

**TENNESSEE'S UPPER CUMBERLAND
COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY**
2021 UPDATE





2021 UPDATE

Successful economic development planning serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration. The Comprehensive Economic Development Strategy is developed with each and every residents' best interest in mind. The five goals laid out in the 2017-2022 plan are just a glimpse of the region-wide work that is underway to make the Upper Cumberland a more economically thriving area.

WORKFORCE DEVELOPMENT

1. Educated & Healthy Workforce Meeting All Employment Needs in the Region.

- Objective 1: Connect employers to employees.
- Objective 2: Increase the number of citizens with postsecondary degrees and certificates.

REGIONAL ADVOCACY

2. Legislative Members are Fully Educated on Most Prominent Needs and Concerns of the Region.

- Objective 1: Local leadership identifies the most important legislative issues to the region.
- Objective 2: Increase legislator awareness of the region's stance on political subjects.

INDUSTRIAL DEVELOPMENT

3. Prepared Communities, Competitive in Industrial Recruitment and Expansion.

- Objective 1: Increase inventory of industrial property across the region.
- Objective 2: Improve request for information responses (RFI) by participating in TVA RFI audit program, sharing responses across the region, and implementing regional marketing.
- Objective 3: Increase regional marketing efforts through industrial trade shows such as Select USA Investment Summit. Proactively share regional marketing material to develop awareness of the Upper Cumberland among business decision makers.
- Objective 4: Create local business retention & expansion programs in each county.

RETAIL DEVELOPMENT

4. The Region Has Adequate, Thriving Retail Establishments Supporting the Quality of Place of the Upper Cumberland.

- Objective 1: Grow the community by attracting new retail business.
- Objective 2: Retain and grow existing commercial businesses.

TRANSPORTATION INFRASTRUCTURE

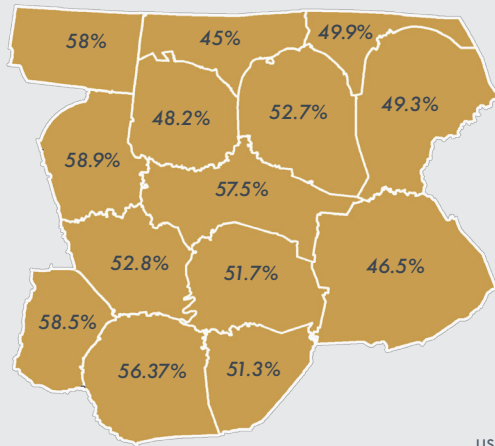
5. The Region is Easily Accessible to Residents, Visitors and Businesses.

- Objective 1: Improve transportation network.
- Objective 2: Educate state and federal partners on the identified needs

REGION BY THE NUMBERS



LABOR FORCE PARTICIPATION RATE, 2020

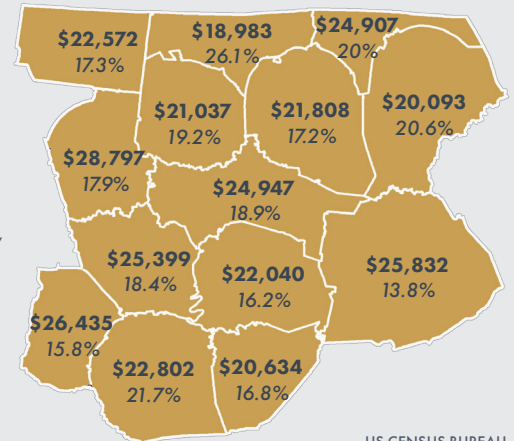


US CENSUS BUREAU

PER CAPITA INCOME AND PERCENTAGE OF POPULATION BELOW POVERTY RATE, 2015-2019

PER CAPITA INCOME
REGION: \$23,998
STATE: \$29,859
US: \$34,103

% OF POPULATION BELOW
POVERTY RATE
REGION: 18%
STATE: 15.2%
US: 13.4%

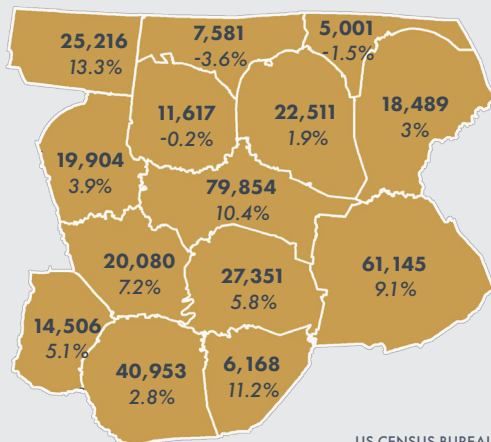


US CENSUS BUREAU

2020 POPULATION AND PERCENTAGE OF CHANGE IN POPULATION, 2010-2020

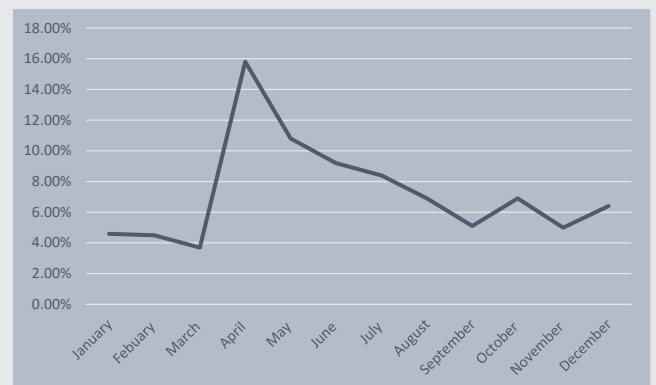
2020 POPULATION
REGION: 360,376
STATE: 6,910,840
US: 335,110,745

% CHANGE IN POPULATION
2010-2020
REGION: 6.6%
STATE: 8.9%
US: 7.1%



US CENSUS BUREAU

UPPER CUMBERLAND UNEMPLOYMENT RATE, 2020



TN DEPT. OF LABOR
AND WORKFORCE DEVELOPMENT

The background image shows a brick building with a large sign that reads "TENNESSEE COLLEGE OF APPLIED TECHNOLOGY McMinnville". A smaller sign on the building says "BUILDING 1". A Tennessee state flag is flying on a pole to the right. The text "Goal 1" is overlaid in large, bold, dark blue letters.

Goal 1

Educated & Healthy Workforce Meeting All Employment Needs in the Region

TCAT McMinnville - Warren County

Over the past year the Upper Cumberland region has experienced an unprecedented shift in its workforce, along with the rest of the nation. While compiling this update, every CEDS contributor, no matter their industry (banking, IT, manufacturing, or local government) spoke extensively about workforce. Due in part to the coronavirus pandemic, nearly every employer is struggling to find employees. The conversation has shifted from skill development to the mere availability of people. Employers are offering hiring bonuses, operating with fewer staff, and even closing their doors when staffing needs go unmet. Current employees are burning out, covering additional shifts and working multiple jobs. Employers are trying to adapt, many offering a work from home option or flexible hours, while others have modified their termination policies to allow for more absences.

Some have speculated that the extended unemployment payments exacerbated the challenges faced by employers in need of employees by incentivizing nonparticipation. Other individuals stepped into early retirement or realized they could operate their home on less income and are not expected to return to the workplace at all. Each of these reasons and more have snowballed into one of the most challenging times employers have faced.

Regional organizations such as the Upper Cumberland Human Resource Agency are working to create a network of support services including childcare, transportation, reentry programs, substance abuse support, and more to enable citizens of the phantom workforce to step in and fill current vacancies. Other local groups like the Warren County Business Roundtable Action Committee (BRAC) are converting their traditional scholarship program into a scholarship that will assist high school sophomores take dual enrollment courses. The committee is also focusing their efforts on advocating for the expansion of state programs centered around education for this age group.

Despite the lack of available workforce, the region still recognizes the need for skill development and advancement. The recent pandemic and subsequent workforce shortage may be the means by which businesses come to the realization that certain positions are so undesirable that they must be eliminated in order to succeed. An increase in automation among many Upper Cumberland businesses is expected as a result, and may prove to be the best way to survive the current hiring environment. Communities and educational providers are still working to create educational pathways and training programs in order to meet the needs of local employers. White County is working with the TN College of Applied Technology in Livingston to establish an injection molding training program. The collaboration applied for a grant through the U.S. Department of Labor, which was not funded; however, the partnerships and research taking place will continue to move the sector forward. TCAT Livingston did however receive ARC grant funds to purchase equipment for the Automotive Technology program. Additionally, TCAT McMinnville is expanding their course offerings to include Building Construction Technology to address the growing regional demand. The region also works to keep up with the changes and advancements in technology such as the TN College of Applied Technology in Crossville introducing a new training course related to hybrid electric vehicles.



Goal 2

Legislative Members are Fully Educated on Most Prominent Needs and Concerns of the Region

UC Mayors with Senator Marsha Blackburn

Each Upper Cumberland community works tirelessly to elevate the economy and improve the quality of life for its citizens. The day-to-day operations reveal areas of strength and weakness, but often consume the limited bandwidth for advocacy at the local level. That is why regional organizations such as the Highlands Economic Partnership (HEP), the Upper Cumberland Development District (UCDD), and others prepare legislative agendas and organize advocacy events at the state and federal levels. There are numerous priorities across many platforms including transportation, infrastructure, education, workforce, and currently the impacts of COVID-19.

One main area of focus for the region is to advocate for the continuation of vital programs through the Economic Development Administration, Department of Housing & Urban Development, Appalachian Regional Commission and United States Department of Agriculture Rural Development. Existing programs from these agencies such as the Community Development Block Grant program provide invaluable resources to the rural cities and counties within the Upper Cumberland Region.

Over the last several years the immense need to address the substance abuse problem in the region was recognized and the Substance Abuse Solutions program was developed through the local Human Resource Agency. The program has seen a surprisingly large amount of activity since its inception, further demonstrating the need to continue and expand these services. The current Substance Abuse program was established through grant funding and will benefit from ongoing governmental support.

Transportation is also a focus of regional advocacy efforts and is one of the five main goals of the Comprehensive Economic Development Strategy. Former TN Governor, Ned McWherter established a goal of connecting every county seat to the interstate with a four-lane highway. Administrations have changed several times since his governorship, and goals change, but the region still adopts that goal, and experiences first-hand the additional challenges our communities with inadequate connection to the interstate face on a daily basis.

The regional legislative agenda also includes a focus on Education & Workforce Development. Valuable programs have been implemented at the state level in recent history such as the Governor's Investment in Vocational Education (GIVE), Drive to 55, Pathways to Prosperity and more. The Upper Cumberland has seen positive impacts from these programs and advocates for a continued investment in the training of our citizens. The coronavirus has created additional areas of concern for communities, employees and employers such as mask mandates and vaccine requirements. Area businesses have great concern about the possibility of federal vaccine requirements in a time when employees are already scarce. Employers still face concerns over potential lawsuits by employees who contract COVID in the workplace. Many unknowns still exist in the pandemic society and advocacy that supports Upper Cumberland businesses is a top priority.



Goal 3

Prepared Communities, Competitive in Industrial Recruitment and Expansion

Grant Announcement - Baxter

The Upper Cumberland Region historically struggles with industrial product, land and buildings, for use by expanding and locating companies. This is primarily due to the challenging terrain of the plateau. It is a major focus of the region to continually improve the status of existing product while simultaneously identifying, vetting, and securing additional product.

The ongoing pandemic certainly creates challenges in economic development as local leadership wrestle with the thought of recruiting new industry when nearly all current employers are unable to fill vacancies. How do we, in good conscious, work to create additional jobs when countless positions go unfilled? It is important to remember that industrial development is a long game. It is certainly a marathon of effort over an extended period of time designed to place a community in the most competitive and desirable position for job creation. The Upper Cumberland recognizes that being in a competitive and marketable position allows us to compete for higher quality jobs. Technological advancements and work environment improvements can be contagious across the manufacturing industry as the free market generates healthy competition and thusly, better opportunities for our citizens. It is the ground work we lay now, in site development and acquisition that will prepare the region for the inevitable economic rebound. Projects including the recently awarded Site Development Grant for grading at the Mitchell Street Industrial Site in Celina serve as an example of the continued effort to prepare the region for future growth.

The Upper Cumberland region has celebrated several industrial wins over the past year. The largest industrial site in the region is the Plateau Partnership Park which was jointly purchased by Cumberland, Morgan and Roane counties. Development of the site has been ongoing through a number of infrastructure plans and projects. The site has had strong interest from very large users, primarily in the automotive industry that ultimately chose not to locate here. Some of the greatest obstacles for the site have been



its remoteness from utilities and rolling terrain. In the summer of 2021 the Industrial Development Board, which owns and operates the Plateau Partnership Park, accepted an offer to purchase the site for the creation of a motorsports park for high performance driving events. The site will host many auxiliary amenities such as individual garages, an innovation center & museum, amphitheater, brewery & roaster, winery, restaurants, clubhouse, boutique hotel, retail, campground, treehouse, RV park, adventure activities, privately owned cottages, garage townhomes, helipad, observation tower/observatory, and complimentary industries. This project will completely transform the eastern most portion of the Upper Cumberland region and create many employment opportunities in the hospitality industry.

In 2018 a Brazilian ceramic tile company, Portobello America, Inc. announced its first U.S. production plant and U.S. headquarters would be built in Baxter. The project will create 220 jobs and invest approximately \$150 million. After this announcement, many hurdles were encountered from infrastructure shortfalls to COVID related travel restrictions and more. With hard work and great collaboration across the region, Portobello broke ground on their facility in the summer of 2021.

Additional job creation announcements include Safari Helicopter which announced a location of its headquarters and manufacturing in Macon County. The company will invest \$7.5 million and create 85 jobs over the next five years.

Existing companies continue to expand including Fleetwood Homes in Macon County, Parker Hannifin Corporation in Overton County, and Marque of Brands Americas in DeKalb County.



Goal 4

The Region has Adequate, Thriving Retail Establishments Supporting the Quality of Place in the Upper Cumberland

RoKaBilly Coffee - Smith County

Regional retailers have experienced another incredibly challenging year due to the coronavirus pandemic. This unusual time in the economy has presented in completely opposite ways. On one hand, some consumers have shifted largely to online shopping. On the other hand, many individuals have begun to do more shopping locally than ever before. Thankfully both of these methods have increased the local sales tax dollars collected by counties and municipalities.

Despite an uncertain economic outlook, many communities are still seeing commercial growth. A few examples include the opening of new restaurants such as the Bob Cat Den in Byrdstown, Marioochi's Pizza in Sparta, Taco Bell in Baxter, and the Dragon Pit in Jamestown. An emphasis on downtown development remains a focus in the Upper Cumberland and many downtowns are seeing small businesses open and thrive. Carthage had its first coffee shop open in their historic downtown and it has far exceeded expectations within the first month of operation. RoKaBilly Coffee opened in the storefront of the Historic Walton hotel and brings a gathering place to downtown Carthage that was previously lacking. Sparta now has three eateries on the square which creates synergy and is filling the courthouse grounds every weekend evening. Smithville is working with a regional restaurant owner to open a high-quality steakhouse downtown, complimenting the abundance of shops already drawing visitors and citizens alike to the square.

The largest retail announcement in the region came when national gas and convenience chain, Buc-ees, announced its first Tennessee travel center in Crossville. Construction began this year and the center will open in the summer of 2022 and will employ 175 people.

Local businesses have done a tremendous job adapting to the changing economy we face. Restaurants have embraced delivery, outdoor seating and social distancing protocols to remain competitive and ensure their survival. Innovation has become a requirement in order to thrive and expand. A great example is a local nursery in Smithville that has added an entertainment venue and beer garden. Hosting live music and special events, this previous supplier of quality trees and plants is a must-see destination. Helping other local businesses adopt this type of innovation is a top priority across the region.



Goal 5

The Region is Easily Accessible to Residents, Visitors and Businesses.

Photo by Chuck Sutherland

Hurricane Bridge - DeKalb County

The Upper Cumberland region is pleased to see progress in long standing transportation goals such as the expansion of Highway 127 north from Crossville. The project is broken up into multiple phases, and phase one began construction this year. It will be a multi-year process to complete the project, but the return on this project's investment is expected to be significant.

Additionally, widening of State route 56 in DeKalb County toward McMinnville is almost complete. Connecting our communities to each other and not just connecting them to the interstate is vital as many residents commute across county lines daily for work. The Upper Cumberland workforce has a high commuter rate as we support neighboring counties with employment and quality of life which we desire to be highly accessible.

The city of Lafayette is in the planning phases of a sidewalk project along highway 10. This is an example of the region's focus on improving walkability. Across the region we continue to prioritize creating alternative means of transportation including bike, pedestrian, blue way and trail expansion.

The local municipal airports in the region seek ways to expand their facilities and maintain a strong customer base that allows them to continue providing the valuable services they offer. Air travel is a viable tool in economic recruitment and the region experienced that concept this past year with the announcement of Safari Helicopter, a leading manufacturer of helicopter kits, locating its headquarters and manufacturing to a site near the Macon County airport. This company requires direct access to the runway which is much more feasible at a smaller locally controlled airport. The community's pro-business mindset and accessibility will result in Safari Helicopter creating 85 jobs and investing \$7.5 million over the next five years.

Industrial rail usage is another goal of the Upper Cumberland. There is a significant lack of industrial property with rail service. Securing additional property that is located along the railroad and repurposing facilities that have abandoned the use of rail, will create a competitive edge for the region in the recruitment of industrial rail users.

The newest transportation related goal that has grown over the past year is the expansion of an electric vehicle network. Tennessee Tech University has led a successful effort to develop an electric vehicle (EV) demonstration testbed in the Upper Cumberland Region. As a rural region where EV adoption may lag, the University is focused on collecting valuable data. According to the University, the data will be analyzed to report the operation cost, issues, and performance of EV to help potential fleet owners and the public at large make informed decisions in EV adoption for rural areas before making significant financial investment. Efforts such as these have led to some potentially surprising advancements in the EV environment across the region. There are now charging stations in many Upper Cumberland counties and our educators are shifting their focus to training our students on the future careers relating to electric vehicles.

UPPER CUMBERLAND DEVELOPMENT DISTRICT

Providing Solutions Through Regional Cooperation

The Upper Cumberland Development District (UCDD) was created by the Tennessee General Assembly to provide regional planning and assistance to the following counties: Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, and White. UCDD staff members are dedicated to providing quality services to the people of the Upper Cumberland region of Tennessee through the programs and services offered in each department: Area Agency on Aging and Disability, Economic and Community Development, and Housing and Family Services. It is UCDD's belief that the fourteen counties, along with the many municipalities contained within, are made stronger through regional cooperation and shared resources.

UCDD's Economic and Community Development staff members are well equipped to assist communities with a wide variety of services offered through our Economic and Community Development programs: Cumberland Area Investment Corporation, Economic Development, Geographical Information Systems, Grant Writing and Administration, Historic Preservation, Local Planning, Small Business Development Center, Solid Waste Assistance, Statistical Information, Strategic Planning, Tennessee Advisory Commission on Intergovernmental Relations, THDA Home Rehabilitation Program, and Transportation Rural Planning Organization.

The areas of expertise and unique skill sets represented within the staff position the Upper Cumberland Development District to be a strong asset to communities and enable the agency to serve as a driving force in economic development throughout the region.