

# Ky. Highlands gets million dollar grant

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STAFF WRITER

Kentucky Highlands Investment Corporation in London celebrated the funding of a new business incubator Thursday, as a grant of more than a \$1 million was presented by the U.S. Economic Development Administration.

"Kentucky Highlands' vision is unlimited concerning helping people reach their goals in business," said Fifth District Representative Harold "Hal" Rogers at the presentation of a \$1.08 million check from the administration.

He called it a "real investment" in the growth and development of the area.

For more than 40 years Kentucky Highlands has developed some 10,000 jobs, he added.

"Kentucky Highlands is a leader in bringing new businesses to southeast Kentucky," Rogers said.

The incubator, called the Kentucky Highlands Business Accelerator, will be built on a one-acre site alongside the KHIC offices on KY 1006 west of London.

"The project will provide support for new and small businesses to grow and prosper in Southern Kentucky, which will build a more entrepreneurial economy, increase jobs and attract private investment," said Jerry Rickett, president and CEO of KHIC.

The facility will include some

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Discussing the upcoming construction of a business incubator by the Kentucky Highlands Investment Corporation are from left, U.S. Representative Harold "Hal" Rogers, Jerry Rickett, president and CEO of Kentucky Highlands, Patti Sheetz, director of legislative and intergovernmental for the Economic Development Administration and London Mayor Troy Rudder. To be called the Kentucky Highlands Business Accelerator, the facility will provide space as well as expertise for startup businesses.

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9,600 square feet of product development, office and laboratory space for entrepreneurs. Officials project the incubator will assist 16 businesses, create about 127 new jobs and generate some \$6 million in private investment during the first five years.

It is expected to be completed by late summer 2009 and will help startup companies by offering training programs, and help companies in which Kentucky Highlands has invested move through the business development process and become self-sustainable.

Developing businesses which use the incubator will pay a nominal rent, which will cover utilities. Technical and business advice will be free of charge, said Michael Hays, who is in charge of the project.

"Communities that work together to create dynamic regional economies that foster innovation and competitiveness are the key to America's continued success as the leader of the 21st century global economy," said Patti Sheetz,

director of legislative and intergovernmental affairs for the Economic Development Administration. "The Kentucky Highlands business incubator will be a catalyst for growth in the region and will be one of the first new energy-efficient business incubator designs in the region that will be built to be certified by the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) building rating system."

Environmentally friendly features will include a geo-thermal HVAC system, structural insulated panels, passive solar design, insulated concrete form walls, continuous slab concrete floors on both levels, double-hung transom windows, energy efficient metal roofing and numerous other features.

Additional funding for the new incubator includes some \$300,000 from the Appalachian Regional Commission, through the Governor's Department for Local Government, and a minimum investment of \$450,000 from KHIC to complete the financial package.

"This financial crisis is a call for leadership, and once again, Kentucky Highlands is answering

that call," Rogers said. "The business accelerator is a bold initiative to connect the ingenuity of our region with the technical know-how and expertise of entrepreneurial leaders. We needn't wait for Wall Street to get its act together. We can succeed by working together, putting ideas into action and creating a culture of innovation in the hills and hollows of Kentucky."

The project, a press release from KHIC said, "is part of KHIC's overall strategy in fostering homegrown entrepreneurship. It currently has a small business incubator at its office that can house four companies."

Business owners get coaching from experienced entrepreneurs, have access to advisors during the development process, participate in a formal entrepreneur management development training program, and have access to capital if their businesses meet certain milestones.

Two of the businesses in the current incubator have graduated and employ more than 25 people in the area. In addition, entrepreneurial training sessions have drawn more than 225 people in the past 18 months.