



The Roane Alliance  
Economic Development Strategy - Phase I  
December 2009



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# THE ROANE ALLIANCE

## Economic Development Strategy - Phase I Executive Summary



### EXECUTIVE SUMMARY

#### Introduction

Boyette Strategic Advisors was engaged to develop an Economic Development Strategy for Roane County.

##### *General Overview*

Roane County, which has a population of more than 53,000, is located in East Tennessee in the Tennessee River Valley between the Cumberland Plateau and the Smoky Mountains. Roane County is comprised of the following five cities:

- Harriman
- Kingston (county seat)
- Oak Ridge
- Oliver Springs
- Rockwood

##### *Transportation Access*

The county is located on Interstate 40 and has nine exits off of the interstate. Roane County is also within close proximity of Interstate 75. As such, Roane County offers easy access to a number of major cities in Tennessee, North Carolina and Georgia. It is less than 30 minutes from Knoxville, a little over an hour from Chattanooga, a little over two hours from Nashville, less than three hours from Asheville, North Carolina and a little more than three hours from Atlanta, Georgia.

The closest commercial air service is located at McGhee Tyson Airport in Alcoa, Tennessee about 12 miles from downtown Knoxville, which is less than 40 miles from Roane County. Chattanooga Metropolitan Airport is located less than 100 miles from Roane County and Rockwood Municipal Airport, a general aviation airport that has one 5,000 foot runway offering jet service.



As far as rail access, the Roane County area is served by Norfolk Southern and CSX Transportation and has access at several of its industrial parks and other sites. Roane County also has three navigable rivers and four river terminals or barge facilities.

##### *Other Key Facts*

Roane County is home to Oak Ridge National Laboratory (ORNL), one of the country's most highly-regarded National Research Labs. Roane County is also located within 30 minutes of the University of Tennessee in Knoxville, a competitive research university that is the flagship university of the state of Tennessee.

Roane County is one of six strategic partners participating in the Innovation Valley Inc. regional economic development initiative centered on a 25-mile technology corridor that extends from ORNL in Roane County through Knox County to McGhee Tyson Airport in Blount County.

##### *Educational Statistics*

Of those 25 years or older, an estimated 38.3 percent of Roane County residents are high school graduates, which is higher than the U.S. average at 30.0 percent and the state of Tennessee average of 34.4 percent. However, an



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estimated 40.2 percent of Roane County residents have attended some college or hold an Associate, Bachelor or Graduate degree, which is lower than the U.S. average of 54.9 percent and the state of Tennessee average of 47.7 percent. With that said, it is important to note that in Oak Ridge an estimated 63.8 percent of residents have attended some college or hold an Associate, Bachelor or Graduate degree, which is significantly higher than the U.S. and state of Tennessee average.

#### *Primary Education*

The Roane County School System consists of 17 local schools comprised of eight elementary schools, one of which serves up until the 8<sup>th</sup> grade, four middle schools, and five high schools, plus the Midtown Education Center, which is a multipurpose center hosting a number of programs for the school system including the Career and Technical Education program. Including the Midtown Education Center, the Roane County School District serves more than 7,500 students in grades pre-kindergarten (PK) through 12<sup>th</sup> grade living in the communities of Harriman, Kingston, Midway, Oliver Springs, Rockwood and in other rural sections of the county.

Roane County Schools did as well or better than any county school system in the Greater Knoxville area on its Academic Achievement Grades on the Tennessee Department of Education Report Card for 2009.

There are also six private schools in Roane County.

#### *Higher Education*

There are two primary institutions of higher education that have a presence in Roane County including Roane State Community College and the Tennessee Technology Center at Harriman.

Other nearby institutions include: the University of Tennessee at Knoxville, which is approximately 30 minutes from Roane County, and Tennessee Technological University in Cookeville, which is less than an hour away.

The main campus of Roane State Community College (RSCC) is located in Harriman but the college has eight other locations across East Tennessee including a campus in Oak Ridge and campuses in Campbell, Cumberland, Fentress, Loudon, Morgan and Scott Counties. As of the fall 2009, RSCC had an enrollment of more than 6,200 students. Roane State Community College offers a dual studies program for high school students allowing students to earn college credit toward a degree or a certificate at a Tennessee public institution of higher education or towards their high school diploma.

The Tennessee Technology Center at Harriman is one of 26 technology centers in the state of Tennessee that serves Anderson, Loudon, Meigs, Morgan, Rhea, and Roane Counties. The Tennessee Technology Center at Harriman offers eight full-time technology programs that require 12 to 18 months to complete. The Tennessee Technology Center at Harriman also provides customized industry training to meet the individual and job-specific training needs of a business or industry.

The University of Tennessee at Knoxville (UT-Knoxville), the state of Tennessee's flagship research-intensive university, has eleven colleges with a faculty of more than 1,400 that offers over 300 degree programs. Colleges and schools include: Agricultural Sciences and Natural Resources; Architecture and Design; Arts and Sciences; Business Administration; Communications and Information; Education, Health and Human Sciences; Engineering; Graduate School; Law; Nursing; Social Work;



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Space Institute; and Veterinary Medicine. The supply chain management and logistics program is ranked ninth among all national universities and the College of Engineering's graduate program in nuclear engineering is ranked 12th nationally. The College of Engineering undergraduate program ranked 32nd among public institutions and 64th nationwide.

Tennessee Technological University in Cookeville (Tennessee Tech) offers 44 bachelor's and 20 graduate degree programs, including an M.B.A., Ed.S., plus Ph.D. programs in education, engineering and environmental sciences, with more than 75 percent of faculty members holding Ph.D.s. The enrollment at Tennessee Tech is more than 10,800.

*Sites and Buildings*

Roane County and the surrounding area have a number of industrial and business parks with land available ranging from 28 acres to more than 1,000 acres. There are also several sites available in Roane County that are not located in designated industrial or business parks. In addition, Roane County has at least 12 buildings available that range from more than 2,200 square feet to nearly 1.5 million square feet, and three spec buildings under construction.

*Workforce*

The labor force in Roane County, as of 2008, was more than 26,000 workers. Within a 30-mile radius of the county center, there is an estimated working age population of more than 324,000.

With the presence of ORNL, the county's largest employer, the Roane County area employs more than 5,000 engineers, 2,400 scientists and 2,000 PhDs. In addition, an estimated 20.4 percent of

the workforce in Roane County is employed in manufacturing so the county offers a traditional blue-collar skilled labor pool as well.

*Healthcare*

Roane County also offers exceptional access to healthcare with an estimated nine hospitals or medical centers located within approximately 30 minutes or less of Roane County.

*Tourism*

Roane County is home to Watts Bar Lake or Reservoir, which has more than



722 miles of shoreline and over 39,000 acres of water surface. As such, it offers a number of recreational opportunities ranging from hiking, camping, boating, fishing, swimming and other outdoor activities. There are also several high-end, multimillion-dollar residential developments, which allow part-time and full-time residents to live right on the lake.

From a historical perspective, many of the buildings that first graced the streets of Harriman, Kingston, Oliver Springs, Rockwood and Oak Ridge still remain as testaments to the county's heritage. The community also hosts a number of festivals each year. In addition, Roane County is within a one hour drive of the Great Smoky Mountains National Park and other significant tourist destinations such as Pigeon Forge and Gatlinburg.



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**Insights from Interviews/Group Discussions and Surveys**

**Insights from Interviews/Group Discussions**

Boyette Strategic Advisors interviewed a total of 44 key stakeholders through one-on-one interviews and discussion groups in June through September 2009 to assess the primary strengths and weaknesses of Roane County, as well as to identify the main opportunities and threats to future growth.

The following are top responses given during interviews/discussion groups related to the strengths and weaknesses of Roane County (*listed by what was heard most frequently to least frequently*):

STRENGTHS	WEAKNESSES
Interstate access (on I-40 and close to I-75)	Education level of the workforce (workforce quality)
Location within the region	Territorialism (competitiveness between the cities)
The lake (access to and abundance of water)	Perception about the "ash spill"
Roane State Community College	Lack of support for public education (need for better school facilities)
Oak Ridge National Laboratory	Lack of retail/restaurants
Tennessee Technology Center at Harriman	Infrastructure issues (water, sewer and highway transportation system were specifically mentioned)
Good people	Rural area
Scenic beauty	Level of poverty
Willing, stable and affordable workforce	General health and wellness
Good public school system	Lack of public transportation

As far as what must happen to ensure future success in Roane County, the following are the top responses given during the interviews/discussion groups (*listed by what was heard most frequently to least frequently*):

WHAT MUST HAPPEN TO ENSURE FUTURE SUCCESS
Improve the public education system (training and facility-wise (need for new buildings))
Clean up and change image regarding the ash spill
Cities working together with consensus on priorities (possible consolidation of services was mentioned)
Address infrastructure issues (water, sewer and road improvements needed)
More retail/restaurants
Alignment with the region's priorities
Improve the workforce (more focus on post-secondary adult education and use of the Tennessee Technology Center)
Focus on recreational opportunities (Rails to Trails or Public Greenway; a County Swimming Pool; a County Civic Center/Meeting facility, etc.)
Funding of the Integrated Facility Disposition Project
More funding for The Roane Alliance



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As far as the visionary thoughts for Roane County to be most successful in the 21<sup>st</sup> Century Economy, the following are the top responses given during the interviews/discussion groups (*all heard only once*):

SUCCESS IN THE 21 <sup>ST</sup> CENTURY ECONOMY
Focus on and put more money into education
Train workforce for high-tech jobs of the future
Bring in more industry (manufacturing)
Address infrastructure issues
Train young people for manufacturing jobs
Encourage small business growth (more focus on entrepreneurship)
Revitalization in downtown areas
Supporting a clean community
Government consolidation (or organizations working more together)
High school consolidation

**Insights from Community Survey**

Online surveys were conducted of 91 community representatives. Below are summarized responses to the top survey questions. Note that for the majority of the survey, respondents were provided with answer options but also given the opportunity to provide other answers as they desired.

Related to strengths of Roane County, the answers were similar to those from the interviews, although the overall rankings differed. Related to weaknesses, the top six responses from both the interviews/group discussions and survey were virtually the same, but just prioritized in a different order for most answers.

GREATEST STRENGTHS OF ROANE COUNTY	
	Response Percent
Location (Easy access to Knoxville, Chattanooga and Nashville)	66.0%
Scenic beauty (lake, mountains, river)	50.0%
Transportation access (interstate, rail and water)	31.0%
Oak Ridge National Laboratory	30.0%
Good place to raise a family	23.0%
Roane State Community College	21.0%

GREATEST WEAKNESSES OF ROANE COUNTY	
	Response Percent
Lack of retail/restaurants	48.0%
Territorialism (competitiveness between the cities)	32.0%
Workforce quality	29.0%
Perception about the Ash Spill	29.0%
Multi-government	28.0%
Lack of support for public education	19.0%



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When asked, “What are the three things that really need to happen for Roane County to be most successful in the 21<sup>st</sup> Century economy?” the following were heard the most, with the top three answers from the survey to this question being similar to what BSA heard in the interviews/group discussions.

SUCCESS IN THE 21 <sup>ST</sup> CENTURY ECONOMY
Focus on improving public education (programs and facilities) – 26
Ensure the cities and county are working together (possible unified/consolidated government and services) – 23
Focus on retail/restaurant development – 17
Clean-up ash spill and improve negative perception – 8
Focus on tourism – 7
Create new and better job opportunities – 6
Workforce development – 6

**Insights from Site Selection Consultant Survey**

BSA conducted an online survey of 25 site selection consultants who were thought to have some knowledge of Roane County. A total of five responses were received. The good news from the results below is that a high percentage of respondents had a positive perception and no one had a negative or very negative perception of Roane County. The bad news is that 40 percent had a neutral perception, 20 percent had no perception and no one had a very positive perception.

Do You Know Where Roane County is Located in the State of Tennessee?	
	Response Percent
Yes	80.0%
No	20.0%

When You Hear Roane County, Is Your Perception of It:	
	Response Percent
Positive	40.0%
Neutral	40.0%
No Image, Nothing Comes to Mind	20.0%
Very Positive	0.0%
Negative	0.0%
Very Negative	0.0%



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The good news from below is that 60 percent of respondents had previously had a project that considered Roane County.

<b>Have You Ever Had a Project That Considered Roane County?</b>	
	<b>Response Percent</b>
Yes	60.0%
No	40.0%

The good news from the response below is that all four of the consultants who responded to this question know the location of Roane County and that interstate access is readily available. The majority of them also know that it is home to Oak Ridge National Laboratory and a short drive from the Great Smoky Mountains National Park. Many were also aware of recreational activities available with the presence of the lakes and mountains.

<b>What Do You Know About Roane County? (Check All That Apply)</b>	
	<b>Response Percent</b>
Located less than 30 minutes from Knoxville, Tennessee	100.0%
Located on Interstate 40 and within close proximity to Interstate 75	100.0%
Home to Oak Ridge National Laboratory	75.0%
Short drive to the Great Smoky Mountains National Park	75.0%
Recreational activities with presence of lakes and mountains	50.0%

Related to the ash spill, the good news is that only one consultant indicated a perception change related to the ash spill. The other three consultants that answered this question indicated that the ash spill did not affect their perception of Roane County as a place to recommend to a client.

<b>Are You Familiar with the Ash Spill that Occurred in December 2008 in Roane County?</b>	
	<b>Response Percent</b>
Yes	80.0%
No	20.0%

<b>If So, Has the Ash Spill Affected Your Perception of Roane County as a Place to Recommend to a Client?</b>	
	<b>Response Percent</b>
No	75.0%
Yes	25.0%



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**Targeted Business Sectors**

Based on a review of the strengths and weaknesses of Roane County, an assessment of the core competencies and areas of development, the current industry base, Innovation Valley Targets, targets identified as part of the Battelle Technology Study and other information gathered during this assessment, the following four targeted sectors are recommended for Roane County:

- Alternative Energy – Solar Support Manufacturing
- Alternative Energy - Bioenergy
- Automotive Suppliers
- Distribution/Logistics

**Alternative Energy – Solar Support Manufacturing**

Alternative Energy – Solar Support Manufacturing was selected as a target for Roane County based on the following five primary reasons:

- The importance of and need for alternative forms of energy is growing as the price of oil and gasoline rises and as fossil fuels are depleted.
- Solar energy parts manufacturers are currently experiencing strong growth. Some estimates show that the market for solar power could triple over the next three to four years.
- WACKER Chemie and Hemlock Semiconductor (HSC), leading manufacturers of polysilicon, are each constructing new facilities in Tennessee. The presence of WACKER Chemie and HSC could bring other

solar support manufacturers, including customers of each company, to Roane County.

- The state of Tennessee has launched the Volunteer State Solar Initiative, a new solar-energy-based economic development program to promote job creation, education, research, and solar power production, demonstrating state support for the industry.
- Oak Ridge National Laboratory (ORNL), located in Roane County, is one of the world’s leading centers for research and development on energy production, distribution, and use. The University of Tennessee-Knoxville (UT-Knoxville), located within 30 miles of Roane County, is collaborating with ORNL on the new Tennessee Solar Institute.

**Alternative Energy - Bioenergy**

Alternative Energy - Bioenergy was selected as a target for Roane County based on the following five primary reasons:

- The need for renewable energy sources is growing and will continue to grow as the higher prices of crude oil and gasoline along with a growing concern for the environment intensifies the need for alternative sources of fuel.
- Bioenergy plants are often located in rural areas of the country, near sources of biomass, and have revitalized small town economies.
- ORNL, located in Roane County, is one of the world’s leading centers for research and development on energy production, distribution, and use. Researchers at ORNL are researching how to produce bioenergy



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more efficiently and cost-effectively using switchgrass and poplar as feedstock.

- UT-Knoxville, located within 30 miles of Roane County, manages the University of Tennessee Biofuels Initiative which researches and promotes the development of the bioenergy industry in the state.
- The state of Tennessee has allocated nearly \$65 million to fund the BioEnergy Science Center at ORNL and \$70 million to fund the University of Tennessee Biofuels Initiative demonstrating the state strongly supports the development of the industry.

#### **Automotive Suppliers**

Automotive Suppliers was selected as a target for Roane County based on the following five primary reasons:

- Foreign automotive OEMs have continued to experience growth in the United States, especially in the Southern part of the country.
- Volkswagen is constructing a new manufacturing facility in Chattanooga, Tennessee, which is less than 100 miles from Roane County. It is estimated that up to 9,500 supplier and other related jobs could be created to support Volkswagen's facility.
- The state of Tennessee is aggressively targeting suppliers of Volkswagen to locate in the state.
- Roane County is located within 300 miles of nine OEMs including German automakers Volkswagen, BMW and Mercedes-Benz.
- Roane County has the transportation infrastructure to provide an ideal base for automotive suppliers.

#### **Distribution/Logistics**

Distribution/Logistics was selected as a target for Roane County based on the following five primary reasons:

- The state of Tennessee has a strong distribution/logistics industry including more than 940 companies in the Knoxville area.
- Roane County has an accessible transportation network with nine exits that connect the county to Interstate 40 and a location close to Interstate 75. The county also offers rail service, river barge access and convenient air service.
- A number of major population centers are located within a six hour drive or less of Roane County.
- Four distribution/logistics companies which employ more than 340 people are located in Roane County, indicating the county offers the resources to support such companies.
- UT-Knoxville's supply chain management and logistics programs have been ranked among the best by *U.S. News and World Report*, *Business Week*, and *Supply Chain Management Review*.



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## Recommendations

The following recommendations for Roane County are listed in order of importance with the most critical listed first. Note that an economic development strategy for a community in the 21<sup>st</sup> Century needs to be flexible and that additional recommendations may come to light as the community implements the recommendations below.

### Regionalism

#### *Overview*

Regional economic development partnerships, which are collaborative arrangements among communities and counties, allow their members to combine their individually attractive attributes together as they seek new business investments. Prospects find regional partnerships attractive because companies are looking for cohesive communities where the localities work well across jurisdictional lines.

Innovation Valley Inc. (Innovation Valley) is a regional economic development initiative formed in 2007 that is centered on a 25-mile technology corridor that extends from Oak Ridge National Laboratory (ORNL) in Roane County through Knox County to McGhee Tyson Airport in Blount County. Roane County and the Roane Alliance is one of six strategic partners of the Innovation Valley.

#### *Recommendations*

With the presence of ORNL in Roane County, its involvement and participation with Innovation Valley is very important. In addition, Roane County's involvement with Innovation Valley can only help to improve its reputation as more of a technology-oriented community as it can

capitalize on the successful marketing efforts of Innovation Valley from that perspective. As such, Roane County's **continued involvement with Innovation Valley**, both as an active **investor** and **participant** is critical.

Involvement in the Innovation Valley regional effort should be **promoted more prevalently on the home page of The Roane Alliance website** and a **link to the Innovation Valley website** should continue to be present.

In addition, The Roane Alliance should be **involved in efforts to potentially have a regional workforce/labor analysis done in 2010** so that Roane County and the other partners have updated labor data to share with prospects.

### Consolidation of Services

#### *Overview*

One of the primary weaknesses heard throughout the interviews/group discussions and surveys conducted as part of the development of this Strategy, was competitiveness between the cities or territorialism. The majority of the survey respondents and a great number of the interview/group discussion participants felt that in order for Roane County to be successful in the 21<sup>st</sup> Century economy, the community must ensure the cities and county are working together and the possibility of a unified/consolidated government and/or services, or potentially a metro government were mentioned quite frequently.

A consolidated city/county government is when a city or cities and a county merge or consolidate to become one unified jurisdiction. Usually, there is a history preceding consolidation of some kind of



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shared service arrangements, for example, providing for common water treatment, sewage treatment, tax collection, or emergency-service dispatching.

#### *Recommendations*

BSA understands that consolidation is a big step that could take years and may never be approved. However, in the short-term Roane County should **consider taking additional steps to consolidate certain city and county services** to improve efficiencies and eliminate any redundancies. This should also have the effect of improving relationships among the county and the cities and encouraging more cooperation. Governmental services that should be considered for consolidation include:

- **Public works and infrastructure projects** such as roads, water mains and sewers
- **Water and wastewater** – The cost savings from large scale unified systems are well documented with those located in less densely populated areas having the most to gain. During the interviews/group discussions, many stakeholders mentioned the need to correct certain infrastructure issues including the lack of water and sewer service in some parts of the county and the idea of some type of central county service was mentioned.
- **Solid waste pickup and disposal** – Another example of costs savings to users, particularly in rural areas.
- **Police and fire protection** are other areas that consolidation should be considered but these can be more sensitive areas in the public eye.

Related to the high schools, the Roane County School System has been consolidated since July 1, 2003 or the 2003/2004 school year. With that

said, the Roane County School System still consists of five different high schools supporting an estimated 2,300 to 2,500 students. Based on a number of comments from the stakeholder interviews/group discussions, Roane County does not have the resources to continue to support five high schools and the fact that there are one or more schools in each of the main cities **or areas** in Roane County seems inefficient and also probably contributes to the competitiveness between the different communities.

Roane County needs to **consider long-term how many high schools are really needed** to support its student population. Oak Ridge High School, which is not part of the Roane County school system, serves an estimated 1,500 students at one facility and has done so very successfully. As such, perhaps **there is only a need for two or three high schools in the county instead of five**. Roane County also really needs to **consider which of its facilities need to be rebuilt or updated** as this was another major issue that was mentioned in the stakeholder interviews/group discussions as well as the survey. Four of the five high schools in Roane County are more than 50 years old. These issues need to be explored more carefully and **The Roane Alliance needs to be heavily involved in these discussions and decisions**.

#### **Funding for Economic Development**

##### *Overview*

The Roane Alliance (Alliance) is the primary economic development organization in Roane County. The Alliance is comprised of both public and private organizations including: the Roane County Chamber of Commerce (Chamber), the Roane County Industrial Development Board (IDB), which **manages most of the industrial parks** as well as approves and **funds** incentives for



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projects, and the Roane County Visitors Bureau (Visitors Bureau), which promotes tourism development. The Alliance and its partners operate on a mix of public and private funding that in the past has been about half and half. The county funds the activities of the IDB and the Visitor's Bureau. The Alliance is funded by private sector contributions, an annual fundraising event, as well as a couple of other sources. All but one of the five cities makes a discretionary private sector contribution to the Alliance but the most any city has donated in recent years is \$10,000 and most only donate between \$2,000 and \$5,000. The Chamber is primarily funded by Chamber membership dues.

The main issue with funding that was mentioned more than once during the stakeholder interviews/group discussions was the need for more funding for marketing as a whole.

#### *Recommendations*

One way to help address the budgeting issues is to **seek more funding from the county**, specifically for marketing activities of the Alliance based on the recommendations in the Marketing and Communications section of this Strategy.

Another possibility is to **require funding contributions from the cities rather than making them discretionary** since each city is receiving services from the Alliance related to marketing and promotion for economic development purposes. Under this model, each city would be required to contribute a certain amount tied to population **and other factors** each year ranging from possibly \$10,000 to \$25,000 per city.

## Marketing and Communications

### *Overview*

Marketing and communications is a key support function for any effective economic development effort. It is critical that marketing tactics are used to communicate Roane County's strengths to both internal and external audiences who impact the area's economic development efforts. The main challenges BSA heard during this process that can be at least partially addressed through effective marketing and communications include:

- Issues with image, both internally and externally – Some people mentioned during the interviews/group discussions that because the community is rural it has a “country bumpkin” image that needs to be addressed.
- Competitiveness among county and cities
- Lack of community appreciation
- Negative perceptions related to ash spill

The focus of a marketing and communications campaign for Roane County should not be focused on the ash spill. Instead, it should be focused on the strengths of Roane County and what assets distinguish Roane County from its competitors. If the focus is all on the ash spill, the ash spill will be what defines the community.

### *Recommendations*

#### Key Messages

To effectively communicate with both internal and external audiences, it is important to **develop a core group of concise, clearly defined key messages** that will guide all communications initiatives of the Alliance. Once key messages are developed, all **potential spokespeople for the area** should be **provided with the messages and offered brief training** to help them utilize the messages in any interviews or public speaking



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opportunities. The following are the recommended key messages for Roane County:

1. Roane County is located less than 30 minutes from Knoxville and an hour from Chattanooga.
2. Roane County offers excellent transportation access with nine exits located off I-40, the main street of North America.
3. Roane County is also located within close proximity to I-75, has commercial air service within 40 minutes, three navigable rivers, and four river terminals or barge facilities.
1. Roane County is home to Oak Ridge National Laboratory, the nation's largest multidisciplinary science and energy laboratory.
3. Roane County is a partner in the Innovation Valley Inc. regional economic development initiative.
6. Within a 30-mile radius of the county center, there is an estimated working age population of more than 324,000 that includes more than 5,000 engineers, 2,400 scientists and 2,000 PhDs, as well as traditional blue-collar skilled labor.
7. The University of Tennessee at Knoxville, the state's flagship research-intensive university, is located 30 minutes from Roane County.
8. Roane State Community College and the Tennessee Technology Center at Harriman are located in Roane County.
9. Roane County offers a number of available sites and buildings.
10. With its location in the Tennessee River Valley between the Cumberland Plateau and the Smoky Mountains, Roane County offers exceptional recreational opportunities such as hiking, boating, fishing, swimming, camping and other outdoor activities.
11. There are an estimated nine hospitals or medical centers located within approximately 30 minutes or less of Roane County.
12. Roane County offers an overall cost of living that is nearly 20 percent less than the U.S. average.
13. Roane County Schools did as well or better than any county school system in the greater Knoxville area on its Academic Achievement Grades on the Tennessee Department of Education Report Card for 2009.

#### Branding

To ensure the future success of Roane County in attracting business and projecting a more technology-savvy image to both internal and external audiences, Roane County needs to continue its involvement with the regional efforts of Innovation Valley as previously recommended. Part of continuing this involvement is to **actively brand itself as a strategic partner of Innovation Valley**, which is part of the key messages outlined above, and be more involved in the Global Marketing efforts of Innovation Valley.

In addition, as part of its own branding efforts, Roane County needs to **focus on the presence of ORNL in its communications and marketing**, which is also part of the key messages outlined above, and take more advantage of the fact that ORNL is located in Roane County. One way for Roane County to "own the lab" is to have a **sign posted outside but near the lab and possibly in other strategic locations throughout the county** that says, "Welcome to Roane County, the home of Oak Ridge National Laboratory."

Related to the presence of ORNL in the county, it is important that **the Alliance and the county project more of a progressive, "high-tech" image** in the community. As such, the county should **consider changing the word "industrial"** in the name of the Harriman Industrial Park and the Roane County Industrial Park. The word industrial could be replaced in both with "Business and Technology" or "Commerce" or another similar name.

In addition, the **Alliance offices** should be equipped to host prospects in a **progressive, high-tech environment**.



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#### Website Modifications or Updates

Although the Alliance website is very good overall and was recently ranked as one of the top 10 economic development websites in Tennessee, the website look and content could use some tweaking to more reflect a high-tech image and to tie in more with the branding recommendations above. A few suggested changes and additions include:

- **Key messages** should appear on the **home page of the website**.
- The strategic partnership with **Innovation Valley** should be **further highlighted on the home page** of the website.
- **Targeted Business Sector Profiles** should be developed and updated at least quarterly.
- Ensure that information on **marketable sites and buildings** in Roane County are updated on the website at least monthly.
- Obtain and post **business testimonials**.
- The Alliance should **explore ways to use its Facebook page** to communicate with site location consultants/real estate brokers, community residents and others to share real time news of project announcements and other important information.

#### Unified Pride or Countywide Appreciation Campaign

One of the primary weaknesses mentioned during the stakeholder interviews/group discussions and survey was territorialism or competitiveness between the cities and the need for more cooperation between the cities and the county. A Unified Pride or Countywide Appreciation Campaign, that is focused on improving the

perception residents have about themselves as well as encouraging more cooperation between communities, may be the first step in overcoming this weakness.

General tactics that might be included in a Unified Pride or Countywide Appreciation Campaign are:

- Develop on-going **media promotion of key community assets**.
- Create a **Roane County Ambassadors “wallet card.”**
- **Post signage throughout the county** to begin to move residents toward a greater sense of appreciation and pride in their community.
- **Host a Countywide Clean Up** each spring. The Leadership Roane County class should organize and lead this event.
- Create a Roane County **Make a Difference Day**. The Leadership Roane County class should also organize and lead this event.
- As mentioned in the website recommendations above, the Alliance should use its **Roane County Facebook fan page** to deliver good news about the community.
- Establish a **monthly email blast to community members** to disseminate good news. There should be a **link to the Facebook page for more information** to encourage others to utilize the Facebook page.
- Seek **in-kind and cash sponsors** to fund the Unified Pride or Countywide Appreciation programs



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## Economic Development Strategy - Phase I

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#### Sustainable Development

##### *Overview*

Tied in the with focus on alternative energy – solar support manufacturing and bioenergy - as two of the business sector targets for Roane County, there should be a focus on becoming a more sustainable community. Regardless of one’s political leanings or opinions on global warming, it cannot be argued that energy conservation and the related sustainable development trend will not be a driving force in the future.

##### *Recommendations*

Roane County should consider becoming a sustainable community. This effort could also have a positive impact related to any negative perceptions of the county related to the ash spill. Some of the possible first steps that the Alliance can take in assisting Roane County in becoming a sustainable community may include the following:

- Form a **Sustainability Committee** to determine what Roane County is already doing that is sustainable and determining the direction Roane County should take related to sustainable development. The Alliance may want to seek **support and involvement from ORNL** on this initiative.
- Long-term, consider development of a **Sustainable Comprehensive Plan** related to future development in the county. Alliance representatives may also want to speak to representatives of the **Chattanooga Green Committee** about **lessons learned in the development of the Chattanooga Climate Action Plan**.
- Any **future business or technology park development** in Roane County should be sustainable.

- Encourage passage of a **county ordinance that would require all future government buildings** in the county, **including renovations to existing buildings**, to become **LEED certified to at least the gold level**. This should also apply any new schools or renovation to existing schools in the **Roane County School System**.
- Consider passage of **incentives to encourage private and commercial development to obtain LEED or another type of sustainable certification** such as **EnergyStar or GreenGlobes**.
- If not already in place, Roane County should implement a **countywide recycling pick-up program**.
- Consideration should be given to **converting all street lights** within the county to use **energy-saving light bulbs**.
- Explore the possibility of obtaining **grants** under the **U.S. Energy Efficiency and Conservation Block Grant (EECBG) Program** to fund some of Roane County’s proposed sustainable initiatives.



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### Potential Carbon Fiber Opportunity

#### *Overview*

Carbon fiber is a polymer which is a form of graphite. Carbon fiber reinforced composites are very strong for their weight and are often stronger than steel, but a whole lot lighter. As such, today carbon fiber is used in many applications where its performance and strength help engineers reduce weight and add strength to structures in aerospace, including U.S. fighter jets, automotive and sporting goods such as tennis rackets, golf clubs, skiing equipment and bicycles.

The automotive industry is seeking a lighter structural material with the goal of producing a vehicle that gets 80 miles per gallon of gasoline. Steel has been predominantly used by the automotive industry in the past because of its strength and low cost but steel is very heavy. One current issue with the use of carbon fiber in automotive manufacturing is that the production of carbon fibers is too expensive and slow. It is estimated that carbon-fiber composites cost at least 20 times as much as steel.

As such, the Composite Materials Technology Group in ORNL's Engineering Technology Division is collaborating with the automotive industry to determine ways to reduce the costs of producing lightweight carbon-fiber composites for use in advanced vehicles. If successful, vehicle weight could be reduced by as much as 60 percent, significantly increasing vehicle fuel economy.

Roane County is already home to one company that produces carbon fiber called Toho Tenax America, Inc., which is headquartered in Rockwood. Toho Tenax America specializes in the production of [Tenax®](#) brand carbon fibers used in aerospace/aircraft, automotive, apparel, sports and recreation and industrial products.

#### *Recommendations*

Based on the fact that automotive suppliers are one of Roane County's recommended targeted business sectors, specifically related to the Volkswagen plant under construction in Chattanooga, the significant research being conducted at ORNL related to the use of carbon fiber composites in the automotive sector and that Roane County is already home to a producer of carbon fiber, the **opportunity around carbon fiber production tied to the automotive sector should be explored and monitored.**

The Alliance should keep abreast of any **new developments in the research being conducted at ORNL** related to the use of carbon fiber in the automotive industry and should **be knowledgeable of such research and its potential impact** in its **marketing efforts to automotive suppliers of Volkswagen.**

The Alliance should also work with company representatives at **Toho Tenax** as not only is the research at ORNL of potential value to them but if suppliers of Volkswagen were to locate in Roane County, they could eventually become customers of Toho Tenax as the automotive industry moves toward the use of carbon fiber composite parts.

### Potential Nuclear Energy Opportunity

#### *Overview*

Nuclear energy originates from the splitting of uranium atoms in a process called fission. At a power plant, the fission process is used to generate heat for producing steam, which is used by a turbine to generate electricity. There has been a new interest in nuclear energy in recent years with concerns about rising electricity demand and clean air. Nuclear energy is the only electricity source that can generate reliable and affordable electricity 24 hours a day with no greenhouse-gas emissions. Nuclear power plants



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currently produce nearly 20 percent of U.S. electricity. The U.S. Department of Energy projects that demand for electricity in the U.S. will increase by 21 percent by 2030. In order to maintain nuclear energy's current 20 percent share of generation would require building three reactors every two years beginning in 2016.

As of July 2009, there were three nuclear power plants operating in the state of Tennessee. Such plants provided an estimated 29.6 percent of Tennessee's electricity generation in 2008.

TVA's nuclear power plants contribute and estimated 6,900 megawatts of electricity to the power grid and approximately 30 percent of TVA's power supply comes from its three nuclear plants: Browns Ferry near Athens, Alabama; Sequoyah in Soddy-Daisy, Tennessee; and Watts Bar near Spring City, Tennessee, which combined produce enough electricity to power more than three million homes in the Tennessee Valley.

Currently, 17 utilities, including TVA and Georgia Power, have applied for combined operating licenses for up to 26 new reactors that are under regulatory review. TVA is planning to build the only new nuclear plant in the U.S. at the Watts Bar plant. In addition, to supply parts for the new plants and refurbish the existing 104 reactors, Alstom Power is planning to build a \$280 million fabrication facility that will manufacture steam turbines for fossil and nuclear plants, gas turbines, generators and related equipment on the Tennessee River in Chattanooga that may employ 350 by 2012. In addition, Chicago Bridge & Iron is preparing plans for a \$110 million nuclear fabrication plant in South Pittsburg also expected to employ 350.

Enrollment in the University of Tennessee at Knoxville's nuclear engineering program, which is the third biggest in the country, has tripled in the past 10 years. In addition, Chattanooga State Technical Community College launched a radiation protection

technician program, the first of its kind in the South, as part of its two-year engineering degree program in 2008 and already has 50 students enrolled. Chattanooga State is also planning to add a two-year engineering degree this year for nondestructive examiners for the nuclear industry.

ORNL is one of the world's premier centers for R&D on energy production, distribution, and use and on the clean, efficient, safe production and use of energy, including nuclear science and technology.

#### *Recommendations*

The potential opportunity around nuclear energy, particularly related to nuclear parts and component manufacturing, should be explored and monitored as a possible future targeted sector of Roane County. The Alliance should keep abreast of any **new nuclear power plant approvals, any announcements of nuclear parts and component manufacturing projects such as Alstom Power in Chattanooga, and any developments in research in nuclear at ORNL** that may create future opportunity for this sector in Roane County.

#### **Retail Development**

##### *Overview*

Retail development provides not only sales tax revenue to a community but also provides amenities that many residents and businesses seek such as access to good shopping, restaurants and entertainment.

##### *Recommendations*

The Chamber **should take the lead** on retail development in Roane County. Specific recommendations related to retail recruitment include:

- Consider hiring another **Project Manager** that can lead the charge related to retail and the other



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targeted business sectors recommended in this Strategy.

- **Gather additional data** that supports the need and buying power of the community for new retail development.
- Update and add to the existing **retail section on the Alliance website** that highlights such favorable information.
- Identify **potential commercial or retail sites** in the county and include information about such sites in the retail section of the **Alliance website**.
- Participate in the TVA ED Consumer Connections program related to the **retention of retail**.
- Consider **attending retail trade shows** such as the Southeast Conference of the **International Council of Shopping Centers (ICSC)**, the annual **ICSC RetailGreen: A Conference & Trade Exposition on Sustainability, Energy and Environmental Design**, the **National Retail Federation Annual Convention & Expo**, and the **Retail Industry Leaders Association (RILA) Logistics Conference**.
- Target and develop relationships with **national retail developers**, focusing on those that are developing **sustainable facilities**.
- Consider establishment of **incentives from the city and/or county** to induce private developers to undertake retail projects.
- Consider a **Green Hospitality Program** for hotels, bed and breakfasts, other lodging facilities and restaurants.

#### Tourism Development

##### *Overview*

During the stakeholder interviews/discussion groups and survey conducted for this project, most felt that hospitality and tourism was an opportunity for Roane County. However, others had concerns about how Roane County could compete with attractions in the Smoky Mountains, Gatlinburg and Pigeon Forge, and other nearby attractions.

Related to the previous recommendation on recruiting more retail, a number of respondents felt that tourism would be more of an opportunity if there were more restaurants, retail and hotels to support the sector.

A number of stakeholders did mention that they felt that the perception related to the ash spill hurts Roane County as far as tourism development.

##### *Recommendations*

As indicated above, the opinions around the tourism opportunity in Roane County were mixed with the majority of people agreeing the most prevalent tourism opportunity was around the lake or water. BSA feels that a more in-depth assessment of the tourism opportunity in Roane County is needed in order to really identify the appropriate direction for the county to take in its tourism efforts. As such, the primary tourism development recommendation is for the Alliance to hire a firm that specializes in conducting **Tourism Feasibility Studies** to further assess the best focus for Roane County in tourism development.

In addition, tied in with the focus on sustainability, the Alliance should **ensure that all tourism efforts are sustainable and promote its sustainable tourism effort**.



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#### Recreation or Wellness Center

##### Overview

As previously discussed, Roane County has a number of recreational activities available with the presence of Watts Bar Lake and the surrounding mountains but there has been discussion in the community about some type of lifestyle or recreational facility for the community. As well as being important to support health and wellness in a community, such a facility is also important for economic development as companies want such community amenities for their employees.

One example of a community that has recently successfully developed a recreation or wellness center is Cullman, Alabama. The Cullman Wellness and Aquatic Center held its grand opening in April 2009. The facility, which sits on seven acres of land, includes an indoor pool, two outdoor pools, a volleyball or basketball gym, indoor track, workout room with Cybex equipment, a sauna room, child care services and more.

##### Recommendations

Representatives of the Alliance should consider **visiting with representatives of the City of Cullman Parks and Recreation Department** as well as **representatives of the Cullman Economic Development Agency** to discuss how they were able to successfully develop the Cullman Wellness and Aquatic Center shown below.

Instead of exploring the development of a Corporate Conference Center in Roane County, representatives may also want to consider the **inclusion of conference space for up to 500 people** as part of the proposed recreation or wellness center.

The recreation or wellness center facility should be a **LEED or otherwise environmentally certified building.**

