Putting All of The Puzzle Pieces Together

Non-Traditional Economic Development

as a supplemental economic development strategy

Tennessee Chamber of Commerce Executives Institute
Murfreesboro – March 11, 2013

Jeff Fleming, Assistant City Manager for Development, Kingsport, Tennessee
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What is Economic Development ?

"No single definition incorporates all of the different strands of economic development. Typically economic development can be described in terms of objectives. These are most commonly described as the creation of jobs and wealth, and the improvement of quality of life."

Source: International Economic Development Council

Traditional vs. Non-Traditional

- **Traditional**
  - Manufacturing / industrial parks
  - Site selection consultants
  - Leads generally driven from top down
  - Attract & retain with monetary incentives
  - Economic Developers "create jobs"
  - Mainly Reactionary Approach
  - High cost per job

"Are States Giving Away the Store? Attracting Jobs Can Be A Costly Adventure"

St. Louis Fed

Costs of Recruiting Manufacturing Industry Jobs

Company	City	Year	Cost	Jobs	Per Job
BMW	Greenville, SC	1992	$155 M	1,900	$81,000
Mercedes	Tuscaloosa, AL	1994	$300 M	1,900	$193,000
Fed Ex	Greensboro, NC	1999	$273 M	1,500	$182,000
Nucor Steel	Hertford, NC	2000	$155 M	300	$500,000
Hyundai	Montgomery, AL	2005	$253 M	2,000	$126,500

Sources: USC, Moore School of Business, SC Dept. of Commerce, Alabama Dept. of Commerce and NC Dept. of Commerce

Traditional vs. Non-Traditional

- **Non-Traditional**
  - Livability / Sustainability / Quality of Life
  - Education/workforce development
  - Small business, entrepreneurship, incubators
  - Tourism
  - Retail
    - Franchised developments
    - Main Street / Downtown program
    - "Buy Local" programs
  - Talent (All Ages)
    - Young professionals (Telecommute? Technology?)
    - Retirees (transfer of wealth and talent)
  - Proactive approach / Low cost per job
  - Economic "Gardening" – cultivate the local economy

Economic Development Summarized

Produce something to sell

- Manufacturing
- Service

Attract people to spend

- Tourism
- Retail
- Talent (of all ages)

Grow from within

- Education/workforce development
- Incubators

"…the money that people actually pull out of their paychecks and bank accounts to pay for domestically-produced goods and services drives about 40% of economic activity…"

Source: Dr. Michael Mandel, Harvard Graduate, Bloomberg BusinessWeek

Non-traditional economic development strategy:

Recruiting talented people (of all ages)

"When talented people choose Chattanooga, we all win"

Mission Statement of Choose Chattanooga

Tough questions for non-traditional economic development

Is your community a place that talented people (of all ages) want to live?

If not, what can you do to change that?

How can you highlight your strengths?

How can you mitigate your weaknesses?

February 21, 2012

State favorability poll

Over the course of four months starting last October, we asked American voters nationally what their impressions of each state are. Hawaii came out on top, by far, with California bringing up the rear.

State	+/-	Margin
Hawaii	54-10	44
Colorado	44-9	35
Tennessee	48-14	34
South Dakota	42-8	34
Virginia	45-13	32
Montana	39-7	32
Alaska	46-17	29
Oregon	43-14	29
North Carolina	40-11	29

Tennessee has a positive reputation nationally…use it to your advantage!

Bottom 5:

- **California**
- **Illinois**
- **New Jersey**
- **Mississippi**
- **Utah**

OUR FINAL 2012 POLLS

PPP POLLS BY YEAR: 2006-2013

--Choose a Year--

SEARCH

Search

CONTACT US

Public Policy Polling
2912 Highwoods Blvd., Suite 201
Raleigh, NC 27604
Phone: 888.621.6988

Questions or Comments?
Email Us

TESTIMONIALS

Public Policy Polling was profiled by NPR as "one of the most prolific polling outfits in the country." Read more...

Assess your community

Desired amenities on the increase by rank order:

- Walking (83%)
- Beach (62%)
- Swimming (60%)
- Bicycling (51%)
- Waterfront (46%)
- New custom home (46%)
- Gardening (44%)

If you think walking trails and bicycling are “fluff”, think again!

Assess your community

Desired amenities on the decline by rank order:

- Gated community (35%)
- Home site/lot (29%)
- Private golf club (11%)

Assess your community

Remainder of desired amenities by rank order:

- Shopping close by (67%)
- Golf (42%)
- Boating (35%)
- Maintenance-free condo (29%)

Hence, the importance of retail, restaurants, and quaint local shops

Leverage your proximity to already successful markets – use regional assets to your advantage

Almost Nashville KY is located within 50 miles of the Nashville metropolitan area. The great part about Almost Nashville Ky is that you can have all of the amentities of Nashville and reap the benefits of being in a less expensive area.

Cities That Are Getting Smarter The Fastest

No. 9: Nashville, TN

Forbes

Leverage your proximity to already successful markets – use regional assets to your advantage

Tri-Cities, TN/VA

(Johnson City-Kingsport-Bristol)

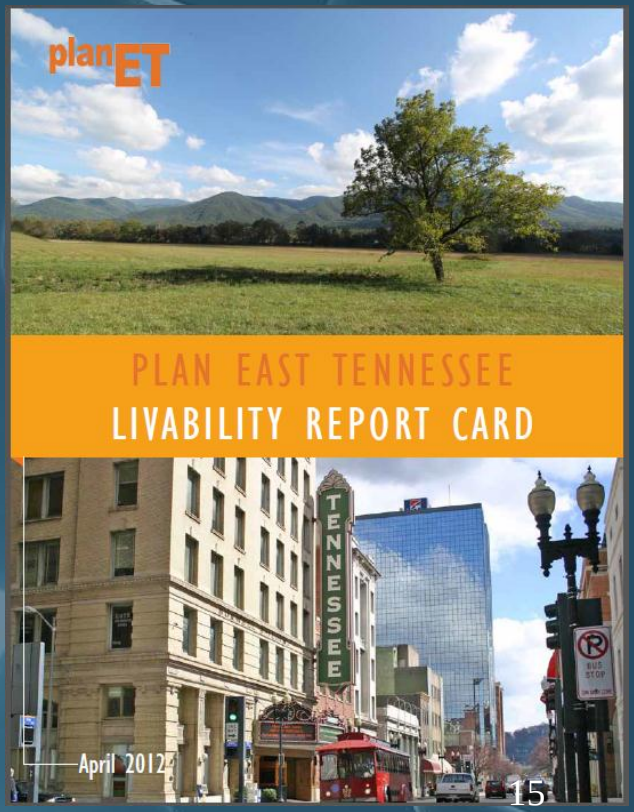
- All the amenities of Asheville, NC are just a hour's drive down I-26
- Beautiful drive with views comparable to Blue Ridge Parkway – without the curves
- Conveniently visit Asheville, don't have to live there 24/7
- The less taxing side of the Blue Ridge – no income tax, no personal property tax, no vehicle tax,
- More house for your buck

- What successful market is near you?

What determines livability?

Assess your community for the amenities that talented people value:

1. Economy & Jobs
2. Transportation & Infrastructure
3. Housing & Neighborhoods
4. Healthy Communities
5. Environment



What determines livability?

1. Economy & Jobs
   - Economic Engines
   - Employment Levels
   - Workforce
   - Jobs

2. Transportation & Infrastructure
   - Commutes/Congestion
   - Costs
   - Alternate transportation
   - Air travel
   - Infrastructure

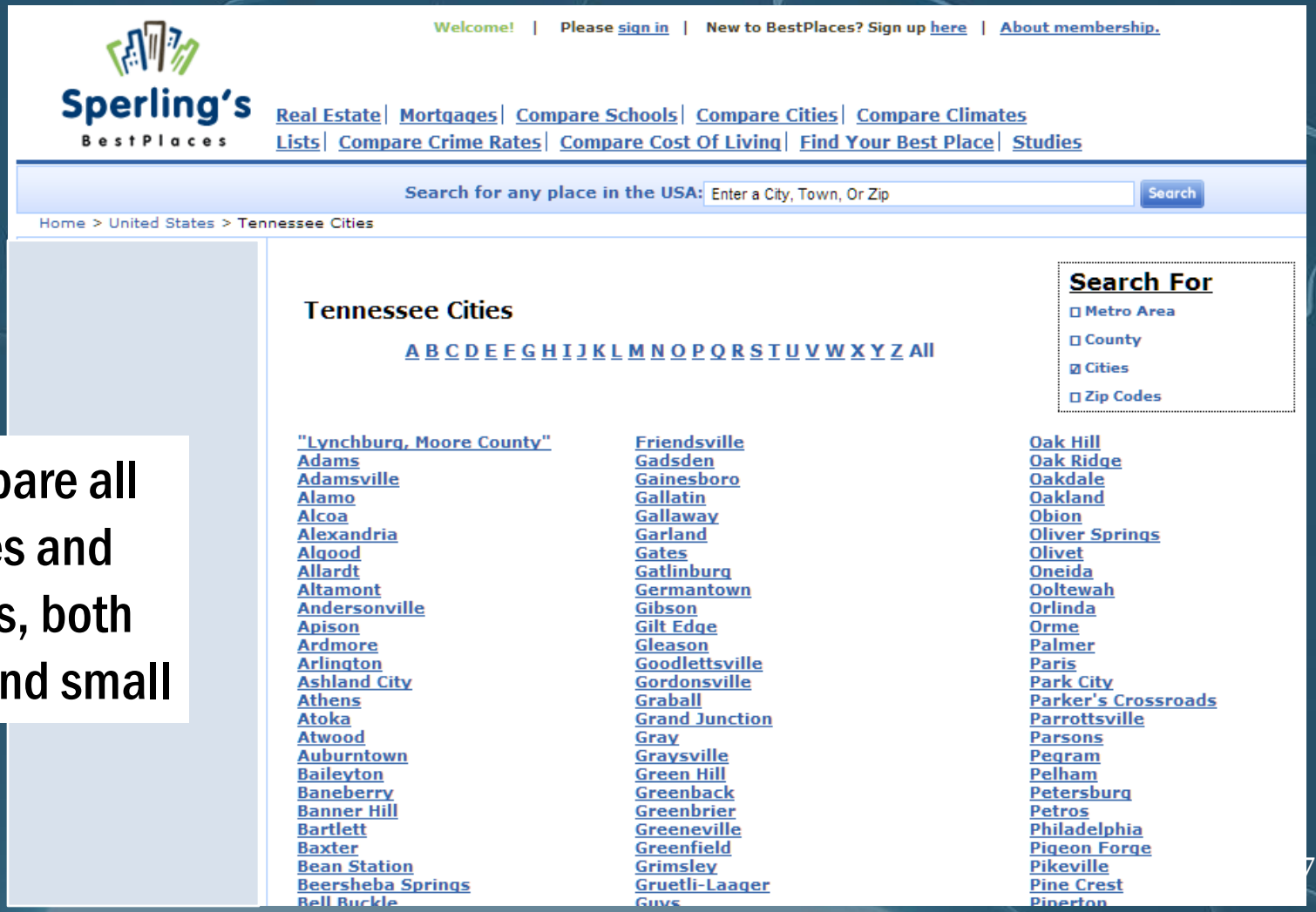
3. Housing & Neighborhoods
   - Housing values, sales and rentals
   - Housing tenure (ownership vs. rental)
   - Housing affordability

4. Healthy communities
   - Rates of disease/illness
   - Health insurance
   - Access to medical services & healthy foods
   - Crime

5. Environment
   - Air quality
   - Water quality
   - Agriculture
   - Parks, recreation and tourism

www.planeasttn.org

You can find out how your community scores on most of these 5 livability topic areas (and compare to others nationwide) at www.bestplaces.net



Compare all cities and towns, both large and small

Environment & Economy Co-Exist

Health Ratings (www.bestplaces.net)

	Air Quality (100 is best)	Water Quality (100 is best)	Superfund Sites (100 is best)	Physicians per 100,000 population
Kingsport, TN	46	97	97	393
Denver, CO	45	87	11	545
Phoenix, AZ	14	65	10	246
Seattle, WA	36	59	20	416
Los Angeles, CA	1	52	10	258
Miami, FL	65	50	10	299
Atlanta, GA	6	47	54	472
San Francisco, CA	57	47	80	639
New York, NY	22	40	60	246
Washington, DC	7	40	90	705
Houston, TX	16	37	11	269
Chicago, IL	7	31	10	369
Boston, MA	26	1	99	1007

Livability: You may already be doing more than you realize!

Archstone Foundation Award for Excellence in Program Innovation

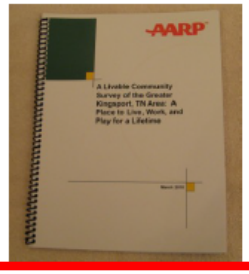
This award has been established to identify best practice models in the field of aging and health. Emphasis will be given to these programs (in operation 10 years or less, but long enough to have documented results) that have effectively linked academic theory with applied practice in the field of aging and public health.

Healthy Steps in Silicon Valley

Healthy Steps Silicon Valley

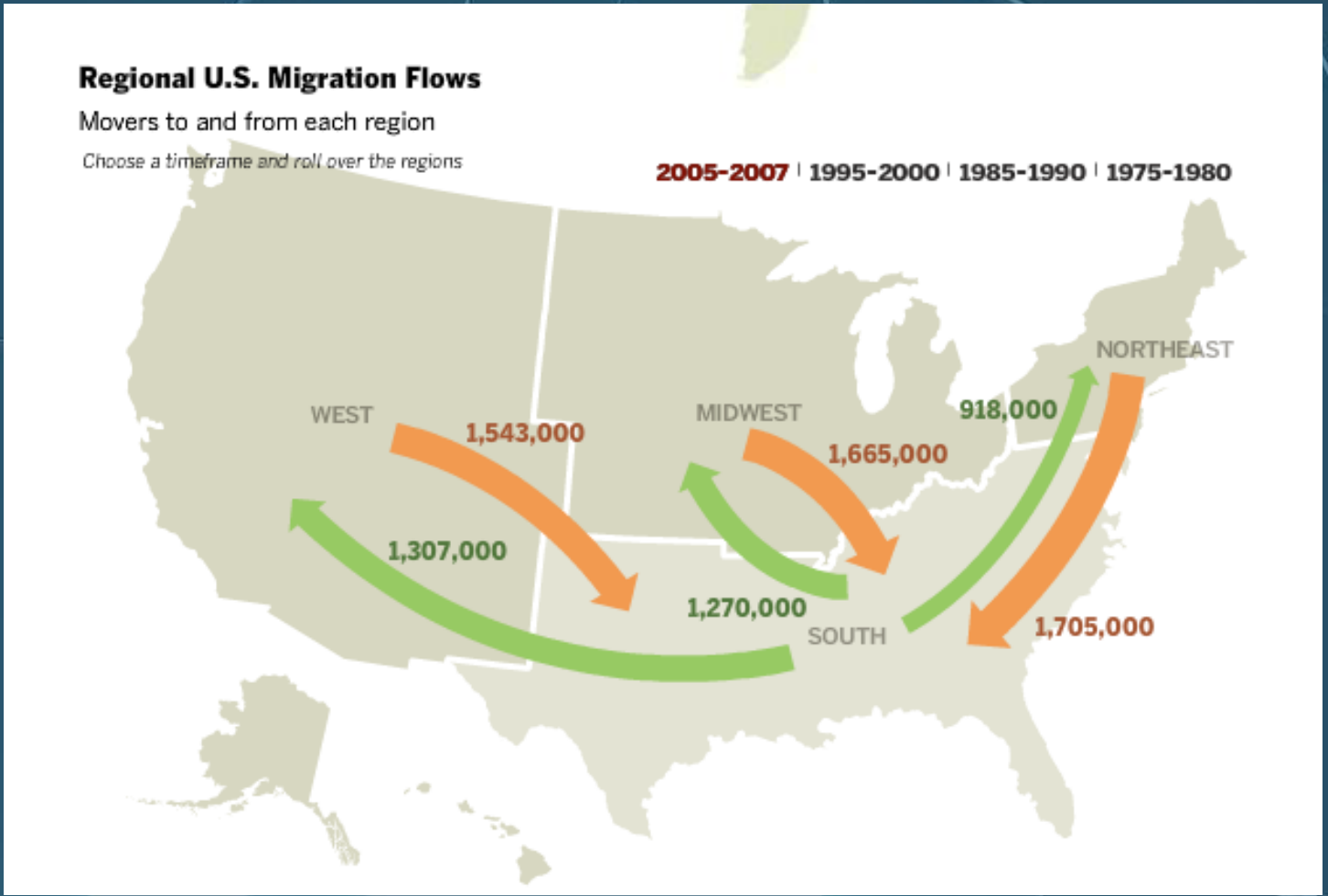
Healthy Steps in Silicon Valley
Accepted by: Pauline de Lange

Livable Community Collaborative, Kingsport TN



Livable Community Collaborative, Kingsport, TN
Accepted by: Kathleen Beine, M.D.

Ride the national wave! Grow your community (at a reasonable rate) – not too hot, not too cold, just right



Source: www.pewsocialtrends.org

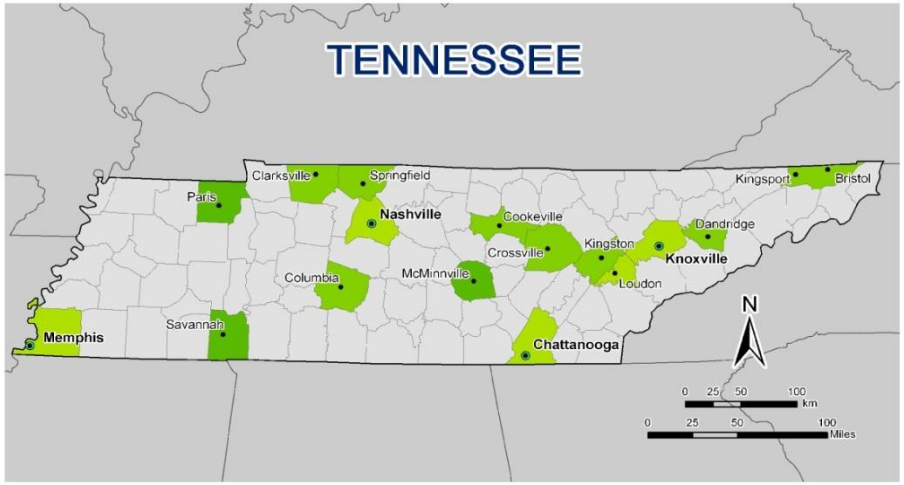
Retirees = Gray Gold

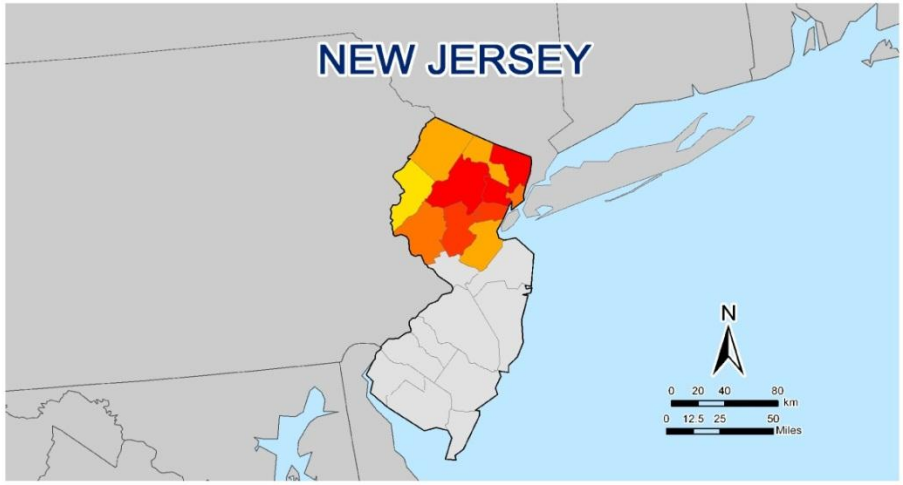
U.S. Population Age 50+

- Number over 66 million
- Own 77% of all privately held financial assets
- Purchase 43% of all new domestic cars and 48% of all luxury cars
- Spend 70% of all travel-for-pleasure dollars
- Eat out in sit-down restaurants an average of 3 times per week
- Spend more on quality children's clothing for their grandchildren than the children's parents do
- Account for 40% of total consumer demand in the country
- **Have $1 trillion in annual income and almost $200 billion in discretionary spending ability**

Source: "Retirement Development", a study conducted by Del Webb Corp.

Comparison of Home Sale Prices





2010 Home Sale Prices - Tennessee			
City	County	Median Sale Price	Property Tax
Crossville	Cumberland	$134,000	$662
Nashville	Davidson	$167,000	$1,724
Chattanooga	Hamilton	$154,500	$1,960
Savannah	Hardin	$90,000	$533
Paris	Henry	$76,000	$620
Dandridge	Jefferson	$139,250	$1,008
Knoxville	Knox	$165,450	$1,994
Loudon	Loudon	$186,400	$1,219
Columbia	Maury	$139,950	$1,367
Clarksville	Montgomery	$149,000	$1,535
Cookeville	Putnam	$129,900	$1,176
Kingston	Roane	$132,500	$1,056
Springfield	Robertson	$148,500	$1,277
Memphis	Shelby	$165,000	$2,976
Bristol	Sullivan	$125,000	$1,350
Kingsport	Sullivan	$125,000	$1,272
McMinnville	Warren	$82,500	$803

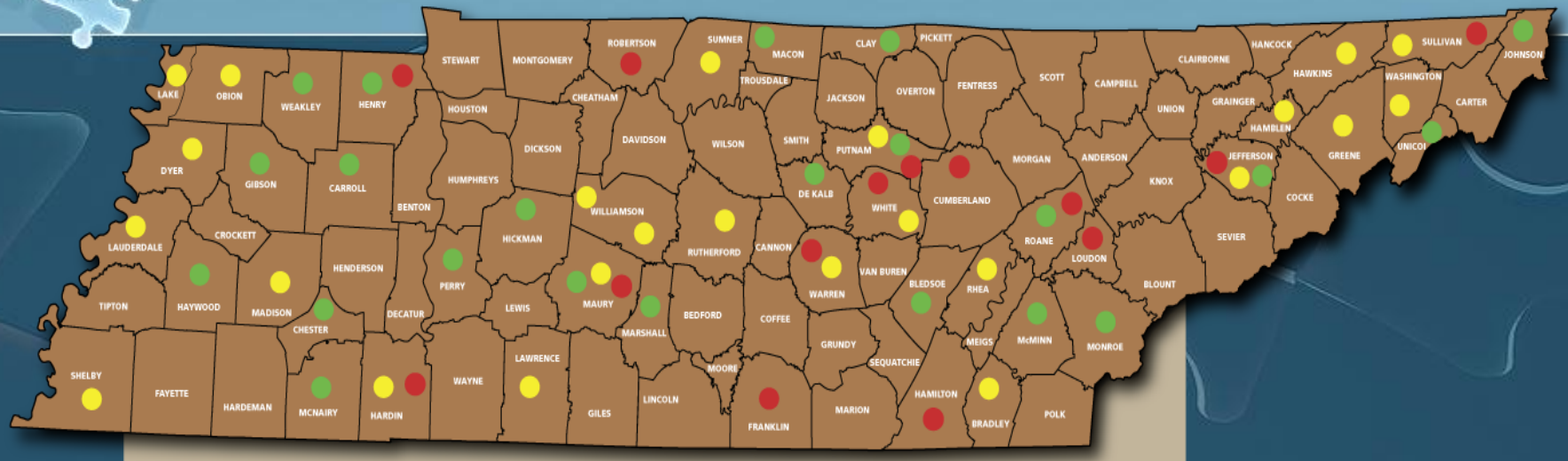
2010 Home Sale Prices - New Jersey			
Boro/City/Town	County	Average Sale Price	Property Tax
Hackensack	Bergen	$508,850	$12,011
Westwood	Bergen	$508,850	$9,450
Newark	Essex	$484,950	$10,354
Short Hills	Essex	$484,950	$8,101
Jersey City	Hudson	$356,051	$7,233
Lambertville	Hunterdon	$396,003	$6,470
New Brunswick	Middlesex	$321,378	$6,478
Brookside	Morris	$473,205	$8,103
Chatham	Morris	$473,205	$7,021
Chester	Morris	$473,205	$8,958
East Hanover	Morris	$473,205	$6,326
Greystone Park	Morris	$473,205	$8,010
Morristown	Morris	$473,205	$9,299
Mountain Lakes	Morris	$473,205	$9,472
New Vernon	Morris	$473,205	$3,774
Parsippany	Morris	$473,205	$9,168
Wharton	Morris	$473,205	$10,425
Whippany	Morris	$473,205	$6,355
Paterson	Passaic	$340,614	$7,932
Bridgewater	Somerset	$422,770	$7,054
North Plainfield	Somerset	$422,770	$11,762
Newton	Sussex	$313,026	$9,004
Elizabeth	Union	$429,801	$10,738
Westfield	Union	$429,801	$8,101
Phillipsburg	Warren	$283,015	$6,846

Tennessee...where the value of your home is only surpassed by the beauty of your surroundings.

www.RetireTennessee.org

TN - ECD
01/2012

TN Main Streets, TN Downtowns & Retiree Recruitment Go Hand in Hand



TENNESSEE MAIN STREET PROGRAM COMMUNITIES

Bristol	Dandridge	Jackson	Ripley
Cleveland	Dyersburg	Leiper's Fork	Rogersville
Collierville	Fayetteville	Kingsport	Savannah
Columbia	Franklin	McMinnville	Tiptonville
Cookeville	Gallatin	Morristown	Union City
Dayton	Greeneville	Murfreesboro	White

TENNESSEE DOWNTOWNS-Round 1

Celina-Clay County	Monterey-Putnam County
Erwin-Unicoi County	Mount Pleasant-Maury County
Jefferson City-Jefferson County	Paris-Henry County
Martin-Weakley County	Selmer-McNairy County
Milan-Gibson County	Sweetwater-Monroe County

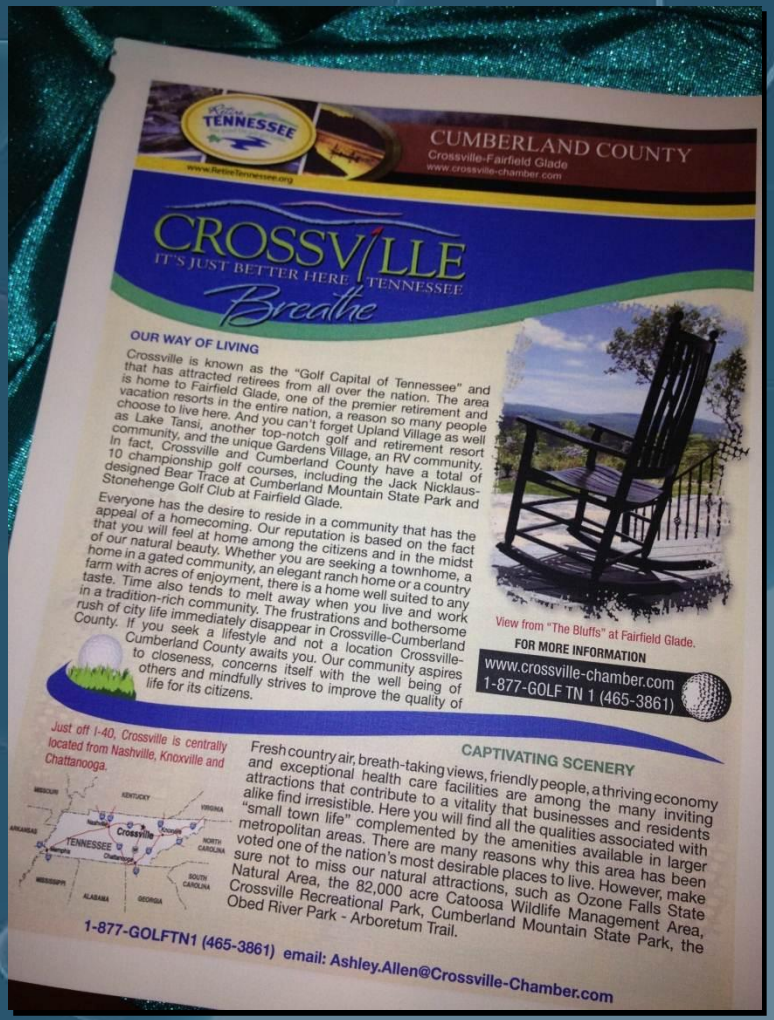
RETIRE TENNESSEE COMMUNITIES

Cumberland	Loudon	Warren
Franklin	Maury	White
Hamilton	Putnam	
Hardin	Roane	
Henry	Robertson	
Jefferson	Sullivan	

TENNESSEE DOWNTOWNS-Round 2

Athens-McMinn County	McKenzie-Carroll County
Brownsville-Haywood County	Mountain City-Johnson County
Centerville-Hickman County	Pikeville-Bledsoe County
Henderson-Chester County	Red Boiling Springs-Macon County
Lewisburg-Marshall County	Rockwood-Roane County
Linden-Perry County	Smithville-Dekalb County

No one tells your story like you do



CUMBERLAND COUNTY
Crossville-Fairfield Glade
www.crossville-chamber.com

CROSSVILLE
IT'S JUST BETTER HERE TENNESSEE
Breathe

OUR WAY OF LIVING

Crossville is known as the "Golf Capital of Tennessee" and that has attracted retirees from all over the nation. The area is home to Fairfield Glade, one of the premier retirement and vacation resorts in the entire nation, a reason so many people choose to live here. And you can't forget Upland Village as well as Lake Tansi, another top-notch golf and retirement resort community, and the unique Gardens Village, an RV community. In fact, Crossville and Cumberland County have a total of 10 championship golf courses, including the Jack Nicklaus-designed Bear Trace at Cumberland Mountain State Park and Stonehenge Golf Club at Fairfield Glade.

Everyone has the desire to reside in a community that has the appeal of a homecoming. Our reputation is based on the fact that you will feel at home among the citizens and in the midst of our natural beauty. Whether you are seeking a townhome, a home in a gated community, an elegant ranch home or a country farm with acres of enjoyment, there is a home well suited to any taste. Time also tends to melt away when you live and work in a tradition-rich community. The frustrations and bothersome rush of city life immediately disappear in Crossville-Cumberland County. If you seek a lifestyle and not a location Crossville-Cumberland County awaits you. Our community aspires to closeness, concerns itself with the well being of others and mindfully strives to improve the quality of life for its citizens.

View from "The Bluffs" at Fairfield Glade.

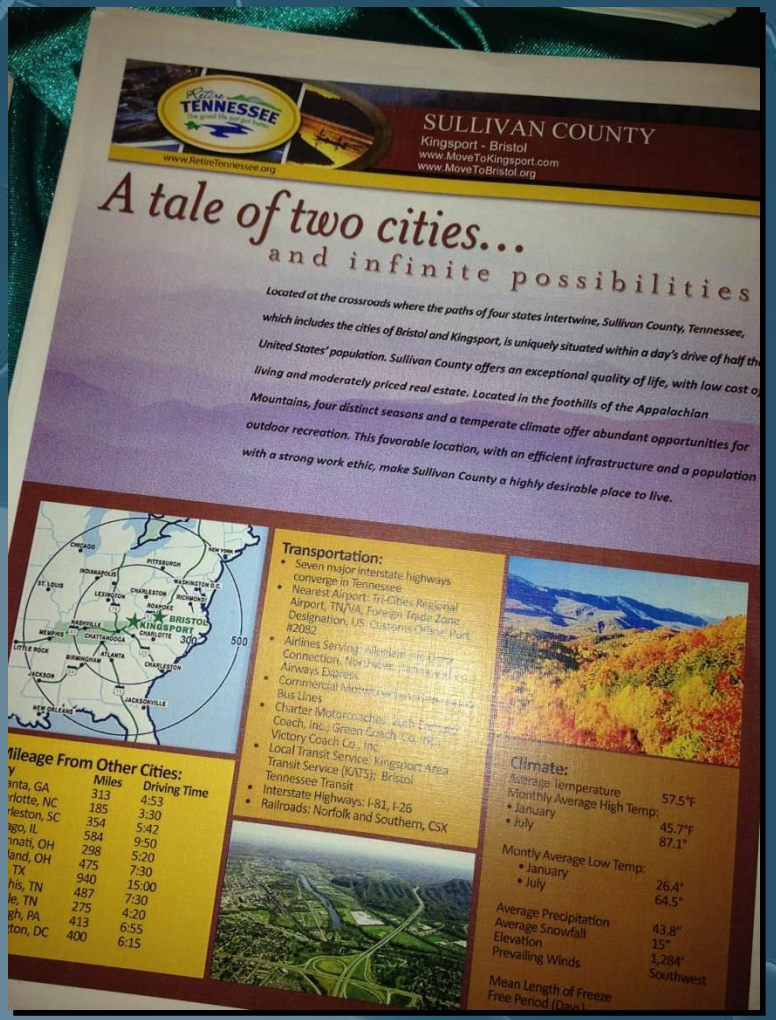
FOR MORE INFORMATION
www.crossville-chamber.com
1-877-GOLF TN 1 (465-3861)

Just off I-40, Crossville is centrally located from Nashville, Knoxville and Chattanooga.

CAPTIVATING SCENERY

Fresh country air, breath-taking views, friendly people, a thriving economy and exceptional health care facilities are among the many inviting attractions that contribute to a vitality that businesses and residents alike find irresistible. Here you will find all the qualities associated with "small town life" complemented by the amenities available in larger metropolitan areas. There are many reasons why this area has been voted one of the nation's most desirable places to live. However, make sure not to miss our natural attractions, such as Ozone Falls State Natural Area, the 82,000 acre Catoosa Wildlife Management Area, Crossville Recreational Park, Cumberland Mountain State Park, the Obed River Park - Arboretum Trail.

1-877-GOLFTN1 (465-3861) email: Ashley.Allen@Crossville-Chamber.com



SULLIVAN COUNTY
Kingsport - Bristol
www.MoveToKingsport.com
www.MoveToBristol.org

A tale of two cities...
and infinite possibilities

Located at the crossroads where the paths of four states intertwine, Sullivan County, Tennessee, which includes the cities of Bristol and Kingsport, is uniquely situated within a day's drive of half the United States' population. Sullivan County offers an exceptional quality of life, with low cost of living and moderately priced real estate. Located in the foothills of the Appalachian Mountains, four distinct seasons and a temperate climate offer abundant opportunities for outdoor recreation. This favorable location, with an efficient infrastructure and a population with a strong work ethic, make Sullivan County a highly desirable place to live.

Transportation:
- Seven major interstate highways converge in Tennessee
- Nearest Airport: Tri-Cities Regional Airport, TN/VA; Foreign Trade Zone Designation, US Customs Office, Port #2082
- Airlines Serving Tri-Cities Regional Airport: [illegible] Connection, Northwest, [illegible] Airways Express
- Commercial Motorcoaches: [illegible] Bus Lines
- Charter Motorcoaches: [illegible] Coach, Inc.; Greaan Coach Co. Inc.; Victory Coach Co., Inc.
- Local Transit Service: Kingsport Area Transit Service (KATS); Bristol Tennessee Transit
- Interstate Highways: I-81, I-26
- Railroads: Norfolk and Southern, CSX

Mileage From Other Cities:

	Miles	Driving Time
[illegible]nta, GA	313	4:53
[illegible]rlotte, NC	185	3:30
[illegible]rleston, SC	354	5:42
[illegible]ago, IL	584	9:50
[illegible]cinnati, OH	298	5:20
[illegible]land, OH	475	7:30
[illegible] TX	940	15:00
[illegible]his, TN	487	7:30
[illegible]le, TN	275	4:20
[illegible]gh, PA	413	6:55
[illegible]ton, DC	400	6:15

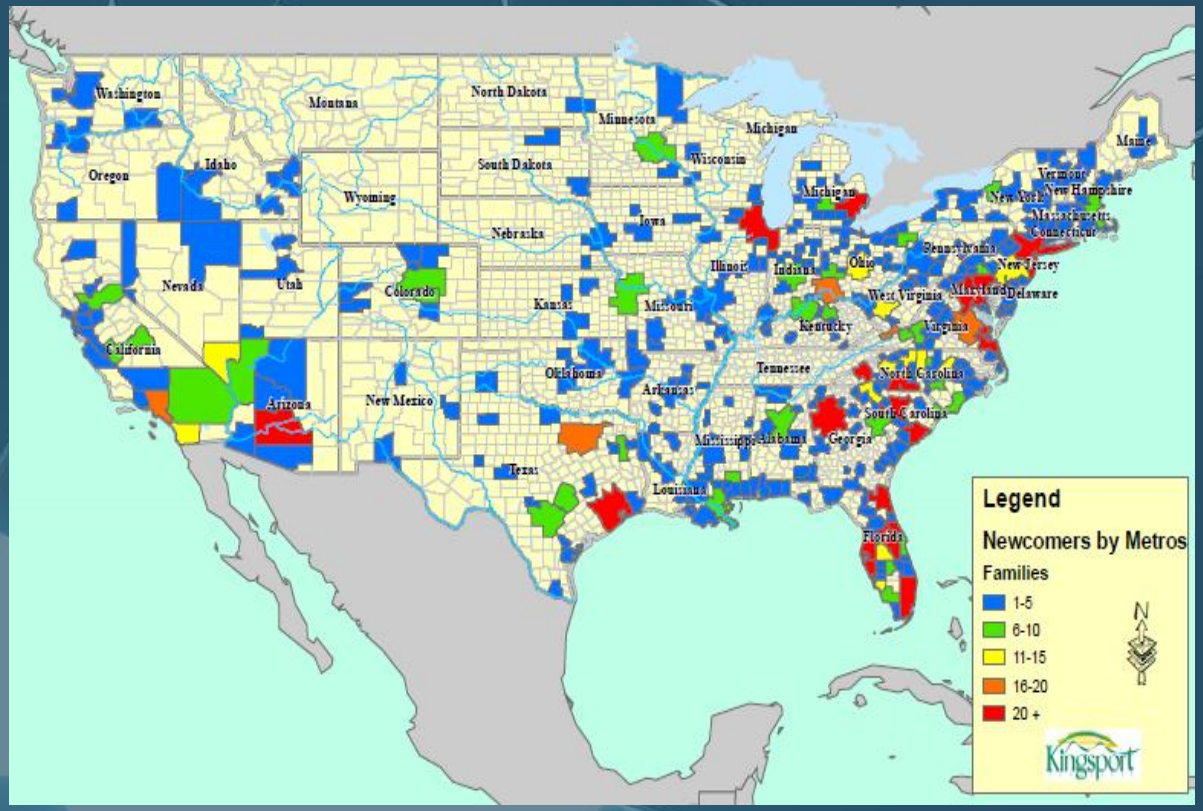
Climate:

Average Temperature	57.5°F
Monthly Average High Temp:	
• January	45.7°F
• July	87.1°
Montly Average Low Temp:	
• January	26.4°
• July	64.5°
Average Precipitation	43.8"
Average Snowfall	15"
Elevation	1,284'
Prevailing Winds	Southwest
Mean Length of Freeze Free Period (Days)	

Measure your success! Top Metros Moving to Kingsport

2,608 families relocated from all 50 states & DC (2006-2012)

1	Tampa Bay, FL
2	Washington, DC-VA-MD-WV
3	Atlanta, GA
4	Miami-Ft Lauderdale, FL
5	New York-Northern NJ
6	Asheville, NC
7	Charlotte, NC-SC
8	Orlando, FL
9	Virginia Beach-Norfolk, VA-NC
10	Deltona-Daytona, FL
11	Detroit, MI
12	Chicago, IL-IN-WI
13	Houston, TX
14	Baltimore, MD
15	Charleston, SC
16	Phoenix, AZ
17	Jacksonville, FL
18	Sarasota-Bradenton, FL
19	Columbia, SC
20	Dallas-Fort Worth, TX
21	Cincinnati, OH-KY-IN



Annual Economic Impact of Newcomers
An example of Kingsport, Tennessee

+507 families (July 2005-December 2012)

x 2.3 persons per family on average

= 1,166 new residents

Each resident generates $25,000 in consumer expenditures

1,166 x $25,000 = **$29,152,500 per year**

"...the money that people actually pull out of their paychecks and bank accounts to pay for domestically-produced goods and services drives about 40% of economic activity..."

Source: Dr. Michael Mandel, Harvard Graduate, Bloomberg BusinessWeek

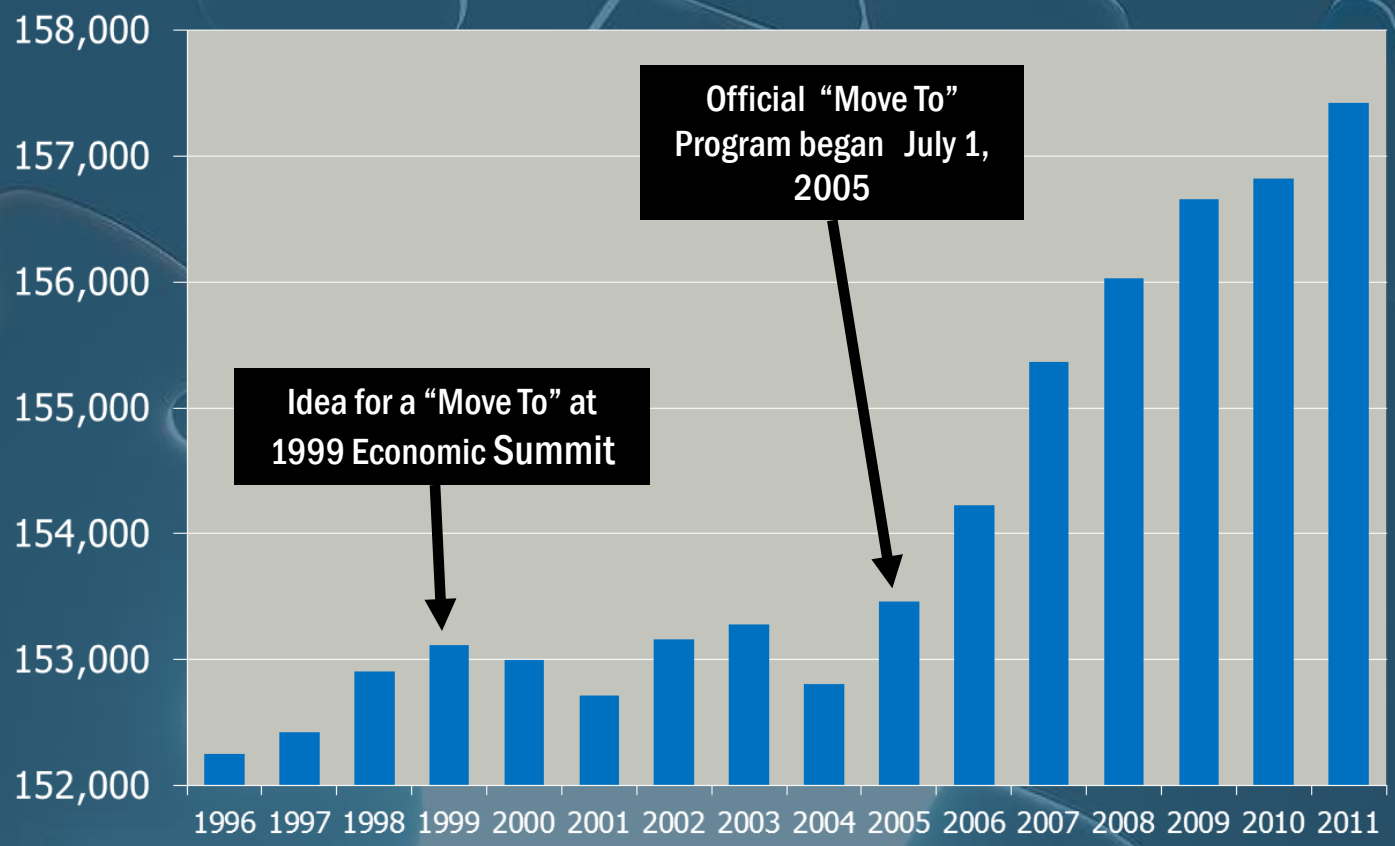
Consuming services and creating demand for jobs in medical, pharmacy, finance, insurance, real estate, food, retail, etc.

Public cost per person = $55,000 per year x 6 ½ years / 1,166 people = $307/person

Not a bad return on investment for a non-traditional economic development program

Population of Sullivan County, Tennessee

3,956 people x $25,000 per person = $98,900,000 annual consumer spending (2005-2011)



Source: U.S. Census Table 1. Intercensal Estimates of the Resident Population for Counties of Tennessee: April 1, 2000 to July 1, 2010 (CO-EST00INT-01-47) Source: U.S. Census Bureau, Population Division
Release Date: September 2011

Non-traditional economic development strategy:

Recruiting Retail Sales

Note: 3rd time I've said this today! →

"...the money that people actually pull out of their paychecks and bank accounts to pay for domestically-produced goods and services drives about 40% of economic activity..."

Source: Dr. Michael Mandel, Harvard Graduate,
Bloomberg BusinessWeek

Distribution of Local Option Sales Tax in Tennessee
Sullivan County example

$31,010,139 collected annually in City of Kingsport

$1.00 Sales Tax Revenue Collected

If the sale leaves the County (or State) 100% of the revenue is lost

$15,979,500

$0.50 City General Fund

This formula is generally the same throughout Tennessee

$15,979,500

$0.50 Countywide Schools

This formula varies depending on # of school systems in county and percentage of students per system →

52% Sullivan County Schools	30% Kingsport City Schools	18% Bristol City Schools
$8,235,834	$4,798,350	$2,876,310

A lot is at stake. Are you getting your fair share? First, the winners…

20 minutes Drive Time (from Downtown or Market Center)	Sales compared to demand	Actual Sales*	Natural Demand	Attractive Sales	Redirected Revenue (@ 2.5%)
Nashville	2.2	$ 12,239,788,902	$ 5,563,540,410	$ 6,676,248,492	$ 166,906,212
Knoxville	1.8	$ 6,824,182,099	$ 3,791,212,277	$ 3,032,969,822	$ 75,824,246
Franklin-Brentwood	1.9	$ 4,572,590,132	$ 2,406,626,385	$ 2,165,963,747	$ 54,149,094
Chattanooga	1.6	$ 4,063,980,826	$ 2,539,988,016	$ 1,523,992,810	$ 38,099,820
Huntsville-Madison, AL	1.5	$ 4,563,077,807	$ 3,042,051,871	$ 1,521,025,936	$ 38,025,648
Gallatin-Hendersonville	1.8	$ 2,695,569,779	$ 1,497,538,766	$ 1,198,031,013	$ 29,950,775
Jackson	2.1	$ 2,074,462,325	$ 987,839,202	$ 1,086,623,123	$ 27,165,578
Farragut-Oak Ridge	1.9	$ 2,215,609,501	$ 1,166,110,264	$ 1,049,499,237	$ 26,237,481
Johnson City	1.6	$ 2,760,392,889	$ 1,725,245,556	$ 1,035,147,333	$ 25,878,683
Sevierville-Pigeon Forge	2.2	$ 1,531,627,454	$ 696,194,297	$ 835,433,157	$ 20,885,829

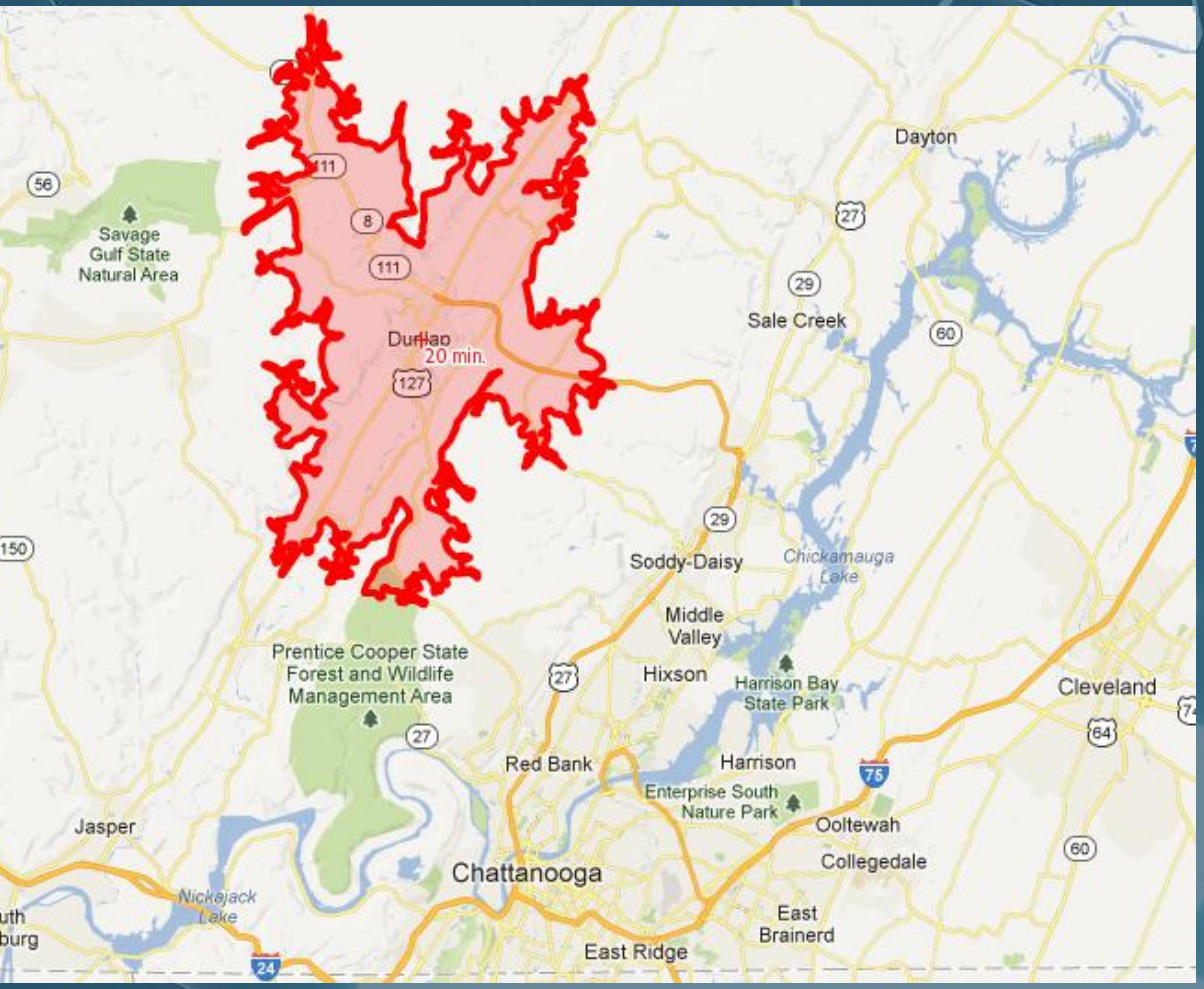
Based on market, not municipality. Not an exhaustive list of all markets.
Source: Buxton

A lot is at stake. Are you getting your fair share? The donors…

20 minutes Drive Time (from Downtown or Market Center)	Sales compared to demand	Actual Sales*	Natural Demand	Attractive Sales	Redirected Revenue (@ 2.5%)
Winchester	0.8	$ 315,827,495	$ 394,784,369	$ (78,956,874)	$ (1,973,922)
Huntingdon	0.6	$ 141,998,725	$ 236,664,542	$ (94,665,817)	$ (2,366,645)
La Follette	0.7	$ 226,836,444	$ 324,052,063	$ (97,215,619)	$ (2,430,390)
Martin	0.7	$ 236,285,717	$ 337,551,024	$ (101,265,307)	$ (2,531,633)
Springfield	0.8	$ 450,927,985	$ 563,659,981	$ (112,731,996)	$ (2,818,300)
Dunlap	0.3	$ 48,808,932	$ 162,696,440	$ (113,887,508)	$ (2,847,188)
Somerville	0.3	$ 55,125,686	$ 183,752,287	$ (128,626,601)	$ (3,215,665)
Kingston-Harriman-Rockwood	0.7	$ 312,029,081	$ 445,755,830	$ (133,726,749)	$ (3,343,169)
Millington	0.6	$ 927,219,798	$ 1,545,366,330	$ (618,146,532)	$ (15,453,663)

Based on market, not municipality. Not an exhaustive list of all markets in TN.
Source: Buxton

Example: Dunlap/Sequatchie County



Within a 20 minute drive time, Dunlap has:

$162.7 million in market demand

$48.8 million in actual sales

Therefore, $113.9 million is spent elsewhere

Resulting in an annual loss of $2.8 million in sales tax collections

We hear a lot about Tennessee's high sales tax, but do you really save by shopping out-of-state?

	State	Optional Local	TOTAL (max)	Tax on a $250 purchase	Cost to drive 20 miles x roundtrip	True Cost or (Savings)
Tennessee	7.00%	2.75%	9.75%	$ 24	shop local	shop local
Alabama	4.00%	8.00%	12.00%	$ 30	$ 23	$ 28
Georgia	4.00%	4.00%	8.00%	$ 20	$ 23	$ 18
North Carolina	4.75%	3.50%	7.25%	$ 18	$ 23	$ 16
Virginia	4.00%	1.00%	5.00%	$ 13	$ 23	$ 11
Kentucky	6.00%	-	6.00%	$ 15	$ 23	$ 13
Missouri	4.23%	5.38%	9.60%	$ 24	$ 23	$ 22
Arkansas	6.00%	5.00%	11.00%	$ 28	$ 23	$ 26
Mississippi	7.00%	0.25%	7.25%	$ 18	$ 23	$ 16
taxrates.com						

Even if you spend $250, it actually costs more to drive 20 miles to shop in another state. If you spend less than $250, the cost is exaggerated even more!

Target Marketing: What is your market's supply/demand? How do you know?

15-min Kingsport Town Center (15 minute drive time) **Retail Leakage and Surplus Analysis**

Leakage/Surplus Index by Major Store Type

The quantitative comparison of retail leakage and surplus in the twelve major store types shown in the chart and table below provides an initial measure of market opportunities. Combining this analysis with the knowledge of the local retail situation will take the process of identifying retail possibilities one step further.

Figure 1 provides the leakage/surplus indices and following is the sales potential and actual sales for major store types.

Figure 1. Leakage/Surplus Index and Actual and Potential Sales by Major Store Types

THURSDAY, APRIL 12, 2012

Ashley Furniture coming to East Stone Commons

INLAND WESTERN
Retail Real Estate Trust, Inc.

It's only a tool in your tool box. It's not perfect. You still have to recruit.

LongHorn Steakhouse coming to Kingsport

LongHorn Steakhouse plans to construct its newest restaurant on East Stone Drive, across from Buffalo Wild Wings.

By SHARON CASKEY HAYES
shayes@timesnews.net

KINGSPORT — Another national restaurant chain is coming to Kingsport.

LongHorn Steakhouse plans to construct its newest restaurant on East Stone Drive, across from Buffalo Wild Wings.

The company has secured a demolition permit and next week expects to begin demolishing the old Title Loan building and Fisherman's Dock restaurant at the corner of Stone Drive and Indian Trail to make way for the new restaurant.

LongHorn Steakhouse is part of the Darden Restaurants family, which also includes Red Lobster and Olive Garden. Spokesman Rich Jeffers said the company is expanding the LongHorn Steakhouse concept and decided to locate in Kingsport based on the success here of its sister restaurant, Olive Garden.

Contributed photo

LongHorn Steakhouse plans to build its newest restaurant in Kingsport. Demolition is expected to begin next week on the old Title Loan building and Fisherman's Dock restaurant to clear the site at the corner of East Stone Drive and Indian Trail. The company hopes to open for business by the end of the year.

"We're really looking to growing in markets where we have seen proven success of our sister brands. And it (Kingsport) is an excellent opportunity for our steakhouse," Jeffers said.

He said the company must still secure a building permit. Once that is in hand and demolition of the old buildings is complete,

Please see NEW, page 2A

Site Match Report - Longhorn Steakhouse

Date: Tuesday, 04 October, 2011

Site Description: **Kingsport Pavilion**
Latitude: 36.550125 Longitude: -82.493033
State: TN
Region: ESC

Buxton Urban Density Score (BUDS): 2
Drivetime: 20 Minutes
Match Level: Regional
Profile Match: Households

Longhorn Steakhouse
Number of Matched Locations: **22**

Profile Match Quality
Match Score: **68.25** - Match Quality: **Stretch**

Consumer Density
Consumer Density Score: **88.33 %** - Density Quality: **Comparable**

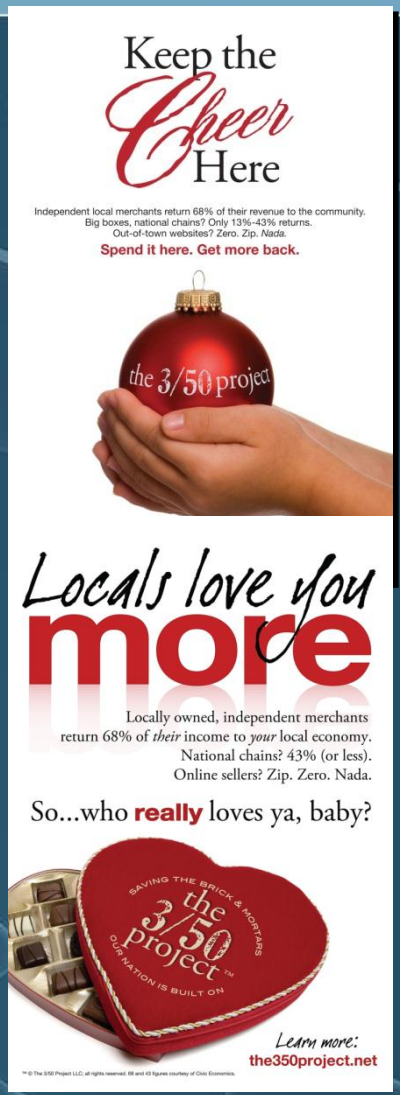
Site Consumers: **53,125**
Company Average Consumers: **60,142**

Since 2005, Kingsport has landed 1.1 million square feet on a redeveloped site

Promote more than just “big boxes”…

- Downtown Kingsport continues to see phenomenal growth in property value

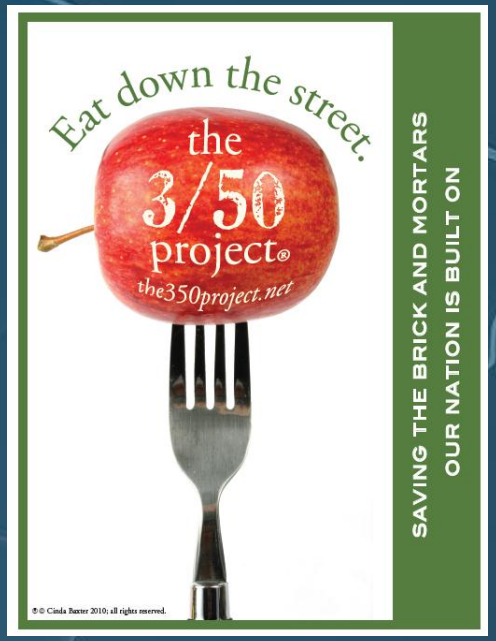
- KINGSPORT – Between 2011 and 2012, Downtown Kingsport continued to see phenomenal growth in taxable property value, jumping by $22.7 million during the period according to Sullivan County public tax records. This represents the prior year's investment rolling onto the tax rolls.



Download *free* high-resolution promotional materials, postcards, window signs, large banners at www.the350project.net

What do social media websites say about your local restaurants? www.tripadvisor.com

- Uptown Bistro, Savannah, TN
- Tomato Head, Knoxville
- Bluegrass Grill, Chattanooga
- Mauricio's, Cookeville
- Olive Pit, Paris, TN
- Collins River BBQ, McMinnville
- Phil's Dream Pit, Kingsport
- Forte's on the Square, Crossville
- Bacara's, Jamestown
- Catfish Cabin, Jackson
- The Cookie Jar, Dunlap



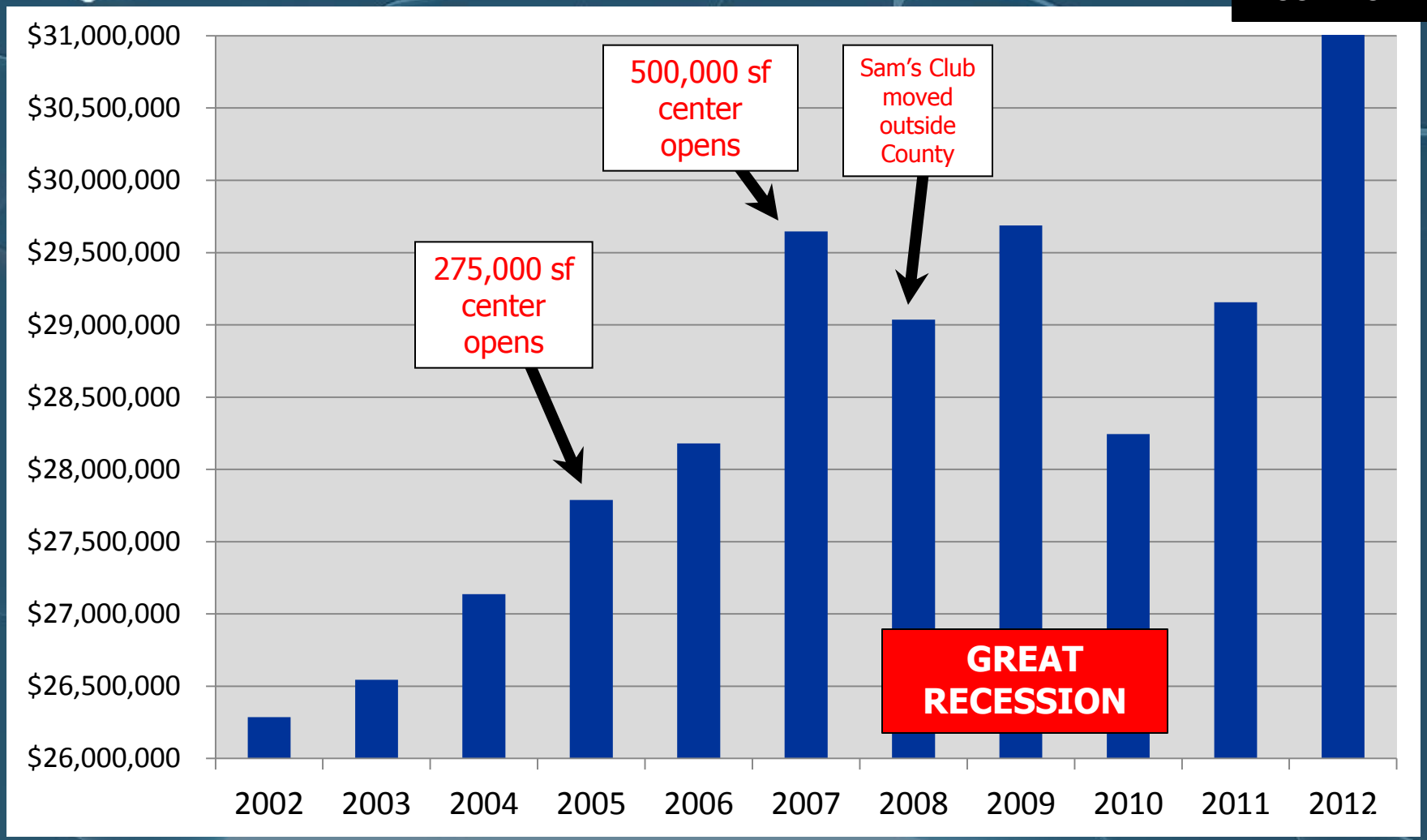
No franchises made the list…not Red Lobster, Olive Garden, nor even Ruth's Chris Steakhouse

Retail Sales Tax Collections

Kingsport, Tennessee

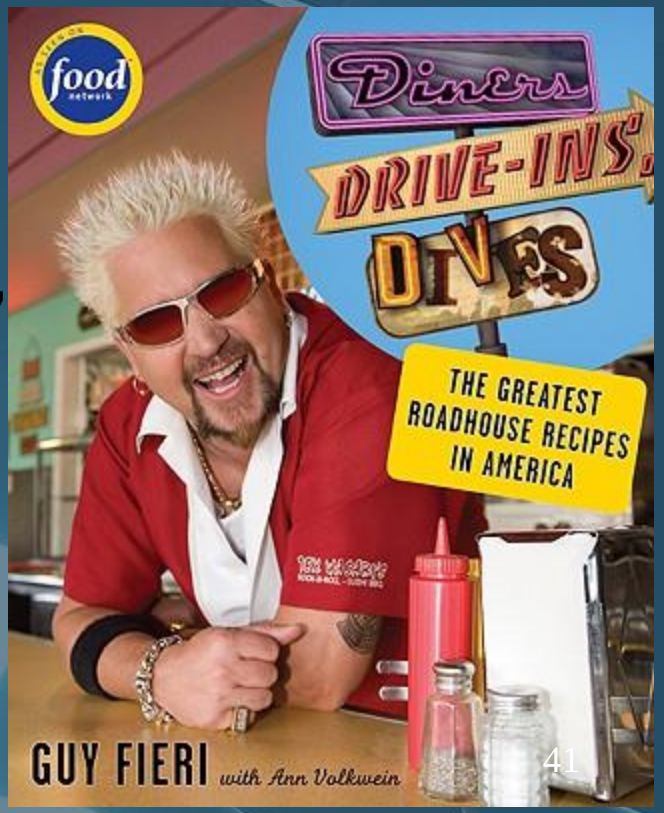
by Fiscal Year

18% INCREASE 2002-2012



In summary

- No one knows your community like you do!
- No one loves your community like you do!
- No one tells your story like you do!

- People are tiring of franchise purgatory, but tax formulas require that we care.
- All things in moderation!
- Be unique! Be original!

- So what are you waiting for?!