CITY OF JELLICO

Economic Development Plan Stakeholders and Vision



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Introductions

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Plan Mechanics

- Inspire Placemaking Collective, Inc. is under contract with Community Development Partners, LLC to prepare a Strategic Economic Development Plan.
- Plan to be completed and approved by February, 2024.
- Our effort includes community engagement via in person meetings, on-line surveys, stakeholder interviews and standing up a project website.
- Erik and Sarah from Inspire are respectively Project Manager and Principal Planner and Robbie is Project Planner.
- Andreas is the Community Development Partners, LLC representative.
- Intent is to have a first draft of Plan to City Council prior to Christmas.

Today's Agenda

1. **Basic Principles and Trends in Economic Development**
2. **Economic Development Plan Reset**
3. **Vision/Next Steps**
4. **Exercises**

Basic Principles and Trends in Economic Development



Basic Principles and Trends in Economic Development

- What is Local Economic Development?
- What Key Economic Trends Will Impact My Community?
  - Global Competitiveness
  - Macro Economic Conditions (Higher Rates, Higher Prices)
  - The Innovation Economy
  - Talent Development, Retention and the Virtual Workforce
  - Sustainability/Resilience
  - Quality of Life Focus

Source of Slides 1-24: University of Tennessee Institute for Public Service in partnership with State of Tennessee Department of Economic and Community Development

What is Economic Development?

Economic development is the process of creating and sustaining wealth. We know that it is occurring when:

- New jobs are being created
- Existing jobs are being maintained
- The standard of living is improving

ECONOMIC DEVELOPMENT IS HAPPENING WHEN:

- the standard of living is increasing
- a “real” increase in the level of average household income is occurring
- the “equity” of income distribution is improving
- the local tax base is keeping pace with the mounting cost of government services
- business and industry are creating quality jobs
- the local quality of life keeps getting better

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ECONOMIC DEVELOPMENT

The process is facilitated through:

- Development of a skilled workforce
- Investment in the physical infrastructure
- Improvement of the business environment
- Availability of marketable land and buildings
- Maintenance of the environment
- Improvement of the quality of life
- Promotion of the community and region

STRATEGIES FOR ECONOMIC DEVELOPMENT

- Recruitment & Attraction
- Retention & Expansion
- Entrepreneurs & Small Business
- Quality of Life
- Community Development

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BUSINESS RECRUITMENT AND ATTRACTION

- Defining your “product” – what can your community offer to a new business?
- Identifying your target audience – what types of economic activity are you most likely to attract?
- Clarifying your message – what are you trying to promote about your community?
- Developing your marketing plan – what marketing techniques will give you the best results, given your resources?

EXISTING BUSINESS RETENTION AND EXPANSION

- Growth of existing business and industry account for the majority of new jobs and investment.
- Companies must be globally competitive.



EXISTING BUSINESS PROGRAM



- Provide business assistance
  - Marketing
  - Loans
  - Training programs
  - Buyer-supplier programs
  - Export assistance
  - Access to technology
- Remove local obstacles to business

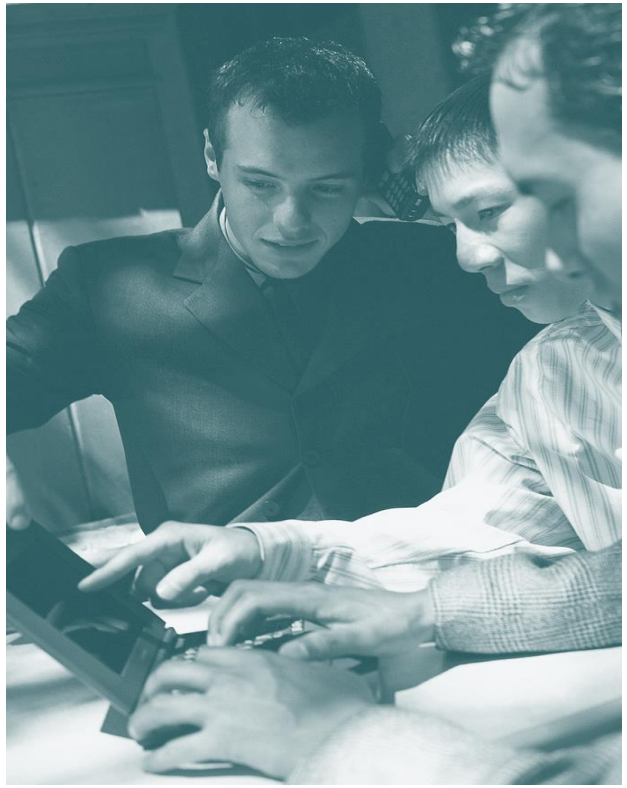
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EXISTING INDUSTRY PROGRAM BENEFITS

- Stop loss of direct & indirect jobs
- Less expensive to assist local firm expand than to recruit new ones
- Potential for entrepreneurial spin-offs from retained firms
- A happy local firm projects an important positive image for outside firms

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ENTREPRENEURS & BUSINESS STARTUPS



SMALL BUSINESS DOMINANCE



- Small businesses (under 100 emp.):
  - create two-thirds of new private sector jobs in America
  - employ more than half of all workers
  - account for more than half of the output of U.S. economy
- Only a small percentage (3 to 6%) of small firms grow rapidly (gazelles) – David Birch

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SMALL BUSINESS DOMINANCE

- High growth in home-based business

  – over ½ of small businesses

- Require business assistance and financing
- High risk and high rate of failure
- More innovative – produce 13 times as many patents as large companies do

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ENTREPRENEURIAL DEVELOPMENT

What attracts entrepreneurs?

- ✓A local leadership that is committed to building a positive business environment
- ✓An attractive community that has a good quality of life
- ✓A good educational system
- ✓Opportunities for technical training and support
- ✓Access to capital
- ✓Small business support systems and an effective local network for sharing information
- ✓High speed, broadband telecom and ISP's
- ✓Availability of suitable buildings and/or business sites for expansion

SMALL BUSINESS ASSISTANCE

- Incubator
- Financial Assistance
- Marketing Assistance
- Management Assistance
- Educational Workshops
- Entrepreneurial Training



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QUALITY OF LIFE











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QUALITY OF LIFE

- Availability of quality housing at reasonable costs
- Strong basic skills in education
- Presence of colleges & universities
- Low crime rate
- Good medical & health care



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QUALITY OF LIFE

- Variety of retail & customer services
- Lodging & restaurants
- Attractive & clean environment
- Good traffic flow
- Range of cultural & recreational opportunities



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COMMUNITY DEVELOPMENT

- Build a “product” that can compete successfully for jobs, business investment, tourists, retirees
- Involve local leadership effectively to determine priorities, initiate action, and sustain momentum
- Access federal, state, and other outside resources to expand the possibilities
- Minimize barriers to development

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COMMUNITY LEADERSHIP IS CRITICAL TO ECONOMIC AND COMMUNITY DEVELOPMENT

WHO NEEDS TO BE INVOLVED IN LOCAL ED?

- Local government
- Chambers of commerce
- Economic and community development orgs.
- Utilities
- Existing business and industry
- Faith-based institutions
- Educational systems
- Financial institutions
- Civic leaders
- Citizens
- Federal and state government

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Economic Development Plan Reset

Economic Development Plan Reset

1. **The Jellico Planning Framework**
2. **Existing Conditions**
3. **Prior SWOT Analysis**

The Jellico Planning Framework

Jellico Tennessee Downtown Revitalization Plan (2003) Implementation program included:

- Establishing Downtown Jellico as a Visitor Attraction
- Making Jellico an Investment Location
- Jellico Business District for Neighboring Communities
- Establishing a Jellico Downtown Foundation

The Jellico Planning Framework

East Tennessee Development District 2022-2027 Comprehensive Economic Development Strategy (CEDS) Regional Plan

CEDS Vision:

The East Tennessee Development District will utilize its resources to act as a regional convener bringing together local partners and stakeholders to collaborate in developing a resilient, inclusive, and prosperous East Tennessee region through innovative job creation, new investments, modern infrastructure, and improvement of overall health and quality of life. Collectively, the District and its partners will help advance the region through the pursuit of the following goals:

The Jellico Planning Framework

East Tennessee Development District 2022-2027 Comprehensive Economic Development Strategy (CEDS) Regional Plan

Goals:

- Enhance regional alignment, collaboration, and engagement through an annual regional conference.
- Expand and enhance infrastructure to improve quality of life in the region.
- Create a brand that all areas in our region will embrace.
- Create a competitive, highly skilled, trained, and employable workforce ensuring alignment with business needs.
- Through regional partnerships, increase innovative job creation within small businesses and entrepreneurships

The Jellico Planning Framework

East Tennessee Development District 2022-2027 Comprehensive Economic Development Strategy (CEDS) Regional Plan

Goals (continued)

- Maintain and improve the region's competitive advantages by investing in the improvement of existing industrial parks and encourage the development of new, high quality industrial and business parks.
- Focus on technology driven economic development opportunities
- Promote economic resilience and enhance the region's capability to quickly recover from economic downturns and natural or man-made disasters

The Jellico Planning Framework

Why a Strategic Economic Development Plan?

- Provides Community Focus
- Establishes Community ED Priorities designed to position Jellico for future economic development opportunities
- Relationship to CEDS and future funding opportunities
- Provides information to prospective investors and private industry

Existing Conditions

Jellico, TN

- **1,983** Population
- **6.2** square miles **318.9** people per square mile
- **Census data:** ACS 2021 5-year unless noted
- *2021 American Community Survey 5-Year Estimate*

- **$102,400 -** Median value of owner-occupied housing units
- **about half** the amount in the Knoxville, TN Metro Area: $194,100
- **about half** the amount in Tennessee: $193,700
- *2021 American Community Survey 5-Year Estimate*

Existing Conditions

Income and Earnings

- **$32,745 -** Median Household Income in Jellico city, Tennessee
- **$65,254** - Median Household Income in Tennessee
- *S1901|2021 American Community Survey 5-Year Estimates*

Poverty

- **29.6%** - All people in Jellico city, Tennessee
- **13.3%** - Poverty, All people in Tennessee
- *S1701 - 2021 American Community Survey 5-Year Estimate*

Existing Conditions

Educational Attainment

- **18.2%** - Bachelor's Degree or Higher in Jellico city, Tennessee
- **31.1%** - Bachelor's Degree or Higher in Tennessee
- *S1501 2021 American Community Survey 5-Year Estimate*

Transportation to work

- **28.5 minutes** Mean travel time to work **about 20 percent higher** than the figure in the Knoxville, TN Metro Area
- **about 10 percent higher** than the figure in Tennessee
- *2021 American Community Survey 5-Year Estimate*

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Prior Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Strengths

- Mostly stable population
- Manageable decline associated with ETDD region
- High employment to population ratio
- Higher percent local jobs than any other city in county
- Particular strengths in a few key industries
- Underutilized sites and properties
- Historic Beaux Arts downtown and Main St
- State Park within City limits
- Creative energy

Prior Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Weaknesses

- High Poverty rates
- Low HH income
- Low HS graduation rates
- Limited broadband access
- Service needs for aging population
- Decreasing workforce availability
- Deferred Maintenance of parks and walking paths

Prior Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Opportunities

- Engaged County JECDB
- Alternative energy investments
- Baby boomers retiring en masse to TN
- Contributions by immigrants, visitors, and retirees
- Proximity to I-75 and Knoxville metro area
- Improving health drug-related health outcomes
- Decreasing opioid prescriptions and deaths

Prior Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis

Threats

- Migration to cities, including youth
- Failure to recruit and train next generation of leaders
- Newly created jobs tend to be lower paying
- Concern about new ROW law

Vision/Next Steps

Vision/Next Steps

Where does Jellico want to be in 3 years, in 5 years, in 10 years regarding development of the local economy?

- What kind of development do we want to see in the Jellico area and where?
- Does Jellico want to focus on attraction/recruitment, existing business expansion/retention or both?
- How do we want to get there?
- Who should be engaged? Who should we interview?
- What resources are available help existing businesses scale up and/or improve?
- Do local regulations need to be reviewed with respect to economic development or are they about right?
- Which businesses in the city provide middle-income jobs? What kinds of support do they need? Can we bring them to the table?

Vision/Next Steps

Prior Vision Statement

The City of Jellico aims to create quality jobs and enhance residents' quality of life through a diverse economy that encourages entrepreneurship and innovation. Our priorities include attracting businesses that align with our strengths, developing our skilled workforce, and collaborating with partners to build a sustainable future.



exercises

Exercises

- Jellico Employment, Reinvestment, Infrastructure Improvement Map
- Strengths/Weaknesses/Threats/Opportunities Update Sheet
- Vision Statement Sheet