

DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT

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Matthew Kisber, Commissioner

More than ever before, leading companies from around the world are discovering the advantages of doing business in Tennessee. From the automotive industry to telecommunications, to biotechnology and life sciences, to warehousing and distribution, Tennessee's diverse business base speaks volumes to the wealth of economic and lifestyle advantages and opportunities that, quite simply, help companies build better products more efficiently in Tennessee.

Statewide, more than 410,000 individuals are employed by over 7,300 manufacturing firms, earning annual payrolls exceeding \$17.2 billion. Nearly 2.2 million other Tennesseans are at work in professional, service, and other non-manufacturing fields, bringing the state's total work force to more than 2.6 million.

The skilled work force, prime geographic location, outstanding transportation network, and pro-business environment have earned Tennessee a solid reputation as a premier business location.

The Department of Economic and Community Development (ECD) works to maintain Tennessee's pro-business climate where companies can grow and be successful. ECD seeks to enhance community quality of life, promote job creation and business opportunities, and offer support services to entrepreneurs and new and existing industries.

History

Forerunners of the department, as it is now structured, date to 1945 with formation of an Industrial Development Division of the Tennessee State Planning Commission. This division, in 1953, was made an independent agency known as the Tennessee Industrial and Agricultural Development Commission. The work of that commission was combined six years later to form a new Department of Conservation and Commerce. In 1963, the General Assembly placed state-level industrial development under a new staff division for Industrial Development in the Governor's Office. The division's work was incorporated by the General Assembly in 1972 into what is now the Department of ECD.

Services

ECD services are organized within the Commissioner's administrative staff and six areas: Community Development, Business Development, Business Services, Creative Services, Administration & Policy, and the Film, Entertainment, and Music Commission.

Commissioner's Office — Serving with the Commissioner's administrative staff are a Deputy Commissioner, Director of Technology Development, Special Initiatives Advisor, and Senior Strategic Advisor. Under the direction of the commissioner are five additional assistant commissioners who also manage functional areas within ECD.

Technology Development Division — The Technology Development Division is responsible for generating and advancing policies and initiatives that will support economic expansion through the development and adoption of technology in Tennessee. Technological innovation, research and development, and technology business growth are critical components for Tennessee to compete in a global, technology driven economy. The Technology Development Division was established in 2004 by Commissioner Matthew Kisber to leverage existing technology resources to create higher paying, better skilled jobs throughout the state. In addition, new strategies are being developed to support entrepreneurial activity in the technology sector and foster collaboration between organizations. The Technology Development team works closely with all other divisions of ECD, as technology is a common thread that runs through organizations and industries and holds the potential to substantially increase worker productivity and business competitiveness.

Community Development Division — The Community Development Division oversees the following: Three-Star Program, Local Planning, Program Management/Grants and Loans and Energy.

Three-Star Program — The Three-Star office administers the Governor's community economic preparedness programs. This program assists communities with the strategic planning necessary to fully prepare for economic development. There are four basic elements, which are essential to the success of any economic development effort: Organization Development, Community Development, Education / Work Force Development, and Economic Development. Communities are guided through the program with the help of the Three-Star staff. The Governor's Three-Star Award is presented to communities that successfully complete this program.

Local Planning Assistance Program — The Local Planning Assistance office provides comprehensive planning and community development services to cities and counties throughout the state. Approximately 210 localities are served. Each locality pays a portion of the cost for the services of a professional planning staff through a contracted service agreement. Each planner serves five or six communities on average. Services are provided from the following six regional offices: Nashville, Chattanooga, Cookeville, Johnson City, Jackson, and Knoxville. Planning evaluations and program designs are prepared annually for contract communities, which guide the activities in each community. The staff assists in the preparation and revisions of all elements of a community's long-range comprehensive plan. Strategic planning and management services which address local departmental or programmatic problems are provided including such items as annexation, plans of service and growth management issues. Staff prepares zoning ordinances, subdivision

regulations, flood plain regulations and other land use control regulations and advises localities on the enforcement and administration of these regulations. The local planning staff includes activities such as planning research, structured training programs, and other needs identified by localities performed through community development service activities. The staff maintains personal contact with local officials and provides assistance on current day-to-day problems.

Program Management/Grants and Loans — The Program Management section administers state and federal government grant and loan programs. The federally funded programs include the Appalachian Regional Commission (ARC), Delta Regional Authority (DRA), and the Community Development Block Grant (CDBG). The FastTrack Infrastructure Development Program (FIDP) is state funded. This section is also responsible for the Private Activity Bonds. These programs provide grants to communities for basic infrastructure services and facilities and loan assistance to industries expanding or locating in Tennessee to create new job opportunities. The millions of dollars awarded under these various special programs have benefited every county in the state, helping create new jobs and improving the quality of life for Tennesseans.

Energy Division— The mission of the Energy Division is to promote sound economic development policies through energy programs that assist in retaining existing business and industry and fostering new investment and job creation throughout the state. State energy initiatives seek to ensure adequate, affordable, reliable, flexible, and high-quality fuel supplies and energy services. These services are essential to maintain and enhance competitiveness of Tennessee business and industry in an increasingly competitive global economy and to ensure job retention growth. These energy efficiency investments have a ripple effect through the local economy. A dollar spent on energy efficiency instead of energy consumption has a multiplier impact that stimulates local economic growth. The Energy Division, through grants from the U.S. Department of Energy, provides a broad range of energy efficiency programs to business and industry, local governments, schools, and residential consumers. All programs must focus on energy efficiency measures and promote energy cost and dollar savings. Programs implemented by the division include the Small Business Energy Loan Program, Local Government Energy Loan Program, Tennessee Energy Education Network (TEEN), Clean Cities, Million Solar Roofs, Industries of the Future, Energy Emergency Planning, and Energy Star. Assistance is also provided in the areas of energy efficiency code standards, alternative fuels, resource development, technology transfer, and public information and

Business Development Division — The Business Development Division consists of the following: Job Development, Recruitment, JETRO, International Development, and Special Projects.

Job Development — The Department's regional approach encourages a partnership approach with local communities and existing industries to help grow and expand existing businesses in Tennessee. Each Job Development Specialist is assigned a geographic area of the state. They assist Recruitment team members with industrial site visits, and catalogue available industrial buildings and sites in an inventory database. They also regularly meet with local business leaders and officials to determine the best strategies for job growth and industrial retention and expansion.

Recruitment — Team members in Nashville are actively involved in identifying and recruiting companies, which are prospects for locating in Tennessee. Team members are assigned industry clusters for intensive business recruiting that matches the needs of growing companies to available business sites located throughout the state. They organize and conduct industrial prospecting trips to key markets and promote the state's many attractions for manufacturing and service industries. The Recruitment team builds solid productive relationships that bring jobs to Tennessee.

JETRO — The Japan External Trade Organization (JETRO) is a non-profit Japanese government organization founded in 1958, its basic mission has been to support mutually beneficial trade and economic relations between Japan and nations worldwide. The most obvious benefit of promoting imported goods and services in Japan is to help balance trade between Japan and other countries, but there are other benefits as well, both economic and social. With the goal of assisting U.S. companies to export their products to Japan, JETRO offers the following services at no cost to the company: Senior Trade Advisors, Business Support Centers, Import Fairs, Information Services, Promotion Services. By supporting the introduction of high-quality, competitively priced goods in Japan, JETRO's activities are encouraging structural reforms that lead to increased flexibility in Japanese industries, lowering prices and narrowing price disparities with other countries, stimulating domestic demand, and enriching the lives of Japanese consumers.

International Development — The International Development staff coordinates the activities of four foreign offices (Canada, Europe, Korea and Japan) and works with organizations and individuals which help raise Tennessee's profile internationally (i.e. visiting dignitaries, diplomats, industrial trade groups, the Japan America Society of Tennessee and the SEUS / Japan Association).

Special Projects — The office of Special Projects provides technical assistance to the recruitment and development efforts in industrial location projects involving extraordinary needs in the areas of site size, utilities, road and rail access and environmental problems. This section also acts as the departmental liaison for environmental matters. The development and maintenance of information on large industrial sites in Tennessee is a function of this section.

Business Services Division — The Business Services Division supports two major sectors of business and industry in Tennessee. The division consists of two offices — the Business Enterprise Resource Office (BERO) and the FastTrack Training Office. BERO functions as the services arm to small, minority and womenowned businesses providing technical, financial and management information assistance. BERO also works closely with the Governor's Office of Diversity Business Enterprise (GoDBE) assisting small and minority businesses with procurement opportunities. The FastTrack Training Office is the training arm of ECD. The office supports new and existing industries with training needs as an incentive for those businesses that meet certain criteria.

FastTrack Job Training Assistance Program — Training assistance for new and existing business and industry is available as an incentive by the State of Tennessee when associated with new investment for facilities, equipment and new job hires. FastTrack staff helps a company plan, develop and implement a customized training program that meets initial training needs with following-up to ensure each phase of the training program is effective and flexible. FastTrack Job Training Assistance Program (FTJTAP) is funded by the state's budgetary process and utilizes only

state-appropriated funds for training. FastTrack is the primary source of financial support for new and expanding business and industry training. With the state's network of educational facilities serving as prime delivery agents, blended with the company's staff and other vendors, FastTrack will coordinate directly with the company to develop and implement the necessary skills and knowledge training program. Training can be both pre-employment and post employment, including classroom and on-the-job training.

BERO: Business Enterprise Resource Office— The Business Enterprise Resource Office (BERO) provides technical, financial and management information assistance to small, minority and women owned businesses. BERO's main office is located in Nashville with regional offices in Memphis and Knoxville. BERO has four main objectives: 1), to serve as an information resource regarding private industry and government entities procurement and business opportunities; 2), to connect private industry, government entities and small, minority and women-owned businesses in order to create partnerships; 3), to provide bid information regarding opportunities available with private industry and government; 4). and to link private industry and government entities looking to purchase goods and/or services. As a means to this end, BERO also has a designated director of manufacturing whose goal is to open doors for small manufacturers by facilitating business-to-business matching; advocating and connecting small manufacturers with companies and government agencies; creating a manufacturers' resource directory which includes grants and financial information; and coordinating with federal and local government agencies, trade associations and community organizations. BERO also works in close partnership with the Governor's Office of Diversity Business Enterprise in its mission to expand procurement opportunities for small, minority and women owned businesses that wish to do business with the State of Tennessee.

Creative Services Division — Economic and Community Development Creative Services activities seek to successfully accomplish the following objectives through strategic advertisement placement, media relations, promotional and collateral materials, direct mail campaigns and strategic planning. The objectives are: boost Tennessee's brand identity among key targets; create top-of-mind recognition for the state among key business targets as the premier place to start, relocate or expand business; differentiate Tennessee from its chief economic development competitors - primarily neighboring southeastern states; increase awareness of Tennessee in key international markets – especially Europe, Asia and the United Kingdom; increase the awareness of existing Tennessee businesses and manufacturers as to the available support and resources they need to succeed and expand; target state and national media with the positive and successful developments in Tennessee's ongoing efforts to recruit and build new business investment across the state; and produce results that lead to positive impressions, strong leads, real prospects, tangible projects, new investments, and more higher paving jobs.

Internal Audit Division — The Division of Internal Audit provides assurance and consulting activities designed to add value and improve the department's operations. These activities include reviewing the reliability and integrity of financial and operational information, improving the effectiveness and efficiency of operations, safeguarding of assets, and compliance with applicable laws and regulations. Internal Audit also serves as the liaison to the Comptroller of the Treasury.

Communications Division—"Good communication is saying things so people understand and care about the message." It is the goal of ECD's Communications Office to keep staff, legislators, other state and city departments, local agencies, the media and the general public informed of the services, programs and activities in which ECD is engaged to reach its mission "to foster higher-paying and betterskilled jobs by recruiting new industries and helping existing businesses grow." The Communications Office is involved in a variety of internal and external initiatives and efforts designed to assist the various publics in understanding the department's purpose and role. The Communications Office serves as a liaison between the department, its partners, the media and the general public, and operates as a resource for information about ECD. Additionally, the office will provide statewide print and broadcast media with the latest information pertaining to economic and community development in Tennessee. The Communications Office is responsible for the following functions: public awareness and community outreach efforts, interaction with local leaders, economic development partners, state legislators, media, the general public-responding to media requests to help ensure accurate reporting, management of ECD's internal and external web sites, writing and management of ECD's newsletter, strategic communications planning and consulting, event planning-coordination and execution of ECD public events-Jobs announcements, news conferences, etc., Internal Communications Committee, media relations, speeches, articles, columns, and media training.

Administration & Policy Division — The Division of Administration and Policy handles the daily operations and procedures of the Department of Economic and Community Development. Administration and Policy provides services that include budget, fiscal, personnel, legal, information systems, research and policy.

Budget and Fiscal Section — The Budget and Fiscal Section provides support services to the department including budget preparation and implementation, purchasing, accounting, processing payments and drawing eligible federal funds. The Budget and Fiscal Division works with other divisions to develop the department's strategic plan and performance measures. It also works with other state agencies to ensure that the department adheres to all state fiscal policies and guidelines.

Personnel Section — The Personnel section is responsible for the preparation and coordination of the department's training and affirmative action plans, the review and processing of leave and attendance reports and the department's payroll. The administration of the state's performance evaluation and sick leave bank programs are also the responsibility of this section. In addition, the section also administers the employee relations program and the classification and compensation plan for the department.

Research Section — The Research Section functions as a support arm for the Department of Economic and Community Development. Its main purpose is to identify, develop, maintain and disseminate the most complete, up-to-date business and economic data available in support of the department's mission to foster the growth of personal income in Tennessee through the creation of higher paying jobs.

Information Systems Section — Provide the State of Tennessee, Department of Economic and Community Development with the best and most cost effective information technology resources necessary to fulfill its legally mandated roles. In support of the Department's mission the IT division is tasked with providing

purchased hardware and software, "in house developed" software, technical support and general knowledge support in all areas of information systems and technology, as well as, data collection, retention, dissemination, security and retirement/destruction.

Policy & Legal Section — The Policy and Legal Section consists of the General Counsel, Title VI Coordinator and Legislative Liaison. The General Counsel serves as in-house counsel for the department and provides legal interpretations of statutes, rules and regulations applicable to the department and its functions. The General Counsel also drafts and monitors contracts with the agency and advises and assists with Title VI compliance issues and legislative drafting and analysis. The Legislative Liaison serves as a point of contact between the Department & the General Assembly concerning pending legislation that impacts economic development or departmental issues. The Legislative Liaison also works closely with the Governor's Office.

Film & Entertainment Commission — The purpose of the Tennessee Film Entertainment & Music Commission is to promote and facilitate economic development of the film/music community through the recruitment of business; promoting Tennessee as a location in feature films, television productions, commercials, and other works; and encouraging and supporting the interactive growth of the film and music communities through a wide range of marketing, networking and advertising efforts.

To accomplish these goals, the TFEMC wears many hats and serves many different entities, on many different levels. The TFEMC is committed to: serve as an information resource center for film and music industry professionals; market Tennessee as a location for film & video projects; coordinate film projects that take place on state property; and serve as a liaison to local, state and federal agencies, as well as the private sector. Some of their key activities include: provide location photos and other resource information to industry professionals both locally and worldwide; publish annual Tennessee Production Directory, a listing of more than 1,000 film-related individuals and companies; publish annual Tennessee Music Directory, a listing of more than 1,500 music related individuals and companies; recruit music and film projects and business to Tennessee; encourage the growth and interaction of film and music industries by supporting events; and serving as a liaison between industry and government. The Tennessee Film, Entertainment and Music Commission also has a Board of Advisors that is involved in the activities of the commission.

Regional Offices

ECD's programs and services are delivered to the people of the state and to existing and prospective industry from a central office in Nashville and through regional offices with locations listed below:

Memphis

170 N. Main Street Building 12th Floor Memphis, TN 38103 (901) 543-7425 phone (901) 543-7905 fax

Jackson

401 Lowell Thomas State Office Building 225 Martin Luther King Drive Jackson, TN 38301 (731) 423-5768 phone (731) 423-6650 fax

Cookeville

621 East 15th Street, Suite C Cookeville, TN 38501-1820 (931) 520-1094 phone (931) 526-5230 fax

Chattanooga

540 McCallie Avenue Suite 690 Chattanooga, TN 37402 (423) 634-6376 phone (423) 634-6351 fax

Knoxville

10215 Technology Drive Knoxville, TN 37932 (865) 777-4043 phone (865) 777-4658 fax

Tri-Cities

P.O. Box 1022 Tri-City Airport Station Blountville, TN 37617 (423) 323-1203 phone (423) 323-4016 fax

Local Planning Offices

Central Office

Wm. Snodgrass Tennessee Tower 10th Floor 312 Eighth Ave., N. Nashville, TN 37243-0405 (615) 741-2211 phone (615) 741-0607 fax

West Tennessee

Suite 302-A, Lowell Thomas State Office Building 225 Martin Luther King Drive Jackson, TN 38301 (731) 423-5650 phone (731) 426-0640 fax

Upper Cumberland

621 East 15th Street, Suite C Cookeville, TN 38501-1820 (931) 528-1577 phone (931) 526-5230 fax

Southeast

540 McCallie Avenue Suite 690 Chattanooga, TN 37402 (423) 634-6446 phone (423) 634-6351 fax

Middle Tennessee

Suite 128 446 Metroplex Drive Nashville, TN 37211-3139 (615) 741-1534 phone (615) 532-1896 fax

$Upper\ East$

 $20\overline{7}$ North Boone Street, Suite 1200 Johnson City, TN 37604 (423) 434-6476 phone (423) 434-6482 fax

East Tennessee

Twelve Oaks Executive Park 5401 Kingston Pike, Suite 210 Knoxville, TN 37919 (865) 594-6666 phone (865) 594-6653 fax

Related Boards and Commissions

Tennessee Board for Economic Growth — This board serves in an advisory capacity to the department, reviewing and evaluating public, private, and academic resources to develop and facilitate a strategic vision for economic development in Tennessee.

Building Finance Committee — This committee reviews and approves applications for Certificates of Public Purpose and Necessity, required for counties and municipalities desiring to issue debt obligations for industrial parks or buildings.

Local Government Planning Advisory Committee — This committee advises the Commissioner on the administration of the Local Planning Assistance Program. It also exercises appointment and jurisdictional controls over regional planning commissions.

Tennessee Energy Advisory Board — This board advises the Commissioner on state energy policy from sources outside state government. Members represent different sectors of the energy industry: oil, natural gas, coal, electricity, conservation, and renewable energy technology.

Tennessee Technology Development Corporation — This entity stimulates high-technology business development in Tennessee by encouraging the formation and growth of high-technology firms, assisting high-tech entrepreneurs, attracting out-of-state technology firms to Tennessee, and fostering the state's existing science and technology base as a source of economic development.

Commissioner Matthew Kisber

Tennessee Department of Economic and Community Development

Matthew Kisber was appointed commissioner of the Tennessee Department of Economic and Community Development by Governor Phil Bredesen on January 18, 2003. Prior to this appointment, Kisber served ten consecutive terms in the state House of Representatives and as vice president of Business Development for First Tennessee Bank. In the Tennessee General Assembly, Kisber served as chairman of the powerful Finance, Ways and Means Committee, which is responsible for the state's budget. He received state and national acclaim for his leadership, developing innovative solutions to a wide range of budgetary and business development challenges. During his tenure at First Tennessee Bank, he was involved in recruiting new business relationships and in expanding existing relationships for the largest Tennessee headquartered financial institution. Kisber began his career as a successful small businessman in Jackson, Tennessee. He went on to work as a photojournalist at the Jackson Sun, covering politics and other interests.



Kisber received his bachelor's degree from Vanderbilt University and was one of thirty-six state legislators from twenty-one states to successfully complete the inaugural Program for Emerging Political Leaders at the Darden Graduate School of Business Administration at the University of Virginia. In addition, Kisber serves on the following posts: Chairman of Governor Bredesen's Jobs Cabinet; Co-Chair of Tennessee Tomorrow; Board of Directors for the National Center for Public Policy in Higher Education, The Tennessee Foreign Language Institute, and the Tennessee Technology Development Corporation; Governor's Alternate for the Appalachian Regional Commission and the Southern Growth Policies Board; and Member of the Tennessee Advisory Commission on Intergovernmental Relations and the State Workforce Development Board. Kisber and his wife, Paige Lowe Kisber, reside in Nashville with their son, Harrison and daughter Katherine.