



Thrive Loudon COUNTY

ECONOMIC STRATEGIC PLAN

Prepared For:



Economic Development Strategic Plan Loudon County, Tennessee



Prepared By:



Thrive Loudon County

ECONOMIC DEVELOPMENT STRATEGIC PLAN

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1. Introduction

Loudon County has had tremendous growth over the past 12 years where it has experienced an increase in population of nearly 16%. This has been reflected in each of its three largest communities of Loudon (19.8%), Lenoir City (21.4%) and Tellico Village (31.3%). This rapid growth has brought with it changes in terms of greater traffic, increase in pressure on existing infrastructure, as well as an increasing need for better planning practices and managed growth. Without adequate planning policies to address these changes, the County has established a moratorium on planned unit developments (PUDs) as well as a minimum density of residential development of two units per acre.

Realizing the need to address the changing landscape of the county, the Loudon County Economic Development Agency (LCEDA) hired Arnett Muldrow & Associates and Orion Planning + Design to create a data-driven economic strategic plan. The plan addressed growth factors impacting both the county and its municipalities in effort to create an economic development vision for the community that is sustainable. The resulting plan assesses current marketing conditions and includes recommendations for promoting smart growth and enhancing the quality of life in the county and its municipalities.



Plan Format

This document represents a collaboration of the LCEDA, Loudon County, municipal leadership, stakeholders and citizenry to chart a path for the future. It is a market-based study that is intended to outline strategies for efficient economic growth over the next ten years.

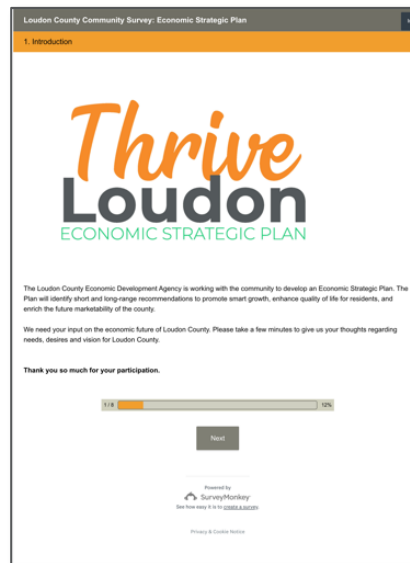
The report includes:

- A **Strategic Assessment** based on ongoing stakeholder and public input, including two online surveys for citizens and the business community. The assessment presents strengths, weaknesses, economic challenges and opportunities.
- A comprehensive **Market Analysis** that studies Loudon County and its municipalities including retail, housing, employment and the overall economy. The study looks at multiple market geographies within the Loudon market and ends with detail on growth opportunities based on demand.

- An **Economic Development Strategic Vision** developed with a steering committee and LCEDA staff that represents a broad-based vision with defined goals that lead to specific strategies.
- The **Economic Development Strategic Plan** that includes a business development strategy, economic market position, and a planning & development strategy addressing land development scenarios, development types, mobility, and policy.
- An **Implementation Strategy Board** presenting task by themes, partner agencies and responsibilities, and 1-, 5-, and 10-year actions.

Project Branding

The plan was entitled “Thrive Loudon County” and includes a project brand applied to various promotional materials and social media to inform the community and help drive public participation in the plan process. The brand will also be used to communicate implementation and accomplishments over time.



2. Strategic Assessment

Online Survey

Thrive Loudon County is a community plan based on ongoing conversations with stakeholders and citizens about the future economic development of the County and its communities. This dialogue began with an online survey to collect input from citizens and businesses to inform the strategic plan. The survey asked participants to provide input on community character, perceptions of the County, activity, and economic needs.

- Survey was live from 6/3 - 7/29/22
- 684 citizens responded to the Community Survey
- 45 businesses responded to the Business Survey

The survey achieved a great response rate with 99% of participants living within the Loudon County as shown by the Zip Codes to the right.

Respondents were also asked which community they live in:

- 23% live in Lenoir City
- 25% in the City of Loudon
- 4% in Tellico Village
- 3% in Philadelphia
- 1% in Greenback
- 38% said they live in unincorporated Loudon County

48% of participants have lived in Loudon for more than 20 years, while 26% have lived here less than 5 years.

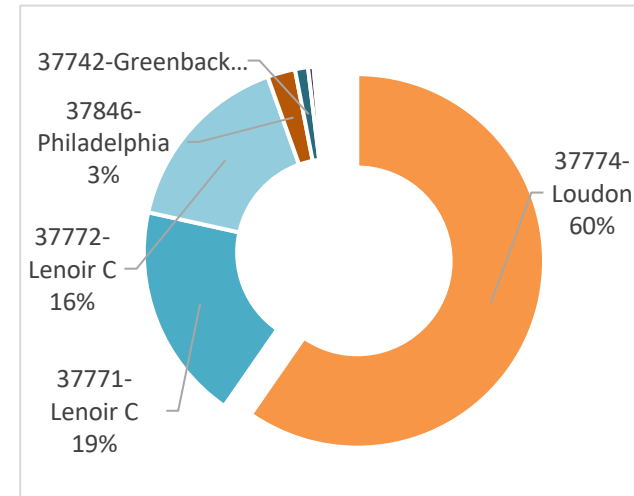


Figure 1: Where do you Live?

Community Survey Results

Survey Participants were asked to describe the character of Loudon County, any misconceptions about the county, as well as strengths and weaknesses.

When asked about specific places they would recommend to someone visiting Loudon County for the first time, key responses included the Downtowns, Lakes & Recreation, and Tellico Village. Other common responses included Lenoir City Park and Tic Toc Ice Cream.

Similarly, participants said that Loudon County's strongest economic assets are its Lakes, rivers, dams and waterfront, as well as parks. The boating industry was identified as the strongest employment base, Tennessee National, schools, low property taxes, and well-educated community were also mentioned. Many felt that agriculture and farming, as well as the rural character contribute to the overall economy.

When asked about the greatest area of economic need, common responses included:

- Business
 - Better shopping & dining
 - Entrepreneurial Development
 - Grocery, theater, local restaurants & shops, entertainment
- Employment
 - Higher tech and manufacturing jobs
 - Corporate office
 - Larger workforce



Figure 2: What specific places would you recommend to someone visiting Loudon County for the first time?

- Housing
 - Affordable, quality housing
 - Attainable, workforce housing to rent or buy
 - Strategic, planned housing
- Infrastructure
 - Better broadband access
 - Improved schools
 - Sewer in Greenback
 - Expanded natural gas

Participants were then asked to rate various aspects of the economic environment in Loudon such as quality of business, employment opportunities, shopping & dining, etc. Quality of businesses and employment opportunities ranked the highest.

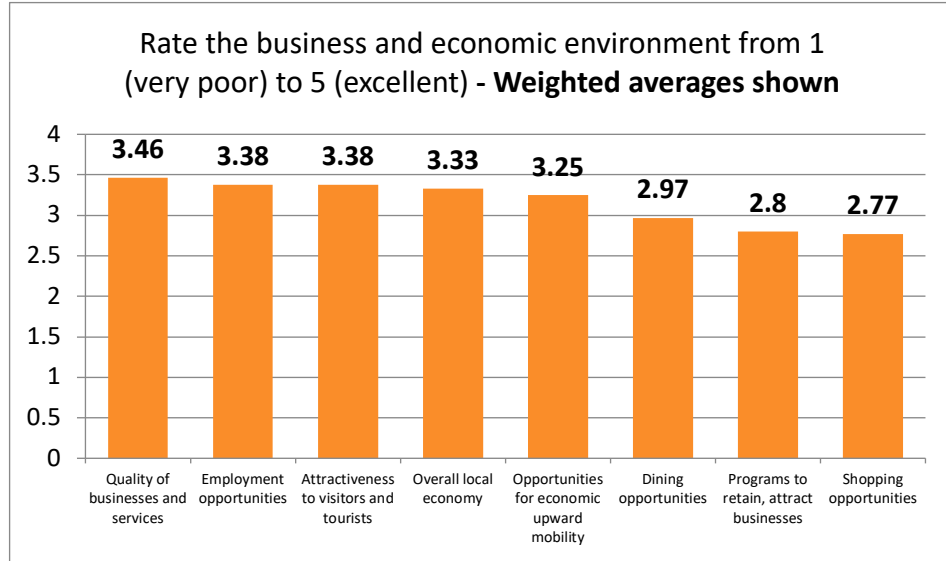


Figure 3: Rate the business and economic environment.

Residents were asked about needs for retail, housing, services, and employment.

They felt that clothing, restaurants, and entertainment were the biggest needs.

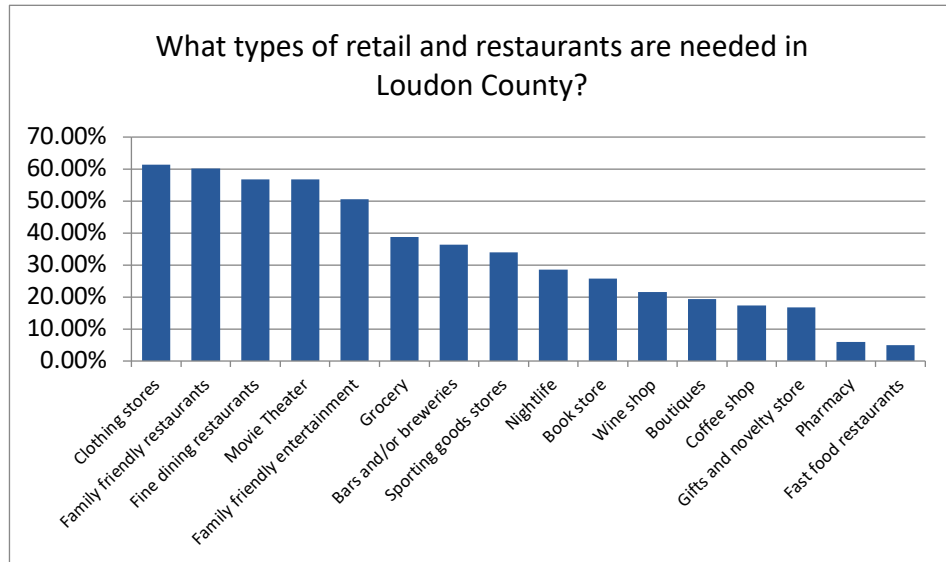


Figure 4: What type of retail is need in the county?

50% of respondents wanted to see more affordable housing options. Single family and senior housing was next. Apartments and townhomes ranked lower on the list, but more than 30% of respondents felt mixed use that includes housing is needed.

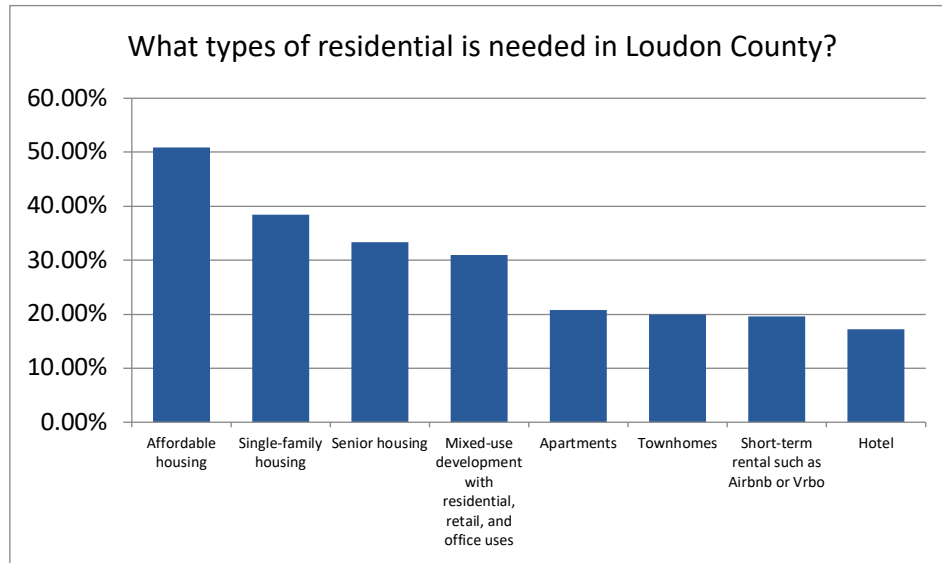


Figure 5: What type of residential is need in the county?

Resident feel Loudon County needs more innovation and technology employers as well as retail. This was followed by expanded tourism and recreation.

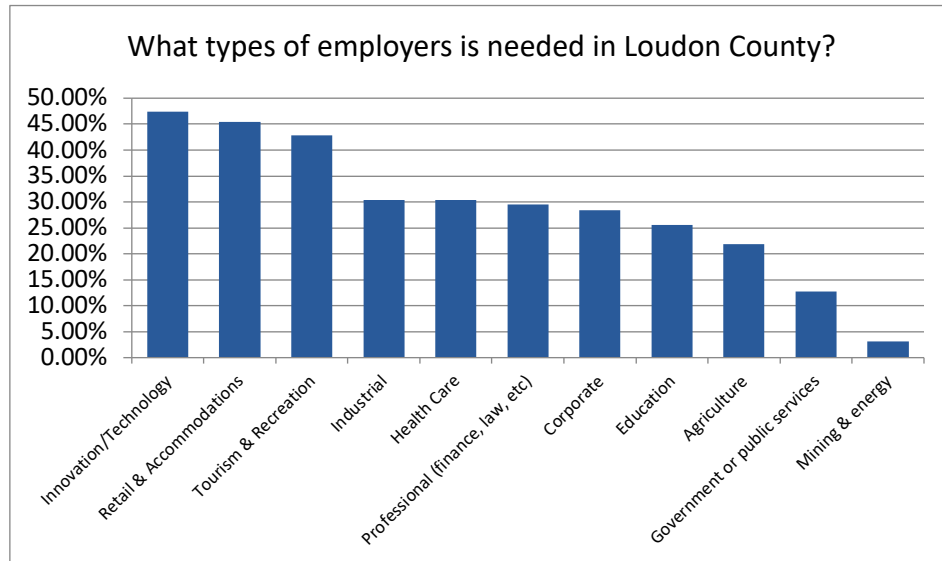


Figure 6: What type of employment is need in the county?

Describe your VISION of Loudon County in the next 10 years.

- "Growing in a controlled and measured way so we don't lose our small town, rural appeal"
- "A vibrant business community with emphasis on inclusion of all nationalities"
- "A community that serves a variety of needs to its residents with quality schools, parks, retail, dining and employment"
- "That we maintain a small community atmosphere while growing quality businesses and improving education opportunities"
- "Maintain and improve our attractiveness as a community and destination, without jeopardizing our fiscal health"
- "Improvements focusing on healthy families; green spaces, outdoor recreation, public transportation, walkability, quality schools, preservation of clean air and water"
- "More collaboration between the two cities"
- "Family friendly environment with clean river system, using our natural resources to produce energy and healthy locally grown produce. We become a leader in the region because of our investments in our children, education and community"
- "Vibrant, diverse community with choices for housing, childcare, and well-funded quality public education. A variety of affordable housing and employment choices"
- "Loudon County has a huge arts and crafts scene with weekly farmers/artisan markets, breweries, kayak/paddle board launches, etc."

Visions for the future of Loudon County ranged from slow or no growth versus. managed, high-quality growth with diversity of housing choice, commerce, and employment.

Business Survey Results

45 business participated in a separate survey that looked AT business type, needs, strengths and overall economic environment. 22% of businesses were retail, followed by construction (11%) and insurance (11%). Real estate, manufacturing, automotive, and health care were next.

34% were female owned businesses, 9% were veteran, owned, and 5% were owned by minorities. Businesses ranged from 1 to 292 employees with an average of 26 workers.

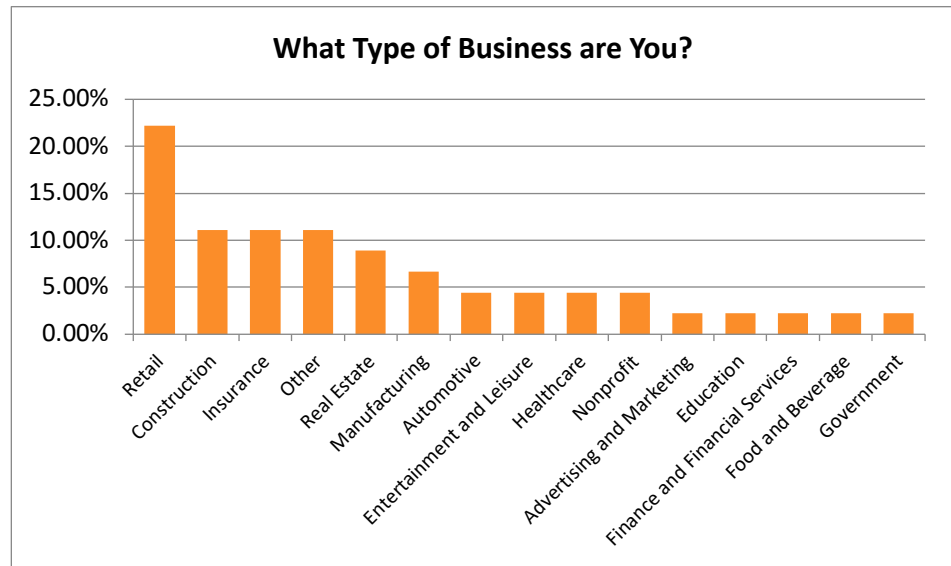


Figure 7: What type of business are you?

Businesses were asked about the current state of the economy with the majority (51%) saying good or increasing. Just 7% said business was poor or slow. Some said that they were still bouncing back from COVID, while many said workforce was their biggest challenge. Businesses felt that recruiting employees and supply chain issues were their greatest challenges overall.

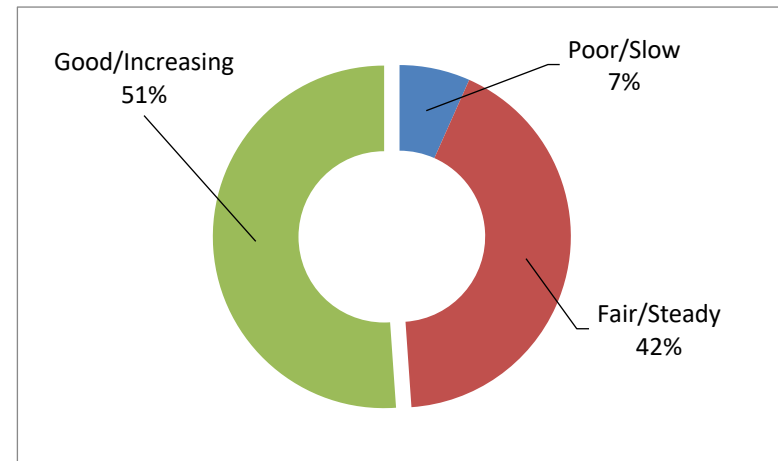


Figure 8: Rate the current business environment.

Regarding economic strengths, businesses felt that location, small town character, and the people of Loudon County were the biggest assets.



Figure 9: What are the biggest economic strengths in the county?

Both the citizen and business surveys are described in more detail in the appendix.

Strengths, Weaknesses, Opportunities and Threats (SWOT)

Based on the ongoing community and stakeholder engagement, the SWOT's that emerged are summarized below. These findings provide the framework for strategic themes and goals in the plan.

Strengths

- The county has seen growth in population and tax base with residential development that is high-end, single-family construction.
- The county has the highest incomes and home values within the metro region. Retirement communities are 30% of tax base.
- Similarly, the county has excellent industries with national and international footprints, including Malibu Boats, Monterrey Mushrooms, Kimberly Clark, and others. The County still has significant manufacturing employment and investment.
- Loudon County's location in the Knoxville metro provides opportunities for quick access to jobs, culture, and urban amenities.
- Interstates 75 and 64 intersect in the county creating both a North-South and East-West connection to national markets. Logistics, transportation and warehousing are natural fits.
- The county has exceptional outdoor recreation and natural resources due to the Little and Tennessee Rivers and lakes created by the Tellico and Fort Loudon Dams.
- Loudon County has an engaged citizenry with residents that participate in the planning processes. The county is an active community defined by welcoming citizens.
- The county has great educational resources with two quality school systems, Roane State Community College and access to Tennessee College of Applied Technology.



Weaknesses

- Planning for the county and its municipalities is lacking. Comprehensive plans are non-existent or more than 20 years old. Current plans have been copied from other differing communities and have been amended over time to a point of being inefficient. Because of this, planning efforts have been reactive rather than proactive.
- The county has a significant lack of affordable or attainable workforce housing. Workforce to support local industry, educators, public safety, and others can't afford to live in Loudon County and must commute in.
- There are more businesses that need workers than there are people who want to work.
- There is a lack of local awareness in the business and recreational assets that exist in the county.
- There is a lack of affordable housing in the county, particularly outside of the cities. Workers, educators, and public safety officers are increasingly finding it difficult to afford to live here.
- Loudon needs additional childcare services, as well as mobility option that connects each community

Opportunities

- Infrastructure such as sewer, broadband, roads, etc. can help created managed and planned growth that preserves the character and quality of life of the county. There is an opportunity to preserve rural lands by allowing denser develops in locations where it can be accommodated.
- TVA still has a significant amount of property that can be developed as employment, residential and potentially mixed-use.
- Similarly, the Tellico Village Redevelopment Authority controls a significant amount of property (1200 acres) that can be used for economic development, recreation, and housing.
- Potential to create greater engagement in community by driving interest in this plan and the future of the county.
- There is an opportunity to balance growth without losing our identity as a small rural community.



- Loudon is seeing a revitalization and reinvestment in downtown Loudon and Lenoir City. There is a vision and opportunity for investment along the Loudon waterfront.
- Sports tourism is growing here and there is a real opportunity to develop additional product, programming, and events.
- Each Loudon community has a distinct identity and potential. Lenoir City represents the core of commerce within the county. The City of Loudon has a number of major industries. Philadelphia has an agrarian history and is growing its agritourism assets. Greenback is a small, quaint community with significant pride and small-town identity

Threats

- Loudon County has an aging population, with a median age of 47.8. Tellico Village is fast becoming the largest community in the county, and its median age is 69.1.
- There is an antigrowth sentiment in the county that has led to some local policy changes. There is a 20,000 square foot lot limitation that can be as few as 1-unit per acre in parts of county. Lower density residential may not be sustainable over time. The most important question relates to continued low-density development versus sustaining a tax base to support infrastructure and quality of life. Lower density residential may not be sustainable over time.
- Agriculture producers are struggling with rising fuel costs, fertilizer pricing, etc., all while beef and row products costs are stagnant. There is the real threat of long-time family farms transitioning into low density residential across the county.
- Regional growth patterns has already seen family farms transitioning into subdivisions, impacting the rural character and heritage of their communities.
- Current economic environment and potential recession create impediments to continued investment in the county.
- There is no school districting and families can send their children to any school they desire. This has resulted in both a resource issue while also putting some school at capacity.
- The people of Loudon who have been here for generations feel they have been acted upon through outside factors such as TVA and Oak Ridge. There is a long-standing feeling of lack of control of local destiny. This has led to skepticism and mistrust and has created rivalries between communities.

3. Market Analysis

Introduction

The market analysis assesses baseline demographic, housing, employment, and commercial market data in Loudon County and the surrounding region. In addition to describing the County's existing market base, the data identifies key opportunities for future markets and informs business development strategies. The market analysis includes the following sections:

- Market Definition.
- Demographic Profile
- Segmentation
- Residential Market
- Commercial Real Estate Market
- Retail Market
- Employment

Market Definition

The market analysis includes multiple geographic study areas in order to assess Loudon County's demographic and market trends in the context of the larger region. The following geographies formed the multi-layered approach to the study:

- Loudon County;
- Knoxville Metropolitan Statistical Area (Anderson, Blount, Campbell, Knox, Loudon, Morgan, Roane and Union Counties);
- Communities within Loudon County (Lenoir City, Loudon City, Philadelphia, Greenback, Tellico Village); and
- Adjacent counties (Anderson, Blount, Knox, McMinn, Monroe and Roane Counties).

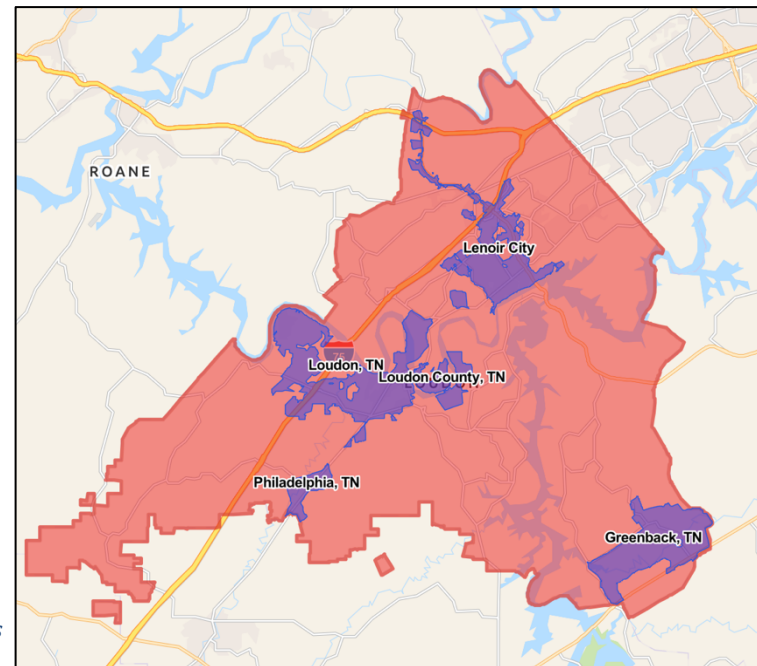


Figure 10: Boundaries of Loudon County and its Cities

Demographic Profile

A demographic profile of Loudon County examines key indicators including population growth, household income and age in relation to the surrounding region. The demographic profile indicates that population growth in Loudon County outpaced growth in the region from 2000 to 2022. With a growing retiree population, Loudon County’s population trends older than the region. Loudon County households have the highest median household income in all of the surrounding counties.

Population

Loudon County experienced significant growth over the past two decades. The estimated 2022 population in Loudon County is 56,298, a 44% increase since 2000 when the population was 39,095. In general, the Knoxville metropolitan area is growing in population, but the growth in Loudon County exceeds that of the region. Between 2010 and 2022, Loudon County grew by 15.9% compared to 9.6% in the Knoxville metro. Population growth in the county is concentrated in its cities and communities. Lenoir City grew by 21.4% and Loudon by 19.8% from 2010 to 2022., and Tellico Village experienced the highest growth rate at 31.3%.

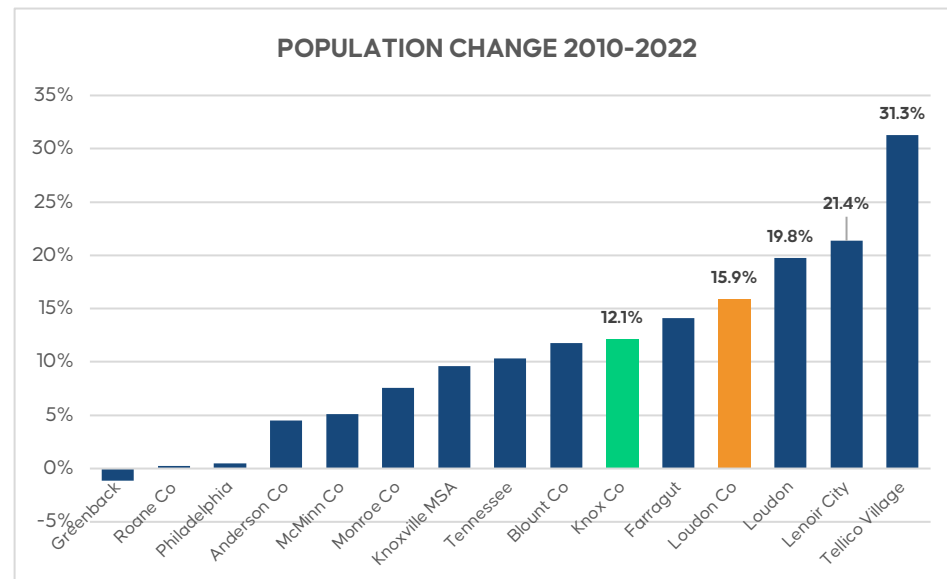


Figure 11: Population Change 2010-2022 (Sources: US Census 2010, Claritas/EnviroNics Analytics 2022)

Population projections estimate that Loudon County will grow by 26.5% between 2020 and 2045.

	Population				Households			
	2000 Census	2010 Census	2022 Estimate	2027 Projected	2000 Census	2010 Census	2022 Estimate	2027 Projected
Loudon County	39,095	48,556	56,298	59,694	15,946	19,826	23,012	24,411
Lenoir City	7,322	8,642	10,489	11,089	3,027	3,327	4,066	4,306
Loudon	4,204	5,381	6,444	6,754	1,755	2,120	2,496	2,609
Knoxville MSA	727,606	814,914	893,411	935,403	297,324	331,406	361,994	378,826
	Percent Change in Population				Percent Change in Households			
		2000-2010	2010-2022	2022-2027		2000-2010	2010-2022	2022-2027
Loudon County		24.2%	15.9%	6.0%		24.3%	16.1%	6.1%
Lenoir City		18.0%	21.4%	5.7%		9.9%	22.2%	5.9%
Loudon		28.0%	19.8%	4.8%		20.8%	17.7%	4.5%
Knoxville MSA		12.0%	9.6%	4.7%		11.5%	9.2%	4.6%

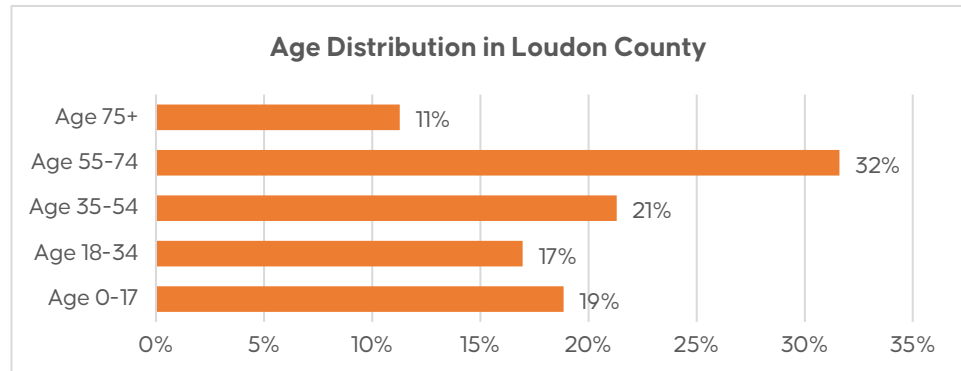
Figure 12: Population and Households in Loudon County, Lenoir City, Loudon and the Knoxville MSA, 2000-2027 (Sources: US Census 2000 and 2010, Claritas/EnviroNics Analytics 2022)

Age

The population in Loudon County trends older than the surrounding counties. The median age in Loudon County is 47.8, compared to 40.6 in the Knoxville metropolitan area.

Baby Boomers make up the largest generation in Loudon County, with 32% of the population aged 55 to 74 years old.

Figure 13: Age Distribution in Loudon County (Source: Environics, 2022)

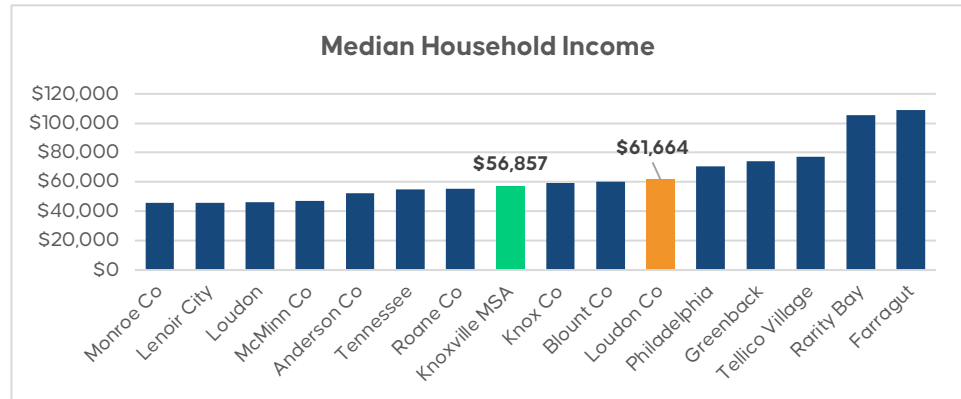


Household Income

The median household income in Loudon County is \$61,664, higher than the Knoxville metropolitan area (\$56,857) and the highest amongst other counties in the region.

Approximately 38% of Loudon County households have annual incomes of less than \$50,000; 32% have incomes between \$50,000 and \$100,000; and 30% have incomes over \$100,000.

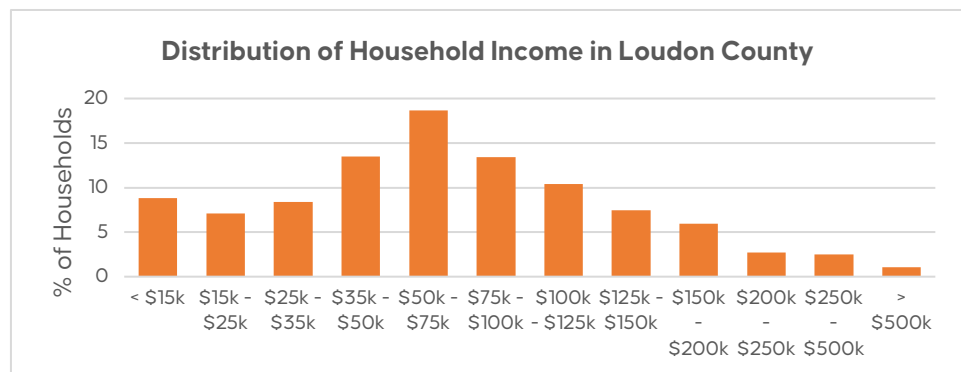
Figure 14: Median Income in County & Region (Source: 2020 Census)



Educational Attainment

Loudon County has a mix of educational attainment levels amongst its population. Of residents age 25 years or older, 87% have at least a high school degree and 27% have a bachelor's degree or higher

Figure 15: Distribution of Incomes in County (Source: Environics, 2022)



Segmentation

The market segmentation study examines the makeup of Loudon County’s existing and target markets by analyzing the behavioral traits and consumer patterns of various “segments.” The segments, as defined by the leading national market research firm Claritas, are based on demographic data including age, income, education, family structure, and urbanization.

Segmentation shows the overall makeup of the market and indicates the potential customer base for local businesses. The data is important for these businesses to understand as they look to meet the needs of the regional market, but also for Loudon County to use to target and grow underrepresented segments.

Life Stage

The Life Stage analysis breaks down households into three classes – Younger Years, Family Life, and Mature Years. The segmentation analysis confirms what was demonstrated in the demographic analysis – that Loudon County has a large percentage of older population segments. In Loudon County, 58% of households are classified as Mature Years, 33% as Family Life, and only 9% as Younger Life.

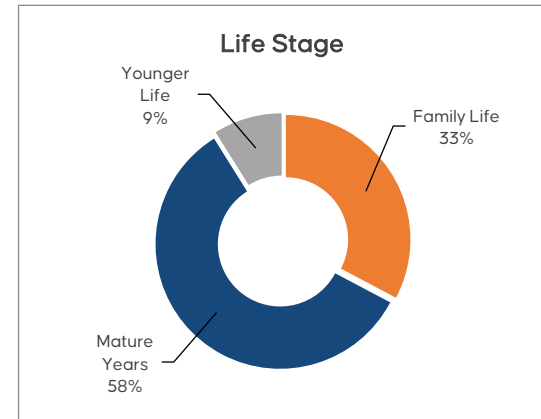


Figure 16: Life Stage Segmentation in Loudon County (Source: Claritas, 2022)

Social Group

Social Groups are categorized by urbanization (urban, suburban, second city or town & rural) and affluence. Households in Loudon County are all classified as Town and Rural.

Overall Segmentation

Of the 68 unique segments defined by Claritas, 26 are represented in Loudon County. These segments describe the households that make up Loudon County’s immediate market base. The largest segments in the county include: Traditional Times (14%), Golden Ponds (8%), Campers and Camo (8%), and Country Strong (7%). These key segments are described on the following page, and a full description of all individual segments can be found at www.mybestsegments.com.

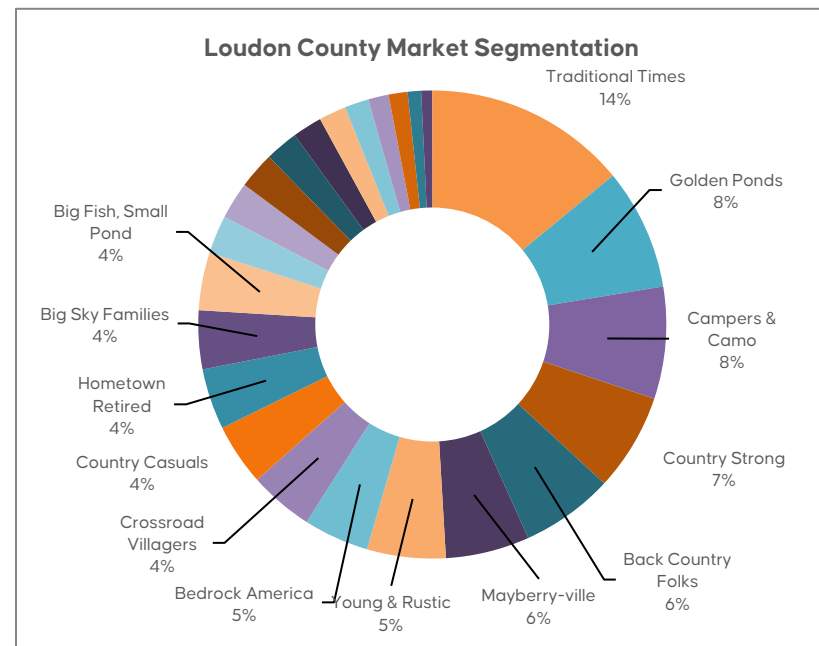


Figure 17: Market Segmentation for Loudon County Households (Source: Claritas, 2022)

SEGMENT	TRADITIONAL TIMES	GOLDEN PONDS	CAMPERS & CAMO	COUNTRY STRONG
Description	Small-town couples nearing or entering retirement. Typically age 65 and older, these upper midscale Americans pursue an active lifestyle. They spend their free time following golf, reading the paper, and frequenting shops.	Mostly a retirement lifestyle, dominated by downscale singles and couples over 55 years old. Daily life is often a succession of sedentary activities such as reading, watching Hallmark movies on TV, playing bingo, and doing craft projects.	Primarily found more in small towns and less densely populated areas, Campers & Camo families enjoy the outdoors. Despite their age, they are below average in their use of technology.	Country Strong are lower middle-class families in rural areas that embrace their day-to-day lives. They are focused on their families and prefer hunting and country music to keeping up with the latest technology.
Households in County	14%	8%	8%	7%
Social Group	Town & Country	Town & Country	Town & Country	Town & Country
Life Stage	Mature Years	Mature Years	Family Life	Family Life
Income	Upper-midscale (\$90,219 MHI)	Downscale (\$24,537 MHI)	Downscale (\$29,199 MHI)	Lower-midscale (\$42,637 MHI)
Income Producing Assets	Elite	Below Average	Below Average	Below Average
Age	Age 65+	Age 55+	Age <55	Age <55
Household Composition	Without Kids	Without Kids	Family Mix	Family Mix
Homeownership	Homeowners	Mix	Homeowners	Mostly Owners
Education	Graduate Plus	High School	High School	High School
Employment	Mostly Retired	Mostly Retired	Mix	Mix

Figure 18: Market Segmentation for Loudon County Households (Source: Claritas, 2022)

Residential Market

Housing Stock: Type, Tenure and Age

As of 2020, Loudon County has a total of 23,393 housing units. The housing stock is predominantly owner-occupied (79%) and single-family detached housing (80%). A limited number of multifamily units (1,826 units) make up about 8% of the county’s total housing stock.

Representative of the county’s growing population, a significant percentage of Loudon County’s housing stock is newer. Just over half of the county’s total housing units have been built since 1990.

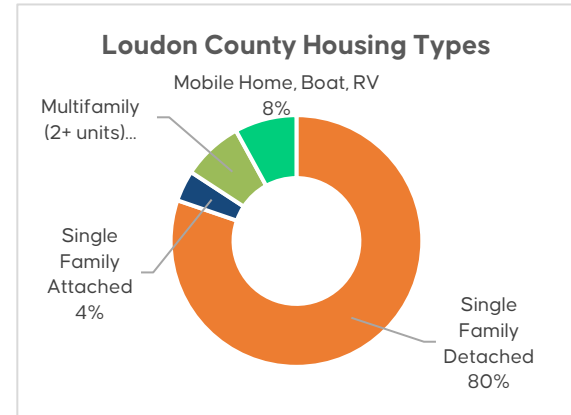


Figure 19: Loudon County Housing Units by Type (Source: 2020 ACS)

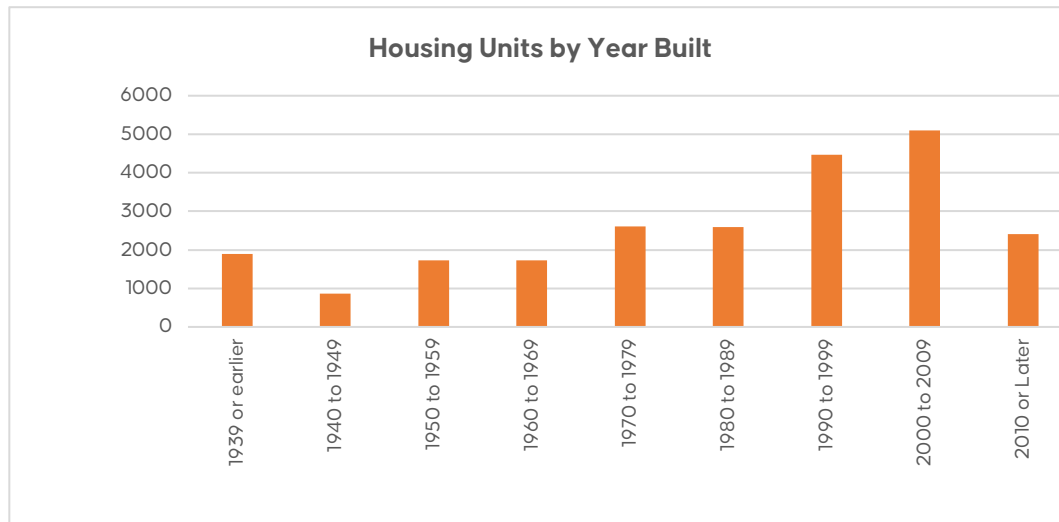


Figure 20: Loudon County Housing Units by Year Built (Source: 2020 ACS)

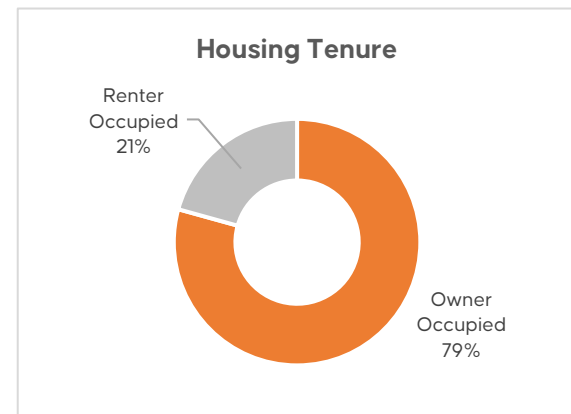


Figure 21: Loudon County Housing Tenure (Source: 2020 ACS)

Housing Values

Housing values in Loudon County are among the highest in the region. In 2020, the median value of owner-occupied housing in Loudon County was \$227,100 compared to \$180,700 in the Knoxville metropolitan area. However, these values don't reflect the full picture of the county's housing values, particularly what has happened in the housing market from 2000 to 2022.

The Zillow Home Value Index, a measure of historical home values, for Loudon County reached \$445,000 in August of 2022. While values have been increasing since 2017, this value represents a staggering 31.1% year-over-year increase since August of 2021. These values are confirmed by median listing and sales prices in the county. According to Rocket Mortgage, the median listing price in Loudon County in the summer of 2022 was \$485,000 and the median sales prices was \$450,000. Given inflation and rising interest rates, home sales in the overall Knoxville metropolitan area have begun to decrease.

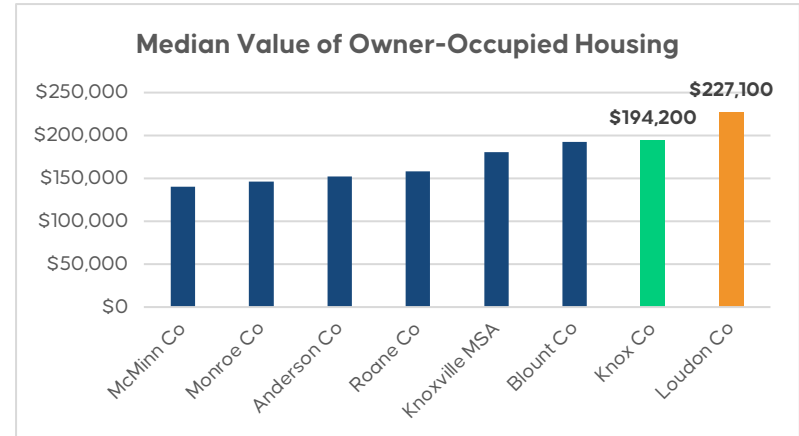


Figure 22: Median Value of Owner-Occupied Housing Units in Loudon County and the Surrounding Region (Source: 2020 American Community Survey)

Rental Market

Approximately 21% of occupied housing in Loudon County is renter-occupied, included both single-family homes for rent and a limited number of multifamily homes. Market rate apartments in Loudon County range from \$1,050 to \$1,800 a month and income-restricted apartments in the county range from \$675 to \$970 per month. Single-family homes for rent typically range from \$1,000 to \$3,000 per month.

With an increasing population and limited supply of housing, rental rates in the metropolitan area have risen in recent years. In the Knoxville metro, rental rates are up 19% over the last year and are operating at 98% occupancy.

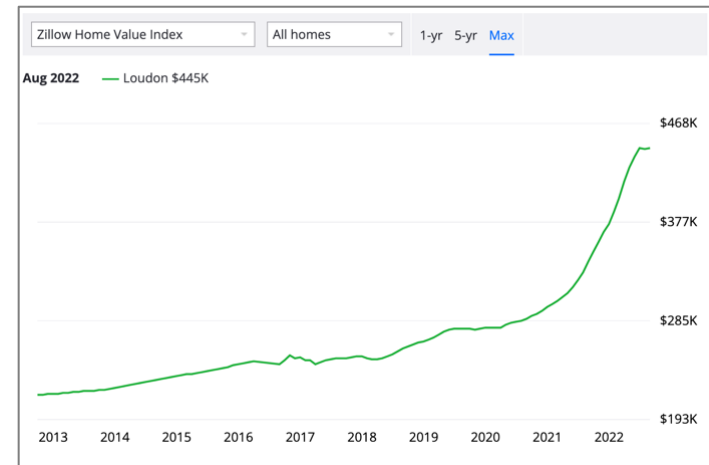


Figure 23: Zillow Home Value Index for Loudon County, 2013-2022 (Source: Zillow)

Housing Affordability

Housing is considered affordable if less than 30% of household income is spent on housing. According to the US Census 2020 American Community Survey, 28% of renters in Loudon County are cost-burdened, with 15% severely cost-burdened (spending more than 50% of household income on housing costs). In 2020, 16% of owners in Loudon County were cost-burdened, with 7% severely cost-burdened.

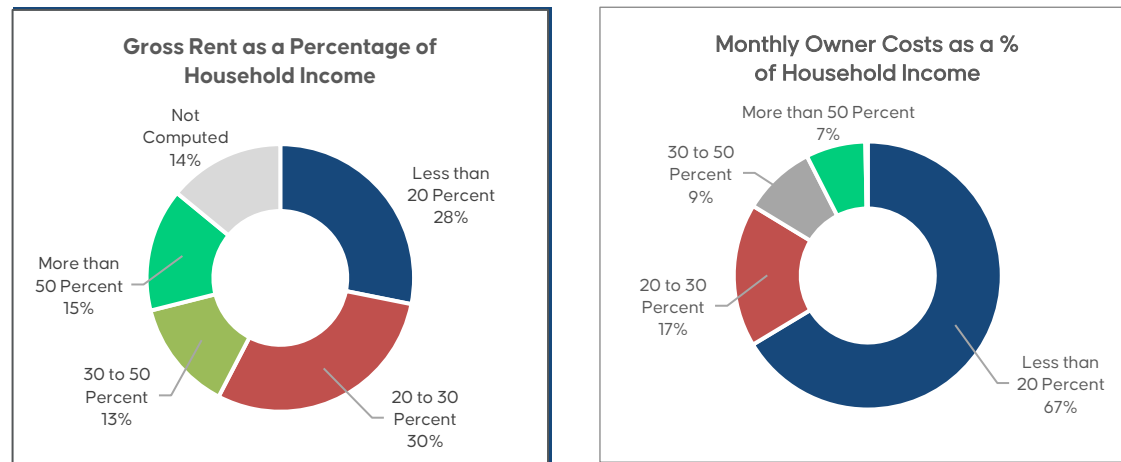


Figure 24: Housing Affordability in Loudon County, Measured by Gross Rent as a Percentage of Household Income (Left) and Monthly Owner Costs as a Percentage of Household Income (Right) (Source: US Census 2020 American Community Survey)

The previously described housing affordability statistics from 2020 do not account for more recent housing market trends. Increasing housing prices, rents and interest rates have impacted housing affordability, making Loudon County less affordable for segments of its workforce.

For instance, the average annual wage in the manufacturing industry in Loudon County is \$78,780. To not spend more than 30% of their annual income on housing, a person earning this wage could afford to spend \$1,970 a month on housing and utilities. As of August 2022, the median sales price for a home in Loudon County is \$450,000. Typical monthly housing costs for a \$450,000 home (assuming a 20% down payment and 6% interest) would be \$2,695 plus utilities.

Industry	Average Annual Wage	Affordable Monthly Housing Costs	Affordable Home Sales Price
Manufacturing	\$78,780	\$1,970	\$300,000
Warehousing	\$58,552	\$1,465	\$200,000
Education	\$41,392	\$1,035	\$135,000

Figure 25: Affordable Housing Costs by Industry based on 30% of Average Annual Wage in Loudon County. Affordable Home Sales Price Calculated Assuming a 20% Down Payment and 6% Interest Rate

Commercial Real Estate Market

Industrial

Loudon County has 6.6 million square feet of industrial space. The vacancy rate of industrial space in Loudon County (1.6%) and across the Knoxville metro (1.1%) are minimal. The market rent per square foot in Loudon County is \$6.61, up 11.9% over last year. The rent in Loudon County is slightly less than the region at \$6.98 per square foot.

Office

There is 874,000 square feet of office space in Loudon County, with an additional 30,000 square feet under construction. The vacancy rate is 4.4%, which represents a decrease over last year. As the vacancy rate decreases, rents have increased 2.5% over the past year. The market rent per square foot for office space in Loudon County is \$20.66, higher than the metro at \$18.96 per square foot. The market sales price per square foot is \$153. The region is experiencing a trend of existing firms looking for smaller spaces and the desire to accommodate hybrid work models.

Retail

Loudon County has 2.8 million square feet of retail with a vacancy rate of 1.2%. The market rent per square feet is \$15.48, a 4.7% increase over last year but lower than the regional rent of \$16.22. The market sales price per square foot is \$154.

Permits

The number of permits for residential new construction increased in 2021 across Loudon County, Loudon and Lenoir City. In 2021, there were 576 permits for new construction single-family homes in Loudon County with a total cost of \$180 million. Additionally, there were 23 permits for new multifamily housing in Loudon County, with a total cost of \$4.6 million. Commercial permits increased from 2018 to 2021 in Loudon County. In 2021, there were 14 permits in the county with a total cost of \$2.95 million.

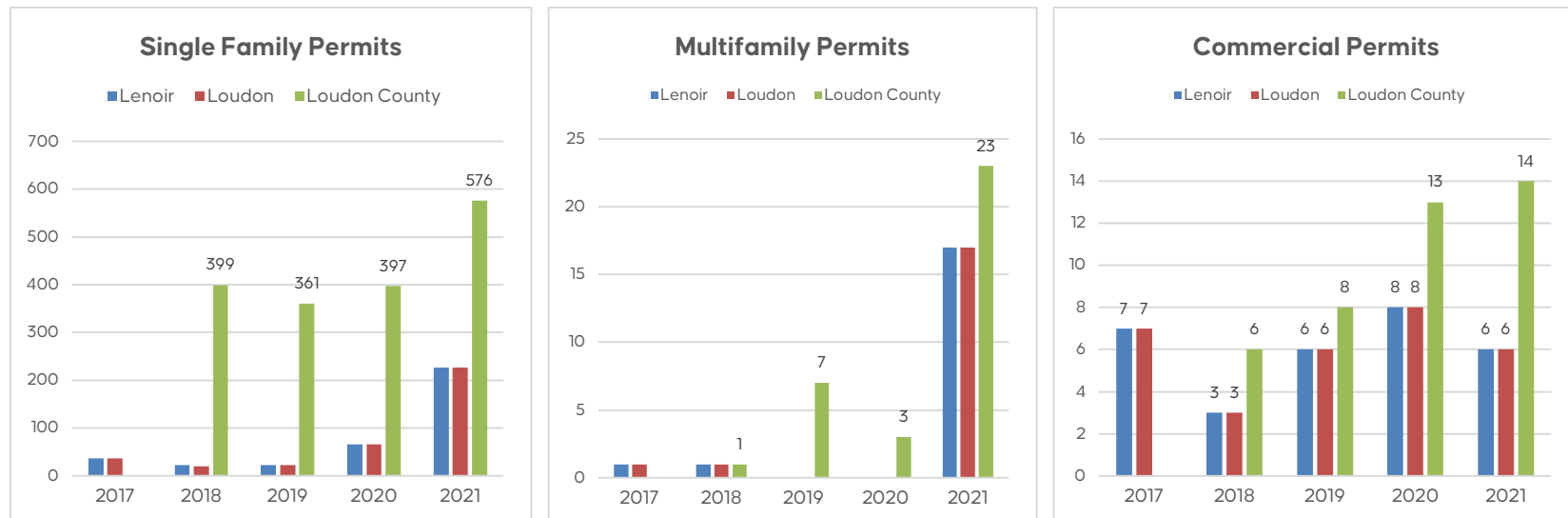


Figure 26: New Construction Permits in Loudon County, Loudon and Lenoir City for Single-Family, Multifamily and Commercial

Retail Market

Retail Leakage

“Retail Leakage” refers to the difference between the retail expenditures by residents living in a particular area and the retail sales produced by the stores located in the same area. If desired products are not available within that area, consumers will travel to other places or use different methods to obtain those products. Consequently, residents are purchasing more than the stores are selling, and the dollars spent outside of the area are said to be “leaking.”

The retail leakage analysis indicates that while Loudon and Lenoir City both serve as retail centers, Loudon County overall experiences a retail leakage. Over the past year, stores in Loudon County sold \$757.6 million. During the same time period, Loudon County residents spent \$1.13 billion, indicating a retail leakage of \$370.4 million across the county. Meanwhile, Loudon had an overall retail gain of \$30.7 million and Lenoir City had a retail gain of \$63.9 million, with stores selling more than residents spent. Looking more widely at the regional level, the Knoxville metropolitan area represents a nearly \$17 billion market.

	Loudon County	Loudon City	Lenoir City	Knoxville Metro
Stores Sell	\$757.6 million	\$133.3 million	\$221.9 million	\$16.5 billion
Consumers Spend	\$1.13 billion	\$102.5 million	\$158 million	\$17 billion
Market Leaks/Gains	\$370.4 million LEAKAGE	\$30.7 million GAIN	\$63.9 million GAIN	\$496.1 million LEAKAGE

Figure 27: Retail Sales, Consumer Expenditures, and Retail Leakage/Gain in Loudon County, Loudon, Lenoir City and the Knoxville Metropolitan Area (Source: Claritas, 2022)

15-minute drivetime trade areas were established around Loudon County’s key commercial centers to identify market patterns and opportunities for each community. As shown in the table below, Loudon, Lenoir City and Greenback all have significant retail leakage within the 15-minute drivetime. This retail leakage represents existing unmet demand and opportunity for future retail.

Loudon 15-Min Drivetime Trade Area	Lenoir City 15-Min Drivetime Trade Area	Greenback 15-Min Drivetime Trade Area	Philadelphia 15-Min Drivetime Trade Area
Stores Sell \$318 million	Stores Sell \$521 million	Stores Sell \$43 million	Stores Sell \$348 million
Consumers Buy \$462 million	Consumers Buy \$853 million	Consumers Buy \$99 million	Consumers Buy \$336 million
Area LEAKS \$144 million	Area LEAKS \$332 million	Area LEAKS \$56 million	Area GAINS \$12 million

Figure 28: Retail Sales, Consumer Expenditures, and Retail Leakage/Gain in 15-Minute Drivetime Areas of Loudon County’s Commercial Centers (Source: Claritas, 2022)

Key Opportunities

The retail leakage analysis indicates Loudon County residents are spending \$370.4 million on retail outside of the county. The detailed breakdown of the retail leakage analysis identifies the retail categories that have the highest amount of leakage. This leakage translates directly to market demand, presenting opportunities for commercial growth. It is important to note that some of this demand may be accommodated within the larger region and that many consumers will continue to shop online to meet some of their retail needs.

Key retail opportunities in retail for Loudon County include:

- Grocery stores: \$42 million
- Full-service restaurants: \$22 million
- Home centers: \$22 million
- Family clothing stores: \$13 million
- General merchandise stores: \$12 million

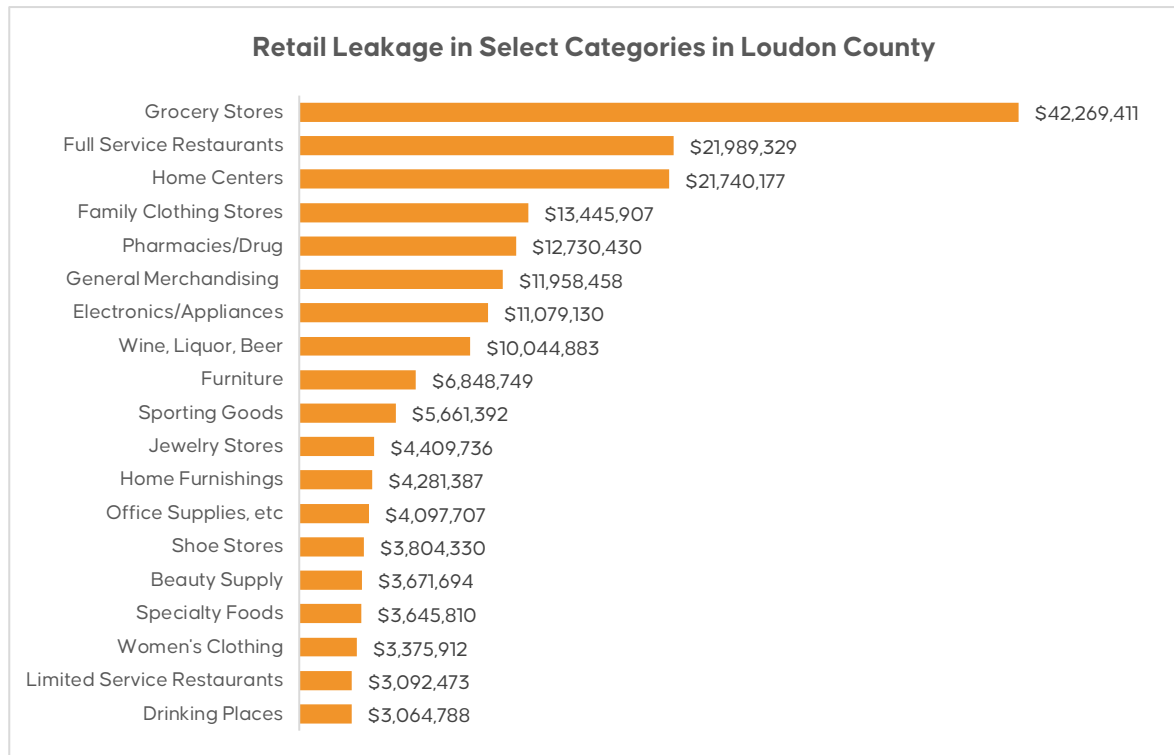


Figure 29: Retail Leakage in Select Categories in Loudon County (Source: Claritas, 2022)

Employment

Jobs

In 2020, there were approximately 16,675 jobs in Loudon County. Major industry sectors in terms of employment include: manufacturing (22%), retail trade (17%), government (11%) and accommodations and food (10%).

The largest five employers in the county are all in the manufacturing industry: Malibu Boats, Monterey Mushrooms, Morgan Olson, Hubbell Lenoir City, and Kimberly Clark Corp. Employers in Loudon County with 100 or more employees are noted in the table below.

Wages

According to the Quarterly Census of Employment and Wages, the average annual wage in Loudon County in 2021 was \$55,484 and the average weekly wage was \$1,067.

Company	Employees	Industry
Malibu Boats	700	Boat Manufacturer
Monterey Mushrooms	573	Mushrooms Manufacturer
Morgan Olson	450	Van Bodies Manufacturing
Hubbell Lenoir City, Inc	351	Polymer Concrete Products
Kimberly Clark Corp.	350	Paper Products
Total Transportation	305	Trucking
Loudon County Trucking	300	Trucking
Viskase Corporation	260	Synthetic Meat Casings
Tate & Lyle	254	Syrup, Alcohol, Grain Pellets
American Honda Motor Company/ Komyo	179	Distribution
Wampler's Farm Sausage	151	Meat Processing
Purdy Brothers Trucking	150	Trucking
CVS	144	Distribution
Vanhooseco	142	Concrete Manufacturing
Family Brands Intl	133	Meat Processing
Del Conca USA	125	Ceramic Tile
Continental Carbonic	100	Dry Ice

Figure 30: Largest Employers in Loudon County, 2020.

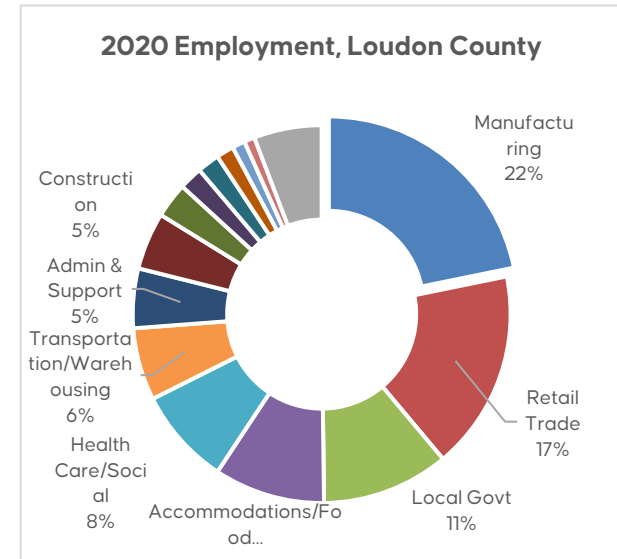


Figure 31: Employment by Industry in Loudon County, 2020 (Source: BLS)

Unemployment Rate

The unemployment rate in Loudon County was 2.8% in September of 2022, lower than the statewide unemployment rate of 3.0%. Unemployment in the county reached a high of 15% in April of 2020, and returned to pre-pandemic levels by April of 2021.

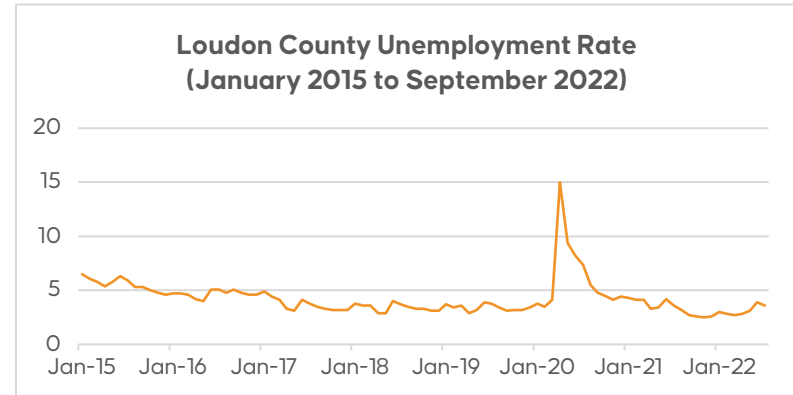


Figure 32: Unemployment Rate in Loudon County, January 2015 to September 2022 (Source: BLS)

Commuting Patterns

Loudon County is a net exporter of jobs, meaning more residents commute out of Loudon County for work than workers commute in to Loudon County. In 2019:

- 5,700 people both lived and worked in Loudon County.
- 15,533 Loudon County residents commuted outside of the county for work, with the most going to Knox County (41%) followed by Blount County (11%) and Anderson County (10%).
- 10,230 people commuted into Loudon County for work, with the most coming from Knox County (27%) followed by Monroe County (15%), Blount County (13%) and Roane County (11%).

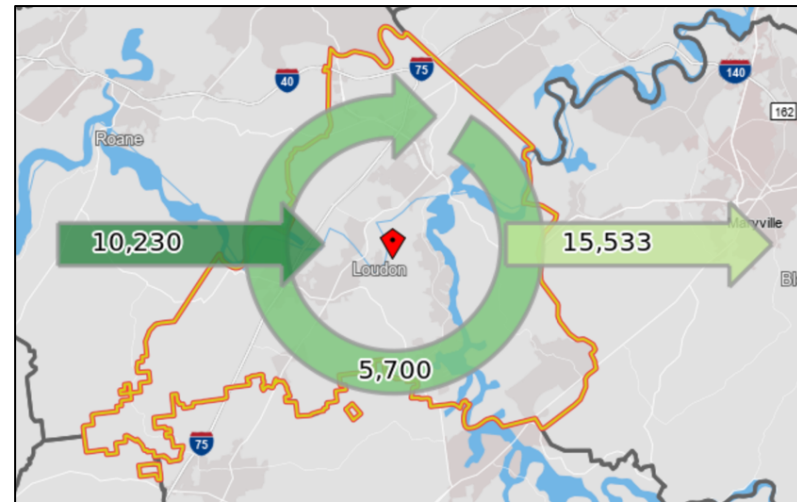


Figure 33: Inflow and Outflow of Jobs in Loudon County, 2019 (Source: US Census On the Map)

4. Vision and Goals

This report presents a 10-year economic development based strategic plan. It is founded on a broad vision based on ongoing stakeholder and public input and presents Loudon County’s economic development philosophy in context with strategic themes and goals.

Loudon County Economic Development Vision

“Loudon County will remain a dynamic community that values its rural character, rich natural resources, and exceptional quality of life. We will maintain these assets through thoughtful planning and managed residential and economic development that sees a variety of jobs and industry, diversity of housing choice, and vibrant communities.”

Strategic Elements and Goals

All stakeholder and public input has fallen into six common themes as identified below. Each of these themes represents a different element of the Strategic Economic Development Plan. Goals have been established for each strategic theme and are meant to present a general result that the plan’s implementation should accomplish.

Growth Policy
Housing
Land Use Planning
Infrastructure
City Centers
Recreation & Tourism

1 - Growth Policy

There is an ongoing discussion within the county related to no-growth versus planned growth. Loudon County citizens have been very engaged in this discussion and there is a strong sentiment of limited to no growth as there are fears of impacts of development to traffic, education, and the character of the County and quality of life. Others are concerned about the impacts of limited growth to economic development such as the challenges of recruiting manufacturing jobs to support our existing industry while our community has more and more of a retiree population. It is felt that large-lot residential requirements may lead to more and more family farms being developed as subdivisions, with infrastructure being spread inefficiently throughout the county, with level of service ultimately being challenged with only low density residential. Loudon County and its communities must function as a unit when it comes to growth strategy, as each community can be a receiving area for certain investments based on their on development visions.

Growth Strategy Goals

- Loudon County and its communities will coordinate to create policy that allows for managed growth providing a balanced mix of land uses.
- The County and its communities will partner to recruit business investment to offset residential tax burden, provide job opportunities, and meet the retail and commercial demand of residents.

2 - Housing

Housing, and particularly affordable workforce and entry level housing, was identified in stakeholder and public engagement as one of the primary needs in the county for economic development and sustainability. There is pent up demand in the county for townhomes, apartments and middle-income housing, as well as continued single-family development. Loudon County's low-density development patterns has had the unintended effect of inflating housing prices. Currently, entry level housing begins at \$170k in the county. Median values of all housing are \$227k and median sold prices are currently \$450k. The county has also seen a growing Hispanic workforce population with jobs in manufacturing, construction, agriculture, etc. Without housing choice, it is felt that local workforce will be limited in the future.

Housing Strategy Goals

- Loudon County will have housing that is attainable for its workforce, allowing employees that work here to also live here.
- The County and its communities will partner to allow for a variety of housing options and price points.
- Encourage stick-built neighborhoods instead of large lots with modular style homes.

3 - Land Use Planning

It is important to understand that Loudon County and its communities each impact each other regarding land use and land use policy. The County is currently about 77% residential, 16% commercial, and 7% industrial. Generally, Lenoir City is the main receiving area for commercial growth in the county, while the City of Loudon has much of the county's industrial. Tellico Village is all residential, while Philadelphia and Greenback have agriculture lands that surround them. The Tellico Reservoir Development Authority also oversees land with significant industrial development and some of the County's main employers.

Even with its residential communities, commercial development, and industrial base, one of Loudon County's biggest assets is its rural character and natural amenities. Stakeholders and citizens recognize the importance of preserving this character, as well as the agriculture areas of the county. This includes preserving Loudon County's rural communities with appropriate housing, commerce and recreation to serve their residents.

Finally, the county and each of its communities have dated development codes that have resulted in some hodgepodge growth in certain areas of the county. Appropriate planning tools can provide for development where desired, while limiting growth where it is not.

It is critical that the land use planning and policy be a combined effort between the cities and Loudon County in order to be successful.

Land Use Planning Strategy Goals

- Loudon County will see its family farms, agriculture and rural character preserved.
- The County and its communities will update their planning and dated codes to allow for appropriate, managed growth where needed.
- Targeted economic growth will occur in defined receiving areas where adequate infrastructure exists.

4 - Infrastructure

Effective mobility options and efficient infrastructure go hand in hand with land use, recreation, and quality of life. There is an opportunity to connect communities through regional trail system, while also investing in infrastructure in smaller community hubs. School choice and residential growth have led to some schools being at capacity.

Infrastructure Strategy Goals

- Loudon County residents and businesses will have excellent infrastructure including transportation, broadband, water, sewer, and quality education.

5 - City Centers

Lenoir City and the City of Loudon have dedicated downtown development organizations focused on revitalization. These downtowns not only provide opportunities for small business and entrepreneurial growth, but also are quality of life assets that attract new residents and economic investment to the county. There is a desire to continue to activate our downtowns with active businesses, programming, residential, and pedestrian/bike infrastructure. Developments like Lakeside Loudon will further enhance the character of the community.

City Centers Strategy Goals

- Loudon County’s downtowns will have active businesses, public spaces, pedestrian infrastructure, and downtown living.
- The business districts in the rural communities of Loudon will serve their residential population.

6 - Recreation and Tourism

Loudon County’s lakes, rivers and waterfront represent a key economic driver, and this wealth of natural assets is something that no other community in the region has. Water drives everything from tourism to residential growth and economic investment. There is also an opportunity grow agritourism product in Philadelphia and Greenback as well as expand sports tourism in our parks and lakes. Visit Loudon County has recently restructured its tourism organization providing an opportunity to grow and promote tourism assets.

Recreation and Tourism Strategy Goals

- Recreation will continue to grow as an economic driver for the County.
- Outdoor recreation, agritourism, and sports tourism will grow brining new visitors and economic impact.

5. Strategic Plan

This report focuses on creating a foundation of market research and data from which the Loudon County Economic Development Agency (LCEDA) and its local government partners can formulate a strategic economic development framework. The actions below are based on market research, community and business surveys, stakeholder engagement, and public input. They build on the strategic themes and goals presented earlier in this report, and are organized by the following strategies

- Planning and Development Strategy
- Business Development Strategy
- Economic Market Position

Planning & Development Strategy

Future transportation and land development patterns are foundational to Loudon County's economic development potential, intrinsically connected to:

- Provision of housing opportunities
- Small business creation
- Business/industrial recruitment/retention
- Growth of tourism
- Preservation of agricultural and natural resource lands

This chapter of the economic strategic plan will look at land and infrastructure planning issues and opportunities facing the County, and make general planning recommendations for next steps.

Land Development Patterns

Initial analysis and stakeholder/public engagement revealed a number of significant land planning issues currently at work in the County:

- **Growth Pressures.** As highlighted in the introduction, the County, including in urban and rural areas, has experienced rapid population change due to growth in regional employment opportunities and to the desirability of the County as a retirement destination. Current countywide planning tools are dated resulting in somewhat scattered and piecemeal development patterns in the once-rural areas. The pressure from growth has been especially felt in the northern section of the County bordering Knox County.
- **PUDS.** County Commissioners approved a moratorium on Planned Unit Developments in 2021 out of concerns that the higher-density developments were out of place in the undeveloped rural areas of the County creating a negative impact on rural roads, utilities, emergency services, and schools. Ultimately, PUD developments were removed from the zoning code of the County in the summer of 2022.
- **Agricultural Land.** Land zoned as agricultural accounts for approximately 40% of the total area of the County. It represents an important economic base with dairy farms in the southwest and tree farms in the southeast and helps preserve the rural and natural feel that many stakeholders and residents value in the County. Housing development has put pressure on these agricultural lands as the demand for new housing has pushed into the County.
- **Municipal Growth.** With the strong base of industrial and service-related jobs in and around the municipalities and the strong economic growth of the region, the City of Loudon and Lenoir City have been responding to the increasing housing demand generated by this growth by permitting higher-density development than conventional single-family subdivisions.



Credit: KAARMLS

Scenario Analysis

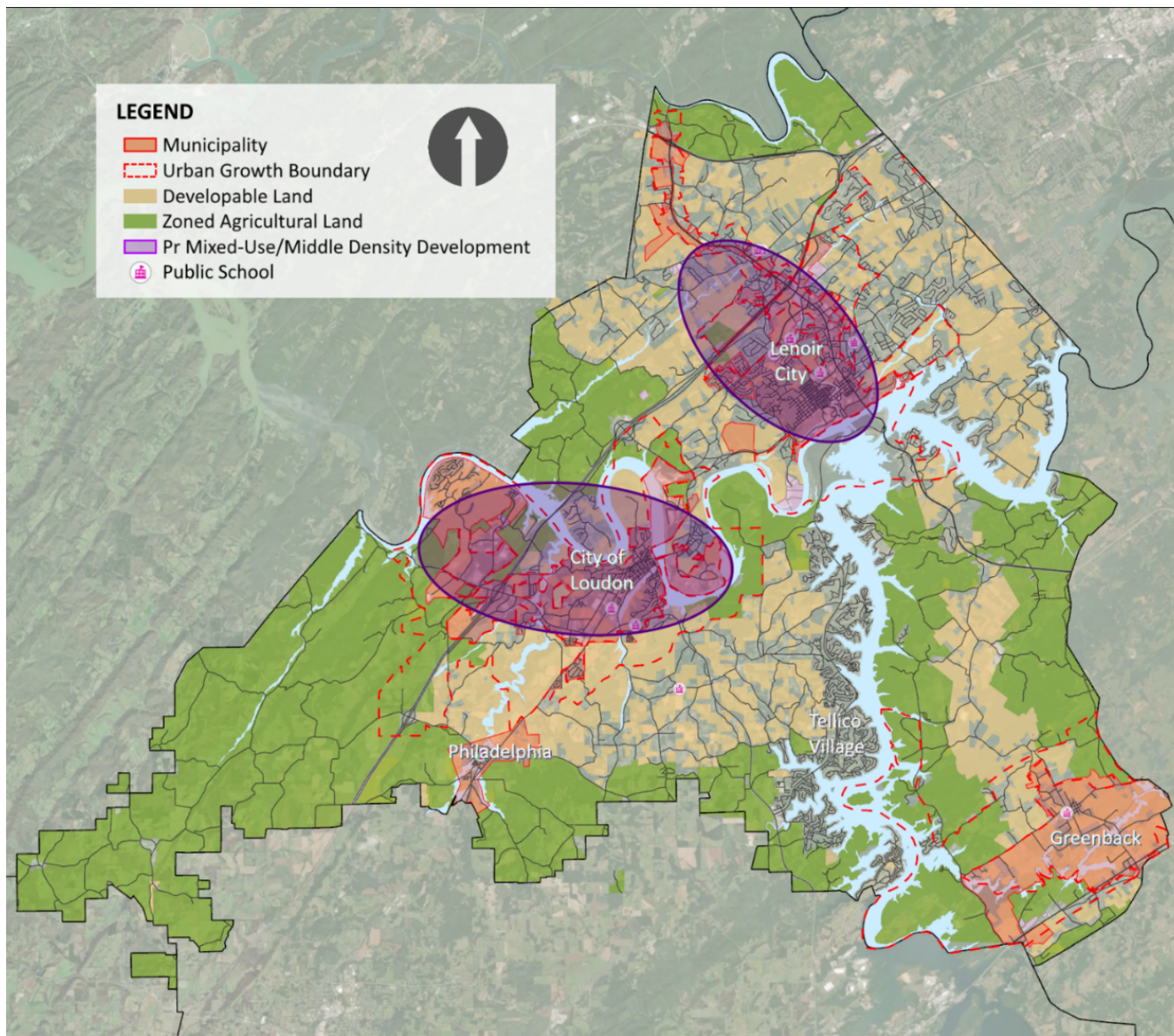
In the effort to explore land development alternatives in the County that address the current patterns of development, this study utilizes a performance-based scenario analysis approach to look at the fiscal and infrastructure capacity impacts of different approaches. The two build-out scenarios analyzed include a conventional growth approach and a focused growth approach. In both scenarios developable land is determined by larger lots that have not been subdivided and are not zoned as agricultural or industrial.

Conventional Growth

In this approach, low-density residential development (conventional single-family subdivisions) predominate in the developable unincorporated areas, and medium-density residential development occurring in and near the City of Loudon and Lenoir City. Estimates for potential annual tax revenue and public service expenditures are applied per unit to give an idea of overall fiscal impact for the scenario. Average Daily Traffic (ADT) impact is also calculated per unit.

	Scenario 1: Conventional Growth						
	#Units	Revenue/Unit	Annual Revenue	Expense/Unit	Annual Expense	Net	ADT
Single Family Residential	83K	\$505	\$42M	\$1,443	\$120M	-\$78M	391K
Medium Density Residential	36K	\$561	\$20M	\$1,115	\$40M	-\$20M	94K
TOTAL	119K		\$62M		\$160M	-\$98M	484K

Figure 34: Conventional Growth Scenario.

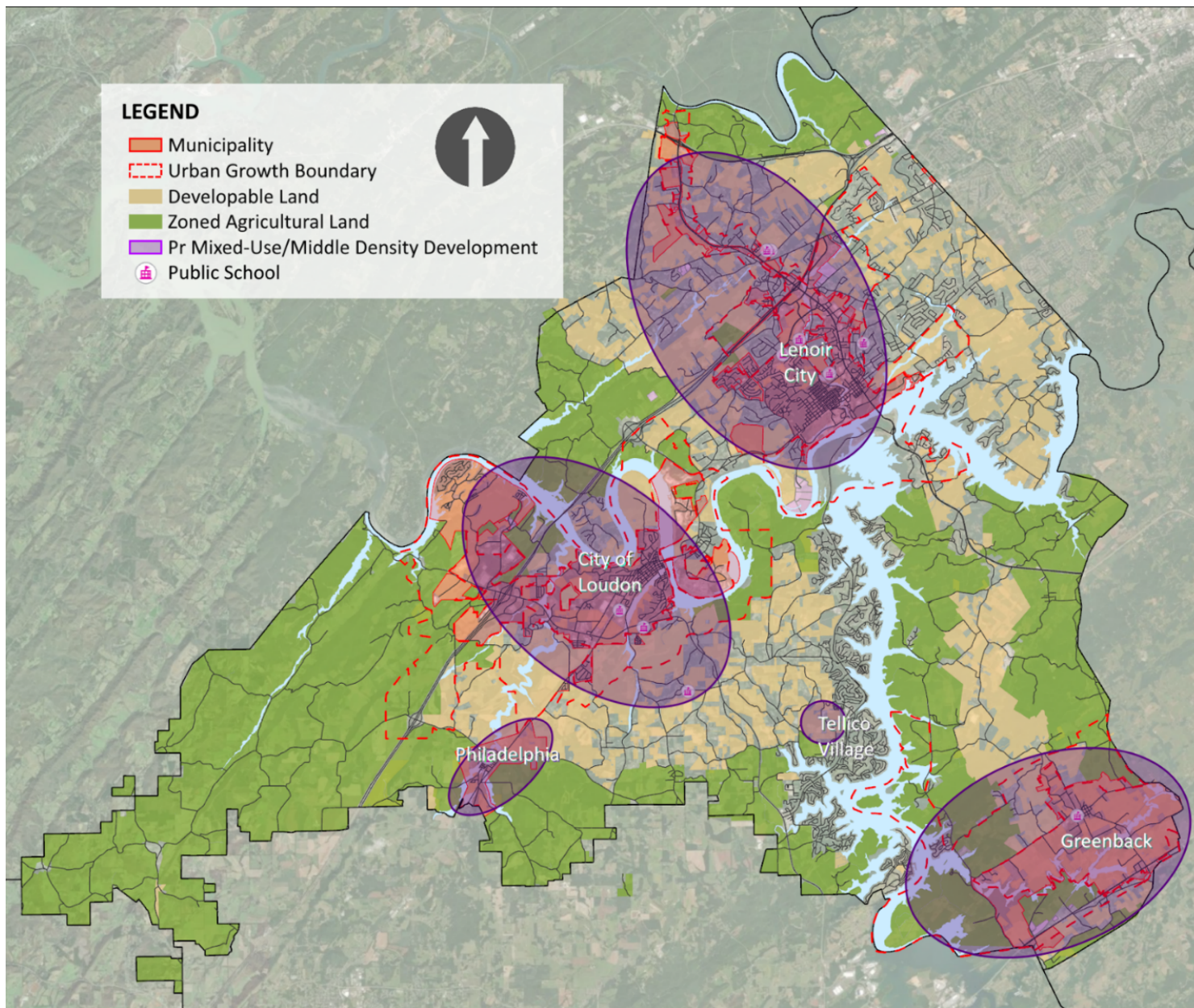


Focused Growth

In the focused growth scenario, medium density residential and mixed-use development is targeted for all four County municipalities and adjacent developable land, and also for a proposed walkable town center area for Tellico Village. Residential development in the County outside these areas would be reserved for very low density estate residential development. The general idea is to let the cities and towns operate as walkable urban places, and the rural areas to remain rural.

	<i>Scenario 2: Focused Growth</i>						
	#Units	Revenue/ Unit	Annual Revenue	Expense/ Unit	Annual Expense	Net	ADT
Estate Residential	14K	\$737	\$10M	\$1,828	\$26M	-\$15M	66K
Mixed-Use and Medium Den. Res.	135K	\$837	\$113M	\$1,115	\$151M	-\$38M	351K
TOTAL	149K		\$123M		\$176M	-\$53M	417K

Figure 35: Focused Growth Scenario.



Scenario Placetypes

	<p style="text-align: center;">Estate Residential</p> <ul style="list-style-type: none"> • Lots larger than 1 Acre • Typically in rural setting • Deep setbacks • Curbless street sections • Centralized sewer typically not available 	
	<p style="text-align: center;">Low Density Residential</p> <ul style="list-style-type: none"> • Lots typically range from ¼ to 1 Acre • Curvilinear street patterns • Houses set back from street • Curb/gutter street sections • Centralized sewer required 	
	<p style="text-align: center;">Middle Density Residential</p> <ul style="list-style-type: none"> • Diverse housing types • Pedestrian oriented, small block sizes • Buildings pulled up to street • Curb/gutter street sections with on-street parking • Centralized sewer required 	
	<p style="text-align: center;">Mixed-Use</p> <ul style="list-style-type: none"> • Mix of land uses, often residential over commercial building types • Pedestrian oriented, small block sizes • Buildings pulled up to street • On-street parking • Centralized sewer required 	

Scenario Comparison Analysis

Placetypes

Placetypes were selected for the scenario analysis that represent current trends in the County and also present new development types that can be pursued. Middle density residential can take the form of townhouses, duplexes and fourplexes, small-lot detached housing, and condo developments. Mixed-use development adds the mixed-use building type of mixing residential units with retail and office spaces. A benefit of both development types includes better compatibility with detached residential neighborhoods as opposed to building large-scale apartment complexes adjacent to neighborhoods. Mixed-use buildings provide the amenity of walkable destinations like restaurants, coffee shops and office space to adjacent neighborhoods.

Traditional Neighborhood Developments (TND) are a method of combining placetypes such as low and medium density residential and mixed-use development into one cohesive neighborhood or community. They typically have these elements:

- Interconnected street grid with small blocks
- Walking and biking infrastructure
- Centralized plazas and greenspace
- Conserved natural areas
- Mixed-use centers
- Buildings that front the street with parking in the back
- Size: 20-80 Acres typically



Stevens Valley TND in Williamson County, TN (Source: stevensvalley.com)

Fiscal

The per unit annual revenue and expense impact values were derived from detailed fiscal analyses of similar communities which are also experiencing rapid growth. Estimated per unit revenues are based on property and sales tax, and charges for service. Estimated per unit expenses are based on general costs to provide for and maintain infrastructure such as roads and utilities, and provide services such as garbage collection and police/fire protection. The first observation to note is that residential development in general is a net fiscal loss to local government entities, i.e. it costs more to serve with infrastructure and services than it provides via tax revenue. Single-family residential development produces the greatest fiscal loss because it demands high infrastructure and service costs, but provides low tax revenue per acre. Mixed-use development combines the infrastructure efficiency of medium density residential development with the added revenue benefit of commercial tax base.

Mobility

Traffic impact is measured in terms of average daily vehicle trips (ADT) that would be generated by the new development, with per unit generation numbers derived from traffic engineering standards. Scenario 1 generates more total traffic volume despite having fewer overall units because conventional low-density development is associated with more vehicles per unit, and the development type is generally more auto dependent. Another benefit of the focused growth approach is that most new vehicle trips are generated in and adjacent to urban areas that generally provide more extensive street network support as opposed to stressing rural county roads.

Utilities

The effect on utility service is similar with the focused growth approach depending more on existing water and sewer service and developing new concentrated service areas, versus the conventional growth effect of requiring sewer service and fire-protection level water service throughout the developable areas of the County. New sewer service areas would include the Greenback and Philadelphia town center zones with the focused growth approach.

Livability

The impacts on livability between the two scenarios are difficult to represent in a quantitative table, but the effects would translate into real-world outcomes in terms of property values, neighborhood desirability, healthy lifestyle opportunities, and community cohesion. The focused growth scenario offers advantages in the following areas:

- Schools. Focusing walkable development around existing schools would enable kids to walk and bike to school, improving public health and reducing vehicle traffic.
- Walkability. Middle density and mixed-use development integrate housing, retail and public park and gathering space within distances that enable walkability and encourage community cohesion.
- Mix of Housing Types. Instead of large areas of identical housing types, such as single-family detached or very large apartment complexes, middle-density and mixed-use density development enable a mix of housing types that enable community and provide housing for different income levels and stages of life.

This initial look at potential development scenarios is meant to scratch the surface regarding development strategies that the County and Municipalities in the County can explore. The most beneficial mechanism for creating specific land use and mobility strategies is to conduct a comprehensive plan that would encompass the County and all of its municipalities. Land-use recommendations that would flow from a comp plan would then lead to new zoning recommendations that would guide development implementation. Other important considerations leading from a comprehensive plan analysis would include recommendations for any potential modifications to urban growth boundaries in the County.

Summary of Land Planning Recommendations

- **Comprehensive Plan:** Conduct a countywide comprehensive plan that includes all municipalities to establish a cohesion vision for the future of the County and to establish a new land use plan
- **Zoning & Design Standards:** With comprehensive plan effort create new zoning code and design standards for the County
- **Incorporate Placetypes:** Adopt new zoning designations to allow the following placetypes and development types in the County zoning code that are applicable within designated distances from municipality borders and public schools:
 - Middle-density
 - Mixed-use
 - Traditional Neighborhood Development
- **Agriculture Preservation:** Through zoning code revisions provide additional protection for agricultural lands
- **Expand Urban Growth Boundaries:** Investigate potential locations for expansion of urban growth boundaries
- **Sewer in Rural Communities:** Pursue planning and funding mechanisms for the provision of sewer service in the Greenback and Philadelphia communities

Mobility

Mobility networks are crucial components to a community's ability to grow in a planned and healthy manner. The transportation system is directly related to the economic health of a place by providing access to commercial development, residential neighborhoods, and employment opportunities, supplying routes for the movement of goods and freight, providing venue for community development and cohesion, and creating active amenities for residents and visitors/tourists. This will provide a limited look at issues and opportunities regarding mobility for the County.

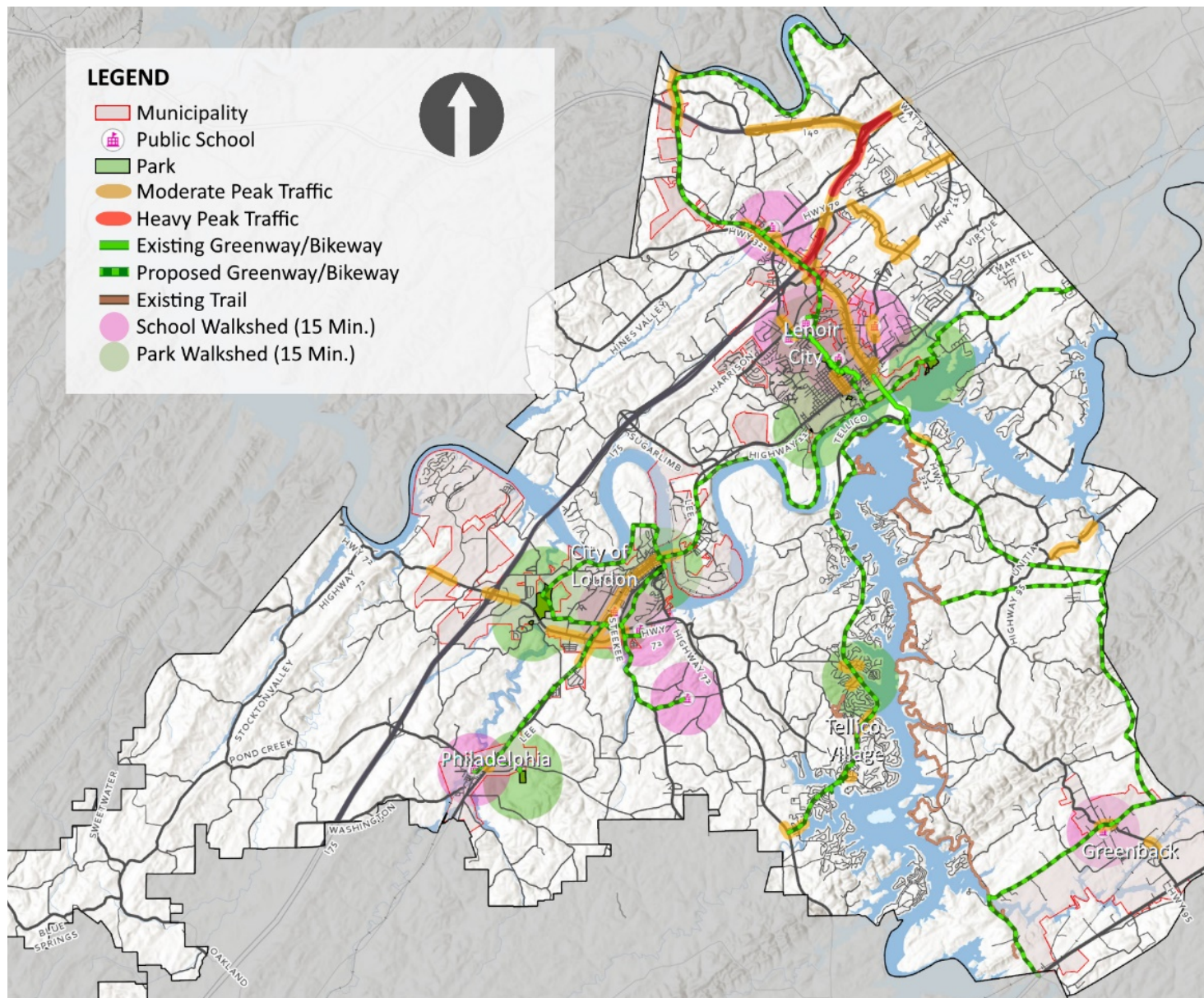
Vehicle Access/Traffic

The map below indicates areas of moderate and heavy peak traffic pressures in the County based on real-time cell data compiled by Google. The heaviest peak traffic is indicated on I-75 from Lenoir City to the County Line due primarily to commuter movement to and from Knoxville, and also on Hwy 321 near I-75. Moderate peak traffic is prevalent in the northern end of the County due to the same commuter patterns and also due to the extent of detached residential development in that sector. Other locations of moderate peak traffic include arterial streets in Lenoir City and City of Loudon, various locations along Tellico Parkway, Hwy 321 east of the dam, Unitia Road, and areas around schools in Philadelphia and Greenback.

The conventional strategy to counter traffic congestion has been to increase road capacity in the form of street widenings and/or adding turn lanes at intersections. The downsides to this approach include the high cost of construction and right-of-way acquisition, and the barrier effect of wide streets and intersections in restricting walking and biking movement and dividing neighborhoods. Alternative methods to reduce high traffic impacts that have a more positive impact on existing and new neighborhoods include:

- **Connectivity.** New street connections provide alternative routes to move through an area, improve emergency services access, enable short trips for walking and biking, and create opportunity for new development.
- **Roundabouts.** Roundabouts are effective intersection treatments that enable smooth and continuous traffic flow while slowing speeds to acceptable levels and enabling safer pedestrian crossings.
- **Mixed-Use.** With mixed-use developments destinations such as retail, services, office space and other uses are located closer to origination points such as neighborhoods, which enables shorter vehicle trips and avoidance of traffic pinch points.

An effective comprehensive plan will also include an extensive mobility component that can serve as the framework for a street thoroughfare plan, which can be utilized to require new street connections as land develops or redevelops.



Walkability

There are many benefits to creating walkable neighborhoods and communities, from giving children the opportunity to walk to school and parks, to enhancing community by providing walk-to and bike-to restaurants, coffee shops, retail and open space/plazas. Enabling a mix of uses is crucial to creating walkability, but a robust network of well-designed sidewalks is also obviously crucial to enable walkability. Important sidewalk components include adequate width, ADA components such as curb ramps, green buffers from the curb with street trees, and adequate lighting, preferably pedestrian-scale lighting. The mobility map below highlights priority areas for new sidewalk construction and/or repair, focusing on 15-minute walksheds around schools and parks.

Another substantial boost to economic development through increasing livability and creating visitable tourist destinations is the extension of the current trail/greenway system to connect neighborhoods and communities to each other and provide more access to the natural and scenic areas of the County. The projected greenway locations are drawn from the recent Tellico Parkway greenway planning effort plus proposed additional connections to the schools and parks in the County and cities.

Summary of Mobility Recommendations

- **Mobility Plan:** Conduct a countywide mobility plan either as a stand-alone project or, preferably, in conjunction with a comprehensive plan effort. Plan components should include:
 - Street connectivity/major thoroughfares plan
 - Intersection improvement plan
 - Safety/crash analysis
 - Sidewalk prioritization
 - Greenway/trail/bikeway plan
 - Street and bike/ped facility design recommendations
- **Greenway Extension:** Identify key greenway connector projects to schools and parks and pursue funding sources

Business Development Strategy

The actions below focus specifically on ongoing business development including recruitment, support and development.

- **Share market research:** The market analysis provides data that will be relevant to existing and potential business owners, as well as developers and property owners. The information included in this report should be actively distributed to all interested parties, businesses, real estate professionals and economic development agencies.
- **Target Market Demand:** This market analysis identifies a number of retail and business needs based on current trade patterns. Recruit commercial business based on quantified potential identified in market analysis.
- **Reinforce Community Centers:**
 - Downtown Loudon and Lenoir City are economic centers that offer small business, entrepreneurship and residential to support all county residents. Continue downtown revitalization efforts in Loudon & Lenoir City.
 - Target businesses in rural communities Greenback and Philadelphia to support the needs of local residents.
- **Identify areas for workforce housing development:** The urban growth centers of the City of Loudon and Lenoir City have infrastructure to support growth and additional housing options. The cities and the county can work together to determine appropriate location, establish design parameters, and recruit potential developers.
 - Conduct a housing needs assessment and encourage development of mixture of housing types and price points that meet the needs of county and city residents.
 - Advocate for various residential product and communicate need in an effort to overcome perceptions and misconceptions. Develop a communication strategy base on needs assessment.
 - Based on housing needs study and the findings of this plan, work with Lenoir City and City of Loudon to create county-wide affordable housing goals and strategy.



- Encourage mixed-use development in the two cities. Each city center has infrastructure that would support mixed-use that includes additional housing options to help provide housing choice and more affordable product.
- **Continue Data Collection:** Continuing to develop data over time will help describe economic development needs more clearly while also allowing to track implementation over time.
 - Conduct survey of local employers and small businesses to assess workforce needs (skills, housing, etc) and satisfaction with current business support services.
 - Update market analysis every five years. Update resident survey every five years.
 - Track percentage of overall tax base supported by residential, commercial, industrial using 2020 as a baseline.
- **ED Implementation Team:** Implementation of this economic development strategic plan will require not only LCEDA but also its partner agencies. Form a staff-level economic development team for collaboration on plan implementation. The group would meet twice a year to identify a lead for each initiative, discuss shared economic goals, plan progress, and changing priorities. Representatives could include staff LCEDA, Loudon P&Z, Lenoir City Planning, Visit Loudon County, Loudon County Chamber of Commerce, LCUB, Loudon Utilities, and the TRDA.
- **Identify sites for targeted recruitment:** This would be incorporated into the comprehensive land use planning identified in the previous section. Identifying receiving areas for county targets will help with recruitment. This would include current targets such as boat manufacturing, distribution, logistics, etc. City targets could include housing, cultural development, and entertainment. New targets could perhaps include recreation related manufacturing (kayaks, paddleboards, fishing, etc).



- **Expand Tourism & Recreation Product:** The tourism industry creates an immediate direct and indirect economic impact while also providing for the quality of life of Loudon County citizenry. The county, its local governments, and Visit Loudon partners should work together to diversify recreation offerings and development more access to our natural assts.
- **Grow sustainable agribusiness and agritourism:** Agriculture is a key part of Loudon County’s economy and a primary component of the county’s rural character. The preservation of this rural character and agribusiness was identified as a primary need in the citizen survey.
 - Coordinate with Loudon County Extension Service, local producers, etc. to create a business plan to support agribusiness and increase agritourism.
 - Develop initiatives and funding for agriculture preservation such as incentive funds, transfer of development rights policies and zoning.
 - Encourage local producers to add agritourism components similar to Sweetwater Valley Farms with retail, farm tours, etc.
 - Coordinate Farmers Markets in the County (Greenback, Tellico Village, City of Loudon, etc) to cooperatively plan and promote.



Economic Market Position

The Loudon County Economic Development Agency currently markets the county through its website, social media, programming, and other tools. Its economic market position includes its competitive advantages, demographic information, workforce data, and target markets – all information that is key to positioning Loudon County as a place for investment. Ultimately an economic development profile can be used as a promotional tool on business recruitment materials.

STRATEGIC ADVANTAGES

- The County’s location in the Knoxville metro provides opportunities for access to jobs, culture, and urban amenities.
- Interstates 75 and 64 intersect in the county and create both a North-South and East-West connection to national markets.
- Loudon County has exceptional outdoor recreation and natural resources due to the Little and Tennessee Rivers and lakes created by the Tellico and Fort Loudon Dams.
- The County has a number of education resources that focus on college preparedness and skills training including two public school systems, Roane State Community College, and quick access to University of Tennessee, TN Technology Centers, etc.

DEMOGRAPHIC INDICATORS

- With an estimated **2022 population of 56,298**, Loudon has grown by 44% since the year 2000. It is projected to grow by another 6% in the next five years.
- Loudon County’s **median household income of \$61,664** is the highest in the Knoxville metropolitan area.
- Loudon County has seen a steady growth in population and tax base with residential development that is high-end, single-family construction. The county has the highest home values within the metro region.
- Loudon County has a **highly educated population**:
 - 86% - High School diploma or equivalent
 - 27% - Hold a Bachelor’s degree or higher
 - 10% - Hold an advanced degree

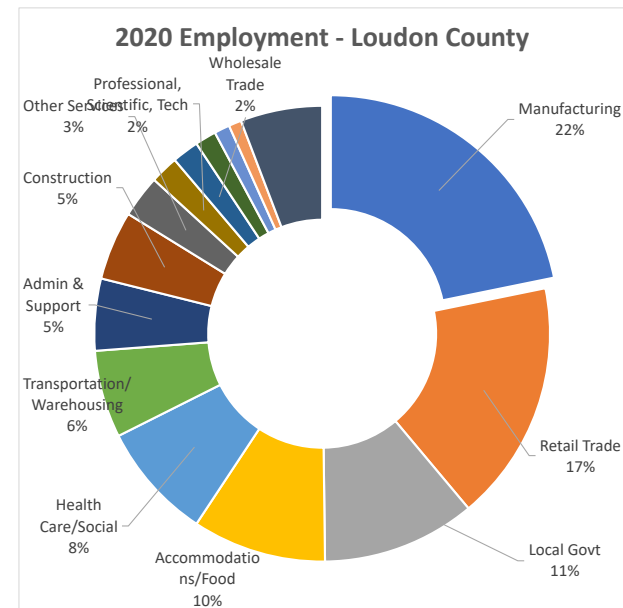
KEY EMPLOYERS

Loudon County has excellent industries with national and international footprints, including Malibu Boats, Monterey Mushrooms, Kimberly Clark, and others.



LOUDON COUNTY EMPLOYMENT

- Loudon County has 16,675 jobs and ranks 27th out of 104 Tennessee Counties.
- The County has extremely low unemployment at just 2.8%.
- The County still has significant manufacturing employment and investment with 22% of its jobs being in Manufacturing, followed by retail (17%) and government (11%).
- The average annual salary in Loudon County is \$44,331 which ranks 22nd of 104 Tennessee Counties.
- The County has 5,700 people that both work and live in the county. Loudon County is strategically positioned in the Tennessee’s Innovation Valley and many residents commute to Knoxville (18.8%) and Oak Ridge (6.8%)



TARGET INDUSTRIES

Local Targets:

- Boat Manufacturing
- Distribution
- Logistics & Transportation
- Technology
- Entrepreneurial & Professional

East TN EDA Targets:

- Advanced Manufacturing
- Business & Professional Services
- Distribution & Logistics
- Food Processing
- Hospitality
- Media Production

REGIONAL ECONOMIC DEVELOPMENT

- Loudon County Economic Development Agency
- City of Loudon
- Lenoir City
- Loudon County Chamber of Commerce
- Visit Loudon County
- Tellico Regional Development Authority
- Lenoir City Utilities Board
- Committee of 100 LC
- Loudon Utilities
- East TN Economic Development Agency
- Tennessee Valley Authority

Economic Market Position Strategy

The actions below focus specifically on ongoing business development including recruitment, support and development.

- Place-based Branding:** Develop place-based brands and marketing strategies to promote each community (Lenoir City, City of Loudon, Philadelphia, Greenback, Tellico Village). Some have current logos that can be incorporated into a brand system, while others have none. Marketing strategies should focus on telling the unique story about each community with a unified system that targets visitors and investment, while also being a communication strategy to the local citizenry. Web, social media, event marketing, banners, brochures, collateral, etc.
- Countywide Wayfinding:** A branded, directional wayfinding program that directs locals and visitors to the various recreational, civic, cultural and commercial destinations will help bring both awareness to local economic & quality of life resources, but also help with more efficient mobility. A system would be coordinated but using unique brands of each community (County, cities, towns) and would include directional trailblazers, pedestrian scaled directionals in downtowns, gateways, banners, etc.



- Communication Plan:** Create a strategy to reach local leadership, potential investors, and the public to communicate the findings of this plan as well as ongoing implementation. It could be deployed via social media, targeted stakeholder or community meetings, white paper, local media or events, etc. Different tools could be used to communicate priority topics (residential development, recruiting new investment, workforce, etc).
- Educate Leadership:** Part of that communication strategy should be creating an educational tool for policy makers that communicates cost-benefit info and financial expectations. This would particularly focus on framing a narrative of assessing impact of new development comparing cost of services provided to revenues generated.
- Testimonial Ads:** Create branded testimonial ads both for Loudon County and both cities to highlight/promote individual businesses and key employers. Industries have located here for various reasons, whether it be water resources, proximity to interstates and urban market, or simply quality of life. Testimonial ads are a powerful marketing piece for recruitment.

Innovative Care.

CHATHAM MEDICAL PARK

Chatham
naturally innovative

Ra volor aut ommodipae consequta cor aut qui bla...
 For more information on Chatham County, and all it has to offer, go to www.chathamnc.org or scan the QR code to be direct to our visitors guide.

Sustainable Cuisine.

Naturally Innovative.

Chatham
county | north carolina

Ra volor aut ommodipae consequta cor aut qui bla...
 For more information on Chatham County, and all it has to offer, go to www.chathamnc.org or scan the QR code to be direct to our visitors guide.

Pond Scum: Lifesaver.

Chatham
county | north carolina

BIOLEX+
THERAPEUTICS

Ra volor aut ommodipae consequta cor aut qui bla...
 For more information on Chatham County, and all it has to offer, go to www.chathamnc.org or scan the QR code to be direct to our visitors guide.

- One Sheets:** Create branded one-sheets to highlight economic advantages of investing in Loudon County. They could be deployed on the web, via social media, or in business recruitment packets sent to prospects. One-sheets could present a variety of economic aspects including infographics on the economic profile mentioned above, highlighting singular development sites, or testimonial ads.

BUILDING SITE

DUNN, NC 28335

SITE FEATURES		UTILITIES	
Total Available SF	XXXX	Electricity: City of Dunn	
Ceiling Height	XX Ft.	• XXXX KW substation	
Zoning	XXX	• up to XXX for user	
Parking	XX Vehicles; paved	Water: City of Dunn	
		• XX" Line, XX psi static	
TRANSPORTATION		Sewer: City of Dunn	
Interstate 40	XX miles	• XX" Line, Gravity Main	
Interstate 95	XX miles	Fiber Optics: AT&T; speed of up to 1Gbps	
Raleigh	XX miles		

102 North Powell Ave.
Dunn, NC 28335

910-766-0983
cityofdunn.org

LAUREL 2018 Market Snapshot

The Town of Laurel is a **62 million** market

Projected Population Growth **2.3%**

Projected Household Income **↑ 10%**

Current Median Age **33.9**
Younger than the National Average

Top Target Business Types

- Sporting Goods: **\$745,000**
- Clothing Stores: **\$1,111,000**
- Gifts & Misc Retail: **\$934,000**
- Limited Service Restaurants: **\$1,103,000**

- Recruit and Market for Workforce Housing:** Identify housing needs from industry survey and target development of that type of residential. Also, coordinate with local industries by providing them with marketing information on quality of life afforded in Loudon County, housing opportunities in region.

6. Strategy Board

The attached “Strategy Board” summarizes all of the projects and recommendations included in the economic development work plan shown above. The board should be used as a working document for benchmarking and ongoing evaluation of the implementation process. Each recommendation that is presented in brief on the strategy board is supported in this report documentation.

Strategies

Each of the plan strategies is outlined in the strategy board. It is important to remember the ultimate economic development goals that each project supports. Each of these strategies is linked with one another, but failure to achieve one goal does not negate the ability to achieve others.

Priority

The projects are divided into three time frames. The first series of projects are ones that should begin immediately. For the most part, these are simple projects that will be highly visible, have significant impact and should be completed within the first year after the plan is adopted. The second set of projects is labeled next step projects. Some of these are more advanced projects while others may be continuations of projects that began during the demonstration period. The last series of recommendations are final steps. There are fewer projects in this list, but over time this category will continue to fill as priorities evolve.

Partners

Individual responsibilities should be assigned to the LCEDA or a partner agency. While an agency may be assigned lead role for implementation, each of these projects should be pursued through partnerships. As the plan progresses, the responsibilities should be reevaluated to determine where roles should change or shift.

The strategy board and its recommendations represent a “living document.” As time goes by and implementation proceeds, some priorities will shift while new ones will arise. The implementation strategy board should be evaluated periodically, no less than annually. This evaluation process will allow for finished tasks to be indicated on the board, for responsibilities to be shifted between parties, and for time frames to be adjusted for individual projects.

Loudon County Economic Development Strategic Plan

Loudon County Economic Development Vision

Loudon County will remain a dynamic community that values its rural character, rich natural resources, and exceptional quality of life. We will maintain these assets through thoughtful planning and managed residential and economic development that sees a variety of jobs and industry, diversity of housing choice, and vibrant communities.

Strategies	Priority	Partners		Notes	GOALS
		Lead	Partner Agencies		
PLANNING					
Conduct Countywide Comprehensive Plan	Short	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	LCEDA, Main Street organizations, Chamber, TRDA, Tellico Village	Preserving Loudon County's rural character while accommodating efficient growth will require that the county and municipalities work together on a shared vision through new comprehensive and land use planning.	<p style="text-align: center;">GROWTH POLICY GOALS</p> <ul style="list-style-type: none"> - Loudon County and its communities will coordinate to create policy that allows for managed growth providing a balanced mix of land uses. - The County and its communities will partner to recruit business investment to offset residential tax burden, provide job opportunities, and meet the retail and commercial demand of residents. <p style="text-align: center;">HOUSING GOALS</p> <ul style="list-style-type: none"> - Loudon County will have housing that is attainable for its workforce, allowing employees that work here to also live here. - The County and its communities will partner to allow for a variety of housing options and price points. <p style="text-align: center;">LAND USE PLANNING GOALS</p> <ul style="list-style-type: none"> - Loudon County will see its family farms, agriculture and rural character preserved. - The County and its communities will update their planning and dated codes to allow for appropriate, managed growth where needed. - Targeted economic growth will occur in defined receiving areas where adequate infrastructure exists. - Encourage stick-built neighborhoods instead of large lots with modular style homes. <p style="text-align: center;">INFRASTRUCTURE GOAL</p> <ul style="list-style-type: none"> - Loudon County residents and businesses will have excellent infrastructure including transportation, broadband, water, sewer, and quality education. <p style="text-align: center;">CITY CENTER GOALS</p> <ul style="list-style-type: none"> - Loudon County's downtowns will have active businesses, public spaces, pedestrian infrastructure, and downtown living.
Create New Zoning Code and Design Standards	Mid	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	LCEDA	Include with or follow comprehensive plan.	
Incorporate Zoning Classifications for New Placetypes	Mid	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	Tellico Village, TRDA	New zoning designations for middle-density, mixed-use and TND development.	
Protect Agricultural Lands	Short	Loudon County	Philadelphia, Greenback, City of Loudon, Lenoir City	Revise zoning code to raise the bar in developing lands zoned agricultural.	
Expand Urban Growth Boundaries	Mid	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	LCEDA	Like the comprehensive plans, this should be a collaborative effort to ensure consistency and broad vision of growth.	
Sewer Service for Greenback and Philadelphia	Mid	Greenback, Philadelphia, Loudon County	TRDA	Develop plan and identify funding sources.	
Mobility Plan	Short	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	TRDA, Tellico Village	Free-standing or preferably in conjunction with comprehensive plan	
Greenway Extension Projects	Mid	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback	TRDA, Tellico Village	Identify, design and pursue funding for connections to schools and parks	
BUSINESS DEVELOPMENT					
Share Market Research	Short	LCEDA		Provide market data to local businesses, leadership and economic development partners.	
Target Market Demand	Ongoing	LCEDA	City of Loudon, Lenoir City	Commercial and residential market demand is described in the market analysis outlining opportunities based on demand.	
Reinforce Community Centers	Mid	City of Loudon, Lenoir City, Philadelphia, Greenback	LCEDA, Main Street organizations, Chamber	Focus on downtown revitalization, targeting business in rural centers that support local market.	
Identify Areas for Workforce Housing	Short	City of Loudon, Lenoir City	Loudon County, LCEDA, Committee of 100	Includes conducting housing needs assessment, advocating for and communicating need for workforce housing, promoting mixed use.	
Continue Data Collection	Ongoing	LCEDA		Continued surveys and updates to market research.	
Economic Development Implementation Team	Short	LCEDA	City of Loudon, Lenoir City, Chamber, Visit Loudon, Utilities, TRDA	Staff-level economic development committee to coordinate implementation of this plan.	
Identify Sites for Targeted Recruitment	Short	LCEDA	Loudon County, City of Loudon, Lenoir City, TRDA	Incorporated into comprehensive land use planning to identify receiving areas for recruitment of employers.	
Expand Tourism & Recreation Product	Mid	Visit Loudon	Loudon County, City of Loudon, Lenoir City, Philadelphia, Greenback, TVA	Diversify and grow tourism and recreation as economic development strategy.	
Grow Sustainable Agribusiness & Agritourism	Mid	Loudon County Extension Service	LCEDA, Visit Loudon, Loudon County	Includes developing plan for support of agribusiness, developing initiatives for ag preservation (incentives, TDR), expanding agritourism business, coordinating with Farmers Markets.	
ECONOMIC MARKET POSITION					

Implement Place-Based Branding	Short	Lenoir City, City of Loudon, Tellico Village, Greenback, Philadelphia	Visit Loudon, Main Street organizations	Expand existing logos into brand systems to promote each community. Unified system that communicates to locals while targeting visitors and investment.	<p>- The business districts in the rural communities of Loudon will serve their residential population.</p> <p style="text-align: center;">RECREATION AND TOURISM GOALS</p> <p>- Recreation will continue to grow as an economic driver for the County.</p> <p>- Outdoor recreation, agritourism, and sports tourism will grow bringing new visitors and economic impact.</p>
Implement County-Wide Wayfinding	Mid	Loudon County	Lenoir City, City of Loudon, Greenback, Philadelphia, Visit Loudon	Coordinated system with unique identities of localities incorporated into unified design.	
Develop Communication Plan	Short	LCEDA, Committee of 100		Internal plan to communicate this plan's vision and implementation to local leadership and partner agencies.	
Educate Leadership	Short	LCEDA, Committee of 100		Incorporated into communication plan with specific focus of communicating cost-benefit of impact of new development, cost of services revenues generated.	
Create Testimonial Ads	Short	LCEDA		Branded testimonial ads of key employers and businesses as part of larger recruitment package.	
Create ED One Sheets	Short	LCEDA		Branded economic profile and site specific marketing tools as part of larger recruitment package.	
Market For Workforce Housing	Mid	LCEDA	City of Loudon, Lenoir City	Based on findings of workforce housing study, comprehensive planning, industry surveys, etc., create branded marketing tools to recruit workforce housing investment.	