

Capital Community Economic/Industrial Development Authority, Inc. dba Kentucky Capital Development Corporation (KCDC)

Addendum 2, RFP for Strategic Action Plan Consultant

September 30, 2024

The following questions were submitted regarding the RFP for a new Economic Development Strategic Action Plan for Frankfort and Franklin County, Kentucky. Answers follow each question. Please reach out via ppeavler@kycapitaldevelopment.com if you have additional questions or need further information. Thank you.

1. Does Frankfort/Franklin County have climate resilience policies?
 - a. <https://frankfort.ky.gov/1937/Frankfort100>
 - b. In October 2021, the city approved a resolution, referred to as "Frankfort 100", in support of providing its citizens with clean, affordable energy. The primary objectives of this resolution are: 100% clean renewable electricity for city government operation by December 31, 2023; 100% clean energy for city government operations by 2030; 100% clean renewable electricity community wide by 2030.
 - c. The City worked with the National Renewable Energy Lab (NREL) on a Phase I and Phase II Strategy toward these objectives. They are also pursuing grant funding to activate the goals.
2. What is the budget for this project?
 - a. Kentucky Capital Development Corporation expects to pay the market rate for this project. We anticipate costs might range in the \$75,000 to \$125,000 range as indicated by peer cities.
3. What will be the composition of the steering committee?
 - a. We anticipate the Steering Committee will be made up of 1-2 board members from KCDC, the Mayor, County Judge, a representative from one of the electric providers in the area, the Superintendent of one of the school systems, a representative from industry, and the President of Kentucky State University.
4. The RFP notes community engagement with the public. What level of engagement do you anticipate? What do you hope to accomplish with this engagement that hasn't occurred with previous planning or visioning exercises, whether for economic development or other topics?
 - a. We anticipate that the selected firm will outline for the selection committee their approach to community engagement. As we have not undertaken an economic development strategic action plan, we have no comparable.
5. For the target industry, sector, and subsector analysis, to what extent has KCDC already identified target industries, or do you expect the consultant firm to determine these as part of the analysis? Biotech, agriculture, advanced manufacturing, and tourism were mentioned in the RFP.
 - a. KCDC mentioned existing industries in Frankfort/Franklin County including bourbon and spirits, tourism, auto and advanced manufacturing, and healthcare, as well as those we hope to attract with the opportunities afforded by Kentucky State

University in agriculture, aquaculture, and biotechnologies. We combed the regional and state economic development plans for other potential examples including healthcare and professional services. We are expecting the selected consultant to identify additional “white space” in which Frankfort/Franklin County might recruit new entrants to the market.

6. Do you have preferences or guidance on the specific type(s) of stakeholder engagement you would like to conduct, such as public surveys, one-on-one interviews, group listening sessions, and facilitating working sessions? Do you have a preference for in-person, virtual, or a combination of stakeholder engagement?
 - a. We are seeking recommendations from the selected consultant on how best to engage stakeholder groups. We expect the RFP response to outline your firm’s approach to the assignment.
7. The data-driven recommendations requested are focused on business attraction, retention, expansion, and entrepreneurship. Do you anticipate the final deliverable being through a business/industry-specific lens, or are you also seeking recommendations related to overall economic prosperity and quality of life for residents?
 - a. We expect the final deliverable to be through a business/industry-specific lens, with actionable items for the team to undertake.
8. Given the significant role that tourism and distilleries play in Frankfort's economy, are there specific tourism-driven economic opportunities or challenges you'd like to explore further in the strategy?
 - a. Frankfort and Franklin County are already attracting hundreds of thousands of visitors a year for area distilleries. In general visitors are having lunch here, and some stay overnight. The number of hotels is growing steadily and 50 high-quality Airbnb's are on the market. In addition to outdoor recreation, kayaking, hiking, craft breweries, and transportation companies, what other tourism drivers could help the community get visitors to stay longer? Music venues, other types of attractions? What does your firm think the team should focus on?
9. How do you envision leveraging regional partnerships (e.g., with Greater Lexington, Kentucky State University, or neighboring counties) in achieving the objectives of the economic development strategy?
 - a. There are many stakeholders in the plan. We already meet regularly with Greater Lexington and provided our regional plan for review by the RFP respondents. Frankfort and Franklin County are financial investors in the regional plan. What can be made more specific for Frankfort and Franklin County from that plan? We expect Kentucky State University to be an active member of the steering committee. We also expect to engage our partners at the Kentucky Cabinet for Economic Development.
10. What metrics or key performance indicators (KPIs) does KCDC currently use to measure economic success, and are there any new KPIs you'd like to incorporate into this strategy?
 - a. KCDC tracks number of jobs created (at family wage sustaining salaries) and we are asking respondents to identify other KPIs we should be measuring.

11. Are there specific economic development tools, incentives, or policies that KCDC has found particularly effective or ineffective in the past, and how open are you to introducing new tools or revising existing ones?
 - a. KCDC uses loan programs, State, County, and City incentives, TIFs, IRB, façade grants in historic downtown, and other grant driven programs. We are open to new tools and to revising existing programs.
12. With limited industrial park space mentioned in the RFP, how would you prioritize future land use, and do you see industrial growth or other sectors as a primary focus for expansion?
 - a. Primary focus will be given to land uses which have the highest concentration of jobs per acre, and the highest number of family wage sustaining jobs. We seek the input of the consulting teams on other sectors on which we should focus that may be capable of producing the best results.
13. Per the RFP, "this scope should include the recommended frequency and length of advisory committee meetings, recommended public/private stakeholder engagement activities, public and community engagement, and major project milestones." Are there any specific planned meetings or pre-established milestones that we should account for in proposing a project schedule, e.g., Board of Commissioners meetings, Planning Commission meetings, community-wide events, etc.?
 - a. Not at this time.
14. Are there any other specific considerations for the project schedule that we should keep in mind (target deadlines, including fiscal year considerations, etc.)?
 - a. Not at this time.
15. When was the last economic development plan created for the city and/or county? Who was contracted to help develop the plan(s)?
 - a. The RFP includes a link to the most recent plan which is from 2019. Find it here. [Strategic Plan – KENTUCKY CAPITAL DEVELOPMENT CORPORATION](#) It was created in house. We found record of a University of Kentucky created plan from 2013. This opportunity is the first from an economic development strategic planning firm.
16. Does the City or County have recent economic and workforce research reports that will be available to the consultant?
 - a. The State of Kentucky tracks this data and it will be made available to the consultant. The RFP includes a list of sites with economic and workforce data for the County.
17. What communities does the City/County look to as models for Economic Development?
 - a. This is an interesting question. The City of Covington is particularly successful but not similar in secondary and tertiary market size. With Frankfort/Franklin County's unique assets, we expect the selected consultant to recommend cities/counties that are successful peers.
18. Do you expect to see an emerging market supply chain assessment as part of planning?
 - a. This is not an item that has been fully explored or discussed but we understand and see the benefit.
19. Can you elaborate on your expectations related to workforce research?
 - a. We want to understand national and regional trends regarding the workforce.
20. Do you expect planning to include an assessment of housing, childcare, community services, etc.?
 - a. No. The most recent housing study is from Summer 2023. We are aware we, like most American communities, need additional, affordable childcare options.
21. Is it appropriate to offer incentives to encourage community participation in engagement activities?

- a. Frankfort/Franklin County residents are passionate, engaged citizens. We do not expect to need incentives if communication is adequate. We may offer lunch or refreshments.
22. What is the source of funding for this project?
- a. The KCDC budget is funding the project. KCDC is funded via allocation from the City and County. The funds are available for the project.
23. Can a recording of the pre-bid meeting be made available?
- a. The pre-bid meeting was not recorded.