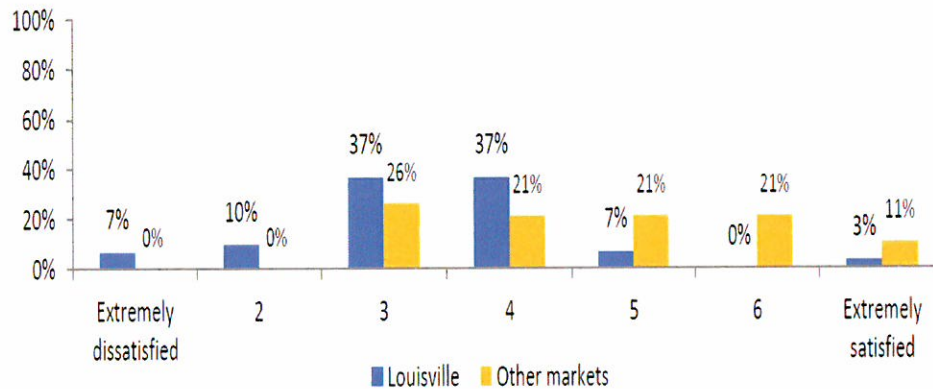
● Jefferson currently enrolls about 450 students in Computer & Information technology programs. Targeted recruiting is expected to bolster enrollment.

● Private funding will allow the college shape curriculum that meets the emerging needs of IT, healthcare, manufacturing and other industries.

● The college will develop internship and co-op programs with area employers

● Expanded industry involvement in college's IT Advisory Board will keep curriculum relevant.

**Employer Dissatisfaction w/ Pool of Software Developers  
Louisville vs Other Markets\***



## Educational and Economic Impact



View from I-65, along South First Street in Louisville

### Development of a high-tech, collaborative and innovative environment that:

Increases the number of students prepared for manufacturing and IT jobs by more than 55 percent by 2022 to 500 or more a year.

Attracts increasing numbers of students into manufacturing and IT careers through workforce and secondary partnerships

Serves to support growing employers and attract new employers to the region

Contributes to indirect job creation.

## Return on Investment

Building cost	\$33.4 million
10-year program/operating cost	\$21.9 million
New AMT grads	2,925
Incremental wages	\$355 million
New IT grads	2,525
Incremental wages	\$296 million
Construction jobs	20 /2 years, \$2 million
Faculty and staff	8, \$5.1 million

Local incremental tax revenues	\$29 million
State incremental tax revenues	\$76 million

**State tax revenue vs. building cost ROI -127%**  
**Incremental income from new salaries ROI - 1084%**

### PROJECT BUDGET: \$33.4 million

Land (small additional parcel)	\$300,000
<b>Construction and Related Items</b>	
Demolition	\$800,000
Sitework	\$198,000
New Construction	\$19,760,000
Renovation (existing buildings)	\$2,662,000
Survey and Testing	\$50,000
Architect/Engineer Fees	\$2,543,000
Furnishings/Equipment	\$4,500,000
Contingency	\$2,585,000