



**MINUTES  
ECONOMIC DEVELOPMENT  
ADVISORY COMMITTEE  
MAY 2, 2018  
8:00 AM**

**Committee Members Present:**

Lauri Figueroa, Samuel French, Brandon Hackett, Christine Horwege, Pamela Milliken, Marianne McGill, Vice Mayor Ron Pinchok, Ashley Shaffer, Jeremiah Webb, David Smoak

**Staff Present:**

Sue Stuhl, Jenn Hatmaker

**Other:**

Alderman Louise Povlin  
Julie Blaylock, Farragut/West Knox Chamber  
Steve Krempasky, Farragut Business Alliance  
Michael Goldsborough, Up-Start  
Bob Hill, Farragut Resident

Alderman Ron Williams  
Tim Williams, Farragut/West Knox Chamber  
Tommy Nguyen, Up-Start  
Stephen Jenkins, Knoxville Entrepreneur Center  
Jon Greene, Farragut Resident

**Call to Order**

The meeting was called to order. A quorum was declared.

**Approval of the Minutes**

Ms. Milliken moved to approve the April 4, 2018 minutes. Motion passed.

Chair Hackett stated that he would like to move Status Updates as the next agenda item, followed by Any Other Business then 2018 Economic Development Advisory Committee Goals.

**Status Updates**

**a. Town of Farragut:** Presented by Mr. Smoak

- i. Sales tax through the end of February was \$4.6m. The increase is due an error the state made last fiscal year that was paid during this fiscal year.
- ii. Building Permit Activity:
  - a. 44 new residential permits totaling approximately \$19m
  - b. 2 new commercial permits totaling approximately \$9.8m – Southeast Bank office building and the NHC expansion
  - c. 3 commercial additions
- iii. 2 projects will go before the Planning Commission at the next meeting: Swan property rezoning and Knox Valley Dental

- iv. The Planning Commission is working on the Neighborhood Commercial zoning
- v. The Hotel/Motel Tax will go before the Board next week for the second reading; proposed rate of 2.5%
- vi. Preparing for ICSC which is two weeks away
- vii. Knoxville Open is next week; parking will be in the Old Kroger parking lot this year
- viii. The Comprehensive Land Use Plan steering committee will walk the Watt Road Corridor area on May 15

**b. Farragut / West Knox Chamber of Commerce:** Presented by Ms. Blaylock

- i. Auction will be on May 18
- ii. 10 new members in April; 3 of those were in the Town
- iii. 3 ribbon cuttings in April
- iv. 2 ribbon cuttings and 4 networking events scheduled in May
- v. Suzanne Krygier has been promoted to Executive Assistant
- vi. New front office manager will start on May 14
- vii. Would like to have a breakfast series on Business and Employment Law with a focus on social media in late June

**c. Farragut Business Alliance (FBA):** Presented by Mr. Krempasky

- i. Farragut Food and Wine Festival will be on Friday
- ii. The *Town Sampler* started in March. Currently have over 20 businesses involved. Just awarded the April winner.

**Any Other Business**

**Discussion of Incubators in the Town**

Ms. Horwege introduced Tommy Nguyen, Stephen Jenkins and Michael Goldsborough. Mr. Nguyen, Mr. Jenkins and Mr. Goldsborough briefly spoke about their role in Up-Start.

Mr. Goldsborough stated that coworking spaces and incubators are very difficult to make money on. Mr. Goldsborough stated that incubators need to have flexible lease terms and need to have everything included so that the businesses can write one check for everything instead of having to worry about paying cable, water, rent, etc. separately; the more you can take off their plate on the administrative side the more they can focus on building their business.

Mr. French stated that the culture and comradery of the people coworking tougher from the different businesses is a huge factor; it is the difference between an executive suite setup where people come in as individuals and do their work then leave and this type of setup where people are building relationships and sharing skills.

Vice Mayor Pinchok asked how many square feet the Up-Start office is. Mr. Goldsborough stated that they started out with 900 ft<sup>2</sup> and have expanded to 2,700 ft<sup>2</sup> and currently have eight companies. Vice Mayor Pinchok asked how long the businesses stay. Mr. Nguyen stated that all eight companies have been with Up-Start since day one. Mr. Goldsborough stated that it is rare that you start with eight and still have all eight three years later.

Chair Hackett asked if Up-Start has thought about going from for-profit to non-profit like Tech2020 that was based in Oak Ridge. Mr. Nguyen stated that he is not sure why Tech2020 didn't work, but from what he has heard it was because there was so much involvement with too many board members. Mr. Nguyen stated that having a for-profit mindset allows you to not have to depend on donations.

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**11408 MUNICIPAL CENTER DRIVE | FARRAGUT, TN 37934 | 865.966.7057**

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Mr. Hill stated that this committee should appoint a subcommittee to be ambassadors for this kind of approach.

### **2018 Economic Development Advisory Committee Goals**

Chair Hackett asked if the committee would like to look at the possibility of incubators in the Town, either as part of this committee or a subcommittee. Ms. Horwege stated that she thinks the best approach would be to have plan by the end of the calendar year of what it would look like to have an incubator in the Town and what would be needed to have it come to fruition. Vice Mayor Pinchok stated that he would like to see a subcommittee with Ms. Horwege leading the subcommittee.

Vice Mayor Pinchok stated that he would like to see this committee brainstorm and come up with a recommendation for the Outlet Drive Corridor. Ms. Horwege stated that this committee could possibly identify three or four businesses or services that we would like to recruit. Vice Mayor Pinchok stated that representatives of the Town will be attending a conference this month and will be talking with businesses that may be good fit for the Town. Vice Mayor Pinchok asked what the committee would like to see on Outlet Drive. Mr. Smoak stated that this committee could help the Comprehensive Land Use Plan committee which is looking at the different Town Corridors, with the focus right now on Watt Road, but the committee could also provide feedback about the Outlet Drive corridor.

Vice Mayor Pinchok moved to form a subcommittee to discuss incubators in the Town. Mr. French seconded. Mr. Smoak stated it would be helpful to identify who will be on the subcommittee. Mr. Greene asked what the proposed result of the subcommittee will be. Ms. Horwege stated that she thinks it should be to come up with a model, a for-profit model or a supported model.

Mr. Greene stated that he has attended two meetings where the committee has discussed goals for the committee. Mr. Greene stated that two or three people should come up with a list of goals and then present it to the committee to discuss and approve.

Mr. French made a substitute motion to have Brandon Hackett and David Smoak develop a list of recommended goals for FY19 based on the dialogue of today's meeting and the prior meeting to bring to the next committee meeting. Ms. Milliken stated that it would be more beneficial for Ms. Horwege to come up with some goals since she has more knowledge about incubators.

Mr. French amended his substitute motion to have Ms. Milliken and Mr. Kremasky work on business retention, Ms. Horwege work on incubator goals, and Vice Mayor Pinchok work on suggestions for the Outlet Drive corridor. Vice Mayor Pinchok seconded the motion. All voted in favor; motion passed.

Vice Mayor Pinchok moved to adjourn. Ms. Milliken seconded.

**Next meeting: Wednesday, June 6, 2018 at 8 AM in the Town Hall Board Room.**