

# Welcoming Volkswagen



Applying Lessons Learned  
from Upstate South Carolina  
to the Tri-State Valley

Prepared for the Chattanooga Area Chamber of Commerce  
by Kennedy, Coulter, Rushing & Watson

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## INTRODUCTION

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One hundred Chattanoogaans traveled to Greenville, South Carolina October 14-16, 2008 to learn more about what that community had done in the early 1990's to prepare for, welcome and integrate the BMW auto assembly plant. The intent was to have the group return with a clearer understanding of what regional governments, businesses, educational institutions and other need to be doing to prepare for the integration of Volkswagen into the area of Southeast Tennessee, Northwest Georgia and Northeast Alabama being called the Tri-State Valley Region.

Like South Carolina's Upstate, the Tri-State Valley comprises ten counties: Hamilton, Bradley, Marion, Rhea, Sequatchie and McMinn in Tennessee; Catoosa, Dade and Walker in Georgia; and Jackson in Alabama.

The trip was conducted by the Chattanooga Area Chamber of Commerce, and the invitation was co-signed by Mayors Ron Littlefield and Claude Ramsey. The attendees represented Chattanooga area business, government, and non-profit (a complete list of participants is included in the appendix).

The learning expedition began with a tour of the BMW plant followed by keynote remarks from Sam Konopolous, president of SK Strategies LLC. Mr. Konopolous had been instrumental in the recruitment of BMW and subsequently led one of the auto-maker's key tier-one supply companies. The group also heard presentations from Carl Flesher, the Director for Global Initiatives at the Clemson University International Center for Automotive Research (ICAR); Bobby Hitt, the Director of Communications for BMW, and Russell Stall, the Executive Director of *Greenville Forward*.



When not in plenary session, the Chattanooga group was divided into four study tracks: K-12 Education; Higher Education & Workforce Development; Industrial Development & Physical Infrastructure; and Relocation Marketing, Community Assimilation & Quality of Life.

On the final morning of the trip, the track groups spent two hours discussing what they had heard and learned and distilling the key lessons into draft action plans. The results of those sessions are included in the appendix of this report.

This report is not intended to be an exhaustive list of steps necessary to accommodate Volkswagen. Rather, it represents directional suggestions from a group of interested citizens who based their comments on the important lessons learned by another community facing a similar opportunity.

Many of the suggestions, including those regarding education and work force training, apply not only to Volkswagen, but to other manufacturing companies – such as McKee, Alstom and Aerisyn – expanding their operations in the Tri-State Valley area.



## Executive Summary

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The Greenville trip was packed with informative presentations and practical lessons, some of them specific to the individual study tracks and others with a wider application. This report will work from the general to the specific.

If nothing else, the group learned that an automobile assembly plant is not garden-variety economic development. The South Carolina BMW plant required massive incentives and other investments on the part of cities, counties and the state, and the investments continue to this day. On the other hand, the returns are astonishing, from job growth to educational attainment to downtown redevelopment to overall civic self-esteem and prosperity.

It is true symbiosis – the community investing in a robust economic generator that continues to improve the fortunes of the community 16 years after it was first announced.

The numbers tell the story:

9 billion	The value in dollars of the estimated annual economic impact from the BMW plant.
5,400	The number of employees at the BMW plant today.
3.9	The BMW job multiplier, according to a University of South Carolina study.
20	The number of BMW suppliers in the U.S. in 1992.
140	The number of BMW suppliers in the U.S. today.
300+	The number of auto-related companies in South Carolina.
45,000	The number of South Carolina jobs currently associated with the automotive industry.



75,000	The starting salary in dollars of a technical worker in the BMW plant.
600 million	The dollar value of BMW's initial plant investment in 1992.
1.9 billion	The dollar value of BMW's total plant investments to date.
10 million	The dollar value of BMW philanthropic contributions since the plant opened.
2	The number of BMW-endowed chairs in automotive engineering at Clemson.
37,000	The attendance at the BMW Zentrum and Gallery at the plant in Greer.
157,000	The number of BMW's assembled at the Greer plant in 2007
60	The percentage of those cars exported out of the U.S.
500	The number of international media representatives who came to Greenville/Spartanburg to cover the introduction of the BMW X6.
30	The number of days those media reps were visiting South Carolina.
68	The percentage population growth in Greer SC from 1990 to 2000.
40/2030	The numbers associated with the Upstate initiative to have 40% of the population holding a four-year degree by 2030.
5/50,000	Respectively, the number of school districts and students in Spartanburg County
1/56,000	Respectively, the number of school districts and students in Greenville County
5:1	Current ratio of percentage growth in land development to percentage of population growth in the Upstate region.
0.5:1	Ratio of percentage growth in land development to percentage of population growth prior to arrival of BMW

Viewed from any angle, BMW has been an economic juggernaut for the cities of Greenville, Spartanburg and Greer and the area known as Upstate, which



comprises the 10-county area surrounding the plant. The presenters who shared their experiences with the Chattanooga group were unanimous about that. But... they are 16-year veterans of the BMW-Upstate partnership, and they had a lot of practical advice for Chattanoogaans preparing to enter a similar partnership with Volkswagen.

That advice can be distilled into eight major lessons:

1. Think and act regionally.
2. Prepare for changes in education and workforce training.
3. Be transparent in hiring.
4. Pay attention to minority involvement.
5. Create effective communication channels.
6. Bridge the cultures.
7. Prepare for growth.
8. Calibrate community expectations.

Given lesson number one, there is work enough for everyone. This report is a road map to get us started.



## GENERAL LESSONS

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Upstate Carolinians shared a great deal of information with the Chattanooga delegation, but there were recurrent themes that boiled down into a handful of general lessons, several of which cut across track topics. For example, regional cooperation was cited in all four tracks, as were the challenges associated with managing growth. The lessons are presented here along with some of the starter suggestions for addressing them in our region as proposed by our delegation members in the working sessions. The starter suggestions are presented in greater detail in the next section.

### 1. **Regional Cooperation is Imperative**

Throughout the trip, across the learning tracks, from presenter to presenter, we heard about the regional cooperation that was required to successfully accommodate and assimilate BMW into the Upstate. Whether it was job training and hiring or roads and pipes, three cities, numerous counties and myriad state departments and legislative members had to work together.

This has required cooperation among three cities in three counties (Greer is actually located one-third in Spartanburg County and one-third in Green County), the ten counties composing the Upstate region, and the state itself. It wasn't perfect, nor is it now. Our presenters spoke of "fiefdoms" and "egos" and other nagging remnants of provincialism. Carl Flesher, who was BMW's very first North American employee and who now serves as the Director of Global Initiatives for the International Center for Automotive Research at Clemson University said cooperating as region was one thing the local community could have done better. Our



hosts urged us at every turn to avoid the kind of turf protection so often associated with industrial and economic development.

Furthermore, when it came to hiring, Mr. Flesher felt the company should ensure that the residents of South Carolina, who had underwritten the incentives associated with the BMW project should receive the benefits from that investment. "South Carolinians put up the money, South Carolinians ought to get the benefit," Mr. Flesher said. This led to the decision that the first class of hires for the plant would come from people who were residing within 50 miles of the plant on the day it was announced.

Unlike South Carolina, Chattanooga's political jurisdictions also include multi-state considerations. The Georgia line is less than ten miles from the VW plant site, and when Alabama lost the plant to Chattanooga, officials there were quick to say it would still have an economic impact on their state. Obviously, there is an expectation that the economic impact will transcend political boundaries.

**Starters:** With so many issues to be addressed regionally, the Tri-State Valley should identify a mechanism (possibly building off the existing Tri-State Workforce Alliance, with appropriate and duly appointed leadership, to begin meeting to tackle regional matters, including those related to education (K-20), supplier recruitment, workforce training and hiring, private investment and development, and marketing.



## 2. Brace for Changes in Education and Training

There were important messages conveyed about education and work force training. First and most obvious, well-prepared workers are imperative to the long-term success of BMW. Local communities have faced numerous challenges in meeting BMW's work force expectation. To begin with, there are six school districts in the area immediately surrounding the plant (Greenville County has one, Spartanburg County has five). To meet the demand for highly-skilled workers, superintendents and boards have had to work across the lines of their districts to find common ground. That, coupled with what David Cordeau called "a deep culture of low expectations in education" presents a stiff challenge, but the combination of BMW's expectations and the desire of locals to qualify for the plant jobs have made a difference. "Now, the bar for education and work force training gets raised every day, and corporate expectations are pretty high," said to Mr. Cordeau.

As previously noted in this report, there were strong messages about educational attainment. Mr. Cordeau took Carl Flesher's message ("BMW does not hire high school graduates") one step further, stating regional businesses now share the opinion that "without a high school diploma, we have no use for you," and "with just a high school diploma, you are nothing more than a commodity."

The school systems are doing their part. With a two-year degree being the threshold achievement, every middle school and high school in the region supplements a traditional, college-oriented counselor with a full time career counselor who has a background in business.



Preparing technically proficient workers has become a focus for the state's technical community colleges. Five colleges and the South Carolina State Technical College System have created *TechReadySC*, a collaboration to promote mechatronics, which is defined on their website as "a flexible, multi-technological approach in the integration of Mechanical Engineering, Computer Engineering, Electronics, and Information Sciences."

This interdisciplinary approach to the pursuit of high-tech knowledge is especially prevalent in Germany, which helps explain why BMW employs 200 mechatronic technicians. They earn \$28 an hour plus overtime, which they consistently get. David Just with *TechReadySC* told the Chattanooga group that there is not mechatronic technician in the Upstate that is not working.

Math and science are the foundations for these jobs, and South Carolina has made a new commitment to providing K-12 students with the curricular emphasis necessary to provide the knowledge base they need.

These skill sets are not exclusive to either Volkswagen or auto assembly plants. They are the same kinds of skills that Chattanooga's existing businesses and industries have been looking for, and as Alstom, McKee and others contemplate major expansions, they will also be looking for well-educated, technically skilled workers.

**Starters:** Regional cooperation will be important here in order to create articulation between high school and higher education programs; to create the appropriate business partnership among business leaders, school boards and



elected officials; and to guarantee the efficiency in the delivery of training programs and the elimination of duplication where it presently exists.

3. **Be Transparent in Hiring and Vendor Contracting**

A lot of people wanted to work at BMW. It was a cause of some anxiety for existing small- and mid-size businesses, who were convinced that the plant would lure their best workers away with high wages and extraordinary benefits. The first round of hiring attracted 60,000 applicants for 1,000 jobs.

To be honest, our Greenville hosts were not consistent about this story. Some said there was no cannibalization of smaller companies while others indicated that there was some gravitation to the new jobs at BMW.

There was also concern the plant would generate an influx of out-of-state workers. BMW addressed this concern by adding a prerequisite that employees would have to have established residency within 50 miles of the plant location at the time of the announcement.

In any case, BMW took the step of convening regional CEO's to explain the company's intentions for hiring and recruiting. That element of transparency helped.

**Starters:** Again, the community will look to the company to communicate its hiring intentions – whom they will be hiring in what numbers, with which skills and at what pay. The business community can assist by creating appropriate



forums in which to discuss the intentions and the opportunities they can create for area workers.

**4. Pay Attention to Minority Involvement**

African-American members of the Chattanooga delegation were straightforward in questioning the host presenters about minority inclusion in the BMW opportunity. Bobby Hitt reported that the creation of a minority advisory board comprising representation from education, construction, banking, law and other sectors was one of his first jobs. Working together they set a goal to make the BMW workforce resemble the Upstate population: 80% white, 20% black. They achieved their goal and subsequently exceeded it when the plant moved to double shifts.

Carl Flesher stressed the importance of inclusiveness, noting that state incentives meant diversity had to be applied in principle and practice, and it began with construction, the first and most visible opportunity to engage a diverse group of local businesses.

**Starters:** The region should work with Volkswagen to establish an advisory group, comprising representatives from both the company and the region, to promote and monitor diversity in recruitment, hiring and contracting. This should be a two-way street, with the local business advocates providing opportunities for businesses to achieve requisite certifications and to form inclusive, mutually beneficial networks.



## 5. Create Effective Communication Channels

Bobby Hitt is the Director of Communications for BMW. He was hired at the outset because, in his words, he “spoke South Carolina.” Beyond that simple fact, though, he also knew the community, and, as a former newspaper editor and lobbyist, he knew the workings of the state legislature.

Mr. Hitt became BMW’s “man on the ground.” He became the face and the voice of the company on boards and in civic settings, and he gave the community a person to approach on BMW-related matters before the management team was in place.

It was Mr. Hitt who sat down with regional CEO’s to explain BMW’s hiring practices and reassure them that the company would not be out to steal their employees. He made it one of his first jobs to create a minority advisory board to inform decisions about hiring and other diversity issues, and he was the one who fielded early philanthropic requests. (At the end of the first year – before the plant was completed and manufacturing automobiles, before they had a payroll – those requests totaled \$18 million.)

ICAR’s Carl Flesher stated that BMW did not understand local political jealousies and were unprepared for egos and territorialism that came along. Mr. Flesher told the story of carefully vetting a 3,000-person invitation list for a BMW event and then receiving an angry 3-page letter from one person who got left off the list.

To hear him tell it now, Mr. Hitt sounded like a critical part of the development in the first few months. It gave Upstaters a constant,



identifiable BMW representative to whom they could take their cares and concerns; second, it gave BMW employees and families a knowledgeable point of entry into the community.

**Starters:** Obviously, the hiring of a Volkswagen employee rests solely with the company. Once that person is in place, we should work with VW to develop a community relations plan and, at the direction of the company, and in accordance with their guidelines, create appropriate clearinghouse positions to field philanthropic requests and other community solicitations.

## 6. Bridge the Cultures

Our hosts indicated that the marriage of cultures presents challenges beyond the obvious language barriers. Specifically, they spoke of the trailing families and the challenges of integrating them into the community during their stays, which can be as brief as three years. Many of the spouses are professionals who are unable to practice in the United States. They make great volunteers, and those who are parents are intense about their children and the education they are receiving.

South Carolina has hired German Culture teachers whose role is to prepare the students for their return to the homeland. Volunteers created an International Center to help newcomers in a variety of ways, including assistance in obtaining a driver's license, information about getting utilities turned on, translation services and business referrals. One of the Center's most successful activities is an International Women's Club, which provides a social and volunteer portal into the larger community.



Many of the volunteers in this peer group are traveling spouses who never went home.

Because many of the managers were career-building, there was a keen interest in their children receiving German grammar as well as Math instruction in their native language.

**Starters:** The regional conversation should lead to the creation of, among other things, an international relocation initiative to welcome and assimilate executives and their families. It should also provide an effective mechanism for working with regional school systems to incorporate multi-cultural elements into their curriculum to ensure the appropriate education for German students who will be re-entering the German school system in a few years.

## 7. Prepare for Growth

BMW spurred growth throughout the Upstate region, though it did not happen as fast as some predicted. Because of the dictate that the first round of hires would come from within a 50 mile radius of the plant, most of the first 1,000 employees were already residing in the region. As hiring continued and as suppliers moved in, however, the population in the region began to grow at a rapid rate. In Greer, the city in which the plant is located, the population has grown from 10,000 to 25,000 and area of the city has grown from seven square miles to 27 square miles.

Brad Wyche, director of Upstate Forever, the regional smart growth agency, presented a study by Clemson University projecting the Upstate region's growth rate through the year 2030. The study showed the region



is currently experiencing a growth rate ratio of 5:1. That is, for every ten percent increase in population, the region sees a 50% increase in developed land. The current rate at which the region is being “paved over” is equal to 86 acres a day, the equivalent of a major regional mall.

If growth continues as this rate, the amount of developed land, which stood at 222,745 acres in 1990 (two years before the BMW announcement) and 576,336 acres in 2000, will increase to 1,522,891 by the year 2030. There is little disagreement that this represents an unsustainable rate of development for the region, the Upstate Forever is diligently working to implement smart growth strategies to reduce the growth rate ratio from 5:1 to something closer to 1:1. (Mr. Wyche pointed out that the region’s growth rate ratio in 1990 was 0.5:1.)

Much of Upstate’s growth management work is being done in hindsight. As Chattanooga prepares for the welcome growth that will come with the Volkswagen investment, we will do well to begin planning sooner rather than later to manage that growth in a manner that ensures our quality of life is sustained throughout the region.

**Starters:** Managing growth is always a potentially controversial subject, so communication will be critical. Growth planning should be central to the regional discussion with a shared goal of increasing the economic prospects of the entire Tri-State Valley while preserving the quality of life that played such an important role in attracting Volkswagen to us in the first place.



## 8. Calibrate Expectations

The announcement that an auto manufacturing plant is coming to a community is a source of tremendous pride and excitement. It also brings almost instantaneous hope and expectation that economic prosperity is just around the corner. People from all walks of life envision new, higher-wage jobs, whether at the assembly plant or with a supplier.

The non-profit community gets amped up, too, perceiving that any company willing and able to pump a billion dollars into an assembly facility will surely be able to pump significant charitable dollars into the region's institutions of arts and culture, education and social services.

The reality can be something different, as was the case in South Carolina. BMW came to the philanthropic table slowly. Mr. Hitt advised the Chattanooga delegation that "there is no philanthropy in Germany," where taxes fund education, health care and the arts. Hence, BMW started slowly, working "to figure out its place in the community." It took them about eight years.

As for jobs, an auto manufacturing plant comes with those "jobs of the future" we've been talking about - manufacturing jobs with far greater training prerequisites than traditional factory jobs. Carl Flesher, who played a critical role in BMW's startup and continued to be one of the plant's principal leaders for more than a decade, stated forthrightly, "BMW doesn't hire high school graduates." The company places a premium on experience, insisting on a minimum of three years experience along with a strong preference for workers with some kind of post-secondary training up to and including two- and four-year degrees..



There is also the challenge of ingrained misperceptions about the kinds of jobs BMW and its suppliers have to offer. Many people (parents especially) picture the plant jobs as “dirty” and “low-paying.” Part of the community’s challenge is redefining terms like “vo-tech education” and learning new ones like “Mechatronics” (see Education and Training below). The fact is that these jobs pay well, they happen in clean, well-lit environments, and they require a whole lot more education and training than similar jobs did in the past.

Mr. Hitt also noted that Germans do not intuitively understand minority supply chain issues, and that this, too, must be carefully worked into the corporate culture from the beginning, with patience and understanding on both sides.

**Starters:** Creating realistic expectations is primarily a communications issue. Businesses and aspiring job applicants need to know how the company will be working and what skills they will be seeking. Once those guidelines have been established, we need to train appropriately and position local and regional businesses to provide their goods and services to VW and its suppliers.



## NEXT STEP SUGGESTIONS BY TRACK

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After listening to the various presentations from Upstate Carolinians, the trip participants broke into their track groups and worked on identifying some key steps our region should be taking now to better prepare for Volkswagen. They also identified potential stakeholders. In reviewing these suggested steps, it is important to remember that they are products of a brief, through intensive, session. The ideas need to be more fully and collaboratively developed by the regional stakeholders in government, education, workforce training, and economic and community development.

### Track 1 - K through 12 Education

#### 1. **Create an infrastructure plan for education/training resources for the entire region.**

- Purpose: To develop a regional P-20 plan for education and training that:
- Includes K-12 public and private schools, home school organizations, community colleges, four year liberal arts colleges, and universities in collaboration for a regional education plan.
  - Addresses existing gaps in the education pipeline, funding and resources, state boundaries and guidelines, and lack of legislative support.
  - Places appropriately renewed emphasis on Math and Science instruction.
  - Incorporates 21<sup>st</sup> century workforce skills into curricula, develops strong articulation agreements between high schools and post-secondary schools, and allows portability of academic credits.
  - Aligns local K-12 districts, private schools, and higher education strategic plans with the regional plan.

Stakeholders: Public and private schools, K-12 superintendents, college and university presidents, preschool administrators,



business representatives, foundations, school board members, other elected officials.

**2. Provide professional development for educators to prepare them to face future challenges, including the need for stronger science, technology, engineering, and math in curricula.**

Purpose: Provide professional development opportunities to help teachers and school counselors develop an understanding of the skills necessary for students to participate in the new economy and culture.

- Help teachers and school counselors to understand the global economic context within which they are now working, and the changes that have occurred in technology and business methods in our community.
- Teachers will need paid release time, cutting edge classroom and training equipment, and training programs.
- Foster cultural change within the education system to promote value of business and the value of career preparation within the education system outside of former “vocational education” programs.
- Hire career counselors with business backgrounds for public middle and high schools.

Stakeholders: School administrators, teachers, school counselors, foundations, businesses.

**3. Determine Volkswagen expectations for German language and cultural curricula and ensure availability and competent delivery of those studies to transitioning international students.**

Purpose: Guarantee the provision of course study needed by international students to prepare them for transition back into their culture and education system when they return home.



## Track 2 - Higher Education & Workforce

**1. Appoint Multicultural Advisory Council to consult on hiring and supplier contracting.**

**Purpose:** To include community in first-wave hiring at VW and help to disseminate information to the community. Advisory Council should reflect the diverse make-up of the community.

**Stakeholders:** Individuals from Greenville visit, Chamber Board members, Workforce Development Committee members, and others as appointed by Chamber staff.

**2. Identify area community college workforce training programs and identify duplications as well as potential for resource-sharing**

**Purpose:** To form a consortium of community colleges and technology centers in tri-state area; and

To determine what training programs are already in place and what programs are needed.

**Stakeholders:** Chamber, Community Colleges and Technology Centers in the tri-state area.

**3. Create a plan to recruit and develop the workforce. am meetings.**

**Purpose:** To recruit, screen, access and train workforce in collaboration with VW representatives.

- Create a seamless K-20 system that provides the education needed for the automotive industry, including career and technical education and articulation agreements.
- Coordinate application process.
- Provide hard skills and soft skills training.
- Determine assessment tools.
- Research and determine dexterity training.
- Coordinate pre- and post-employment training.
- Develop focused, coordinated and flexible training to meet specific needs of VW, their suppliers and other companies.
- Encourage cooperation among higher education institutions across the Tri-State Valley.



Stakeholders: Chambers, TN Department of Labor/TN Career Centers, TN Department of Economic and Community Development, Chattanooga State, UTC, Northwestern Tech, Northeast Alabama Community College and Cleveland State.

**4. Create a process for referrals for individuals who do not qualify for employment.**

Purpose: To begin work on a regional effort.

Stakeholders: Chambers, public school systems, community colleges, and universities and Workforce Investment Areas in Tennessee, Alabama and Georgia.

**5. Explore feasibility of making VW project part of Tri State Alliance.**

Purpose: To begin work on a regional effort.

Stakeholders: Chambers, public school systems, community colleges, and universities and Workforce Investment Areas in Tennessee, Alabama and Georgia.

**6. Develop workforce delivery plan outline and investigate grant funding to establish program similar to South Carolina's TechReadySC.**

Purpose: To promote regional collaboration to build a more competitive workforce to meet employer needs.

To develop a standardized curriculum among the community colleges and technology centers in Tennessee, Alabama and Georgia

Stakeholders: Chamber, Community Colleges and Technology Centers in the Tri-State area.

**7. Continue with Chamber school-to-work programs in high schools.**

Purpose: To promote career exploration with emphasis on fields in math and sciences (Career Crunch - 8<sup>th</sup> grade program) and Job Readiness (Get A Job - 10<sup>th</sup> grade program).

Stakeholders: Chamber, Chattanooga State, Hamilton County Schools, UTC, UT Extension.



**8. Support the workforce needs of existing industry.**

**Purpose:** Embrace a philosophy of “no company left behind,” and ensure that existing industry receives appropriate levels of workforce support as well as new industry.

**Stakeholders:** Chattanooga Chamber Existing Industry Program, Southeast Tennessee Development District’s company visitation programs.

## Track 3 - Industrial Development & Physical Infrastructure

**1. Establish Comprehensive Regional Infrastructure Planning Group(s).**

**Purpose:** Ensure the regional stakeholders collectively engage on infrastructure development with the goal of reaching consensus on regional priorities. Whether this is structured as a single group or series of sub-groups is to be determined. This may coincide, collaborate, or incorporate with a regional marketing entity.

**Challenge:** Buy-in from area governmental leadership is necessary for this to be effective. This would start with a collective meeting of leaders then followed up individually.

**Stakeholders:** Existing partnerships would form the nucleus. Participants from:

- Select area chambers of commerce and economic development agencies
- Chattanooga, Dalton and Cleveland MSA county/city government officials
- Metropolitan Planning Organization, Transportation Planning Organization and Regional Planning Agency.
- Southeast Tennessee Development District

**2. Establish Industrial Site Development Working Group.**

**Purpose:** This group would have dual, complementary roles:

1. Coordinate private developers and investors with government entities focused on adding to the inventory of



available sites. These sites would accommodate suppliers, ancillary businesses and other attracted companies.

2. Expand public/private financing capabilities, especially tax increment financing and perhaps special taxing districts.
3. Recommend appropriate legislative or regulatory remedies which would remove growth barriers

Stakeholders: This should be a private sector driven initiative that incorporates strong representation from public sector and private and public utilities.

### **3. Position area companies to provide goods and services.**

Purpose: To formulate a system whereby area companies, especially small businesses, have every opportunity to bid on B2B contracts. This would include a series of available resources such as:

- Providing a mechanism for small, minority, women-owned and other disadvantaged business enterprises (DBE's) to be appropriately certified by the appropriate authority;
- Helping small businesses get on bid lists of larger companies and governments, acquire DUNS number, qualified vendor status, etc.
- Encouraging more vendor fairs and broader distribution of bid opportunities and other information;
- Creating a regional base of bid opportunities.

Stakeholders: The Chattanooga Chamber can start this process by enhancing other programs, resources and partnerships. These include area business associations, all levels of governments, and certifying organizations.

### **4. Designate clear points of contact.**

Purpose: Align an organizational structure whereby primary points of contact from appropriate stakeholders, including Volkswagen, are identified, which then funnel information into a central coordinating entity for dissemination. This ensures all parties are properly informed, duplication of efforts is minimized, and response time is enhanced.



Stakeholders: Volkswagen, Chattanooga Area Chamber of Commerce, State of Tennessee, City of Chattanooga, Hamilton County; and other appropriate area entities. This too would complement other efforts as identified in this report.

## Track 4 - Relocation Marketing, Community Assimilation and Quality of Life

### 1. Create a regional strategy for growth and development.

Purpose: Develop a comprehensive regional development plan across all sectors.

- Move the community from organic growth toward planned and sustained growth.
- Allow for better integration of activities in the community, such as with the planning commissions, education systems, municipal leaders, and the Chambers.
- Develop open communication among community organizations, agencies, and offices within Chattanooga and Hamilton County; and better communication across county lines.
- Transcend issues of territory and egocentric behavior and move toward establishing a regional identity.
- Retain existing cultural while preparing for assimilation of new elements of material and non-material culture.
- Identify and overcome differences in district and state requirements and identify resources to meet the needs of education for the regional economy.
- As a precursor to development of a regional plan, conduct a community impact study.

Stakeholders: Representatives from all community sectors; UTC for research.



## **2. Create and implement a comprehensive communications and marketing plan.**

Purpose: Develop public awareness regarding the skills and knowledge sets needed for the new economy in our region and to create a comprehensive and cohesive strategy for marketing the region.

- Make students and the public aware of 21<sup>st</sup> century workforce skills, the importance of mathematics and science education, the need for post-secondary education, and the career options.
- Elevate public awareness of existing businesses in our region, conveying the diversity of the economy and the skills required for such a diversified economy.
- Develop specific education messages that support math and science education as well as promotion of higher education are critical to the regional communications and marketing plan.
- Identify appropriate regional footprint to market.
- Create a regional brand, including a name for the ten-county region.
- Convene a representative group to hire a third-party naming/ marketing expert to facilitate the process of selecting a name and brokering a consensus around cooperative marketing efforts.
- Identify a mechanism for ensuring that all available sites, buildings and offices are considered when site selectors are shopping a project.

Stakeholders: Chambers of Commerce, media outlets, UTC, area strategic communications professionals, realtors

## **3. Promote personal involvement and commitment to increasing the quality of life now, not just to deal with the effects of Volkswagen.**

Purpose: Development of a new regional identity and tri-state culture.

- Connect each person to the community in a personal way, and make sure that each citizen has the resources



necessary to fully participate in the new economy and culture.

- Raise awareness, develop creativity, infuse knowledge, and hone skills for persons living in our region to work together to shape our future.
- Create more global awareness in our region.

Stakeholders: Educators, elected officials, non-profit organizations, business community, faith-based community, foundations, grass roots organizations.

#### **4. Create a VW community relations program and enlist VW's support in implementing it.**

Purpose: Provide a channel for proactive communication between Volkswagen and the Chattanooga region during start-up and construction. The plan will have the following suggested components and stakeholders:

- Multicultural Advisory Board - VW works with community leaders to establish a representative group to act as a forum for identifying opportunities related to inclusion and developing a consensus approach to ensuring strong multicultural participation.

Stakeholders: Business and Workforce Development officials that are representative of inclusiveness stakeholders as well as VW representative.

- Philanthropic Advisory Board - VW works with local community leaders to establish a committee that considers philanthropic requests and makes recommendations in accordance with guidelines established by VW.

Stakeholders: VW representative and community leaders based on VW's established criteria.

- Community Survey of hopes, fears and questions related to the VW project.

Stakeholders: Members of the Chamber, TMCC, Urban League, CMA, other business groups, as well as members of the community at large.



- Major Employers & Manufacturers Forum - VW hosts one or more sessions to inform large employers and manufacturers of plans related to construction and hiring.  
Stakeholders: Business leaders.
- Road show for community groups and Chamber Councils - VW schedules presentations to established community groups.  
Stakeholders: Chamber Council members and the members of other community groups including neighborhood associations and PTAs in areas closest to facility.
- Supplier events including information about certifying disadvantaged businesses and minority-owned businesses.  
Stakeholders: Area businesses
- Career Events.  
Stakeholders: Job seekers.

**2. Establish a Regional Name and Marketing Efforts.**

**Purpose:** To create a comprehensive and cohesive strategy for marketing the affected region, including:

- Identification of the appropriate region to market.
- Convening a representative group to hire a third-party naming/marketing expert to facilitate the process of selecting a name and brokering a consensus around cooperative marketing efforts.
- Identifying a mechanism for ensuring that all available sites, buildings and offices are considered when site selectors are shopping a project.

Stakeholders: Chamber should take the lead and convene a representative group to develop a consensus effort.

**3. Establish an international relocation initiative to welcome and assimilate international relocators.**

**Purpose:** To provide for a smooth and welcoming transition for employees and trailing families relocating to the Chattanooga area from international origination points. Including:



- Web site with information oriented to internationals
- Relocation marketing materials and welcome packets oriented to internationals.
- Ambassador program of volunteers willing to serve as guides and facilitators as internationals relocate and settle.
- Referral resource to help internationals identify businesses.

Stakeholders: Realtors Association, Sister Cities, VW, and IOR Global

**4. Decide how to connect VW project planning with broader visioning and land use planning**

Purpose: To ensure that the Chattanooga region grows in a smart way with a particular focus on maintaining the area's natural environment and outstanding quality of life as population growth accelerates.

Stakeholders: Area planning groups and others to be determined.



# Appendix 1 - Itinerary

Tuesday | October 14, 2008

8:00 a.m.	<p><b>DEPART CHATTANOOGA</b>  <b>REPUBLIC PARKING - CIVIC FORUM LOT, 10<sup>TH</sup> &amp; MARKET STREETS</b>  <b>ARRIVE BY 7:30 A.M. TO LOAD THE BUSES</b></p>
12:30 p.m.	<p><b>ARRIVE GREENVILLE, SOUTH CAROLINA</b>  GREENVILLE HYATT, 220 NORTH MAIN STREET,  <b>LUNCH IN REGENCY A - First Floor</b>  <b>JIM KENNEDY, FACILITATOR, SETTING THE STAGE</b></p>
1:30 p.m.	<p><b>BUS #1 DEPARTS FOR BMW PLANT</b>  2:15 - 3:30 pm - Group #1 tour (25 people); return to bus after tour  2:30 - 3:45 pm - Group #2 Tour (25 people) return to bus after tour</p>
1:45 p.m.	<p><b>BUS #2 DEPARTS FOR BMW PLANT</b>  2:45 - 4:15 pm - Group #3 tour (25 people); return to bus after tour  3:00 - 4:30 pm - Group #4 Tour (25 people) return to bus after tour</p>
4:30 - 6:00	<p><b>CHECK-IN AND FREE TIME</b></p>
6:15 p.m.	<p><b>BOARD BUSES TO TRAVEL TO LARKINS ON THE RIVER, 318 SOUTH MAIN STREET</b>  <b>Reception and Dinner w/ Cash Bar</b>  <b>Remarks by Sam Konduros, President, SK Strategies, LLC</b></p>
10:00 p.m.	<p><b>BOARD BUSES TO RETURN TO HYATT HOTEL</b></p>
<p><b>WEDNESDAY, OCTOBER 15, 7:30 a.m.</b>  <b>BUFFET BREAKFAST - TEAL SUITE- SECOND FLOOR</b>  7:50 - 8:50: Carl Flesher, Director of Global Business Development,  Clemson University International Center for Automotive Research (CU ICAR)</p>	

<b>TRACK 1 - Education</b> <b>Chamber Staff: Dr. Kay Andrews,</b> <b>Vice President, Education</b> <b>Initiative</b> <b>(Dogwood Suite - First Floor)</b>	<b>TRACK 2 - Workforce</b> <b>Chamber Staff: Mattie Moran,</b> <b>Director, Workforce Development</b> <b>(Magnolia Suite - First Floor)</b>	<b>TRACK 3 - Industrial</b> <b>Chamber Staff: Hayes Ledford,</b> <b>Vice President, Public Policy</b> <b>(Continental Suite- First Floor)</b>	<b>TRACK 4 - Relocation</b> <b>Chamber Staff: J Ed Marston,</b> <b>Vice President, Marketing</b> <b>(Regency A - First Floor)</b>
<b>9:15-10:00</b> <b>BMW and Education: Transition in</b> <b>the Early Phase</b> <b>--Dr. Marvin Woodson, Retired</b> <b>Superintendent of Spartanburg</b> <b>District 5 Schools</b>	<b>9:00 - 9:30</b> <b>Travel to CU ICAR, 5 Research</b> <b>Drive</b>  <b>9:30 - 10:30</b>	<b>9:00 - 9:30</b> <b>Utilities and Transportation</b> <b>--George Acker, Duke Energy</b> <b>--Jason Martin, Duke Energy</b> <b>--Jerry Balding, Greer Commission</b> <b>of Public Works</b> <b>--Michael Covington, SC DOT</b>	<b>9:00 - 10:00</b> <b>Overview of Downtown</b> <b>Redevelopment</b> <b>--Mary Douglas Hirsch, Downtown</b> <b>Development Manager for</b> <b>Greenville</b>
<b>10:00-11:30</b> <b>Travel to J. Harley Bonds Career</b> <b>Center</b> <b>505 N. Main Street, Greer, SC</b>  <b>Automotive Mechanics Program</b> <b>--Alex Martin, Assistant</b> <b>Superintendent for Career</b> <b>Technology</b>	<b>--Carl Flesher, Director of Global</b> <b>Business Development, CU ICAR</b> <b>--Mike Davis, Property Mgr., CU</b> <b>ICAR</b>  <b>-- How Clemson's ICAR and</b> <b>associated research and</b> <b>development were created and</b> <b>how it works</b> <b>-- BMW's relationship with Higher</b> <b>Education (Clemson University</b> <b>and 4-year colleges)</b>	<b>10:00 - 11:00 Public &amp; Private</b> <b>Partnerships &amp; Financing</b> <b>--Greenville Mayor Knox White</b> <b>--Spartanburg Mayor Bill Barnett</b> <b>--Greer Mayor Rick Danner</b>	<b>10:00-10:45</b> <b>Bus tour of Downtown Greenville</b>  <b>10:45 - 12:00 noon</b> <b>Downtown Redevelopment Panel</b> <b>--Jim Bourey, Greenville City</b> <b>Manager</b> <b>--Nancy Whitworth, Director of</b> <b>Economic Development, City of</b> <b>Greenville</b>
<b>11:30-12:00 - Return to Hyatt</b>	<b>10:30 - 11:00</b> <b>Travel Back to Hotel and Break</b> <b>Resume in Regency A</b>  <b>11:00 - 12:00</b> <b>-- Role of two-year colleges in the</b> <b>training process</b> <b>-- Screening and training</b> <b>applicants</b> <b>Special Schools (now Ready SC)</b> <b>-- Role of special schools and how</b> <b>it interfaced with BMW</b>	<b>11:00 - 12:00</b> <b>Local Company Experiences</b> <b>--Drive Automotive Industries</b> <b>(Magna), Manfred Moser, EVP</b> <b>--Alfmeier Corporation, Markus</b> <b>Farrenkopf, President of North</b> <b>America</b> <b>--Emitec, Jurgen Wagner</b>	



	<p>--<b>Tom Yeoman</b>, Central Carolina Technical College  --<b>Susan Pretulak</b>, Ready SC  --<b>Ben Davis</b>, Employment Security Commission</p>		
<p><b>12:00 – 1:15 p.m.</b>  <b>BUFFET LUNCH</b>  <b>TEAL SUITE- SECOND FLOOR</b>  Russell Stall, Greenville forward  How Greenville Forward was created and why;  Overview of Greenville’s visioning process and successes</p>			
<p><b>1:30-2:15</b>  <b>BMW and Supplier Growth: Effect on District 5</b>  -- <b>Betty Farley</b>, Greenville County School District, Planning</p>	<p><b>1:15 – 1:30 Break</b>  <b>1:30 – 2:00</b>  <b>Travel to BMW Training Center</b>  <b>210 Commerce Court, Duncan, SC</b></p>	<p><b>1:30 – 5:00</b>  <b>Development &amp; Expansion</b>    <b>1:30 – 2:00 – Travel to CU ICAR</b>  5 Research Drive</p>	<p><b>1:15- 2:15</b>  <b>Relocation and Assimilation Panel</b>  --<b>Patricia Harrison</b>, International Center  --<b>Caroline Schroder</b>, Coldwell Banker Caine</p>
<p><b>2:15- 2:45 p.m.</b>  <b>Charter Technical School on Greenville Technical College Campus</b>  --<b>Fred Crawford</b>, Director Greenville Technical Charter High</p>	<p><b>2:00-2:15</b>  <b>Welcome</b>  --<b>Dr. David Cordeau</b>, President, Spartanburg Chamber  --<b>Dan L. Terhune</b>, President Spartanburg Community College</p>	<p><b>2:00 – 2:30</b>  <b>Presentation on Clemson Growth Data Study</b>  --<b>Hal Johnson</b>, Upstate Alliance</p>	<p><b>2:15 – 2:30 Break</b></p>
<p><b>2:45 – 3:00 p.m. – Break</b></p>	<p><b>2:15 – 3:15</b>  <b>BMW Training Center Tour and Overview</b>  <b>How training center was set up</b>  --<b>Lynn Dale</b>, Training Center Director  --<b>Dr. Dave Just</b>, Spartanburg Community College</p>	<p><b>2:30-3:15</b>  <b>Trends in Private Site Development and Industrial Recruitment</b>  --<b>Hal Johnson</b>, Upstate Alliance  --<b>Steve Navarro</b>, The Furman Co.  --<b>Carter Smith</b>, Economic Futures Group  --<b>Foster Chapman or Garrett Scott</b>, Johnson Development Associates</p>	<p><b>2:30 – 3:15</b>  --<b>Alan Etheridge</b>, Metropolitan Arts Council  <b>Greenville’s bid to become a top 20 arts community</b></p>
<p><b>3:00 – 3:45 p.m.</b>  <b>Carolina Center for Excellence: Continuous Quality Improvement in Schools</b>  --<b>Michele Brinn</b>, Greenville Chamber Foundation</p>	<p><b>3:15 – 3:30 Break</b></p>	<p><b>3:15 – 4:15 – Tour Sites</b></p>	<p><b>3:00 – 3:15 Break</b>    <b>3:15 – 4:15</b>  <b>Young Professionals Panel</b>  --<b>Velverly Donald</b>, President Urban League Young Professionals  --<b>Tiffany Santagati</b>, Chair of the Pulse Program</p>



<p><b>3:45 – 5:00</b>  Visit to fine Arts Center  102 Pine Knoll Drive, Greenville  --Dr. Roy Fluhrer</p>	<p><b>3:30 – 4:30</b>  <b>Creating a seamless continuum from K-12 through higher education</b>  <b>The Mechatronics program and process</b>  --Dr. Dave Just, Spartanburg Community College  --Cynthia Eason, Vice President, Corporate &amp; Economic Development, Greenville Technical College</p>	<p><b>Clemson ICAR</b>  <b>The Matrix</b></p>	<p>--Brock Koonce, Incoming Chair the Pulse Program</p>
<p><b>5:00 Return to Hyatt</b></p>	<p><b>4:30 – 5:00</b>  Return to Hyatt</p>	<p><b>4:15 – 4:45 – Return to Hyatt</b></p>	<p><b>4:15 – 5:00</b>  <b>Brad Wyche, Upstate Forever</b>  --Population density study and projections  --What Upstate Forever is doing to address these challenges and preserve special places</p>
<p><b>DINNER ON YOUR OWN</b></p>			



**THURSDAY, OCTOBER 16, 7:30 -- 9:00 A.M.**  
**BUFFET BREAKFAST - TEAL SUITE- SECOND FLOOR**  
8:00 - 8:45 Bobby Hitt, Manager of Public Relations, BMW Manufacturing Company

**9:00 - 11:30**

**Track discussions to identify Chattanooga priorities, actions and responsibilities**

<b>TRACK 1- Education</b> Chamber Staff: Dr. Kay Andrews, Vice President, Education Initiative (Dogwood Suite - First Floor)	<b>TRACK 2 - Workforce</b> Chamber Staff: Mattie Moran, Director, Workforce Development (Magnolia Suite - First Floor)	<b>TRACK 3 - Industrial</b> Chamber Staff: Hayes Ledford, Vice President, Public Policy (Continental Suite- First Floor)	<b>TRACK 4 - Relocation</b> Chamber Staff: J Ed Marston, Vice President, Marketing (Regency A - First Floor)
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**11:30 - 12:00**

**Check out of hotel, board luggage on buses**

**12:00 - 1:15**

**BUFFET LUNCH, TEAL SUITE- SECOND FLOOR**

**1:30 - 6:00**

**TRAVEL BACK TO CHATTANOOGA**



## Appendix 2 – Track Working Sessions

After a day and a half of tours and presentations, each track group spent two hours synthesizing what they had heard and distilling the lessons into a handful of recommended action steps for the Chattanooga area to implement in anticipation of Volkswagen's arrival.

Within the tracks, participants were further subdivided to create manageable discussion groups. Then each group was asked to answer two questions:

- 1) What were the three most important lessons you learned during this visit?
- 2) Based on what you learned about Greenville and what you already know about Chattanooga, what five things does our community need to do to prepare for Volkswagen?

Different tracks had different numbers of participants. As a result, there were differing numbers of subgroups in each track.



## Track 1: K-12 Education

### Group 1A

#### Most important lessons:

1. Re-culturation and quality of life
2. Re-conceptualizing education for the new culture
3. Need for immediate action

#### Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Create a regional strategy/ plan for growth and development	0-6 months	Organic growth Lack of collaborative communication Territorialism, competition Funding Egos Lack of education in other areas of region	Municipal leaders UTC Chamber	Zoning and building codes Impact study UT research resources Cities/Counties/Chambers UTC College of Education (Center for Community Engagement) Faith-based community
Create and implement a comprehensive communication and marketing plan	Ongoing	Mistaken belief higher education won't be needed Fear, concern about the future Sm. business opposition Lack of consistent message Competing agendas Low priority on STEM in schools		Media outlets Chamber marketing network UTC Community communications group Realtors



Promote personal involvement and commitment to increasing quality of life now, not just to deal with effects of VW	Ongoing	Focus on only VW as impacting the future Educating the “average Joe” Lack of global perspective Lack of emphasis on small business importance		Influential community leaders Word of mouth promotion YPAC, CreateHere Churches, schools, civic groups PTA/PTO/PTSO (possible task force)
Create an infrastructure plan for education/training resources for entire region	Now	Lack of collaboration between education pipeline segments Incorporation of 21 <sup>st</sup> Century job skills Articulation agreements Portability of credits Lack of legislative support State boundaries		Chamber education initiative Cross-industry pollination Young groups HCDE, HCEA, PTA, PTO, PTSO Legislators Alumni groups
Professional development for educators on future challenges including need for strong STEM		Funding Release time Perceived lack of value Cutting edge equipment New ideas. Creative thinking Redefine STEM Translating change into education system Lack of career understanding Career development advisers		Industry involvement in PD training Learning networks Foundations Small business involvement



## Track 2: Higher Education & Workforce

### Group 2A

#### Most important lessons:

1. Re: Education readiness: pre-/post-training; 40/30 challenge; collaborations and partnerships; math and science; hard/soft skills
2. Workforce readiness: screening/hiring geographical preferences and assessments
3. Listening to Volkswagen (this was the most important consensus point)

#### Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Communicate with VW regarding their expectations (needs) Type of equipment they'll be using Ongoing Method to communicate with VW		Identify agency to lead	Chamber, government,, state	Time, trip to Germany
Inventory existing companies to see who is using similar eqpmnt (e.g. Siemens, Kuka)				
Higher Education Workforce Development Center	ASAP	Organization process	All post-secondary educational partners	
Discuss hiring needs with VW	ASAP	Scheduling	VW and local officials	CSTCC and regional colleges, government, tri-state alliance
Online application process	March 2009	Expectations of VW; resources and location	Career centers	Dept. of Labor, Workforce Investment Boards, staffing
Specify training needs; mechatronics, continuing ed, professional development		Collaboration Curriculum	Tech schools and community colleges	Partnering businesses
Improving K-16 education continuum: math/science; teacher education to prepare for science	Long term	Baseline data on where we are currently		



Group 2B

Most important lessons:

1. BMW and the community developed a specific and inclusive work plan with targets
2. Seamless K-20 system provides the education needs for the automotive industry
3. No company left behind; support existing industry too.

Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Understand the German education system - how it translates to ours and how it coordinates with our K-20	Very High	Cultural barriers Language barriers	K-20 - High School, 2-yr and 4-yr colleges	State
Understand our deliverables contained in the MOU concerning hiring and curriculum/training	Urgent	What is the budget? Is Tennessee getting a good return on investment?	Chamber, state leadership, Mayors	Unknown
Develop advisory board and plan for inclusion for broad-based minority hiring with VW	Very High	Local vs. Regional	VW and Minority community group	To be identified
Definition of roles and responsibilities of community	Very High	Turf Issues	All	None
Develop partnership with all higher education within the region to create higher ed automotive task force	Urgent	Turf Issues	CSTCC, UT, others	None - internal



Group 2C

Most important lessons:

1. Focus, coordinated, flexible technical training with a quality result for the specifics of this employer
2. Higher education cooperation statewide
3. High-quality hiring processes be maintained within laborshed

Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Transparency	High	Communication must be disseminated	Chamber	Tri-State Alliance
Communicate leadership team to community to lead coordinated effort	High			
Prepare and be patient	High	Everyone wants to take credit		
Work together to prepare a diverse and culturally aware work force	High			
[Bridge the training gap] - launch a major investigation into educational requirements for modern technology	High			



### Track 3: Industrial Development & Physical Infrastructure

#### Group 3A

#### Most important lessons:

1. Infrastructure
2. Regional coordination
3. K-12 and higher education

#### Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Promote regional cooperation with varied partners				
Explore funding options (CIP, budget)				
Development of roadway plan and traffic management, including access alternatives close in				
Gatekeepers, points of contact, realtors, bankers, philanthropic (coordination)				
Site coordination - utility redundancy, utility contracts				



### Group 3B

#### Most important lessons:

1. Regionally united and organized voice, planning and vision, and methods to implement infrastructure
2. Understanding and embracing cultural needs and differences
3. The importance of math and science to the workforce

#### Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Identify and teach technical, computer, analytical skill sets, i.e. two-year technical degree, K-12 toolkits	High	Current Fundamentals	Public/private	Chamber (toolkit already developed)
Assess capital improvement planning tasks	High	Time	Governments. Elected officials, state and feds	
Funding options for infrastructure being creative state policies	High	Creativity	Elected officials, state treasury	
Assist with social integration; don't take steps back and don't misjudge detractors	High	Understanding	Government, foundations, volunteers	
Identify auto-related research and development	High	Auto industry participation	Foundations, universities, industries	Universities



Group 3C

Most important lessons:

1. Plan regionally; encourage (demand!) cooperation
2. Have public/private site development
3. Expectations must be managed

Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Begin process of developing R&D partnerships similar to ICAR	0-5 years	Funding Encouraging partnerships Buy-in Control	Governments (Federal, state, local) University systems Chambers/business partners/VW	Funding Location
Develop and plan sites for suppliers	Now	Availability of suitable land Change of practice- engaging private developers Limited infrastructure funding	Governments Developers & Commercial Real Estate	Public & private funds Cooperation Changes to relevant ordinances
Company and locals must identify single points of contact	Now	Company is slow Too much local jockeying Identifying local priorities	All involved entities	Commitment of local leadership VW engaged Contacts must be able to make decisions quickly and thoughtfully
Position local companies and contractors for any possible opportunity	Now	Jockeying Preferences Political pitfalls Getting on bid lists	VW Businesses Trade associations	Know the “go-to” people Association networks Cooperation of VW
Engage the region Chattanooga-Knoxville corridor Greater Chattanooga Area	Now	Politics/Control Prioritizing Funding Local government buy-in	Chamber is best facilitator	Contacts Funds Coherent plan



Group 3D

Most important lessons:

1. Regional, coordinated planning for infrastructure and growth
2. Manage expectations (non-profits, growth, growth, community, government)
3. Education (K-12, existing workforce, technical school)

Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Plan and fund infrastructure	6-12 months	Resistance to high taxes Political	Local public works State DOT TPO/MPO/RPO	
Establish regional coordination and planning agency	3-6 months	Public/private initial setup but not government-controlled Political Funding		
Establish regional technical training outreach	0-24 months	Reaching existing workforce		
Coordinate community involvement <ul style="list-style-type: none"> <li>• Non-profit</li> <li>• Cultural</li> </ul>	12-18 months			
Prepare for spinoff growth <ul style="list-style-type: none"> <li>• Suppliers</li> <li>• Support</li> <li>• Non-automotive</li> </ul>	12-24 months+	Unknown suppliers Community desire for development (many requestors, one target)		



## Track 4: Community Marketing, Relocation, Quality of Life

### Group 4A

#### Most important lessons:

1. BMW has had an important regional impact, but it has neither driven the successful development of downtown nor similar development of neighborhoods.
2. There needs to be a regional comprehensive plan to ensure equitable and sustainable development – it won't just happen.
3. The community will be changed by new residents – from the nation and around the world.

#### Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Develop a regional (13 county SE Tenn Development District) growth plan focused on land use and transportation				
Create a regional visioning process that builds on the challenge and opportunity of VW – but doesn't just focus on VW				
Establish a community awareness, education and engagement plan for VW				
Develop an economic development plan whereby VW hiring and contracting reflects the community so the community builds on the momentum of VW to ensure economic benefits for all				
Make education everyone's business and focus on it first				



Group 4B

Most important lessons:

- 1. Think cooperatively: across governments; regional approach; many stakeholders
- 2. Think practically: changes in education; TIF program; transportation
- 3. Think ahead: assimilate new residents; create community; maintain natural resources.

Key actions

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
Focus on downtown as a cultural center and re=invest in existing neighborhoods				
"SWAT Team" for reacting and pro-acting VW's needs				
Visioning process surrounding quality of life - Chattanooga and community branding/marketing				
"Super" state-of-the-region report - captures natural resources inventory (i.e. foodshed, watershed, open space)				
Coordinated approach to the planning and implementation process to deal with the above activities				



Group 4C

Most important lessons:

General themes: Planning, coordination, visioning

1. Long-range planning on a regional basis will be essential
2. Cultural sensitivity - integrate Sister Cities, Chamber's Choose Chattanooga program - whole concept of relocation
3. Continue doing what Chattanooga is doing to revitalize and develop a vibrant, diversified economy

Key actions:

ACTION STEP	URGENCY	HURDLES	RESPONSIBLE PARTIES	RESOURCES
<u>Planning</u> Regional planning process to include impacts statements (coordination essential) Tax increment financing to fund public improvements	Next 3-9 months  Immediate	Each county has to do its own inventory [Resistance to] smart growth policies and thinking regionally		RPA RiverCity Company
<u>Coordination/Consolidation</u> Non-profit summit to share ideas and learn from VW  "One stop shop" for relocation services, education, medical, housing; a centralized "International Ambassador Program" (non partisan)	Starts now and ongoing  "			
<u>Visioning</u> Educate the public on welcoming our new neighbors - respecting cultural diversity				



## Appendix 3 - Participants

Kay	Andrews	Chattanooga Area Chamber of Commerce
Alan	Artress	Thinking Media
Jim	Barrott	Chattanooga State
Greg	Beck	Hamilton County Commission
Linda	Bennett	Chattanooga City Council
Ray	Boaz	Derthick, Henley & Wilkerson Architects
Jim	Bowen	CARTA
Dan	Bowers	Allied Arts of Greater Chattanooga
Tommie	Brown	Tennessee House of Representatives
Richard	Burke	Chattanooga State
Phyllis	Casavant	SEIDA
James	Catanzaro	Chattanooga State Technical Community College
Jon	Coddington	The RiverCity Company
Sandy	Cole	University of Tennessee at Chattanooga
Chris	Crimmins	Chattanooga Land Company
Stephen	Culp	Smart Furniture, Inc.
Gary	Davis	Mayor of Bradley County
Eva Lynne	Distro	McKee Corp
Bob	Doak	Chattanooga CVB
Martha	Eaker	Catoosa County Chamber of Commerce
Brian	Eftink	Miller & Martin
David	Eichenthal	Ochs Center
Gary	Farlow	Bradley County Chamber of Commerce
Joanne	Favors	Tennessee House of Representatives
Doug	Fisher	Erlanger Health System
John	Freeman	University of Tennessee at Chattanooga
Sherry	Gilcrest	Tennessee Multicultural Chamber of Commerce
David	Gilley	Kenco Logistic Services
Mark	Griffith	Marion County Schools
Cleveland	Grimes	Ham. County Water & Wastewater Treatment Authority
Tom	Griscom	Chattanooga Times Free Press
Trevor	Hamilton	Chattanooga Area Chamber of Commerce
Walter	Hitchcock	Tennessee Multicultural Chamber of Commerce
Henry	Hoss	Barto, Hoss & Company
David	Hudson	Artech Design Group
Al	Hutchison	Northwestern Technical College
Sarah	Ingle	Hamilton County Development Dept.
Dan	Johnson	City of Chattanooga
Robert	Johnston	Johnston Southern Company
Beth	Jones	SEIDA
Mike	Kenamer	Northeast Alabama Community College
Bill	Kennedy	Public Education Foundation
Jim	Kennedy	Kennedy, Coulter, Rushing & Watson
Charles	Kimbrough	C & J Enterprises
Tricia	King	The Land Trust for Tennessee
Scott	Kornblum	WSMC FM 90.5
Mike	Landguth	Chattanooga Metropolitan Airport Authority
Steve	Leach	City of Chattanooga
Todd	Leamon	Hamilton County Government

Hayes	Ledford	Chattanooga Area Chamber of Commerce
Ron	Littlefield	Mayor of Chattanooga
Warren	Logan	Urban League of Chattanooga
Travis	Lytle	Cornerstone Community Bank
Warren	Mackey	Hamilton County Commission
Mike	Mallen	Perimeter Properties, LLC
J. Ed.	Marston	Chattanooga Area Chamber of Commerce
Michael	Mathis	Regions Bank - Main
David	May	Cleveland City Council
Andrew	McGill	Memorial Health Systems
Josh	McManus	Create Here
Cheryl	Millsaps	Chattanooga Area Chamber of Commerce
Steven	Moore	Tennessee Valley Authority
Darrell	Moore	Parkridge Medical Center, Inc.
Mattie	Moran	Chattanooga Area Chamber of Commerce
Maria	Noel	Enterprise Center
Lee	Norris	City of Chattanooga
Phillip	Oldham	University of Tennessee at Chattanooga
Jeff	Olingy	Chattanooga State
Irvin	Overton	Chattanooga Enterprise Corporation
Diane	Parks	Chattanooga Area Chamber of Commerce
Bill	Payne	City of Chattanooga - Public Works
Benjamin	Pitts	Herman Walldorf and Company
Sue	Pleva	Brown Academy
Blake	Poole	Tenn Dept of Econ & Community Development
Karen	Rennich	Regional Planning Agency
Sally	Robinson	Chattanooga City Council
Ted	Rogers	City of Collegedale
Tom	Rowland	Mayor of Cleveland
Dan	Saieed	Hamilton County Development Dept.
Keith	Sanford	First Tennessee
Molly	Sasse	Chattanooga Symphony & Opera
Jim	Scales	Hamilton County Department of Education
Nickie	Schwartzkopf	Re/Max Properties
Chris	Sexton	Chattanooga Association of Realtors
Briggs	Smith	Hamilton County Department of Education
Will	Smith	WAS Properties
Michael	St. Charles	Chambliss, Bahner & Stophel, PC
Melanie	Suggs	Dalton-Whitfield Economic Development Authority
William	Sutton	University of Tennessee at Chattanooga
Mary	Tanner	University of Tennessee at Chattanooga
Melissa	Taylor	Regional Planning Agency
John R.	Taylor	Taylor Funeral Home
Greg	Thomas	City of Cleveland
Sheila	Thompson	Chattanooga State
John	Turner	City of Collegedale
Greg	Vital	Independent Healthcare Properties, LLC
Ava	Warren	Hamilton County Department of Education
Sandi	Williams	Chattanooga Neighborhood Enterprise
Bob	Young	Southern Adventist University



