

IV. Economic Analysis

The economic condition of the City of Springfield provides a good estimate for the future land use needs of the region. While the total impacts of the COVID-19 Pandemic are still being seen and thus difficult to determine, the most recent projections for the economy in Springfield will serve to give a strong estimate of the community's capability.

Labor Force Characteristics¹

The U.S. Census Bureau's American Community Survey (ACS) gives a number of economic estimates that are useful for measuring the ability of Springfield to grow. Estimates from 2020 show that Springfield had a total working age population (those aged 16 years and older) of 2,404. From this it was determined that 1,514 people were participating in the labor force for a rate of 63%. This labor force participation rate is on par for the rate of the United States which was 63.4% in 2020 and was slightly higher than the participation rate for Washington County at 62.6%. In comparison with the Lincoln Trail Area Development District (LTADD) made up of the eight-county region of Breckenridge, Grayson, Hardin, Larue, Marion, Meade, Nelson, and Washington counties, both Springfield and Washington County held a higher participation rate than the 58.5% sported by the district as well as the 59.5% participation rate of the Commonwealth of Kentucky.

Table 4.1: Labor Force Participation

	Springfield	Washington County	Lincoln Trail Area	Kentucky	United States
Population in the Labor Force	1,514	5,975	127,574	2,121,356	261,649,873
Labor Force Participation Rate	63.0%	62.6%	58.5%	59.5%	63.40%

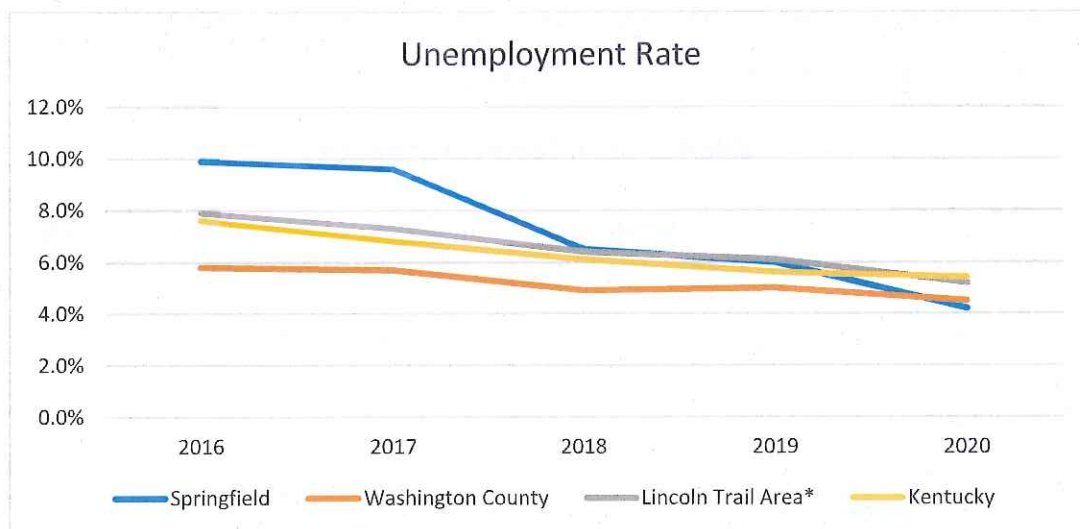
¹ US Census Bureau 2020 ACS 5-year estimates *Selected Economic Characteristics*
https://data.census.gov/cedsci/table?q=DP03%3A%20SELECTED%20ECONOMIC%20CHARACTERISTICS&g=0100000US_0400000US21_0500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACSDP5Y2020.DP03

The unemployment rate in Springfield was shown to be 4.2% in 2020, continuing a trend of rapid decline since 2016. This unemployment rate was lower than the rate in Washington County (4.5%), the LTADD (5.2%), the Commonwealth of Kentucky (5.4%), and the rest of the nation (5.4%). Table 4.2 and figure 4.1 below detail the change in unemployment rates for Springfield, Washington County, the LTADD, and Kentucky since 2016. The unemployment rates for the Lincoln Trail Area are calculated as the average rate across the counties that make up the district.

Table 4.2: Unemployment Rate by Year

Year	Springfield	Washington County	Lincoln Trail Area	Kentucky
2016	9.9%	5.8%	7.9%	7.6%
2017	9.6%	5.7%	7.3%	6.8%
2018	6.5%	4.9%	6.4%	6.1%
2019	6.0%	5.0%	6.1%	5.6%
2020	4.2%	4.5%	5.2%	5.4%

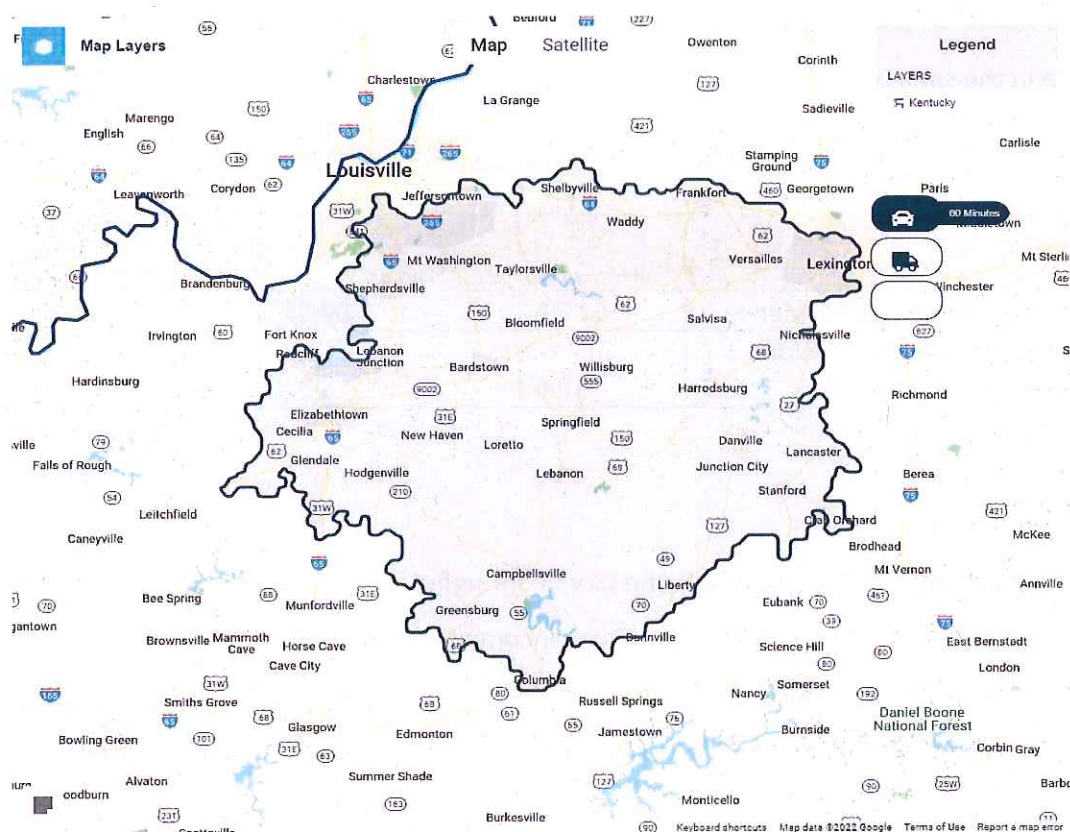
Figure 4.1: Unemployment Over Time



Labor Market Area²

The Kentucky Cabinet for Economic Development defines an area's labor market as being within a 60-minute drive of the location while remaining within the border of the Commonwealth. For the City of Springfield, this puts a variety of both large and small communities within its labor market area as well as numerous surrounding counties. Figure 4.2 below details the exact reach of this area.

Figure 4.2: Springfield Market Area



² Team Kentucky Cabinet for Economic Development

<https://properties.zoomprospector.com/kentucky/community/Springfield-KY-/2172660/jobsiq?drivetime=60>

Commuting³

The City of Springfield experiences a shorter average commute time than the rest of Washington County as well as the LTADD and Kentucky. On average, commuters in Springfield take 18.8 minutes to get to work while those in Washington County commute an average of 25.4 minutes. Workers in the entirety of the LTADD travel a little bit further with an average commute time of 26.7 minutes while the average time for the Commonwealth was 23.7 minutes. Despite this short commute time, only 52.8% of workers in Springfield were employed in their county of residence which is lower than Washington County (54.2%), the LTADD (55.9%), and Kentucky (67.8%). Within Washington County 5.4% of households (249) did not have a vehicle in 2019 which is slightly better than Kentucky's 7.2% of households without a vehicle in the same year.⁴

Table 4.3: Commuting Characteristics

Commuting	Springfield	Washington County	Lincoln Trail Area	Kentucky
Worked in County of Residence	52.8%	54.2%	55.9%	67.8%
Average Travel Time to Work (Min)	18.8	25.4	26.7	23.7

Income⁵

As reported by the 2020 ACS, the City of Springfield had a median income of \$41,026 which was over \$14,000 less than the median income for Washington County and over \$10,000 short of the median income for Kentucky and the LTADD. This has continued a trend for the city since 2016 although the median income in Springfield has increased at a faster rate than the

³ US Census Bureau 2020 ACS 5-year estimates *Commuting Characteristics by Sex*
https://data.census.gov/cedsci/table?q=commuting%20characteristics%20by%20sex&g=0100000US_0400000US210500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACST5Y2020.S0801

⁴ US Census Bureau My Community Explorer "Economic Data: Washington, Kentucky"
<https://experience.arcgis.com/experience/13a111e06ad242fba0fb62f25199c7dd/page/Page-1/>

⁵ US Census Bureau 2020 ACS 5-year estimates *Selected Economic Characteristics*
https://data.census.gov/cedsci/table?q=DP03%3A%20SELECTED%20ECONOMIC%20CHARACTERISTICS&g=0100000US_0400000US210500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACSDP5Y2020.DP03

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other regions, growing 29.46% in this time. Washington County saw similar growth of 26.54% since 2016 while the LTADD saw a 15.9% growth and Kentucky saw 16.57% growth.

Table 4.4: Median Income

	Springfield	Washington County	Lincoln Trail Area	Kentucky
2016	\$31,691	\$43,719	\$44,708	\$44,811
2017	\$37,551	\$47,843	\$46,301	\$46,535
2018	\$38,958	\$50,794	\$48,227	\$48,392
2019	\$40,915	\$53,743	\$49,743	\$50,589
2020	\$41,026	\$55,321	\$51,817	\$52,238

Figure 4.3: Median Income Growth

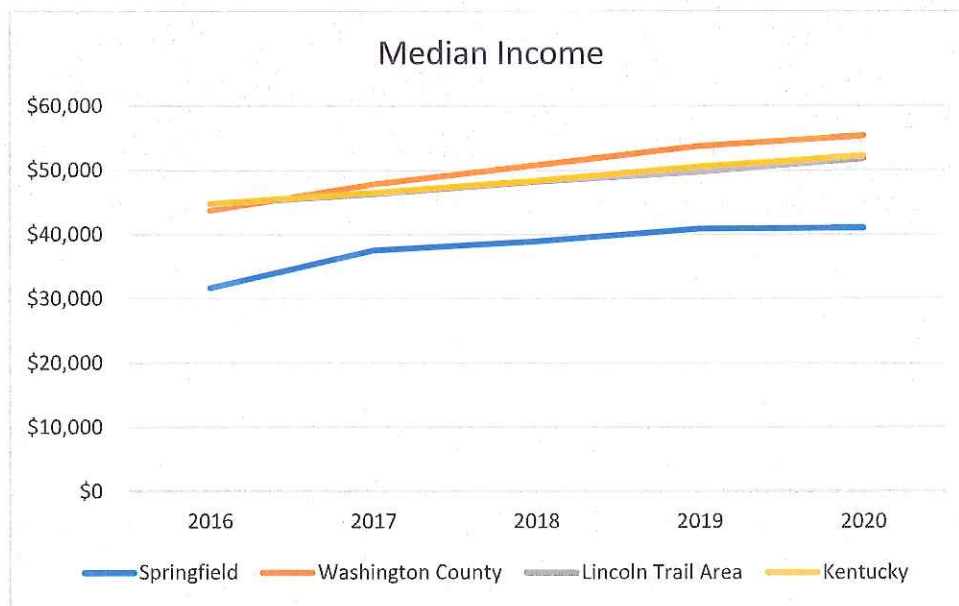


Table 4.5 below details the weekly wages and monthly employment for the counties that make up the LTADD as well as the Commonwealth. The most recent data for these wages was used which comes from the third quarter of 2021. Wages and employment from the fourth

quarter of 2019 are used to measure the percent changes in these figures to show the impact from the COVID-19 pandemic.

Table 4.5: Wages and Employment⁶

Location	Avg Wage	% Change	Avg Employment	% Change
Kentucky	\$ 986	3.68%	1,805,292	-4.19%
Breckenridge	\$ 688	-2.41%	3,522	3.89%
Grayson	\$ 719	4.66%	7,207	-9.12%
Hardin	\$ 944	11.19%	42,648	-11.59%
Larue	\$ 737	6.04%	2,415	-2.54%
Marion	\$ 845	0.72%	7,963	-7.98%
Meade	\$ 737	-3.41%	3,789	-9.55%
Nelson	\$ 953	12.51%	16,219	-1.55%
Washington	\$ 890	3.61%	3,152	-5.74%

Data gathered from the ACS through the Census Bureau's My Community Explorer (MCE) in 2019 revealed income inequality in Washington County of 0.4192.⁷ This inequality is measured on the Gini Index of Income Inequality where a number closer to zero means better income equality. Washington County's measure of 0.4192 is better than Kentucky's index of 0.4786 but both figures reveal a less than ideal dispersion of income, falling on the side of more inequality. This index should be monitored over time as the region grows economically to ensure income inequality does not become an issue too large to solve.

Educational Attainment⁸

In looking at the educational attainment for individuals aged 25 years and older, both Springfield (40.7%) and Washington County (42.6%) had higher percentages of people who were high school graduates compared to the LTADD (35.7%) and Kentucky (32.6%). The City of Springfield also had a similar percentage of people with a bachelor's degree or higher to those

⁶ Kentucky Center for Statistics *Employment & Wages by Industry*
<https://kystats.ky.gov/KYLM/CEW/CoveredEmployment>

⁷ US Census Bureau My Community Explorer "Economic Data: Washington, Kentucky"
<https://experience.arcgis.com/experience/13a111e06ad242fba0fb62f25199c7dd/page/Page-1/>

⁸ US Census Bureau 2020 ACS 5-year estimates *Educational Attainment*
https://data.census.gov/cedsci/table?q=educational%20attainment&g=0100000US_0400000US21_0500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACST5Y2020.S1501

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in the rest of the Commonwealth with the city seeing 24.7% of its residents 25 years and older with such educational attainment and Kentucky having 25%. Both Washington County and the LTADD had lower rates for bachelor's degree or higher. Table 4.6 below details other education levels for these regions.

Table 4.6: Educational Attainment

	Springfield	Washington County	Lincoln Trail Area	Kentucky
Population 25 years and over	1,953	8,281	187,028	3,034,491
Less than 9 th grade	3.9%	5.4%	3.7%	5.0%
9 th to 12 th grade, no diploma	5.4%	7.0%	7.2%	7.8%
High school graduate (includes equivalency)	40.7%	42.6%	35.7%	32.6%
Some college, no degree	19.5%	16.1%	23.9%	20.9%
Associate's degree	5.8%	8.7%	10.9%	8.6%
Bachelor's degree	13.3%	10.6%	10.6%	14.8%
Graduate or professional degree	11.4%	9.7%	8.0%	10.3%
High school graduate or higher	90.7%	87.6%	89.1%	87.2%
Bachelor's degree or higher	24.7%	20.3%	18.6%	25.0%

Poverty⁹

According to the 2020 ACS, nearly one-fourth of the City of Springfield's population was living below the poverty line at a rate of 23.2%. This percentage is much higher than Washington County, the LTADD, and Kentucky which held a 14.6%, 13.8%, and 16.6% poverty rate respectively. The poverty rate in Springfield has been decreasing steadily. The 2020 estimate of the poverty rate in Springfield was 8% lower than the estimated rate in 2016, following the trend of decreasing poverty across the Commonwealth. Data from 2019 showed that 638 households (13.9%) in Washington County had income below the poverty level, which was better than the Kentucky rate of 17.0%, while 3,068 households (67%) had an income less

⁹ US Census Bureau 2020 ACS 5-year estimates *Poverty Status in the past 12 months*
https://data.census.gov/cedsci/table?q=poverty%20status&g=0100000US_0400000US21_0500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACST5Y2020.S1701

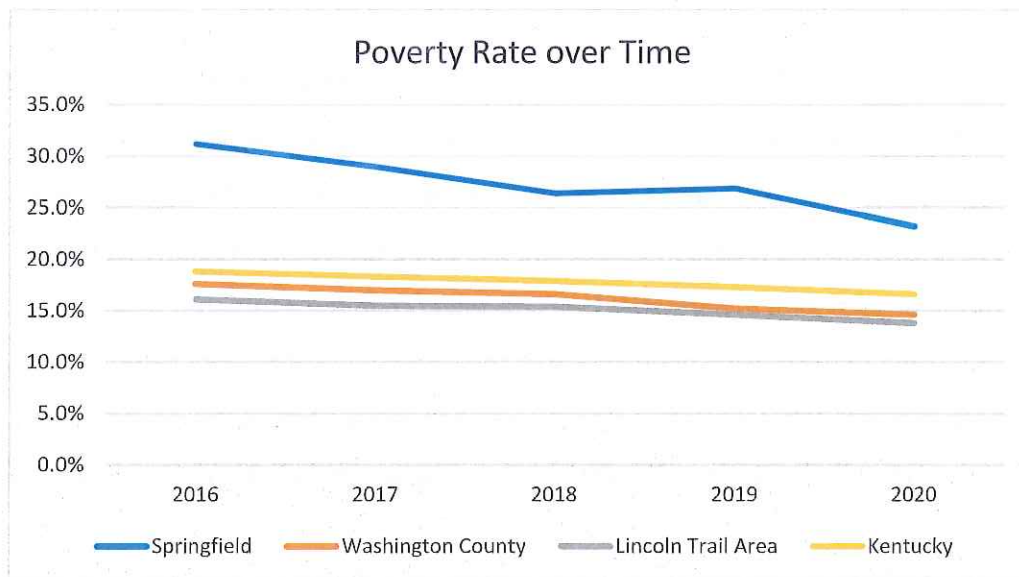
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than \$75,000.¹⁰ Table 4.7 and figure 4.4 below shows the decline in poverty across Springfield, Washington County, the LTADD, and Kentucky from 2016 to 2020.

Table 4.7: Poverty Status

Year	Springfield	Washington County	Lincoln Trail Area	Kentucky	Springfield	Washington County	Lincoln Trail Area	Kentucky
2016	854	2,060	42,881	804,139	31.2%	17.6%	16.1%	18.8%
2017	797	1,985	41,270	783,586	29.0%	17.0%	15.5%	18.3%
2018	716	1,942	41,051	772,080	26.4%	16.6%	15.4%	17.9%
2019	728	1,777	39,736	747,010	26.9%	15.2%	14.6%	17.3%
2020	628	1,712	37,192	717,895	23.2%	14.6%	13.8%	16.6%

Figure 4.4: Poverty over Time

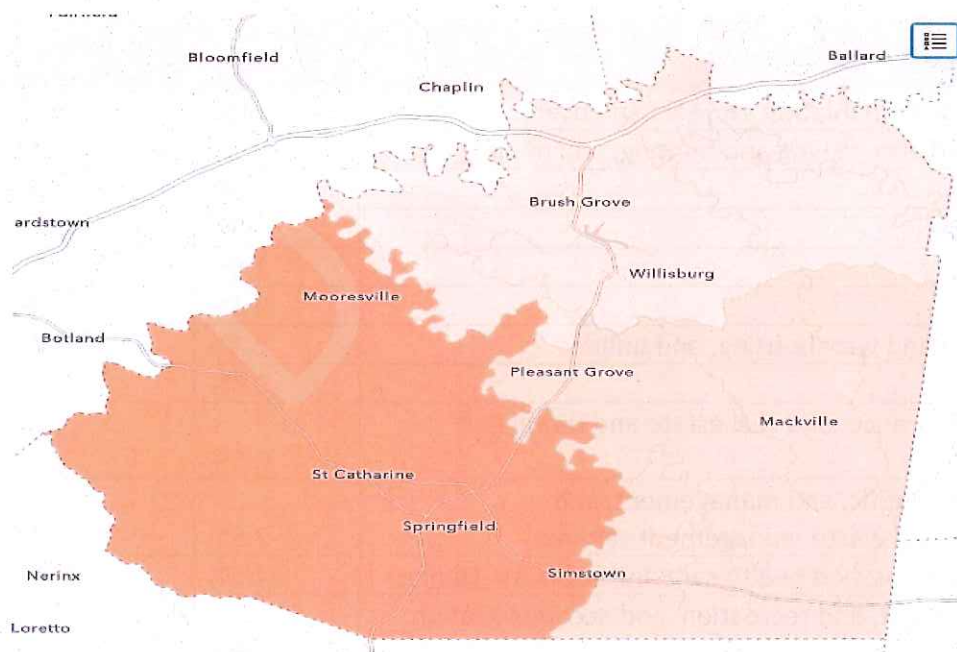


¹⁰ US Census Bureau My Community Explorer "Economic Data: Washington, Kentucky"
<https://experience.arcgis.com/experience/13a111e06ad242fba0fb62f25199c7dd/page/Page-1/>

Broadband Access

The MCE estimated that 3,330 households in Washington County had a subscription to broadband services in 2019.¹¹ This constituted 72.7% of households in the county which is lower than the percentage for the Commonwealth of 78.4% in the same year. In looking at the breakdown of census tracts in Washington County, the 9302 tract, which contains the City of Springfield, had 77.8% of households with a broadband subscription which was higher than the 9303 tract (68.1%) and the 9301 tract (64.6%). The City of Springfield's similar subscription rate to the Commonwealth is a positive for commerce but it will be a good idea to expand this subscription rate in the future as the Internet becomes the main highway for business transactions.

Figure 4.5: Broadband Subscription Rate in Washington County



*Darker shade represents a higher subscription rate.

¹¹ US Census Bureau My Community Explorer "Economic Data: Washington, Kentucky"
<https://experience.arcgis.com/experience/13a111e06ad242fba0fb62f25199c7dd/page/Page-1/>

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Industry

The largest industry in Springfield according to the 2020 ACS was manufacturing, making up 33.5% of the employed population. This was followed closely by educational services, health care, and social assistance, which made up 24.5% of the employed population. While these two industries were the top two employers in Washington County as well, health care edged out manufacturing in the county with 26.7% of employees versus 24.1%. Springfield was similar to the rest of Kentucky which also had over 24% employment in the health care industry, but the Commonwealth only held 14.3% employment in manufacturing. Table 4.8 details industry in Springfield, Washington County, and Kentucky further while table 4.9 shows the number of businesses in Springfield by industry for those industries with at least 10 businesses.

Table 4.8: Employment by Industry¹²

Employment by Industry	Springfield	Washington County	Kentucky
Civilian employed population 16 years and over	1450	5,704	1,993,889
Agriculture, forestry, fishing and hunting, and mining	2.7%	3.9%	1.9%
Construction	6.3%	6.3%	6.1%
Manufacturing	33.5%	24.1%	14.3%
Wholesale trade	1.6%	1.6%	2.4%
Retail trade	9.1%	7.8%	11.7%
Transportation and warehousing, and utilities	2.4%	4.5%	6.5%
Information	0.3%	1.0%	1.5%
Finance and insurance, and real estate and rental and leasing	2.5%	4.1%	5.7%
Professional, scientific, and management, and administrative and waste management services	2.5%	5.5%	8.6%
Educational services, and health care and social assistance	24.5%	26.7%	24.1%
Arts, entertainment, and recreation, and accommodation and food services	7.9%	8.2%	8.5%
Other services, except public administration	2.4%	2.4%	4.5%
Public administration	4.4%	3.9%	4.3%

¹² US Census Bureau 2020 ACS 5-year estimates *Selected Economic Characteristics*

https://data.census.gov/cedsci/table?q=DP03%3A%20SELECTED%20ECONOMIC%20CHARACTERISTICS&g=0100000US_0400000US21_0500000US21027,21085,21093,21123,21155,21163,21179,21229_1600000US2172660&tid=ACSDP5Y2020.DP03

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Table 4.9: Businesses by Industry in Springfield¹³

Industry	Number of Businesses
Construction	20
Retail: Home, Food, Automobiles, Personal Care	28
Retail: Hobby, Media, General Merchandise	18
Banking, Finance and Insurance	16
Real Estate and Rentals	12
Professional, Scientific, and Technical Services	13
Administrative and Support and Waste Management and Remediation Services	10
Health Care and Social Services	48
Accommodation and Food Services	14
Other Services - Repair, Personal Care, Laundry, Religious, etc.	50
Public Administration	25
Unclassified	13

The MCE estimated there were 240 total business establishments in Washington County in 2019.¹⁴ These businesses had a total of 3,002 employees and an average annual payroll per employee of \$39,000. In 2018, the county had an estimated 839 total non-employer businesses, establishments that do not have paid employees. These businesses had a total revenue of \$34,157,000 making the average revenue per non-employer firm \$40,700.

Recent Expansions and Business Locations

In November of 2021, it was announced that the INOAC Group North America LLC would be expanding its operations in the Commonwealth to Washington County in Springfield. The manufacturer, which specializes in plastics, rubber, and composite products for automotive industries, estimates the new facility will provide 49 full-time jobs for a total of \$13.7 million in investment. The current Springfield plant is reported as supporting 330 jobs and the proposed

¹³ Team Kentucky Cabinet for Economic Development <http://selectkentucky.com/>

¹⁴ US Census Bureau My Community Explorer "Economic Data: Washington, Kentucky"
<https://experience.arcgis.com/experience/13a111e06ad242fba0fb62f25199c7dd/page/Page-1/>

expansion is expected to add production operators, team leaders, and quality and material handling positions.¹⁵

The LTADD produces an annual Comprehensive Economic Development Strategy (CEDS) for the region to detail various economic and social factors affecting growth. The 2021 report included the announcement of two new battery manufacturing plants in nearby Hardin County. The plants are to be constructed by Ford to assist in battery production for new electric vehicles and are expected to create 5,000 full-time jobs. The anticipated total investment in the region is estimated at \$5.8 billion and will likely entice further expansion in support industries. It was also shown that the Toyotomi America Corp made a \$4,318,000 investment in Washington County for further expansion.¹⁶

These recent announcements for expansion of existing businesses in Washington County and Hardin County present a unique opportunity for the City of Springfield. Increased opportunities for employment and income in the area will provide the means for increased growth in other sectors of the economy as the multiplier effects of these expansions filter down to other areas. Springfield can expect to see the benefits of these impacts but can also see these expansions create increased competition that may move the population closer to higher-income job locations and prohibit smaller, existing businesses from growing.

Table 4.10 details recent expansions in Springfield as of 2019 from the Kentucky Cabinet of Economic Development. Table 4.11 then details the top employers in Springfield and the number of employees at each business.¹⁷

Table 4.10: Industry Expansions

	Companies	Jobs	Investment
Manufacturing Expansion	2	54	\$ 35,366,730
Service & Technology Location	1	2	\$ 17,000,000

¹⁵ Team Kentucky Cabinet for Economic Development https://ced.ky.gov/Newsroom/NewsPage/20211109_INOAC

¹⁶ Lincoln Trail Area Development District CEDS 2021 <https://ltadd.org/wp-content/uploads/2021/12/2021-CEDS.pdf>

¹⁷ Business and Industry <https://sweda.org/community-data/business-industry/>

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Table 4.11: Springfield Top Employers

Employer	Products/Services	Employees	Year Established
All Weather Insulation Company LLC	Manufacture and sales of cellulose insulation and hydro seeding mulch	10	1978
Alltech Inc	Spray drying operation for natural animal feed additives	60	2002
Barber Cabinet Co Inc	Wiiden, laminated & custom made vanities & kitchen cabinets	43	1948
Bluegrass Dairy and Food Inc	Dairy & food products	82	1999
Boone Sheet Metal Inc	Sheet metal fabricating	3	1991
Concept Packaging Group	Packaging products	3	2005
INOAC Group North America LLC	Automotive plastics and components	465	1991
Johnson Products LLC	Distributors of fiberglass and metal building insulation	7	1978
Joseph Thomas True Candles	Fragrance products	1	2009
LB Manufacturing	Robotic and manual welding of steels and glass assembly	69	1998
Toyotomi America Corp	Automotive after-market products; automotive stampings	505	1998

Industrial Sites

According to the Kentucky Cabinet for Economic Development, the City of Springfield is home to the Washington County Commerce Center, a shovel ready, build ready 316-acre industrial site. The site has lots available in size from 2.5 acres up to 42 acres and provides a number of utilities such as gas and sewer lines, water lines, broadband and fiber service, as well as being within 50 miles of Blue Grass Airport in Lexington and I-65.¹⁸

¹⁸ Team Kentucky Cabinet of Economic Development

<https://properties.zoomprospector.com/kentucky/property/201-Corporate-Dr-Springfield-KY-40069-Springfield-Kentucky/01043ABC-205A-49BF-9354-3B2E9D342D1A?page=1&s%5BSortDirection%5D=true&s%5BradiusLat%5D=0&s%5BSizeUnits%5D=1&s%5Bradius%5D=0&s%5BGeoEntityList%5D=3f8b17b7-4d2f-495e-96e8-d978fa895f33&s%5BradiusLng%5D=0&s%5BSortBy%5D=featured&s%5BAttributes%5D=624%3A%5B%3D%5D1>

Agriculture¹⁹

The Census of Agriculture is conducted on a five-year basis by the U.S. Department of Agriculture to track comprehensive agricultural activity across the nation. The most recent report was conducted in 2017 and showed that Washington County had 1,102 individual farms, an increase of 9% from 2012. These farms also increased 15% in total acres since 2012 with the average farm size increasing by 5%. The total market value of products sold increased by 2% but came with a 14% decrease in net cash farm income as well as a 7% decrease in the per farm average of products sold. 452 of the farms in Washington County (41%) are 50 to 179 acres in size and the majority of sales from farms in the county came from livestock, poultry, and products (65%). Most of this livestock is in cattle while foraging crops (hay/haylage) make up the majority of the crop sales in Washington County. 1,069 of the farms are family owned making up 97% of the total farms in the county, but only 68% have internet access. The 2022 Census of Agriculture is still being tabulated and will likely not be available until the year's end or the beginning of 2023.

Springfield-Washington County Economic Development Authority (SWEDA)

SWEDA is the local economic development authority office. SWEDA has three main roles – recruitment, retention and workforce development. Recruitment probably being the smallest part of the job. SWEDA fully owns and manages the local industrial park and markets that land and the community in various ways. From a retention standpoint that encompasses a wide variety of services, working with existing business and industry to help remove any barriers to growth and success.

The workforce piece is the most critical activity, cultivating relationships within the local school system and the technical college campus Springfield. SWEDA is the first line of support to business and industry in Springfield and Washington County.

¹⁹ Census of Agriculture County Profile

https://www.nass.usda.gov/Publications/AgCensus/2017/Online_Resources/County_Profiles/Kentucky/cp21229.pdf

Tourism

The Springfield Tourism board lists numerous historical sites and attractions in the city and in Washington County. As the hometown of President Abraham Lincoln, one of the main destinations for those travelling to Springfield is the Lincoln Legacy Museum which details the early life of one of the nation's most impactful presidents. From here, visitors can stop by the Springfield Opera House, which is home to Springfield Tourism, Central Kentucky Theater, Main Street, the Springfield Washington County Chamber of Commerce and the Springfield Washington County Economic Development Authority (SWEDA). Another location of historic importance to Springfield is the St. Rose Priory Church which has been in service for over 200 years. The proto-priory is the oldest Dominican religious structure in the United States and the Tudor-Gothic church is the oldest standing building to still be used as a church west of the Allegheny Mountains.²⁰

The City of Springfield is also the home of Lincoln Homestead State Park. The park grounds and golf course are open to the public year-round with the park museum open from the start of May to the end of September and the playground opening in April. The park also hosts picnic areas, a disc golf course, a lake suitable for fishing and recreation, and the historic site of Abraham Lincoln's parents.²¹

The annual Sorghum Festival is one of the largest events in the City of Springfield. Hosted at the start of October, the festival includes numerous events such as the 5k Sorghum Shuffle, a parade, car, tractor, and motorcycle cruise in, and a free concert with admission. Sorghum is a grain-type crop that closely resembles corn and is often used to produce sorghum syrup, a substitute for sugar, molasses, and honey. Kentucky and Tennessee are the leading producers of sorghum and sorghum products, and the Sorghum Festival serves to highlight the harvest season for the unique crop.²²

²⁰ Springfield Kentucky Tourism <https://springfieldkytourism.com/directory-category/attractions/>

²¹ Lincoln Homestead State Park <https://parks.ky.gov/springfield/parks/historic/lincoln-homestead-state-park>

²² Springfield-Washington County Chamber of Commerce Sorghum Festival
<https://www.springfieldkychamber.com/sorghum-festival/>

Chamber of Commerce

The Springfield Chamber of Commerce was formed in November of 1955 by a group of five local businessmen with the goal of promoting the growth of Springfield. Its first year of operation had 106 members that worked to gather information on the city and undertake promotional and cleanup projects. The chamber expanded to include Washington County in supporting and nurturing the future of commerce in the county.²³

Main Street Program²⁴

The City of Springfield has a certified Kentucky Main Street Program that is recognized at the national level. This program works closely with the Kentucky Heritage Council to fully preserve Springfield's historic main street and maintain the downtown corridor as the vital center of commerce in the city. The main street program has undertaken a plethora of projects to revitalize the downtown area including the renovation of the 1900 Opera House, a \$1.6 million project that lead to further development of restaurants and business in the area. The program also organizes multiple Main Street events such as Independence Day, African American Heritage Festival, and multiple Christmas events. Between 2010 and 2011, the program partnered with the Washington County Historical Society, the University of Kentucky, and the Kentucky Heritage Council to enlarge the Main Street Historic District and completed the survey and nomination of over 235 structures for inclusion on the National Register of Historic Places. Since 2002, the downtown business district has seen over \$2.5 million invested in capital improvements.

²³ Springfield-Washington County Chamber of Commerce <https://www.springfieldkychamber.com/about/>

²⁴ City of Springfield Main Street Program <https://www.springfieldky.org/business/main-street-program/#:~:text=Springfield's%20Main%20Street%20Program%20follows,fabric%20of%20our%20downtown%20corridor.>

Economic Objectives²⁵

The CEDS for the LTADD has numerous goals, objectives, and strategies for all areas of the region to encourage growth and prosperity. Listed below are the goals and objectives for the economy of the Lincoln Trail Area.

Goal: Encourage economic vitality and diversity in the region through the support of programs and projects that develop living wage employment in the region.

Objective 1: Maintain, operate, and coordinate a regional program for continued growth, development, expansion, and retention of business and industrial activities.

Objective 2: Develop diversified employment opportunities and a more diversified employment base through expanded efforts in business development including nonmanufacturing business development.

Objective 3: Promote and encourage expansion of the tourism industry with the District to create a more diverse base of economic activity.

Objective 4: Support the development, expansion, and compatibility of agriculture businesses and industries in the regions' economy.

Objective 5: Ensure the continued viability and presence of the Fort Knox Military Installation.

Conclusion

The City of Springfield can expect large economic changes in the coming years as the introduction of new industry to the region impacts employment, income, support industries, and existing businesses. The low unemployment rate in the region paired with a highly educated labor force gives the city an advantage in increasing the number of high paying jobs and the growth of a strong income base. An increase in median income levels from new full-

²⁵ Lincoln Trail Area Development District CEDS 2021 <https://ltadd.org/wp-content/uploads/2021/12/2021-CEDS.pdf>

time jobs in the area will filter into the community and support downtown businesses as the population spends this new income. Springfield may see some negative side effects from business expansions and locations in the area as this will mean increased competition for existing businesses that will need to compete for a labor force with very low unemployment, and against industries that will be able to pay higher incomes. Springfield's ability to create economic growth in the past within a market area that includes Lexington and Louisville means the city is more than able to handle changes in the future and continue to expand.

Recommendations

- The City of Springfield should look towards creating jobs that work as a support industry for the existing manufacturing sector that is sure to expand. Aging infrastructure is an opportunity to create more public works jobs. The Main Street Program should be used to look into creating a downtown commerce sector that members of the community can use to shop, eat, communicate, and enjoy multiple community celebrations during the year.
- Look to expand broadband service within the city to create strong connections to the market area. Businesses should update current internet services to within technology from the past decade. Speak with older businesses and community members about creating avenues to do commerce online as well as offering online literacy programs for those who are unfamiliar.
- The quit rate in Kentucky has been steadily decreasing over the past year from the nationwide high of 4.4% in August of 2021. In order to prevent a continued loss of employment, Springfield must look towards supporting industry with higher paying jobs and creating a sustainable local economy from a middle class that won't be incentivized to move out of the region.