

LOUISVILLE MSA: LOOKING AHEAD

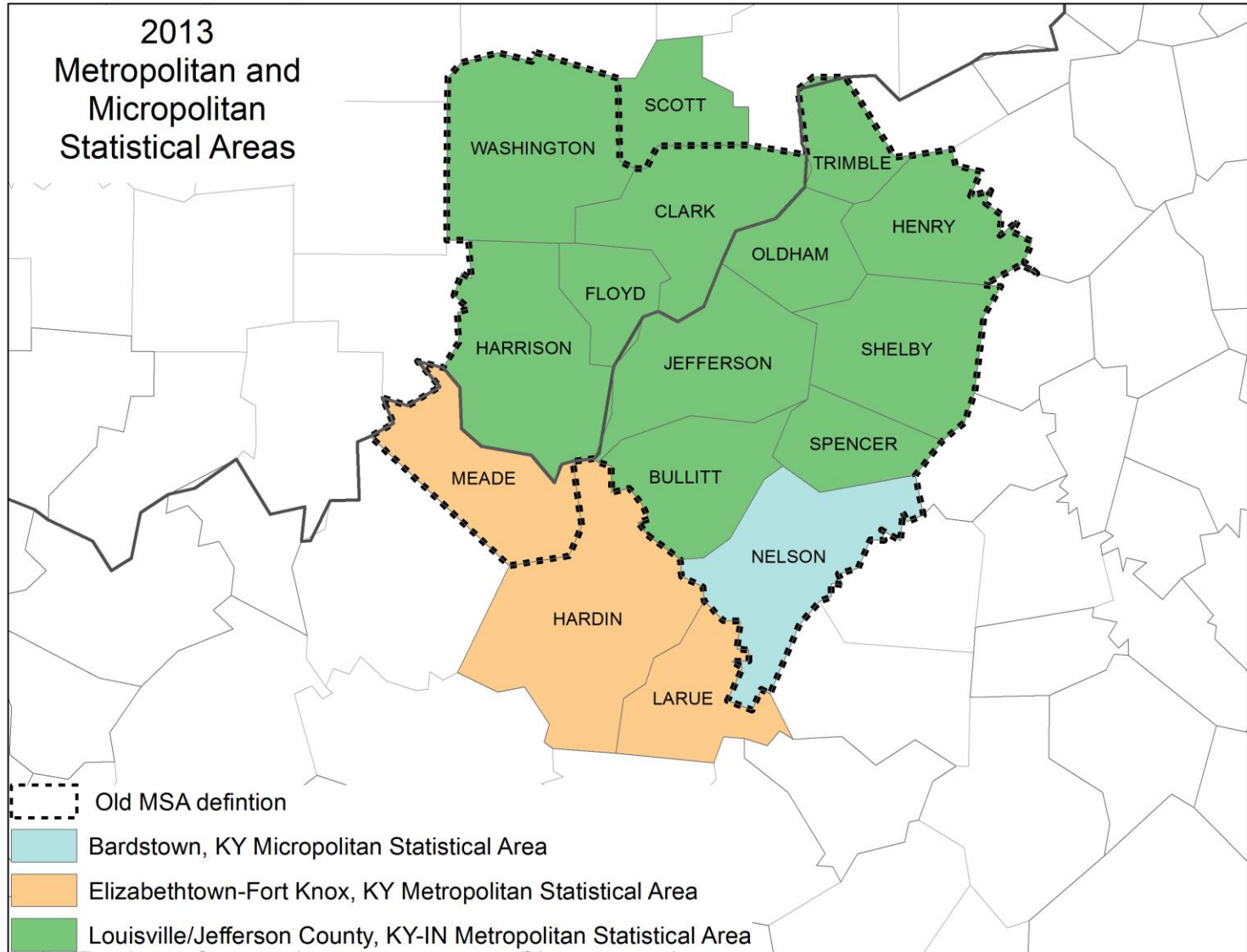
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New Louisville MSA Boundaries



Population Quick Facts

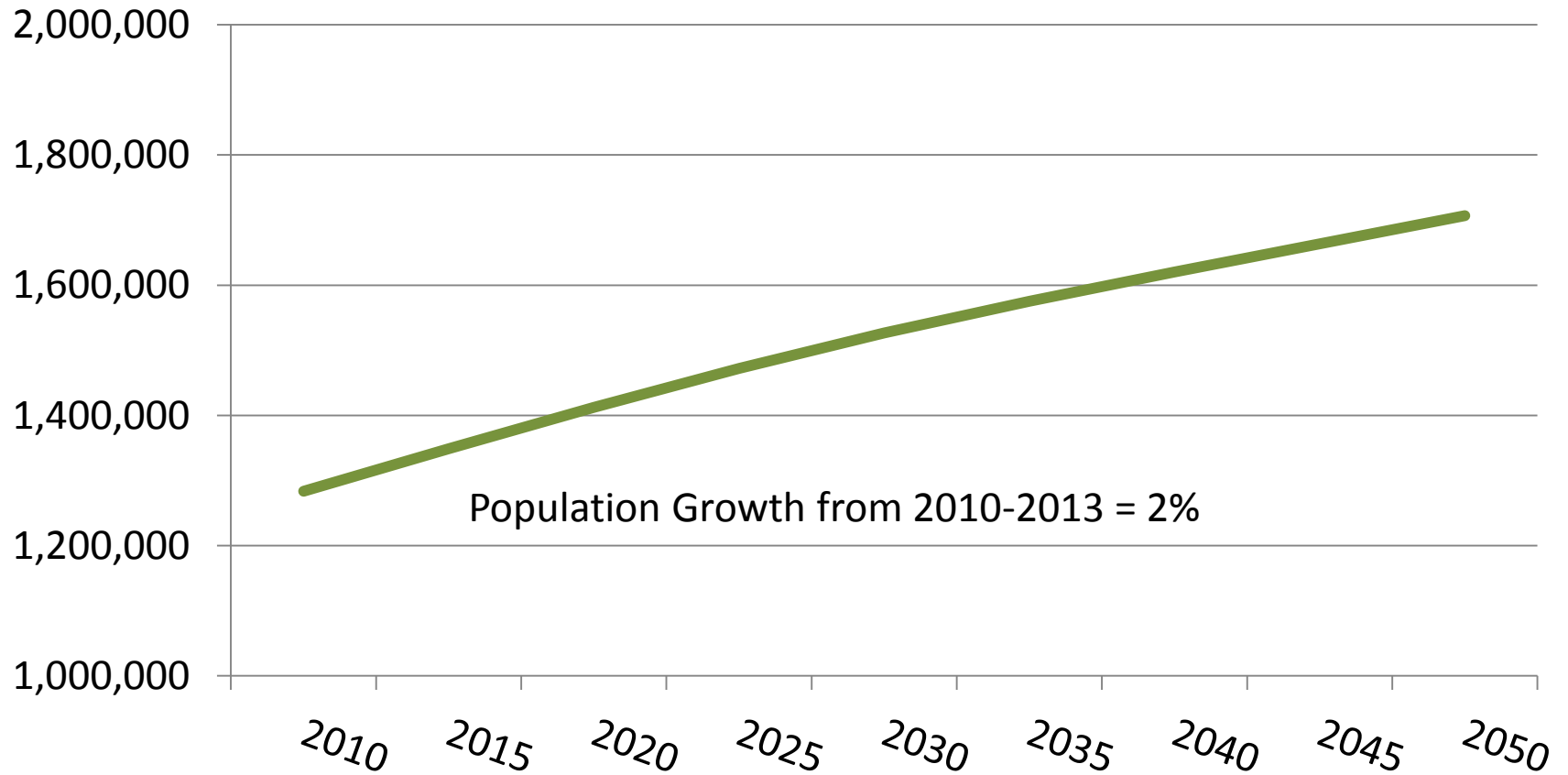
- Population growth 2010-2013: 2%

	Estimate 2013	Percent Change	2012 Rank	2013 Rank
Jacksonville, FL MSA	1,394,624	1.2	40	40
Memphis, TN-MS-AR MSA	1,341,746	0.1	41	41
Oklahoma City, OK MSA	1,319,677	1.7	42	42
Louisville/Jefferson County, KY-IN MSA	1,262,261	0.9	43	43
Richmond, VA MSA	1,245,764	1	44	44
New Orleans-Metairie, LA MSA	1,240,977	1.1	45	45
Hartford-West Hartford-East Hartford, CT MSA	1,215,211	0.1	46	46
Raleigh, NC MSA	1,214,516	2.2	47	47
Salt Lake City, UT MSA	1,140,483	1.5	50	48
Birmingham-Hoover, AL MSA	1,140,300	0.5	48	49
Buffalo-Cheektowaga-Niagara Falls, NY MSA	1,134,115	0	49	50

Source: US Census Bureau 2013 Population Estimates

Projected Population

Louisville MSA Population 2010-2050



Source: Kentucky State Data Center

MSA Fast Profile 1

- 45% married couple families
- 9% single mother households
- 44% nonfamily households
 - Includes householder living alone
- 30% never married
- 10% are veterans
- 15% have a disability

MSA Fast Profile 2

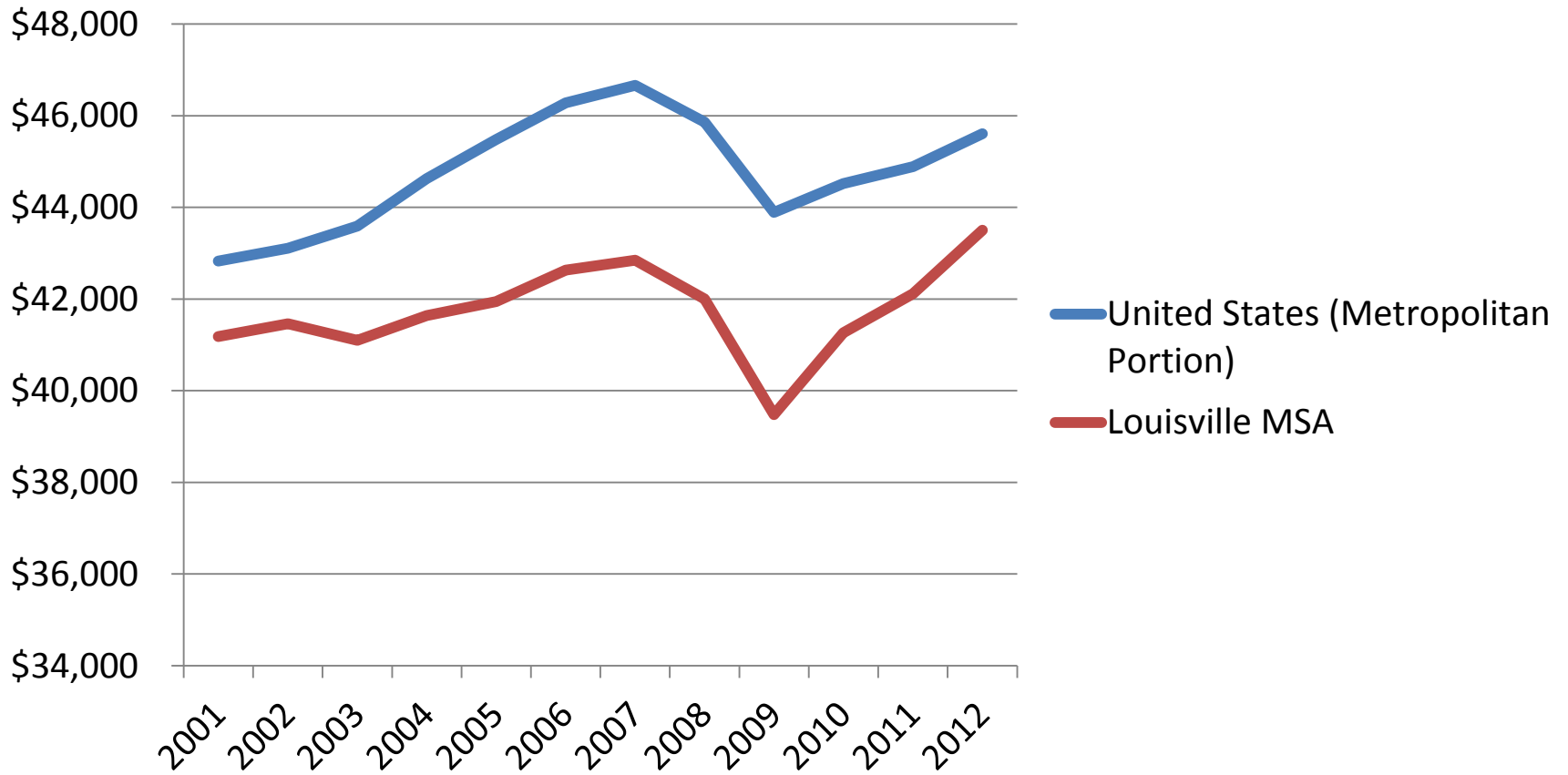
- 5% are foreign born
 - 37% naturalized, 63% not a citizen
- 2% of foreign born entered prior to 2010
 - 11% entered 200-2009
 - 87% entered before 2000
- 7% speak a language other than English
 - 3% cannot speak English very well
- 14% of foreign born have bachelor's degree
- 14% of foreign born have graduate or professional degree

MSA Fast Profile 3

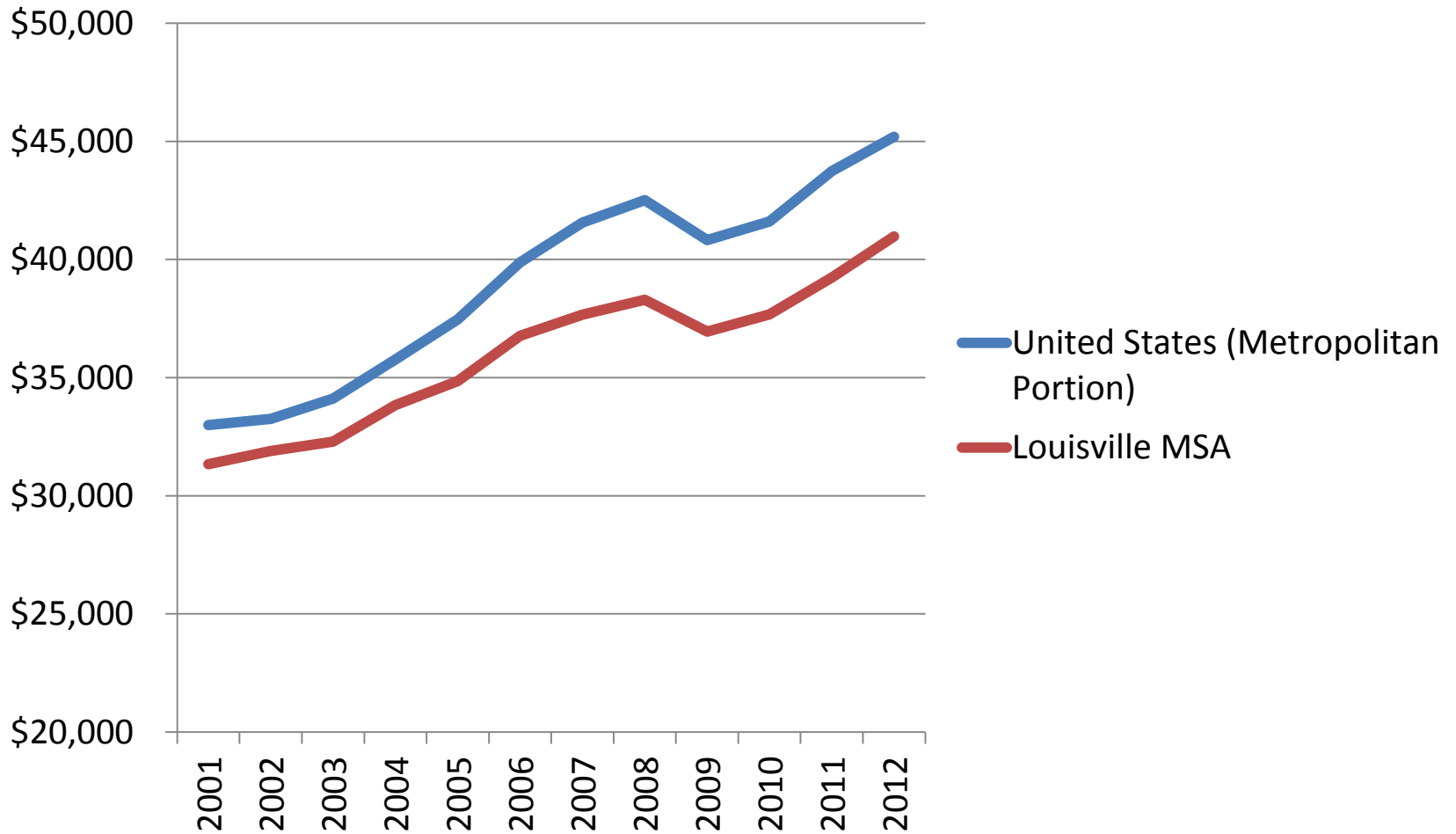
- 16% had incomes in the last year below 100% of the poverty level
 - 9% between 100 and 149% of the poverty level
- 42% of poor were male
 - 10% had a bachelor's degree or higher
- 58% of poor were female
 - 8% had a bachelor's degree or higher

Per Capita Real GDP

(2005 Chained Dollars)

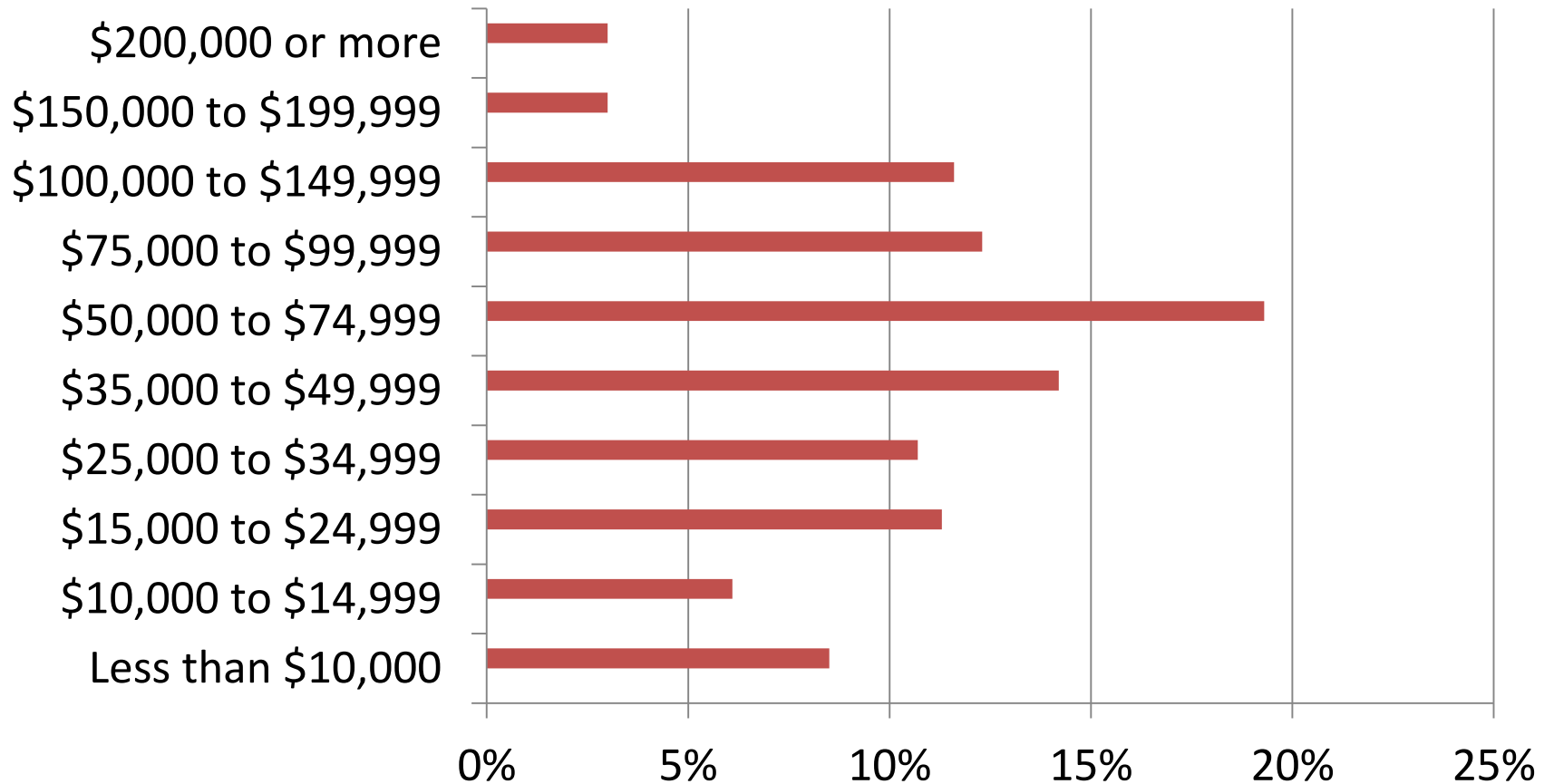


Per Capita Personal Income



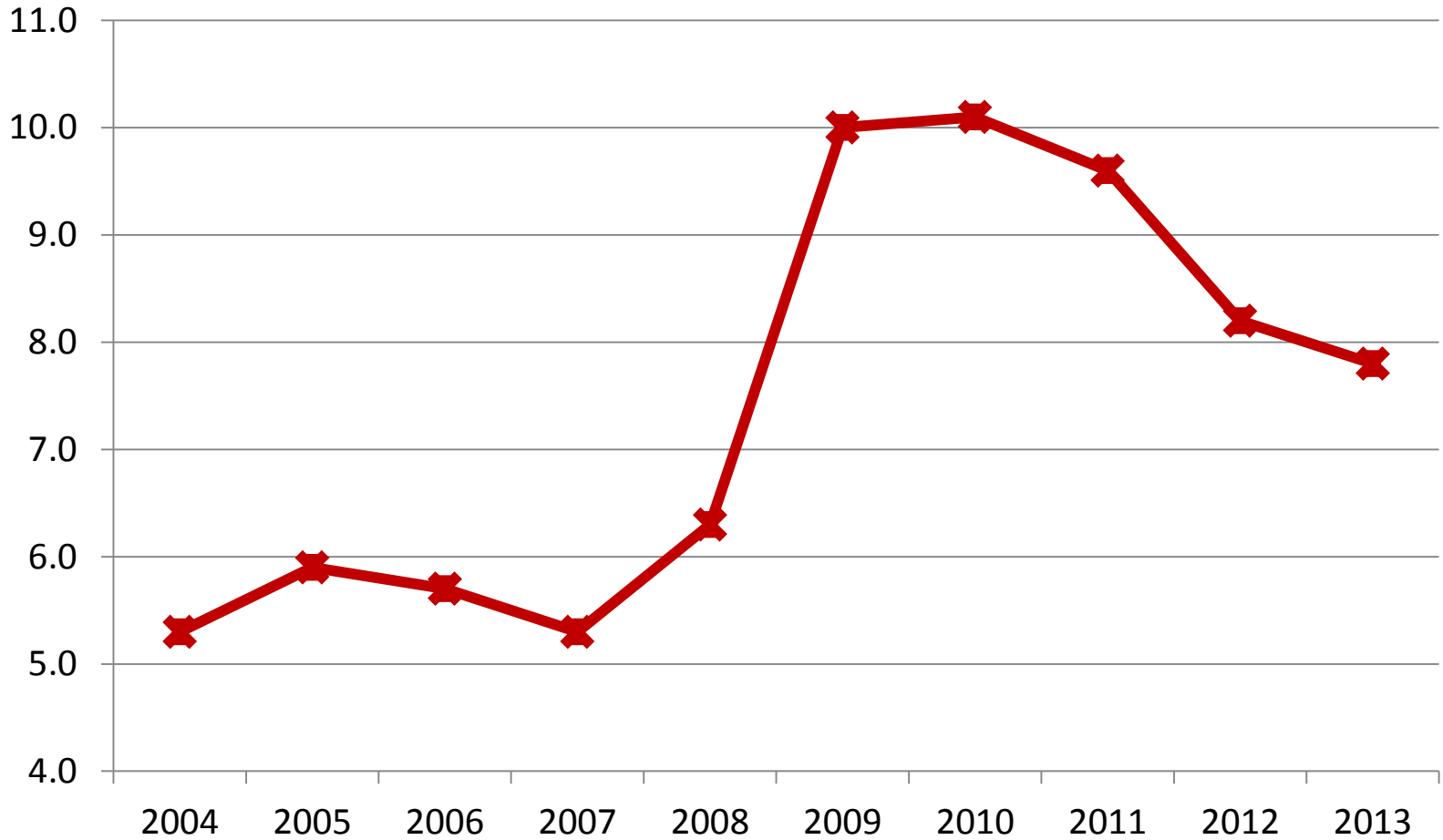
Income in Past 12 Months

(in 2012 inflation-adjusted dollars)



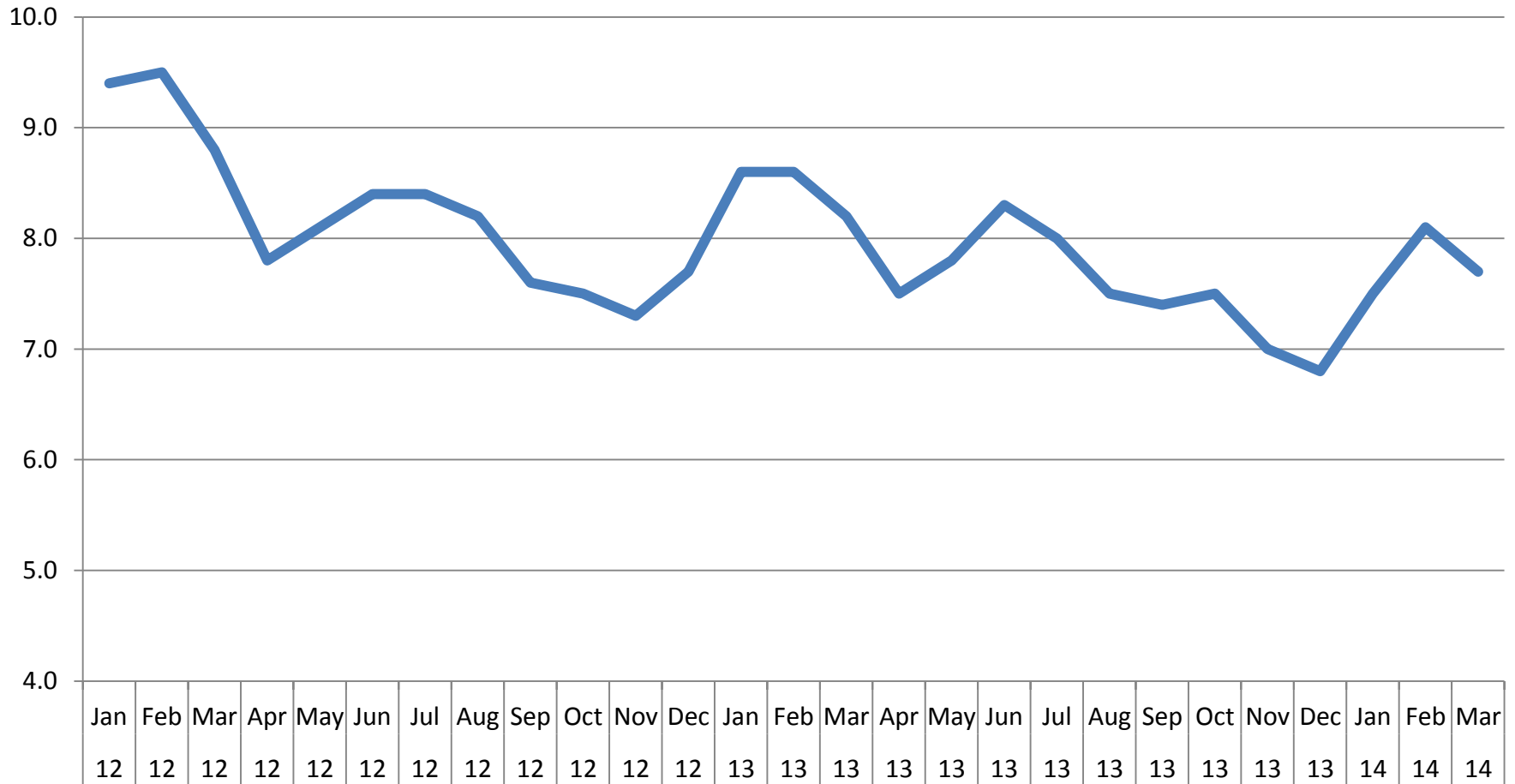
Source: US Census Bureau ACS 1-Year Estimates 2012

MSA Unemployment 2004-2013



Source: BLS Local Area Unemployment Statistics

MSA Unemployment 2012-March 2014



Source: BLS Local Area Unemployment Statistics

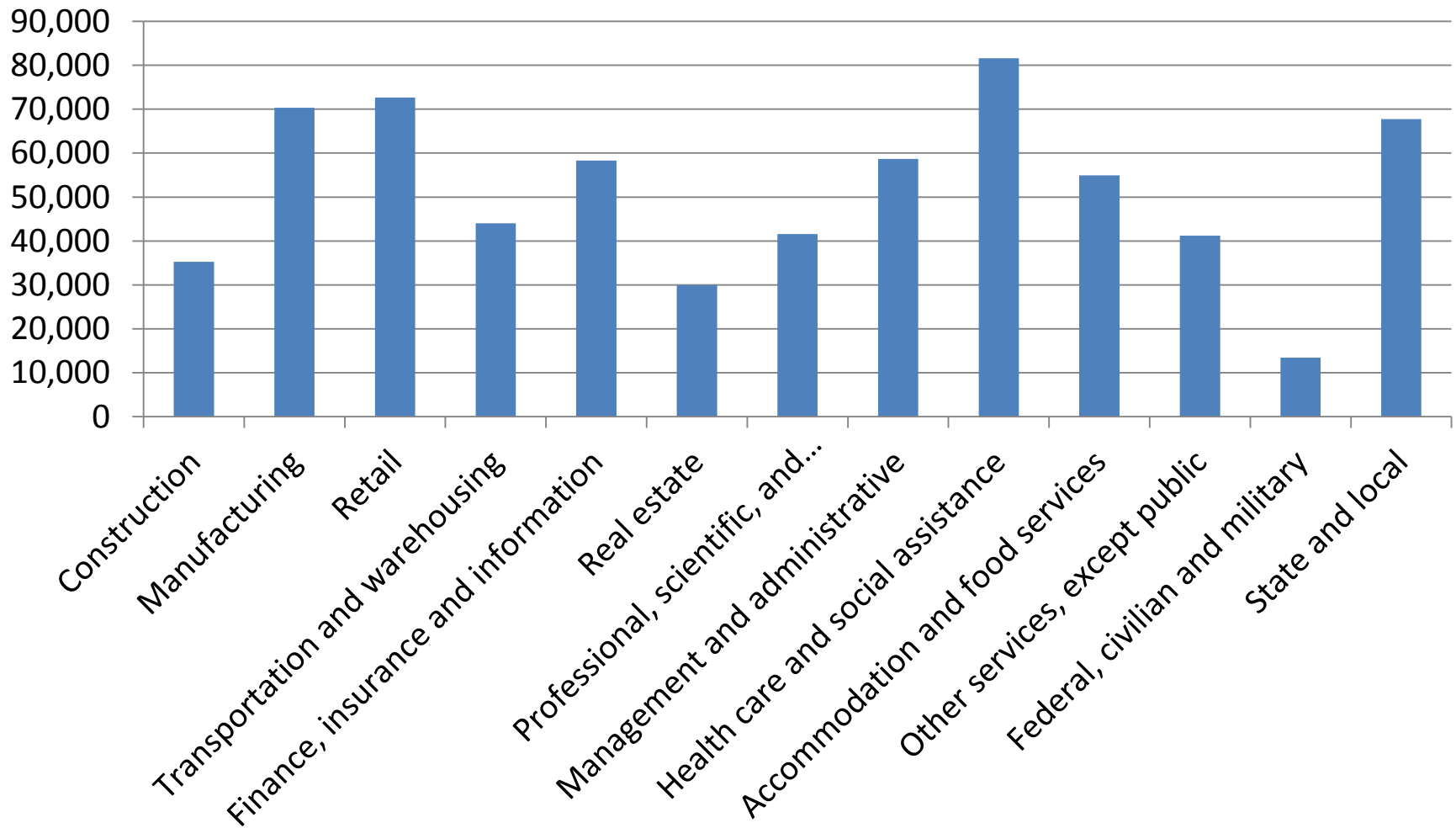
Unemployment Change 1 Year

	Mar-13	Mar-14	12-month net change
Bowling Green, KY	7.8	7.3	-0.5
Cincinnati-Middletown, OH-KY-IN	7.3	5.8	-1.5
Clarksville, TN-KY	8.7	8	-0.7
Elizabethtown, KY	7.9	8	0.1
Evansville, IN-KY	7.2	5.8	-1.4
Huntington-Ashland, WV-KY-OH	7.1	6.5	-0.6
Lexington-Fayette, KY	7	7.2	0.2
Louisville-Jefferson County, KY-IN	8.2	7.7	-0.5
Owensboro, KY	7.2	7.3	0.1

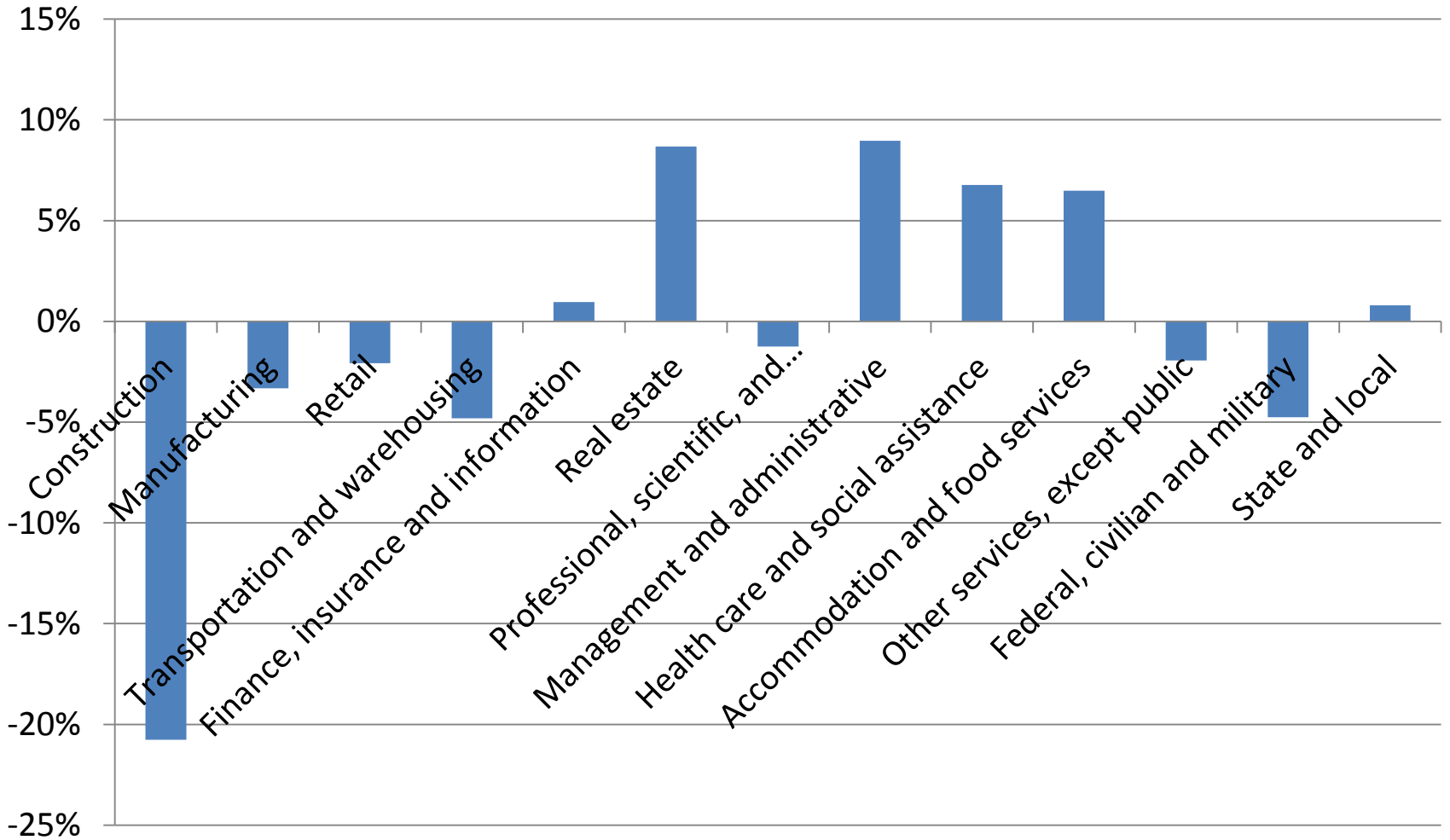
Source: BLS Local Area Unemployment Statistics

MSA Employment 2012

(full and part time)

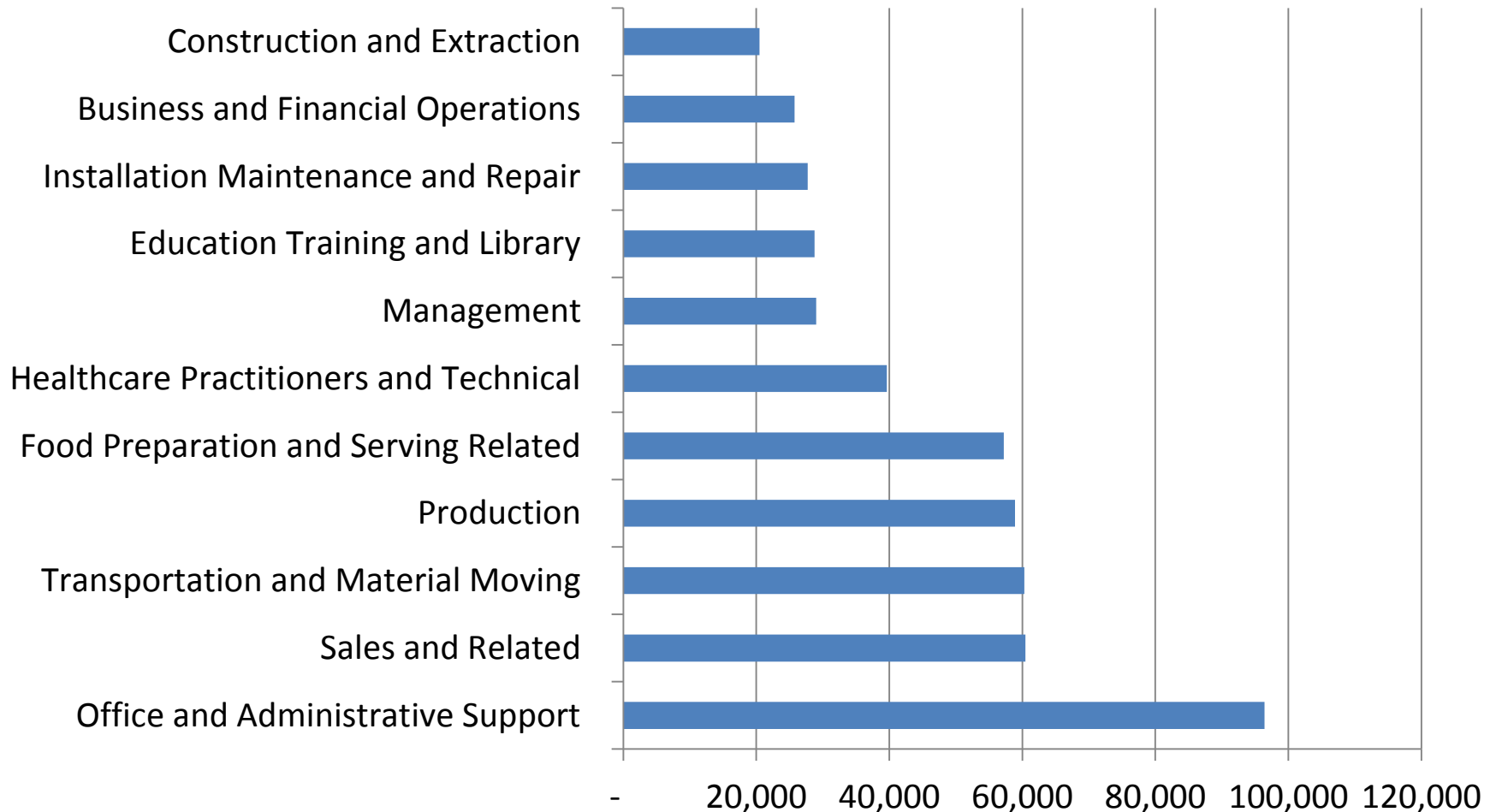


Employment Growth 2008-2012



Employment by Occupation

(Occupations with > 20,000 Employees as of May 2013)

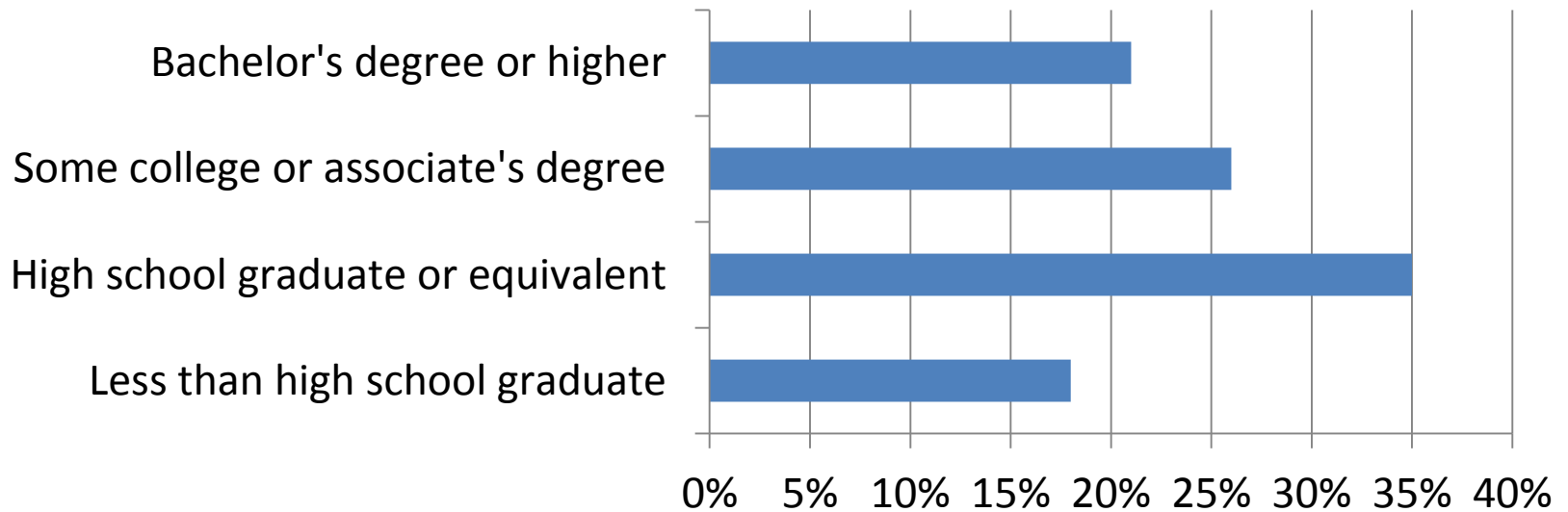


Source: BLS Occupational Employment Statistics (OES) Survey

HANDOUTS

- Industry by occupation
 - Still tend to be a production oriented economy
 - Seeing some improvement in management occupations as educational attainment improves
- Occupation by gender and earnings
 - The gender wage gap is alive and well across all occupations
 - Transportation remains male dominated industry in MSA
 - National statistics on air transportation suggest more parity

Educational Attainment (25 Years and Older)



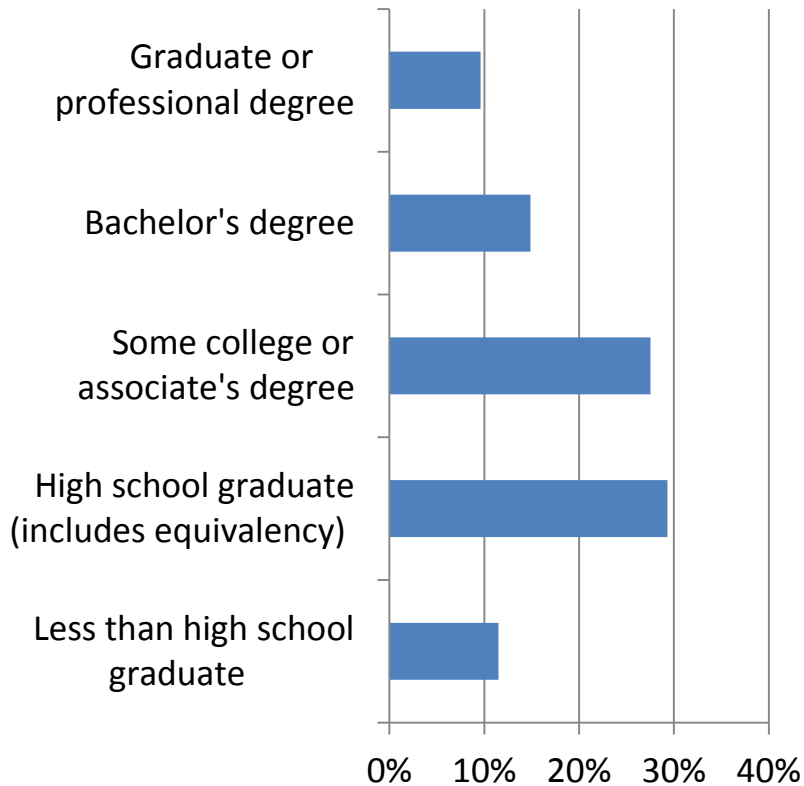
Source: US Census Bureau ACS 1 Year Estimates

Bachelor's Degrees by Field 2012

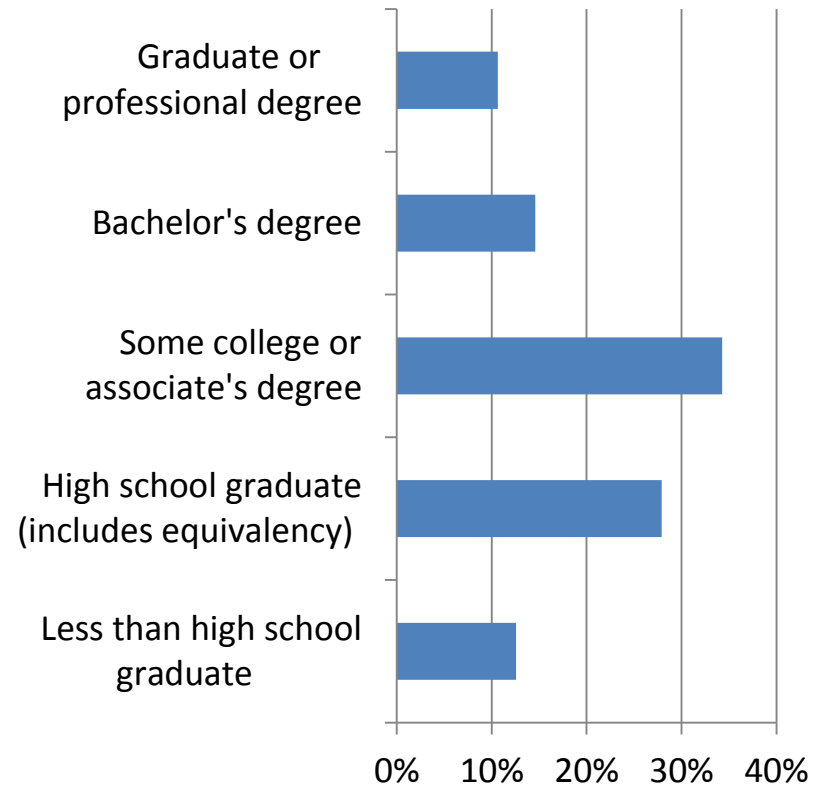
Science and Engineering	
Computers, Mathematics and Statistics	4%
Biological, Agricultural, and Environmental Sciences	6%
Physical and Related Sciences	3%
Psychology	5%
Social Sciences	7%
Engineering	6%
Multidisciplinary Studies	1%
Science and Engineering Related Fields	10%
Business	22%
Education	12%
Arts, Humanities, and Other	
Literature and Languages	5%
Liberal Arts and History	6%
Visual and Performing Arts	3%
Communications	5%
Other	6%

Geographical Mobility by Education

Same House or Moved Within County Past Year

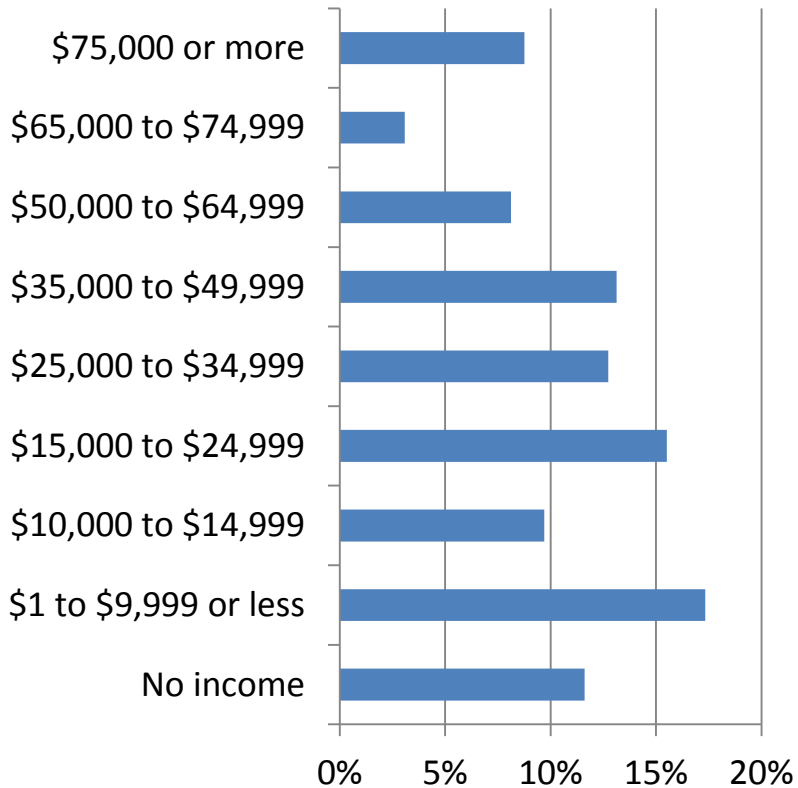


Moved to Different County or Out of State Past Year

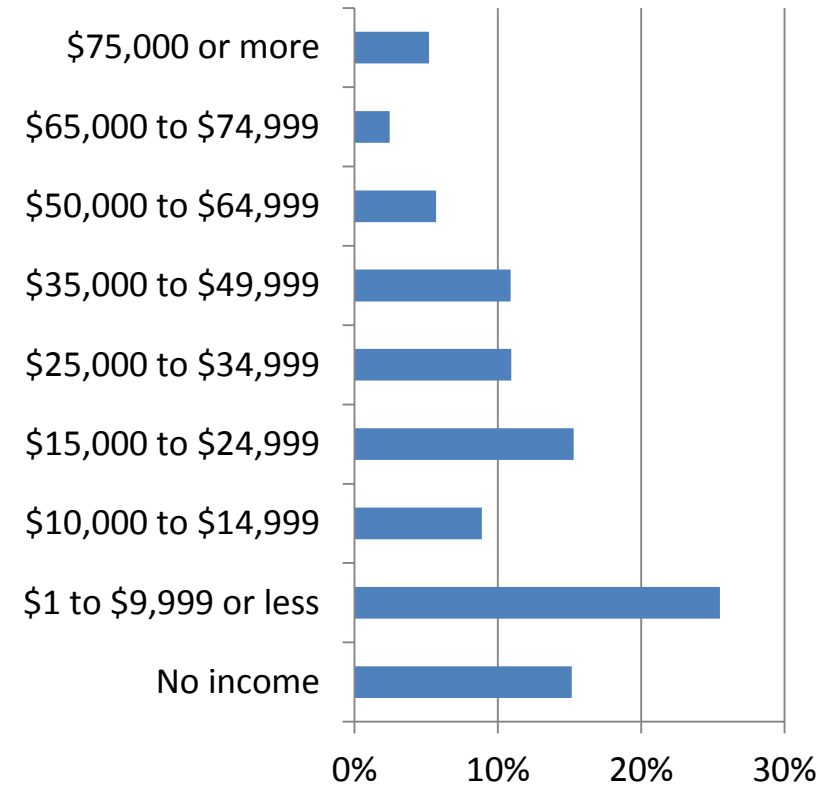


Geographical Mobility by Income

Same House or Moved Within County Past Year



Moved from Different County, State or Country Past Year



Commercial Passenger Industry Trends

- Employment falling while productivity rising
 - Airlines replacing directly employed with contract workers from other firms
- Low cost carriers outsource most maintenance workers, use newer aircraft
 - Their share of industry is rising
- Substitution of technology for tasks previously handed by employees
 - We print our own boarding passes

General Aviation

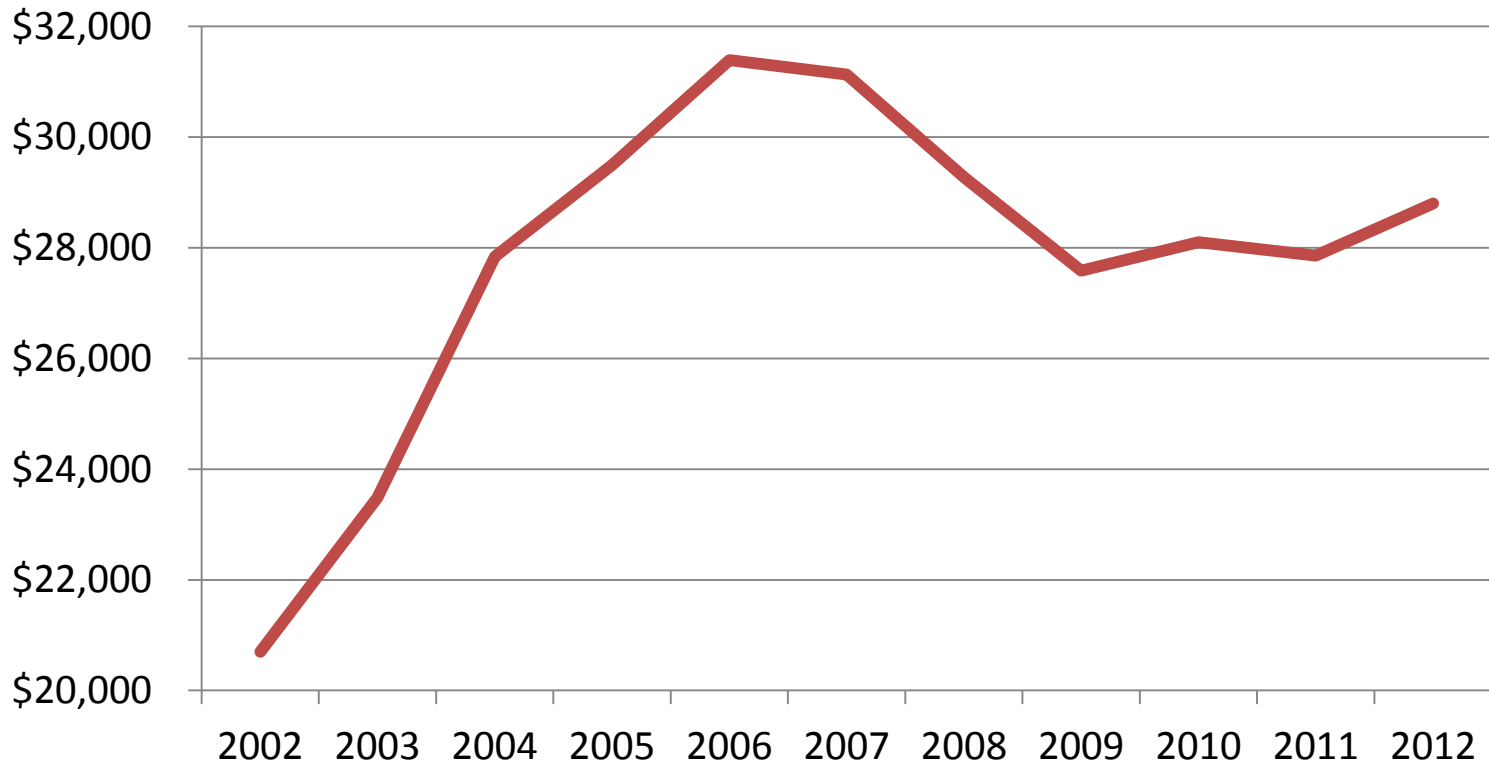
- Business jet market stabilized after recession tumble
- Turbo prop segment showed about 10% growth in use for shipments
- The private pilot population continues to shrink
- Forecast 1.5% growth in hours flown

Personal	68%
Business	8%
Instructional	6%
Aerial Apps	5%
Corporate	4%
Other	2%
Sightseeing	1%
Air Medical	< 1%

Freight Transportation

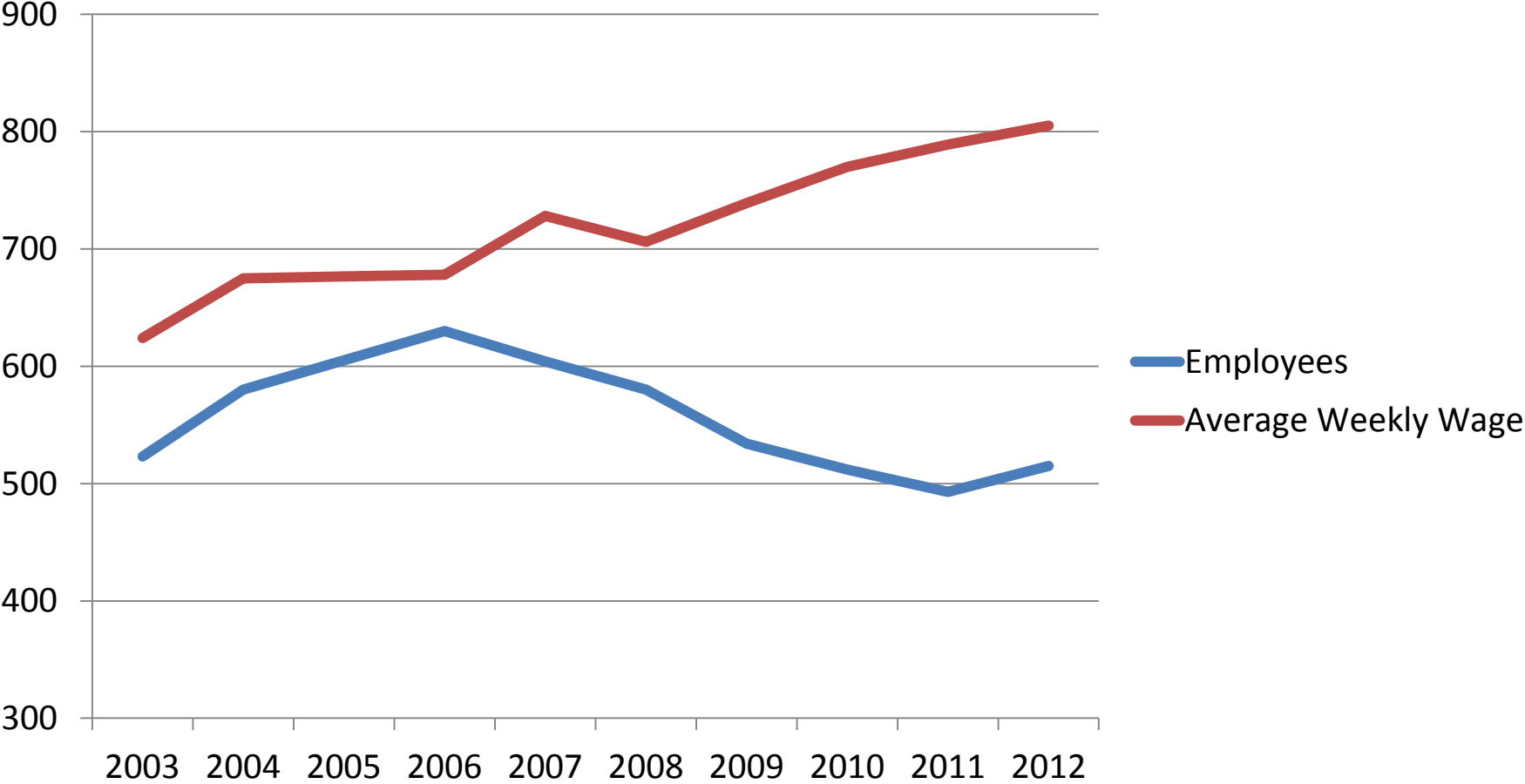
- Sensitivity to economic cycle (historical correlation with GDP)
 - Air transportation = .5785
 - Water transportation = .2375
 - Rail transportation at .4460
- Air carries around 5% of world trade shipments but 35% by value (think perishable or time sensitive). Outlook: Flat
- Trucks carry 68.5% of domestic shipments. Outlook: Growing so fast that many drivers have jobs before they finish training school
- Rail carries 40 % of intercity cargo. Outlook: Strong especially as auto markets rebound
- Water is over, except transoceanic as a form of intermodal.
- Intermodal is growing faster than any single form and many expect to see even more rapid growth in 2014 as the economy recovers.
 - More emphasis on coordination of modes
 - Strong growth in terminal modes, i.e. the UPS truck that brings the product to your door

Private Compensation – Air Transportation (in thousands)



Source: Bureau of Economic Analysis

Air Transportation Employees and Average Weekly Wages



Source: Bureau of Labor Statistics QCEW

Air Transportation Employment Projections

- Scheduled
 - Forecast negative 12.5% growth to 2022
- Nonscheduled
 - Forecast flat at 0.1% growth to 2022
- When I was here in 2012 growth rate for scheduled was weak (.01%) but unscheduled was very strong (36.2%)
 - Chalk it up to a bunch of economists who thought the recovery was going to take off any minute

Location Quotients

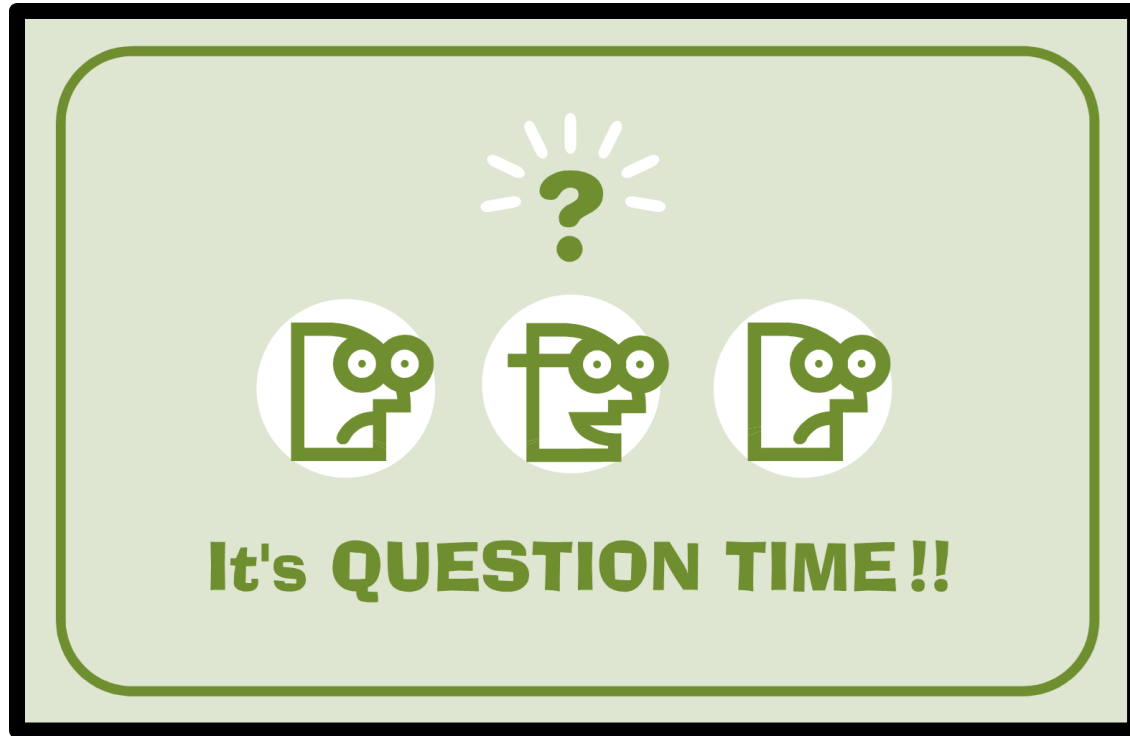
- Last handout
- If the LQ is = 1, the region (Louisville MSA) has the same share of its employment as the reference area, here the United States
- LQs tell how concentrated a particular industry is compared to the rest of the nation
- LQs are commonly used to reveal the “export orientation” of an industry, which is associated a higher multiplier effect

Aerotropolis?

- SDF ranked # 7 in the world in tons of freight shipped in 2012
- ACI (Airports Council International) is predicting 2.2% growth in 2013
- Kasarda and Lindsay argue that the economies of cities will increasingly be built around airports

Smart Growth

- Aerotropolis development has largely been haphazard, resulting in congestion and environmental problems
- Development needs to be more strategic
 - Dedicated expressway links (aerolanes)
 - Truck only lanes
 - Business, residential location decisions
 - Cluster rather than strip development
 - Mixed use residential/commercial communities



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