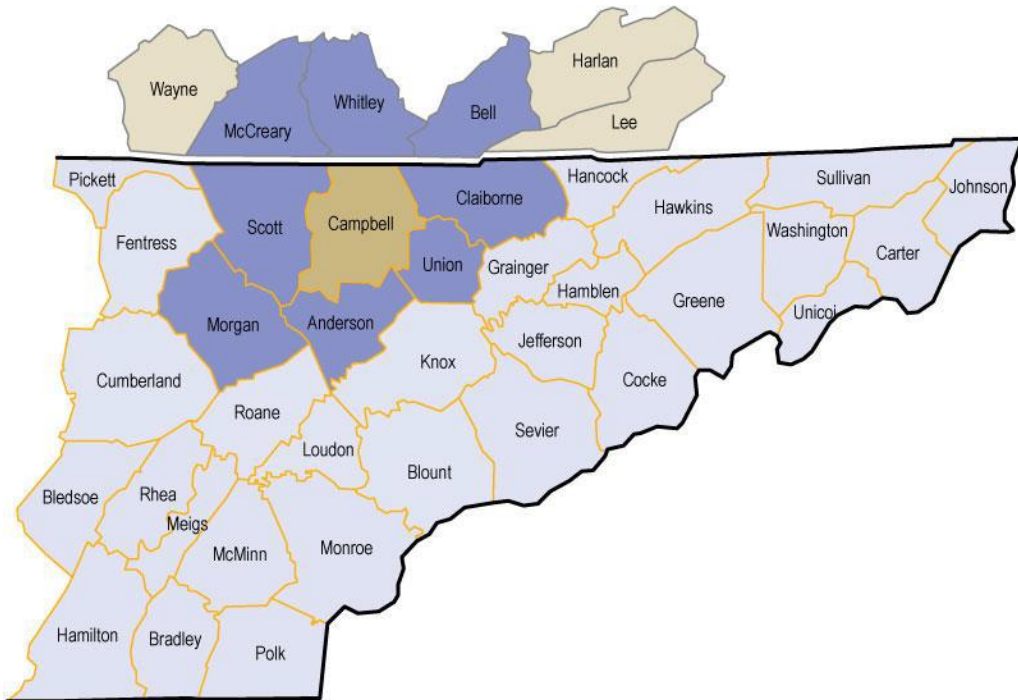


# The Importance of a Joint Economic Community Development Board (JECDB) in Stimulating Growth of a Tier IV Community (Campbell County)



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## **Introduction**

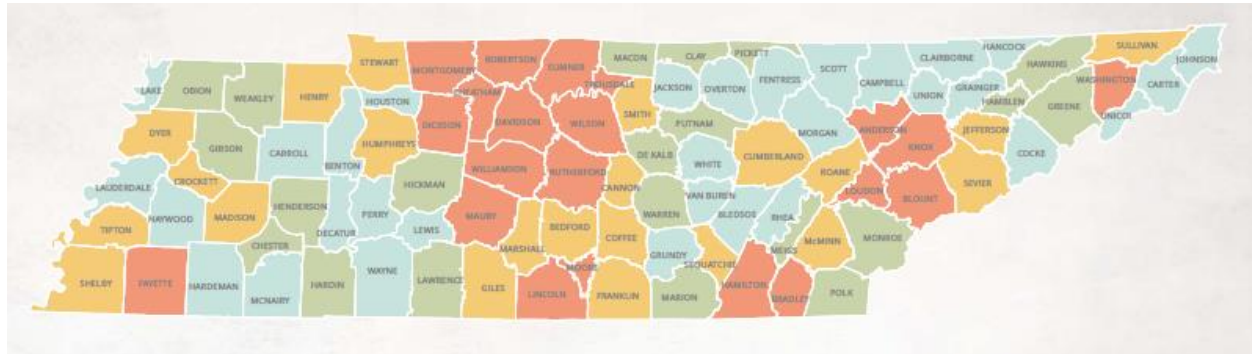
The development of the Joint Economic Community Development Board (JECDB) in 1998 outlined a means for effective communication among county and municipality leaders to facilitate economic growth in a county. The idea was that leaders from across communities would come together to develop effective strategies for growth based on the resources and nature of the community. In theory, this is an excellent idea and on paper gives a good basis to start a forum that can prove successful. Putting this into full practice can be difficult, however. This project used that foundation to mobilize a group of leaders in one East Tennessee Tier IV county, Campbell County, to begin to swing the pendulum in the direction of economic success so desperately needed.

## **Background**

Campbell County is located in the Cumberland Mountains of East Tennessee off I-75. It's known for its vast expanse of mountain trails and unparalleled beauty of Norris Lake. Campbell County was formed September 11, 1806 and was named after Arthur Campbell a soldier in the Indian and Revolutionary Wars, as well as a member of the Virginia House of Delegates. The county has four municipalities. Listed by size, these municipalities are: LaFollette, Caryville, Jacksboro (County Seat), and Jellico. Campbell County is 498 square miles with just under 41,000 residents. These are classified as 65% county residents and 35% city residents.

Campbell County is a Tier IV county which means it is ranked in the bottom 10% of counties in the United States. The criteria considered are based off the Appalachian Regional Commission

(ARC) economic status and are based on the following data points: 1) unemployment rate; 2) poverty rate; and, 3) per capita market income. Distressed counties are the most economically depressed counties.



### **Economic Growth of Campbell County**

Campbell County's growth from 1886 through the 1970's was tied to an abundance of its natural resources of coal and gas. Coal was king in the rural mountains of East Tennessee. There was also an ample supply of low cost labor to produce textiles and the sewing talent of local women meant that the textile business grew. Slowly, one by one the coal mines closed and then industries closed. As time marched on, Campbell County was at double digit unemployment with no growth apparent in its future. Decades of little to no growth left citizens with only a few options; drive to find work, move, or turn to illegal activities to survive.

It wasn't until the 1990s that Campbell County slowly started to actively recruit industries in the area. The once large textile factory known as Reading Corporation became home of DeRoyal Industries. This was a huge boost for local employment. This business provided production of medical supplies packaged for delivery to hospital and medical facilities. Matix, a Toyota based

company supplying motor castings added the first real growth to the county in decades. Next came B/S/H Bosch Siemens Hausgerate. This company produced world class residential appliances and located in an old metal finishing building that was already in existence and available. A&S Steel Building Systems also came and were an active employer until 2015. All this growth helped, but was not enough to remove Campbell County from the Tier IV status.

By the turn of the century, Tennessee initiated Public Chapter 1101. This required all 92 counties to develop a group that was to focus on growth plans for each county. Campbell County started its Joint Economic Community Development Board (JECDB) by 2003. This board existed to develop such a plan, but rather than focusing on industry, attention turned to growth in tourism and specifically, development of housing growth on Norris Lake.

Retaining industry was never a strong point of the community. Local governments often ignored the investments and needs of industry in general. Many businesses sensed this attitude. Companies responded by moving their business to other communities that better understood their needs or just closed their doors all together with no incentives to try to remain open. Once again Campbell County felt those effects on the economy.

A recent change in leadership in all of the municipalities in Campbell County has allowed an apparent shift in thought and action in regards to economic development, specifically industry retention and recruitment. This statement can be supported from many different angles. First, Campbell County has seen a gain of 460 new jobs in 2017. It was recognized early by this new group of local officials that the growth that had taken place was not only from expanding of current business in the area, but also from new businesses that started up with less than 200 employees. This idea seemed to fit the landscape of Campbell County since there was a

noticeable limit to the number of flat industrial properties that were available for new developments.

This group has experienced an increase in the amount of property tax income since 2017.

Residential property taxes have increased as property assessments increased to \$2.25 per \$100 assessed value. Housing starts were also up 38% from 2016. Commercial property taxes were also up by 10% as a result of actions taken to expand existing business on the county (B/S/H) and recruitment of new industry to the area (Telos PSH and Protect the Force). This increase has allowed improvements in the local jail, school system and the county highway departments.

### **The Role of the Joint Economic Community Development Board (JECDB)**

The improvements that have been noted in Campbell County have been the result of a change in perspective by many leaders in the area. A big part of that change can be directly related to the examination of and revitalization of the principles associated with the Joint Economic Community Development Board (JECDB).

With the election of many new county and municipality leaders in 2014, an environment was created of new potential. The new mayor looked to the establishment of a revitalized JECDB to be the engine for powering new economic development in the county. As presented in the Tennessee Code Annotated 6-58-114, the JECDB is intended to guide local governments as they engage in “long-term planning and that such planning be accomplished through regular communication and cooperation among local governments, the agencies attached to them, and the agencies that serve them.” It also outlined that the JECDB is to “foster communication relative to economic and community development between and among governmental entities, industry, and private citizens.” The JECDB was to be made up of “representatives of county and

city governments, private citizens, and present industries and business.” The TCA also laid out a plan for regular meetings, at least four times annually with minutes of each meeting documented.” These guidelines were to be the framework for a committee that would direct economic ideas and growth.

### **The History of the JECDB in Campbell County**

A review of the minutes and notes of the JECDB in Campbell County confirmed that original board members were established in 2000. There was no actual meeting minutes documented until 2008. Several original board members were contacted for personal interview. Consensus seemed to be that members were very willing to start working on community economic issues but had no clear direction of how to initiate economic growth. Records also indicate that meetings from 2008-2014 were in many ways a formality to meet the annual requirements of the four quarterly meetings each year.

This review also suggested that there was very little cooperation between county and city mayors at the time. Few meetings had full attendance and would typically address only one topic per meeting. The meetings were enough to maintain the 3-Star Award and remain eligible for state grants. Other than that, there was no evidence of actual successes in the economic growth of the area.

## **Revitalizing the JECDB in Campbell County**

Work began in 2014, to revitalize the JECDB for the county. Initial steps were difficult. Little interest was shown from former members in participating fully. Attendance was inconsistent and often there were not enough members present to have a quorum. In 2016, however, three of the four municipalities in the county elected new mayors. At this same time, there was a change in the Campbell County Chamber Director and the Jellico Electric and Water Manager. These both became members of our JECDB. The mayor of Rocky Top, in neighboring Anderson County was also approached to join the board since that city includes some Campbell County residents. In addition, a new health care representative was recruited. A total of ten new members joined the JECDB in 2016. This opened a broad opportunity to shape the potential of the board to effect economic development.

Ensuring that members attended meetings was the first step to making a meaningful impact on the activities of the board. From the time of establishment until 2014, all meeting invitations, agendas and communication to members had been done via the US Postal Service. Members had complained that invites were not being received before the meeting date. In 2016, agendas and meeting information with reminders were e-mailed to each member. Personal phone calls were also made to help keep the meeting in the forefront of each member's mind. After this simple change, all meetings were attended at full quorum, allowing active strategies to be voted on and acted on.

Another significant change to scheduling that impacted attendance was selecting a set day each month for the JECDB Meetings. Meetings were still scheduled quarterly as required but were set to occur on the second Thursday of the month (March, June, September, and November).

Having set meeting dates also made it easier for members to clear their schedule for the meeting. It should be noted that the Industrial Development Board has since been revitalized and now holds their meetings in conjunction with the JECDB dates.

In 2016, as the ten new members were taking their spots on the JECDB, it seemed a logical time to educate the members of the true role and expectations for the board itself. Initially, the Campbell County JECDB had been formed as a necessary component of the State of Tennessee 3-Star Program and to receive grants. This group, however, was also given a broader view of the potential the JECBD could be to the community. It was presented as an opportunity to affect the community for good in many ways that could impact not only economic change through industry and retail, but also tourism and quality of life for residents. One other way that the board was educated to its potential effect was by inviting representatives from local industries and businesses to discuss their products, their workforce, and their needs from the community. These discussions were eye opening and challenging as well, but gave much food for thought for the members. The end result seemed to be a board that was motivated to act and encourage cooperation among entities to see needed improvements.

### **Success of the Current JECDB**

The board quickly recognized that Campbell County had many assets that could be tapped into to bring about a cooperative effort transcending all areas of economic growth. The first two successes that the board experienced were in joint ventures with the Chamber of Commerce and later with the City of LaFollette.

Drawing on the experiences of other such counties, an idea was presented to the board to pursue hosting a regional bass fishing tournament at a county owned park with lake access. Funding



was channeled through the JECDB to the Campbell County Chamber of Commerce who organized and hosted the event. Since that first successful event, the JECDB has funded five regional fishing tournaments, two state high school fishing championships, two Bass Pro Collegiate/High School Invitational Tournaments, and a regional high school invitational. The local impact of these tournaments has exceeded \$1.3 million dollars. The tournaments continue to impact the local economy in many ways including increased revenue for local restaurants, hotels, and retail stores from returning tourists. Through these events, visitors are also introduced to the reason that Campbell County is designated as an Adventure Tourism District by the State of Tennessee.

Next, The City of LaFollette envisioned a downtown fall festival that would draw off of the close proximity to four wildlife management areas. A committee was formed that included many organizations involved in the wildlife areas and the ATV traffic surrounding the areas. When the committee approached the JECDB, the potential impact such a festival could have on the local economy was evident and the JECDB jumped on board as a major sponsor. The first Big Creek ATV Festival was held in the fall of 2015 and reported an impact of \$500,000. The following years, 2016 and 2017, the festival had an economic impact of \$1,000,000 and \$1,600,000 respectively. This coming year will mark the fourth year of the festival's existence. It has reported an attendance that has grown to over 8,000 people and visitors from as far as California to the local community. This event continues to grow each year. As a result of its popularity and impact, efforts have been made to open state, city and county roads on a full time basis to draw off-road enthusiasts into area businesses. Current talks with the State of Kentucky would open roads and trails that would match Campbell County and increase the off-road traffic into the communities. Plans are being made for the JECDB to host a delegation from Kentucky

(Spring 2018) that would highlight the growth and impact to both states from cooperating in this venture.

These two successes for our community have encouraged the JECDB to continue to expand its influence. Members are looking for other ideas and areas that the municipalities can cooperate to affect the local economy as a whole. The idea of competing cities is diminishing. Cities and people are beginning to see the cooperation as a win-win situation.

In addition to being involved in local events that stimulate the economy, the JECDB is also influencing a mindset of the local governments. The board is now well versed in recognizing that industries need assistance in finding Campbell County and accessing grant monies or tax credits that encourage them to move and/or expand in our area. The board clearly recognizes the need for a Certified Industrial Recruiter for the county and has presented this need to the county commission for consideration. Although this has not been fully supported by the commission, the JECDB is committed to continuing to influence this decision in the future.

From the visits to the board meetings by local industries and businesses, the JECDB realized the benefit of helping to appreciate the businesses in the county. The board has been proactive in showing support to business for what they do in the community. Campbell County has an international presence that is very important to the economy. Matix, a Japanese based facility in Caryville, Tennessee and B/S/H and the new Telos Global Industries in LaFollette and Caryville respectively, are two German based companies that have a big impact on the communities. As part of a show of support for these international neighbors, the JECDB funded a trip to Tokyo and Nishio City, Japan at the request of the Tennessee Governor. This was an opportunity to say “Thank You” personally for their commitment to the community. In addition, the board has

been able to host luncheons for German visitors to B/S/H and Telos Global during meetings at their facilities. Every opportunity was used to introduce those visitors to the natural resources through boating and ATV outings.

### **Progress in Action**

As the JECDB has grown in knowledge and experience, it has realized that the board alone lacks the resources and the ability to fully stimulate industrial growth, which is so badly needed in Tier IV counties. Efforts are being made to revitalize the Industrial Development Board (IDB) which has been non-functioning in Campbell County for over a decade. Some members sit on both boards and helped the transfer of knowledge and experience quicker and meetings are held in conjunction in most instances so that information shared is heard clearly by both boards. Input and suggestions are shared equally. The JECDB funded legal assistance to establish new by-laws for the board. It is now fully functioning and is capable of issuing bonds for renovations and channeling funds from the state into existing industries within the County.

The JECDB is in the process of establishing several sites within the County as Tennessee Select Certified Sites. This will make these sites more easily visible and marketable to prospective industries. Site selectors and potential industries will know that Campbell County sites meet the following criteria:

- 20+ acres of buildable ground outside known flood prone areas
- Willing Seller with a confirmed price
- Current surveys and topographic maps
- Road access capable of handling truck traffic
- Complete utilities (Electric, Water, Sewage, Gas, Internet)
- Currently zoned for industrial
- Expedited permitting process
- Completed Phase 1 environmental assessment

- Documented geotechnical, water resources, known cultural resources, and protected species
- Detailed report of comprehensive site information
- Minimized risk factors for development
- Process certified by a professional site selection consulting firm-Austin Consulting

## **Conclusion**

The purpose of the JECDB was outlined in 1998 to provide a forum for community government leaders and municipalities to come together to create solutions to many obstacles, but specifically to improve the economic situations that exist. The incentive to develop these boards in each county was tied to receiving 3-Star Awards for the counties and to be a requirement to obtain state funds. Although, many counties, including Campbell County at one time, formed the JECDB for the mere advantages listed, recent successes of a revitalized board in Campbell County has proven that the JECDB can be a catalyst for great changes.

Although Campbell County remains a Tier IV, distressed county by definition, the improvements that have been made are definitely heading the County for a brighter future. Those figures are based on a three year history, so rankings may not change quickly. All statistics however reflect positive gains. The latest three year unemployment rate is at 9.5%. Since 2017, that number has dropped to 4.1%. As mentioned housing starts are up, tourism receipts are up, and Chamber memberships are up. Couple all of these facts with an increase in personal property tax receipts and the county is poised for a leap in the right direction. Without the actions of a concerned JECDB, these improvements may have taken much longer or may not have become a reality.

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