

CHATTANOOGA

CLIMBS

ChattanoogaChamber.com/chattclimbs

CHATTANOOGA CLIMBS

Our 5-year plan to advance economic and talent initiatives

Introduction

Where do we want to be in five years? What will future generations think about our investments of time and resources? These are some of the many questions we asked as we created a hard-working plan that invests in people and our economy – a plan that moves us toward the vision established in Velocity2040.



**FUTURE
READY**

Skills for the new economy

**MOBILITY
FOR ALL**

Every resident thrives

**GIG CITY
WINS**

Entrepreneurs lead the way

INCLUSIVE ECONOMY, COLLABORATIVE LEADERS

WE WILL



Become Future Ready (New economy skills for all)

Ensure all our residents gain the skills for productive careers and a high quality of life

Create Economic Mobility for All (Every resident thriving)

Empower an economy of high-quality jobs, accessible to all residents

Lead Gig City Wins (Entrepreneurs leading the way)

Encourage accelerated entrepreneurial momentum to drive economic growth through startups and small businesses

Create an Inclusive Economy, led by Collaborative Leaders

Expand transparent dialogue with the community and encourage civic engagement opportunities among all residents

WHAT DO WE WANT TO
CHANGE FOR OUR FUTURE?

GOALS AND PRIORITIES

FUTURE READY

GOAL: Chattanooga and Hamilton County residents have the skills necessary to sustain productive careers and a high quality of life.

Priorities

- Ensure that regardless of race, age, or location, residents can access quality education at all levels
- Align education programs with business needs and provide clear career pathways
- Drive employer engagement and student success through work-based learning and talent retention programs
- Establish education centers of excellence in automation, freight systems, and healthcare

MOBILITY FOR ALL

GOAL: Chattanooga and Hamilton County's economy is teeming with high-quality jobs accessible to all residents.

Priorities

- Plan and prepare greenfield and brownfield sites for business growth
- Strengthen actions to grow target industries and other businesses
- Support employer-driven solutions to reduce hiring barriers
- Enable all residents to fully participate and thrive in the modern digital economy

GIG CITY WINS

GOAL: Chattanooga and Hamilton County's entrepreneurial momentum hits a new high – with startups and small businesses driving economic growth.

Priorities

- Increase access to capital and resources to support entrepreneurs and small businesses – especially traditionally disadvantaged business enterprises
- Campaign to attract entrepreneurs and amplify the Innovation District's potential
- Celebrate our local entrepreneurs and innovators
- Build partnerships between established businesses and entrepreneurs to drive innovation
- Accelerate R&D at local institutions, specifically the University of Tennessee, Chattanooga
- Create innovative solutions to urban challenges through the Chattanooga Smart Community Collaborative, which researches, develops, and tests, smart city applications
- Harness the power of innovation to secure our place in the 21st century economy

INCLUSIVE ECONOMY, COLLABORATIVE LEADERS

GOAL: Chattanooga and Hamilton County leaders engage in transparent dialogue with the community and encourage civic engagement among all residents.

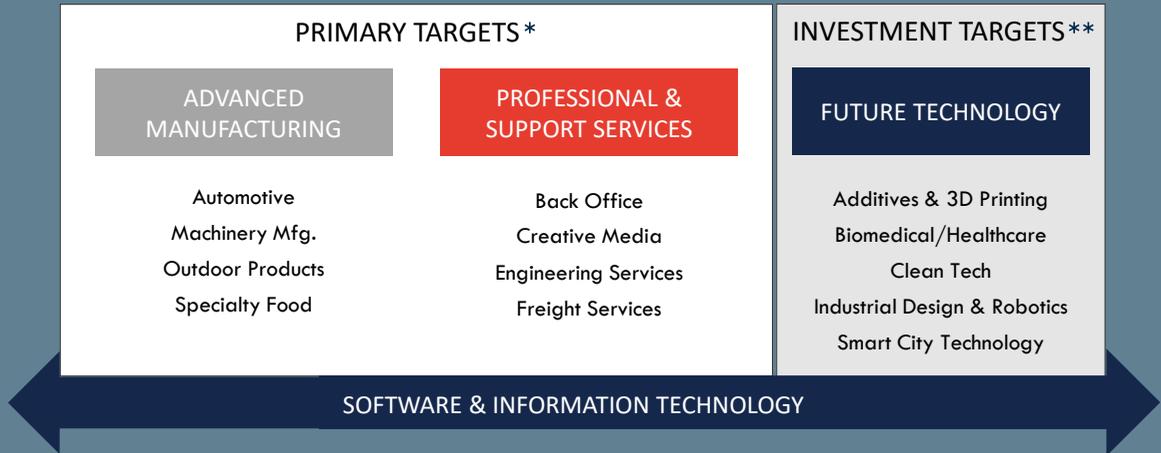
Priorities

- Maintain accountability through bold metrics and transparent reporting
- Pursue an open dialogue about systemic issues such as race
- Expand leadership and civic engagement programs to build alignment and strengthen connections throughout the community

What are we great at and how can we improve?

We're not Silicon Valley and we're not trying to be. So what are we great at and how can we become even better, more competitive? Here, we identify where we will focus our collective brain power and align resources to grow smarter, win business investment and talent.

TARGET INDUSTRIES



*Primary targets are immediate opportunities for growth through business attraction, existing business expansion, and startup growth.

**Investment targets are areas still emerging globally – and in Hamilton County. Substantial, strategic investments are necessary to make Chattanooga competitive in these sectors. Software and information technology remains foundational.

How bold are we?

A few examples of what we hope to accomplish ... (in 5 years or less)



HEALTH SCIENCES CENTER AT UTC

Investing in a new UTC healthcare and biosciences facility will create opportunities for partnership between healthcare providers, educational institutions and private industry and entrepreneurs.

Healthcare and Biosciences are:

- Resilient to economic downturns
- Offer a variety of careers
- Present career paths with many opportunities to advance



LOCALLY FOCUSED VENTURE FUND

Chattanooga's early stage investment capital has diminished over the last several years. Developing a new fund with capitalization between \$10 and \$20 million – one that focuses on locally grown startups and relocating entrepreneurs – represents a bold move, part of a plan to prevent high growth potential startups from boarding that outbound plane.



RE-ENTRY TRAINING PROGRAM

Every year, more than 500 people leave incarceration and return to Hamilton County. Creating an employment on-ramp could potentially mitigate talent shortages – and create a better path for economic mobility by providing training and employment opportunities.



REMOVE BARRIERS TO EMPLOYMENT

Embedding training programs in low-income/high-unemployment areas will help remove barriers to employment and create a pipeline of skilled workers. By ensuring these training programs match up with areas where workers are needed and areas identified for strong future growth – think advanced manufacturing, healthcare, construction and entrepreneurial opportunities – we can bring jobs to the very areas where lack of transportation remains a high barrier to job fulfillment.



GREENFIELD SITES FOR JOB RECRUITMENT

We advocate developing a plan to prepare shovel-ready sites at Enterprise South Industrial Park- a 300-acre area. This means attaining permits, demolishing existing structures, and site planning. After this, we must identify two to three new greenfield sites. Evaluation and due diligence on those sites includes infrastructure cost analysis, conceptual planning, geotechnical and grading studies and acquisition scenarios. Why this urgent need? Our three-state region offers limited shovel-ready sites for large manufacturing operations. Also, several legacy companies with Hamilton County headquarters are landlocked, effectively staunching expansion where they are.

Select Additional Tactics

FUTURE READY



- Continue to support ongoing Chattanooga 2.0 initiatives focused on student outcomes
- Increase the number of “Earn and Learn” apprenticeships, pre-apprenticeships, and internships, such as Step Up, that pay students as they work
- Raise program awareness and career pathways in specific neighborhoods where the need is greatest. Specifically focus on students with greater education and income gaps
- Work with post-secondary schools to build stronger support systems for first-generation students, non-traditional students, and any student who needs extra assistance navigating the college environment
- Work with state-elected representatives to expand Chattanooga State and UTC computer programming and technical programs

MOBILITY FOR ALL



- Support Chattanooga Regional Airport's efforts to increase air service to increase connectivity to new U.S. hub airports
- Use Tax Increment Financing (TIF) to encourage redevelopment of brownfield sites – especially in low-income and rural census tracts
- Leverage underused city and county facilities/properties to support job creation in target industries
- Host in-bound familiarization events to showcase the Chattanooga region to site selection consultants and corporate executives

GIG CITY WINS



- Create web-based entrepreneurial portal to share information on all local entrepreneurial organizations, educational programs, resources, and other relevant information
- Dedicate resources to creating and launching a full marketing campaign to recruit entrepreneurs from targeted geographies
- Support partner programs including Co.Lab's partnership with KIVA and TVFCC's IdeaLeap program to help local startups share ideas and raise funds while highlighting our local entrepreneurial ecosystem
- Work with the State of Tennessee, UTC, other educational partners, and private business to increase resources for engineering, computer science and other target industry-related programs in the Chattanooga region

INCLUSIVE ECONOMY, COLLABORATIVE LEADERS

A stylized graphic of three mountain peaks in shades of yellow and white, positioned to the right of the main title.

- Create a real-time data dashboard to update and share Chattanooga Climbs and Velocity2040 metrics – covering the economy, demographics, education, health, transportation, and inclusion
- Encourage diversity requirements for boards of directors of public organizations, private businesses, and non-profits
- Encourage and engage young leaders to be civically active and take leadership positions through Leadership Chattanooga, Young Professionals of Chattanooga, the Chamber, and other organizations to activate and include more young residents from their networks

**How will we know
we're on track?**

Key Metrics - Economic Development



\$1 BILLION
CAPITAL INVESTMENT



\$55,000
AVERAGE WAGE



100 PROSPECT VISITS



20 TARGET INDUSTRY
LOCATIONS &
EXPANSION PROJECTS



100
INCUBATOR CLIENTS



100
INCUBATOR GRADUATES



\$500 MILLION
NEW PAYROLL



500 ACRES OF
GREENFIELD & BROWNFIELD
SITES EVALUATED



TOTAL JOBS

Key Metrics - Talent Development



HIGH SCHOOL
GRADUATION RATES



DEGREE
COMPLETION RATES



1000 EMPLOYEES
ATTENDING D&I TRAINING



200 EMPLOYERS
PARTICIPATING IN
FUTURE READY INSTITUTES



28 BRANDED
FUTURE READY INSTITUTES



100 COMPANIES
PROVIDING D&I TRAINING



500 APPRENTICES



250 EMPLOYERS PARTICIPATING
IN APPRENTICESHIPS,
INTERNSHIPS, & PROGRAMS



500 MEMBERS ENGAGED
IN LEADERSHIP & CIVIC
ENGAGEMENT PROGRAMS

Why do we collaborate and how has that worked out so far?

We've humble-bragged often on our community-wide visioning – work that other communities have emulated. Work that produced big, visible projects like our:

- Tennessee Aquarium
- Riverfront
- Walnut Street Bridge
- Enterprise South Industrial Park

All of which helped attract Volkswagen's massive investment, which began in 2008. Our community is always hungry for public-private partnerships and innovation. In 2010, EPB, our local electricity company invested in the Gig, the first and fastest gigabyte internet service. Along with the INCubator in the Hamilton County Business Development Center and many other organizations, these investments helped galvanize our entrepreneurial scene.

And while we stand on a great foundation of collaboration, this next round of planning absolutely must focus on people - our people. And that's tougher to measure and harder to envision.

To begin, we studied existing education and workforce development programs serving us now, assessing workforce characteristics, skills, and competencies. We asked - how many people are graduating every year and with what type of credentials? We matched that against job projections. No surprises here - the gap analysis identified a talent shortage in every target industry sector.

We're recommending a range of opportunities to increase educational attainment in Hamilton County – from software and IT to manufacturing certificates and degrees.



How did we make so much progress so fast?

Honestly, our planning process took months, even the better part of two years. And it was worth the time invested. We engaged a lot of people with great ideas and deep knowledge of what's working in other communities. More than 800 people. More than 900 hours of work for the Chattanooga Climbs 5-year economic and talent plan.

Who was at the table?

You, your neighbor, a leader you might know, someone you've never met. Before we began the Chattanooga Climbs economic and talent initiative, we included nearly 5,000 people in our community visioning process called Velocity2040 – to envision a bold future for our children, our grandchildren, our neighbors – and ourselves.

That process reached every neighborhood and includes the thoughts and dreams of community members of many ages, multi-cultural backgrounds and all levels of income. Read the report here: Velocity2040.com

From there, a true collaboration of primary partners from across Chattanooga and Hamilton County funded and organized the process of the Chattanooga Climbs strategic planning, including:

- BlueCross BlueShield of Tennessee
- EPB
- Chattanooga Area Chamber of Commerce

Many more partners contributed funding, time, and other resources, including:

- Barge Design Solutions
- The Benwood Foundation
- Center Centre
- Chattanooga Gas
- The Chattanooga Metropolitan Airport
- Chattanooga Times Free Press
- The City of Chattanooga
- Community Foundation of Greater Chattanooga
- Elder's Ace Hardware
- First Tennessee
- Food City
- Hamilton County
- La Paz Chattanooga
- SunTrust Bank
- Synovus
- United Way of Greater Chattanooga

But wait, there's more, many more ...

- Chattanooga Chamber Board of Directors
- City and County elected officials
- Economic development partners
- Educators and workforce developers
- Entrepreneurs
- High-growth CEOs
- Human resource managers
- Inner city faith leaders
- Logistics leaders
- Manufacturing leaders
- Neighborhood leaders
- Non-profit leaders
- Real estate professionals
- 60-member Steering Committee
- Young professionals

Where we started

Chattanooga Climbs planning began with a deep review of existing research – and we listened to a lot of folks in the know and people who dream big. Going forward, we'll also keep tabs on five comparable communities, the State of Tennessee, and the United States.

Five community narratives emerged:

1. **The New Economy** – The global economy is rapidly shifting – creating new opportunities in technology and professional services and reinventing manufacturing. How do we spur job creation and wealth for our residents to ensure we achieve our Velocity2040 vision?
2. **Preparing for Disruptors** – Finding a well-paying career today requires more skills and training than ever before. How do we build the systems and partnerships that ensure our residents develop the skills they need to succeed and keep our economy moving?
3. **Addressing Disparities** – A community becomes truly successful when all its members see opportunities to participate and engage. Despite rapid growth, stark economic disparities within Chattanooga and Hamilton County persist. When envisioning 2040, how can we ensure that all residents have the opportunity to succeed?
4. **Connecting Opportunity** – Chattanooga and Hamilton County residents worry about increasing traffic congestion, limited public transportation, and an increasing geographic disconnect between where people live and where jobs and amenities are located. How do we comprehensively link land-use decisions, real estate improvements, and transportation investments to connect our residents and businesses to new opportunities?
5. **Accelerating Innovation** – Looking toward a future economy that will become even more focused on technological innovation and entrepreneurial thinking, we must ask, how can we accelerate innovation and support entrepreneurs throughout our community?



What's next?

Chattanooga Climbs, the 5-year economic and talent plan for Chattanooga and Hamilton County, includes economic development goals and creative strategies and tactics to achieve them. We prioritized based on critical needs. The full plan includes:

- calls to action
- timeframes for execution
- lead implementation organizations
- metrics for measuring success

In our modern economy, economic success links directly to education and inclusion.

Our Chattanooga Climbs strategy advances our Learning, Thriving, Leadership and Collaboration goals outlined on the next page.

Velocity2040 Vision

Chattanooga and Hamilton County's Velocity2040 vision pictures a community that uses the same tools that the region's startups perfected to innovate and spread solutions across the public, nonprofit, and civic sectors. Velocity2040 outlines five goals to advance our community:

LEARNING – We are the smartest city in the South, focused on educational excellence and attainment for all students.

THRIVING – Every resident of Chattanooga and Hamilton County is thriving, economically.

20 MINUTES OR LESS – “20 minutes or less” is the transit standard, making Chattanooga one of the most mobile and livable cities in America.

LEADERSHIP – Our leaders represent the full spectrum of who we are and who we're becoming—women, people of color, Millennials and Generation Z.

COLLABORATION – The new collaboration process for solving issues with openness, respect, participation, and shared vision has transformed our neighborhoods and brought our governments even closer together.