



ECONOMY AND WORKFORCE DEVELOPMENT WORKING GROUP Meeting #2

**Tuesday, June 12, 2012
7:30AM – 9:30AM
Knoxville Chamber, Market House Room
17 Market Square, Knoxville, TN 37902**

Welcome and Introductory Remarks

Working Group Chairman Leo Knight welcomed everyone and offered opening comments about the privileges, opportunities, and wealth of resources available to residents and business owners in East Tennessee. He gave examples of the regional resources he taps in the daily operation of his many business enterprises and cited recent successes, such as his real estate investment business. Leo also touched upon some of the obstacles that the business community faces in the region, such as the complex tax structure.

After his opening remarks, Chairman Knight asked meeting participants to introduce themselves and offer a recent personal/business success story.

Materials Distributed:

- Agenda
- What Does It Mean? Regional Drivers from Livability Report
- Summary of Findings from Community Survey
- Regional Forum 2 Themes

Parties Present

Teri Brahams (Pellissippi State Community College), Nancy Brown (Walters State Community College Workforce Development), Ahnna Estes (Knoxville Chamber), Kay Jones (City of Plainview/Union County Chamber), Maribel Koella (NAI Knoxville), John Lamb (Blount County Planning), Doug Lawyer (Knoxville Chamber), Mary Miltenberger (Knoxville Tourism and Sports Corporation), Todd Napier (The Development Corporation), Richard Neal (IMTI), Richard Phillips (City of Plainview), Tom Rogers (ORNL Industrial and Economic Development Partnership), Vaughn Smith (CAC Workforce Connections), Anne Wallace (City of Knoxville), Windie Wilson (CAC Workforce Connections), Emily Woodle (City of Knoxville), Leo Knight (Entrepreneurs of Knoxville, Working Group Chairman), Ken Poole (CREC, facilitator), Mark Donaldson (MPC, presenter), Terry Gilhula (MPC, recorder), Bryan Berry (MPC, recorder), Amy Brooks (TPO), Sherith Culverson (City of Knoxville), Buz Johnson (MPC), Rob Kerns (WRT).

Where Are We Now

MPC Executive Director Mark Donaldson provided an update on recent PlanET activities and accomplishments:

- Status report of planning process
- Work accomplished and activities conducted to date: Existing Conditions Report completed, Livability Report Card completed, dozens of Meeting In A Box sessions held throughout the region, online town-hall tool, MindMixer, launched and used extensively by citizen participants, social media outreach underway, Community Forums I and II completed, and UT's Community Survey completed/results reported
- Identification of regional strengths and challenges has been a core goal to this point in planning process
- Existing conditions scan: general agreement on regional issues, as verified by Community Forum input, UT survey, MindMixer
- Regional dialogue priorities identified: economy and workforce development, transportation and infrastructure, housing and neighborhoods, healthy communities, and environment

Stakeholder Interviews

Ken Poole reported findings of recent stakeholder interviews that he and his team have been conducting throughout the region.

Findings under the heading, "Business Perspectives: Potential Challenges to Address":

- Silos, political fragmentation, inadequate sharing
- Cultural resistance to change
- Perceived dominance of large companies and institutions
- Ability of area companies to compete in global markets
- Shortages of skilled talent
- Education
- Available and affordable land for commercial development
- Airfares
- Rising power costs
- Air quality

Findings under the heading, "Business Perspectives: Potential Economic Drivers":

- Relatively lower business costs and taxes
- Regional infrastructure
- R&D and related activities tied to UT and ORNL
- Region's appeal in attracting talent
- Flexible, skilled talent
- Travel and tourism related activities
- Global supply chain opportunities

Regional Drivers

Ken Poole presented the "What Does It Mean?" section of the Livability Report, specifically the eight drivers behind the region's biggest challenges today. He then asked participants to offer their thoughts on the relative importance of each driver using a simple voting exercise. Participants marked a matrix of eight drivers with three priorities (high, moderate, low) within each, to provide a group tally of relative importance. Members were also invited to write-in additional important drivers missing from the list.

“What Does It Mean?” Regional Drivers:

- Demographic shifts – 37 total points
- Dispersed development patterns & separation of land use types – 25 total points
- Loss of agricultural land – 16 total points
- Few transportation options – 44 total points
- Location decisions – 30 total points
- Rising energy costs – 37 total points
- Low education attainment, low wages, & limited job advancement opportunities – 75 total points
- Food, activity, & lifestyle – 44 total points

Drivers added by attendees deemed missing from the list (stickers were placed on some of the drivers but no point system was established):

- Automotive supply chain not one of the defined drivers above is telling
- The cost of airfare is a great driver and not appropriately emphasized – 1 sticker
- The emerging global manufacturing opportunity is a huge driver
- Transportation from outlying communities, i.e. seniors and mass transportation
- Educating our communities for the need to move outside the box – proactive vs. reactive
- What we think of ourselves (redneck, hillbillies)
- General public attitude & misunderstanding of importance of education
- Talent & tourism recruitment strategies do not match currently – 3 stickers
- Community character, i.e. overall quality of development – 4 stickers
- Educational options

What Will the Region Be Like in 2040?

Ken Poole asked meeting participants to offer thoughts on what they see for the economy and workforce in 2040:

- Post-secondary education needs to be affordable
- Trade school recruiters/mentors visit high schools to inform students of additional post-secondary education opportunities
- Career orientation brought to schools to expose students to ideas about career options
- Knowledge supply chain – what do local employers need - communication between employers and educators
- Transportation system (transit) for workforce besides SOV and outlying areas
- Preserve low taxes, spend tax money properly, do not strain economy with taxes that are too low though
- Companies need to identify who the low skill workers are and provide them with adequate training
- Simplify tax structure for small business owners
- High-speed broadband internet access for all
- Foster expanded manufacturing economy, region should be manufacturing center in 2040
- Other factors (health, environment, transportation) contribute to competitive advantage and should not be overlooked by economy and workforce attention alone but integrated

Outreach Methods and Next Steps

Amy Brooks, Project Manager, spoke briefly about upcoming outreach efforts, specifically calling for assistance from meeting participants to host Meeting In A Box sessions at their workplaces and their professional organization meetings. She also noted that web content was being developed for the Working Group and would be available soon.

Other Business

Working Group Chairman Leo Knight announced that he would be unable to continue serving as Chair due to other commitments. He asked group members to take some time over the next few weeks to consider volunteering to serve or to suggest a suitable replacement. He would like someone to volunteer to drive a process to find solutions to the challenges identified by the group.

Closing

Ken Poole concluded with an announcement of the next meeting of the Economy and Workforce Development Working Group, planned for later in the summer, likely the week of August 20. Ken then assigned some homework to the group, asking them to tell at least two new people about PlanET and the Economy and Workforce Development Working Group.

Meeting adjourned.