

# COVINGTON, TENNESSEE VISION AND STRATEGIC PLAN APRIL, 2018



**Pinnacle Planning Advisors  
The Wharton Group  
Goforth Planning and Management**

# Vision and Strategic Plan Covington, Tennessee

<b>Table of Contents</b>	<b>Page</b>
I. Assignment.....	1
II. Brief History and Profile of Covington.....	2
III. Community Engagement	
• Overview.....	5
• Online Survey.....	5
• Vision Session.....	8
IV. Excellent at Basics	
A. Interviews with Directors.....	13
1. Fire Department.....	13
2. Police Department.....	14
3. Personnel Department.....	15
4. Codes Department.....	16
5. City Recorder/Treasurer.....	17
6. Public Works Department.....	17
7. Parks and Recreation Department.....	19
8. City Attorney.....	19
9. Covington Airport.....	20
B. Priorities for Departments.....	20
V. Recommended Strategies and Tactics by Priority Areas	
A. Overview.....	25
B. Economic Development and Job Creation.....	25
C. Workforce Development.....	29
D. Youth Development.....	31
E. Blight Removal.....	34
F. Public Safety.....	37
G. General Government.....	39
Appendices	
• Appendix “A” Covington Online Survey Results	
• Appendix “B” Covington Vision Survey Results	
• Appendix “C” Buxton Retail Market Profile	

# **Vision and Strategic Plan Covington, Tennessee April, 2018**

## **I. Assignment**

Upon his election as Mayor in 2014, Mayor-elect Hanson determined that one of the first tasks that he, as Mayor, along with the Board of Aldermen should address was efficiency in the eternal day to day functions of City government. The priorities included:

- Hiring and retaining highly qualified city personnel;
- Reviewing the City's fiscal position with respect to employee pensions and healthcare;
- Modernizing public safety equipment and facilities;
- Resolving long-standing litigation against the City;
- Maintaining and upgrading the City owned facilities, including those acquired prior to his election and taking office;
- Maintaining the City's property tax rate;
- Coordinating with the Tipton County, HTL Advantage, and the Covington Chamber of Commerce on economic development and job creation initiatives.

Having made some progress on these initial tasks, the Mayor and City Administration determined that there was a critical need for a Vision and Strategic Plan for the City. The Mayor, with the support of the Board of Aldermen determined that such a document would be best drafted by outside resources, and accordingly, determined that it was in the best interest of this effort to retain the services of Pinnacle Planning Advisors, The Wharton Group, and Goforth Planning and Management. Those professionals were charged with facilitating the development of the Vision and Strategic Plan. The team was charged with developing the Vision Plan based upon:

1. Extensive interviews with City staff.
2. Interviews with a broad and diverse group of community stakeholders from business, neighbors, faith-based organizations, educators, and elected leaders.
3. An online survey to be distributed widely to all citizens and community leaders for their responses.
4. And a final session with a representative and diverse group of community stakeholders. The purpose of this session was to refine the priorities for the City.

The Plan contains two components; one addressing short-term operational efficiencies in each department, and secondly, a listing of longer term initiatives designed to facilitate growth, development, quality of life, and economic prosperity. These priorities and tactics were all based on extensive community input.

## **II. Brief History/Profile of Covington**

Tipton County was created by act of the Tennessee legislature on October 29, 1823. The land in what is now Tipton County was originally land grants issued by the State of North Carolina. Tipton County was named in honor of Jacob Tipton (1765 – 1791) a native of Cedar Creek, Shenandoah County, Virginia.

The City of Covington was established as Tipton's County's seat of government on December 11, 1824. Located about four miles south of the Big Hatchie River, Covington was the geographical center of the county in the 1820s. The Tipton County Court of Pleas and Quarterly Sessions appointed Robert G. Green, Elias F. Pope, Marquis Calmes, John Eckford and Alexander Robinson to survey the site of the new town in December 1824. These men laid out seven streets and 106 lots. The first sale of town lots occurred on the 12th of April 1825, and the proceeds of that sale and subsequent sale of lots were used to construct the County Court House - a wood framed two story structure, 20 feet by 30 feet square that was completed in July 1825. Work on a brick courthouse began in 1831 and was completed in June 1832.

The Town of Covington was officially incorporated in 1826 by an Act of the Tennessee General Assembly. In 1826, the first school in the little town was established - making clear that education was important to the settlers. Known as the Covington Male Academy, this incorporated institution provided education for the children of Covington and the surrounding area for over the next 60 years.

Covington experienced little growth before the Civil War. Randolph and later Portersville were the bustling commercial centers of the County in the antebellum period. Covington was largely a sleepy hamlet that only came alive during the times the courts were in session at the courthouse.

In 1854 the Tipton Female Seminary was opened in Covington. The institution was under the able guidance of Rev. James Holmes, D.D. and his son, Prof. George D. Holmes, during a majority of its existence.

Covington's first newspaper, *The Covington Spy*, began publication in 1860.

In May of 1861, the young men of Covington and the surrounding area formed "the Tipton Rifles". This was the first military unit to be formed in the County and to be sent off to fight for the Confederacy.

In 1873, the first section of the Memphis and Paducah Railroad between Memphis and Covington was completed. The railroad not only brought expanded trade and new retail establishments to the Town of Covington, but brought also numerous families from varied backgrounds whose fresh ideas would help reshape the town. Covington supplanted Mason as the commercial municipality of the county in the postbellum era.

The first telegraph line between Memphis and Covington was completed in 1882. Construction on the present Tipton County Courthouse started in 1889 and completed in 1890. The Covington City School System was established in 1894 - the same year that electric power was installed in Covington. In 1898 in order to provide residents with pure drinking water the City established a municipal water system.

During these years, the population of the town was growing by leaps and bounds. In the 1890s, new homes were being constructed and new businesses were being erected around the square. Many of these structures are still standing today, reflecting this period of unprecedented growth and prosperity at the turn of the century.

The South Main Historic District in Covington showcases this time of growth. The district includes about 50 houses from the late 19th and the early 20th centuries, along with commercial structures of historic interest.

During the 1910's and 1920's, following the invention of the automobile, U.S. Route 51 was built. The Highway was originally named The Jefferson Davis U. S. Highway, and was later made famous by Bob Dylan as he sang the "Highway 51 Blues." This highway connects Memphis and points south with Chicago via Covington.

Covington was also the birthplace of the singer, songwriter and actor Isaac Lee Hayes, Jr. Hayes was born August 20, 1942, in a tin shack in Covington before moving to Memphis at 6 years old.

Baptist Memorial Hospital-Tipton is located on the south side of Covington, and it is a fully accredited facility that handles general medical, surgical, and obstetrical patients. There are approximately 300 employees, and the hospital is equipped with 100 beds. A six-bed observation unit, adjacent to the emergency room, was added in 2000.

The Covington Municipal Airport is north of the City and features a 5,000-foot runway that can accommodate small jets. There is also a modern terminal with facilities for pilots and meetings. Covington is also home to the recently renovated Tennessee College of Applied Technology as well as Dyersburg State Community College.

Covington also has 9 sites listed on the National Historic Register:

- Canaan Baptist Church
- The Coca Cola Bottling Plant
- The Hotel Lindo
- Mt. Carmel Presbyterian Church
- Dr. Thomas H. Price House
- The Ruffin Theatre
- St. Matthew's Episcopal Church
- South College Street Historic District
- South Main Historic district

Covington at a Glance Today

- 42 Miles Northeast of Memphis
- 10.3 Square Miles
- 8,924 people
  - 3,199 households
  - 327 people per square mile
  - Median age is 33
  - Median income is \$24,684
  - 28% of people living below the poverty line
- 52% white
- 47% black

### III. Community Engagement

#### A. Overview

The City administration made it perfectly clear that involvement of all segments of the community in the planning process was essential. Accordingly, the planning team undertook an assortment of mechanisms to solicit constituent views on issues, priorities, and recommended solutions. There were over 50 in person interviews with key leaders in business, neighborhoods, non-profit, educational, and faith-based organizations. The online survey was widely publicized and was completed by 669 respondents, which is a remarkable level of community response. Lastly, there was a community visioning session that included 49 participants that reviewed the information from the online surveys and delved deeper on specific priorities and recommended tactics. Results from the various community engagement strategies are described below and the actual statistical results are included in the appendices.

#### B. Online Survey

An online survey was developed following the interviews with the community leaders and City elected officials and department heads. The survey utilized the comments from key community leaders and officials to focus on four basic questions.

1. What would you say are Covington’s greatest assets?
2. How would you rate the current City services and facilities?
3. What are Covington’s greatest challenges?
4. What are your budget priorities for the City?

This survey was prepared in early October and made available to the general public later that month. The results were compiled on November 6, 2017 and reported at the Visioning Session on November 7, 2018 at the Dyersburg State campus in Covington. Special thanks go to Mayor Hanson, Sara Gangaware and others for publicizing the availability of this survey through email, newsletters and postings on the City and other websites. There were 669 responses to the survey and this represents a tremendous response. The survey was based on Survey Monkey and a complete copy of the responses to the survey is included in the Appendix “A”. The following information provides an analysis of the primary responses to each question.

#### What would you say are Covington’s greatest assets?

This question listed seven asset areas to be rated based on five criteria with points awarded: Most Important (5 points); Very Important (4 points); Important (3 points); Somewhat Important (2 points); and Not Important (1 point). The following chart provides the results of the responses to Question 1.

Greatest Assets	Weighted Average
Education system	4.44
Quality of life	4.32
Employment base	4.20
Commitment of residents	3.96

Downtown area	3.72
Park system	3.39
Location in Tennessee	3.18

Clearly, the School system is seen as the greatest asset with a rating of 4.44 out of a possible five points. Additionally, over 58% of the respondents rated it as most important. Quality of life rated second and the employment came in third. It is important to note that all assets were rated as important to the City.

How do you rate the current City services and facilities?

Eight City service areas were listed in this question with ratings as follows: Excellent (5 points); Very Good (4 points); Good (3 points); Not Very Good (2 points) and Poor (1 point).

City Service	Weighted Average
Fire service	4.25
Police service	3.62
Garbage service	3.49
Education system	3.40
Parks and recreation programs	3.16
Code enforcement	3.12
Street maintenance	3.05
City planning	2.99

The Fire Department was the highest rated City service with 4.25 points. It received an excellent rating from 43.5% of the respondents. The Police Department rated second with 3.62 points and 18.98 people rating it as excellent. Garbage service was rated third with 3.49 points, with an excellent rating for this type of service. All the other services rated between ‘good’ and ‘very good’ except City planning which rated slightly below good with 2.99 points.

What are Covington’s greatest challenges?

This question listed ten potential challenges identified by the community leaders and officials. They were rated based on the respondent’s perception as follows: Greatest challenge (5 points); Significant challenge (4 points); One of many challenges (3 points); Somewhat significant challenge (2 points); and Not a challenge (1 points).

Greatest Challenge	Weighted Average
Public safety/crime	4.01
Opportunities for youth	3.91
Lack of Jobs	3.70
Blight in Neighborhoods	3.70
Lack of trained workers	3.6
Education system	3.49
Reputation/branding	3.43



Appearance at gateways and entrances to the City	3.06
Tax base	3.04
Downtown expansion	2.87

Public safety and crime rated as the greatest challenge with 4.01 points and with 36.13% of the respondents classifying it as the greatest challenge. Opportunities for youth rated second with 3.91 points. There was a tie for third between Lack of Jobs and neighborhood blight. All the other challenges rated below four points except the downtown expansion which most people considered the lowest rated challenge facing the City. This is a direct response to the good job the City and local businesses have done on the square.

What are your budget priorities for the City?

This question went to the important issue of where to best spend public funds. This question rated various elements of the City’s budget on the following criteria: Highest priority (5 points); Significant priority (4 points); One of many priorities (3 points); Not significant priority (2 points) and Not a priority (1 point).

<b>Budget Priority</b>	<b>Weighted Average</b>
Public safety police and fire	4.35
Workforce development and education	4.18
Economic Development and Job creation	4.16
Blight removal and code enforcement	3.73
New retail development	3.73
Maintain or reduce the tax rate	3.48
Beautification of city Gateways /Entrances	3.31
Parks and recreation programs	3.24
New housing development	3.04

Three items rated very high in budget priority. Not only are fire and police the two highest rated City services, they are also rated as the highest budget priority. Public safety (police and fire) rated 4.35 points out of 5 with 55.35% of respondents rating it as most important. Workforce development and job creation followed closely with 4.18 and 4.16 points respectively. All the other factors were rated as ‘one of many’ of the City’s priorities.

### **C. Vision Session**

As a follow-up to the in-person interviews and the online survey, a visioning session was held on November 7, 2017 at the Dyersburg State Community College, Covington campus. The process was designed to delve deeper into the priorities identified by the interviews and online survey and to explore tactics and strategies which participants would support. There were 49 participants representing a diverse group of community stakeholders from government, business, education, civic organizations, faith based, and neighborhood organizations.

The computerized questioning using Turning Point software posed 28 questions and provided immediate feedback tabulated for all participants and the distribution of answers among the choices provided. The actual questions and distribution of responses is provided in Appendix “B”.

Question 1 asked participants to rate various aspects of the Quality of Life in Covington. The question was repeated for the most attractive aspect, second most attractive, and third most attractive.

Response opportunities included:

- Place to Live
- Place to Raise Children
- Place to Work
- Place to Visit
- Place to Dine
- Place to Retire
- Overall Quality of Life

In the first and second of the three choices, the Overall Quality of Life was ranked highest. This points to the nature of quality of life and that it in fact is a result of a cumulative effect of a group of factors included in the listing. Also, consistently ranking high were a Place to Live and a Place to Raise Children. These are reflective of the appreciation residents have for the small town personal atmosphere, the education system, downtown area, and job opportunities mentioned in numerous in-person interviews.

The Questions 2 series asked participants “What Actions Should Covington Take to Attract People?” Respondents had the following options:

- Stimulate Housing Development
- Focus on K-12 Education
- Enhance Recreation Programs for Youth
- Work on Public Safety
- Neighborhood Development and Blight Removal
- Institute Marketing /Branding Campaign
- Basic Services of Fire, Police, Sanitation, etc.

- Create More Jobs
- More Shopping and Entertainment Opportunities

Responses targeted equally to Focus on K-12 Education and to Create More Jobs. A secondary and important priority tactic identified was Neighborhood Development and Removal of Blight. This includes attacking neighborhood blight and the beautification of City gateways.

Question 3 asked “What Should Covington Undertake to Attract Jobs?” Workforce development and job training were the first and second priorities respectively. This comes as no surprise because there is a serious shortage of skilled labor in many of the areas where employers find it impossible to fill jobs that call for skilled labor. So, Covington on this point finds itself in the company of other locations in the State of Tennessee and the nation as well. The critical option of school to career transition in post-secondary education has not been addressed adequately. Fortunately, Tennessee with the implementation of its Tennessee Promise, Tennessee Reconnect, and other career pathway programs is a national leader in the area of subsidized post-secondary education. Unfortunately, however, word of these valuable resources has not yet reached our youth and young adults so as to prompt them to take full advantage of these programs that grant certificates and associate degrees. Communities which are able to attract jobs are those that can demonstrate that the education and job training systems are coordinated and, in fact, producing qualified applicants.

A parallel priority is to ensure an adequate availability of industrial properties. With the recent legislation restricting annexation, and the prospects of a major employer at the regional megasite located in Haywood County, Covington has a need for additional sites which are fully prepared with the requisite of infrastructure and in compliance with applicable zoning laws. The lack of ready to go available sites in Covington presents a possibility that other prospects will be driven to adjoining counties or cities during the site selection process. Tipton County has made it clear that it is willing to partner with Covington in this objective

Question 4 is a follow-up to the question regarding attracting people to Covington and poses the question, “What Types of Housing Are Needed in Covington?” Housing type options included:

- New Affordable Housing
- Middle Income Single Family Housing
- Multi-Family Tailored to Millennials
- Upper Income Single Family Housing
- Senior Housing/Assisted Living

The answers to this series of questions demonstrate that various housing options are warranted. This included Affordable Housing, Middle Income, Upper Income, and Senior Housing. The only housing type that attracted only modest support was multi-family housing.

Question 5 was “What Types of Commercial Developments Are Needed in Covington?” and provided a series of options listed below:

- Fine Dining
- Fast Casual Restaurants
- Clothing Stores
- Bookstores
- Entertainment Activities
- Office Supplies

Fast casual restaurants and entertainment activities ranked the highest among the desired alternatives provided, followed by clothing stores and fine dining. A retail market overview was provided by the Buxton Company that profiles the supply and demand for various commercial activities and the gaps that may exist. It is a useful tool to target establishments that are underserved and desired within the City.

Question 6 As noted by numerous respondents, opportunities for the youth of Covington is a high priority. The respondents overwhelmingly expressed that workforce development, the attraction of jobs, public safety, and the attraction of newcomers to the City are all related to the environment available for the proper development of the potential of the youth of Covington. The question was asked: “What Types of Activities Are Needed for Youth?” Answers included:

- Job Training
- Summer Jobs
- After School Programs
- Career Counselling
- Entertainment

The first priority was evenly distributed between job training, summer jobs, after school programs, and career counseling. Entertainment was ranked significantly below the other four areas. In the second priority responses, job training emerged substantially higher than any of the others. The third priority produced a variety of responses citing all of the answers as important, even including entertainment.

Question 7 related to public finance and to what extent the respondents supported public funding devoted to:

- New Jobs
- Summer Youth Programs
- Blight Removal
- New Housing
- Downtown Revitalization

- New Commercial Development
- None of the Above

Throughout this undertaking, support for blight removal and new commercial development ranked consistently among the highest. Fortunately, these challenges are not unique to Covington and many jurisdictions have adopted effective strategies and tools, some being used by communities in the State of Tennessee. These strategies and tools will be detailed further in subsequent sections of this report.

Question 8 focuses on the possibility of increased funding for certain municipal services. The question was phrased as follows: “In Which City Services Should the City Invest More?” The departments and City functions included:

- Public Works
- Fire Services
- Police Services
- Code Enforcement
- City Planning
- Parks & Recreation
- K-12 Education

It is not uncommon for citizens to cite public safety as a high priority and in this case the highest response was for Police Services. Upgrading of police facilities, particularly the headquarters, as well as personnel are on the Police Director’s agenda and a priority for the administration and Board of Aldermen.

It is not as common to have City Planning specified as a priority for investment. This very likely relates to the desire to address neighborhoods, gateways, and blight which contribute to the overall feel of a City. Most interviewed were proud of the downtown area and court square redevelopment and expressed a desire to see similar quality initiatives in the other areas of the City.

Fire Services were ranked highest in City services in the online survey and were therefore thought to have the resources needed to continue performing at a high level. While this is true, there is a need to invest in equipment over the next few years.

As a third priority, Parks and Recreation facilities and programming were ranked high, corresponding to the focus on youth activities and attracting households and jobs.

Question 9 and the remaining few questions dealt with a profile of the participants in the visioning session. The first question was “Where is Your Place of Residence?” Nearly three fourths of the participants live inside the Covington City Limits. Another 21% live in Tipton County, outside of Covington. This means that the respondents were very familiar with the City and County and are well qualified to address priorities that are relevant to their household.

Question 10 inquired the length of time of residence. Again three fourths of the respondents indicated living in the City for more than 20 years. Another 10% resided in Covington between 11 and 20 years. This longevity indicates the satisfaction residents have with the living and working environment in the City.

Questions 11 asked the age category of participants. There was good representation from ages above 24 years old with the following distribution:

25-34 years old	8.16%
35-44	16.33%
45-54	20.41%
55-64	22.45%
65-74	22.45%
75+	10.20%

The final Question 12 was tailored to family structure and also had a reasonable distribution with the exception of single parent with children:

Single Living Alone	28.57%
Single Parent with Children	6.12%
Couple, No Children In Household	36.73%
Family with Children in Household	28.57%

## **IV. Excellence at Basic Services**

### **A. Interviews with Directors**

The interviews with the Covington Department Directors was conducted by Charles Goforth in August and September of 2017. These interviews followed an earlier interview conducted by Dexter Muller in March of 2016. The second interview drew upon the information derived from the first survey to determine what had been accomplished in a year and to follow up on continuing issues.

#### **1. Fire Department, Mike Naifeh**

Director Naifeh has served as Fire Director for 2.5 years and previously was with the Memphis Fire Department. Director Naifeh is local, having grown up in the Mason area and attending Covington High School. Mike was hired from the outside and there were two internal applicants. Both Covington and Tipton County have an ISO rating of 4, but Covington is the primary reason that the County has a four. The County is starting to look at creating a County Fire Department and have recently hired a Fire Director, but have no other staff or equipment.

#### Mutual Aid

All the Cities and Tipton County have a mutual aid agreement, but Covington is typically the first responder all the way to Mason. The County supplements the City in the amount of \$51,000 in the current year for this effort. There is also a “voluntary fire fee” of \$75.00 annually for County residents that generates about \$80,000 per year. While Covington will fight all fires within their area, the ones with this agreement do not receive a bill for fighting a fire. The bills for these services are typically sent to the insurance companies, but they get very little funds in return. When a company is sent to a fire outside Covington, off-duty firemen are called in to staff the station and this adds to their overtime costs.

#### Buildings and Staffing

Covington has two stations, the South Station, and the North Station, which is also headquarters. The buildings were built in 1996 and have had issues with roof leaks and mold. These stations have been updated under Mike’s direction in 2015 and 2016. They are adequate for the near future.

Director Naifeh requested six new personnel in the last budget to provide seven firefighters per shift, this would provide some margin for vacations and sickness and assist in lowering the ISO rating. Due to budget constraints, three additional employees were approved at this time. The department makes an average of 240 runs per month or almost 2,900 runs annually. The majority of the runs are for non-fire incidents.

The County has an Ambulance contract, but the Covington Fire Department is called for many non-critical medical needs. Because of this, the Chief has instituted a policy of requiring each new firefighter to be trained as a paramedic. They already had one trained paramedic on staff and the three new firefighters also have paramedic certifications.

Since there is a shortage of staff, Director Naifeh is working with a “Safer grant” to assist in securing volunteer firemen. The Department has 14 applicants on file. This ‘pool’ will serve as the primary source for firefighter hires. While on the “wait list”, the applicants receive training as volunteers. This strategy allows them to become certified full-time employees. .

The pay for firemen in Covington is good for West Tennessee, so the Department has not had significant turnover in personnel. The fire and police are the only departments to grant longevity pay. Fire and police employees receive an additional \$0.20 per hour after the first 5 years and an additional \$0.20 for each additional 5 years. Director Naifeh indicates that there is still work needed to change the “culture” of the employees. He said he needs people who want to train and get better. The existing firemen have been asked to add emergency medical and paramedic training to their certifications.

### Equipment

The Equipment Department has three engines and a 107’ ladder truck which is adequate to fight residential, commercial, and industrial fires. No new equipment is needed in the short term but should be looked at in the long-range capital expenditures. One truck is older and if money was not an issue, it should be replaced now.

### Accomplishments:

- Reorganized the staff and increased staff levels
- Worked to equalize pay for each classification
- The average response time is 6.5 minutes within the City.
- Developed a Strategic Plan 2015-2016
- Implemented Paramedic requirement for new firemen
- Completed building upgrades

## **2. Police Department, Buddy Lewis**

Covington is fortunate to have an experienced administrator like Chief Lewis to head the department. Chief Lewis has been the Sheriff, a Deputy, State Trooper and now Chief. He has worked in all levels of police work from Federal to Local. Turnover in the department has been minimal. He has lost only two patrolmen due to the fact the County furnishes take home vehicles. The two transferring officers lived in the south part of the County.

The Police Department is now housed in three different buildings. There is a total of 36 people including the Chief. There are two assistant Chiefs, a Captain of patrol and a Lieutenant over drugs and investigation. Plans are underway to build a new Police Station. This project is being budgeted and financing is being arranged. The Department does not need a jail or holding facility, because prisoners are taken directly to the County Jail. There will be a Courtroom/Meeting Room in the building.

There is a need to develop a better schedule for replacement of police vehicles.



Accomplishments:

- Car dash cameras and body cameras for all patrolmen
- 50/50 grant for body vests
- Reorganized the department

### **3. Personnel, Tiny Barton**

Director Barton has been a City employee for 33 years having started with the Parks Department. Once the conversion of the First Baptist Church building was completed, the Personnel department relocated to that facility. The City has 136 full time personnel and other part-timers as needed. The first conversion at the church was ADA related and the second was for the Personnel Department offices. The building will also be made available to the public for banquets, wedding receptions, etc. Portions of the buildings are currently being used by the Police Department until its new building is complete.

There are three persons in the department, Tiny the director, a human resource benefits coordinator, and a human resource assistant who also serves as the City Events Coordinator. This person will also serve as the liaison for the use of the converted church. The employee holding this position also serves as the insurance benefits coordinator.

Director Barton says that like all the departments they could use additional staff. The Department is primarily reactive and would like to be more pro-active. She would like to update the Position and Salary Classification Plan that was last updated in 2009. This Plan sets the basis for staff salaries. There have been some years when the salaries increased, but other years when replacement of equipment was required, so no salary increases were provided. The pay scale in some departments is poor, making it difficult to hire and retain quality employees. The only required employee evaluation is at the end of the six-month employee probationary period. Annual evaluations have been conducted in the past but have been discontinued.

The Department is responsible for coordinating hiring with the department heads and posting of positions on the web page and other web sites. It assists the managers in the hiring process. It has to coordinate the insurance coverage and other benefits. As with many cities and private companies, insurance carriers and benefits analysis change almost yearly which causes a lot of time and effort of the staff and confusion and questions from the employees.

Accomplishments:

- Communications with Employees on web page
- Direct Deposit of Checks

#### **4. Codes, Lessie Fisher**

The Codes Department has a total of 3.5 employees. Ms. Fisher who holds builder inspection certification is the manager. She has been with the department since 2006 but has only been manager for two months. This department is responsible for maintaining and enforcing the building codes. She has also helped with the codification of all ordinances. Jennifer Nolen works with her part time along with David Gwinn who works half-time in this department and in general administration. The Animal Control Department is also under this Department. Jason Jenkins also works in this area. David Gwinn is responsible for the operation of the City-owned cemetery and maintaining the records. He also helps update and maintain the City Ordinances.

#### **Blight Removal**

Ms. Fisher is also involved in blight removal. The Department has a list of blighted structures which have been targeted and is working to remove these structures. No money is budgeted for structure removal. However the City has received a grant that will provide money to remove buildings. They are working with the City Attorney and others to identify the structures to be removed. The County allowed the City to apply for a CDBG grant for these funds under their authority. The matching funds are provided by Artesian Funds.

An additional responsibility of codes is grass cutting on private property. The Department notifies the owner to cut the grass and if it is not cut, the City mows the grass and the cost is added to the tax bill of the owner. However, this money has been difficult to collect when the property is sold. When the property goes to a tax sale, the County collects the funds and the City does not get reimbursed. It has only \$13,000 to \$18,000 in funds for this activity. The City can only require grass to be cut once a month and there is a requirement of 10 days' notice to the owner before acting.

The City has bought some properties and made them available to Habitat to build houses, but only one house has been constructed. This is due to some internal problems with Habitat.

#### **Other Responsibilities**

There have been only 12-15 building permits a year so most of the activity is not in new construction inspection. Much has been in remodeling residential and commercial buildings. This department works with the contracted city planner Will Radford for the Planning Commission, Board of Zoning Appeals, and Historic District. Ms. Fisher is also the Certified Flood Plain Administrator.

#### **Accomplishments:**

- In this administration, there has been equal enforcement of ordinances, with no special privileges.
- Ordinances Updated

## **5. City Recorder/Treasurer, Tina Dunn**

Ms. Dunn has been with the City since 1993 and has been the head of this Department since 2012 when Jerry Hadley retired. Ms. Dunn worked with Jerre prior to that and had experience in the department prior to taking over. The Department is responsible for maintaining Board Minutes, and all financial issues, including: accounts payable; journal entries; collection of utility payments; maintenance of records; property tax bills and collections. Ms. Dunn has all her employees cross-trained to cover vacations and time off.

There are four persons in this department plus Ms. Dunn. Two employees have 5-10 years of experience and two are new. Tina works with all departments and maintains the budget and advises the management of the status of budget expenditures with a monthly report. The only employee evaluations are performed at the end of a 6-month probationary period.

The City has a \$1.5 million fund balance, short of the recommended \$2.1. This is difficult to achieve due to the \$120,000 going to the pension fund each month. Funds will be lean until this funding deficit and other commitments are paid out. The local sales tax is maxed out at 2.75%.

### **Accomplishments:**

- Initiated banking on line
- Initiated direct deposit of checks
- Updated to new local government software

## **6. Public Works, David Gray**

Director Gray has been the Director since 2015 when the previous director retired. Prior to that he was Utility Manager for many years. David is in his early 60s and plans to work another couple of years. There have been several retirements in this Department so most of the managers are new. David brought his directors to the interview: Calvin Johnson, Utilities Manager; James Dowell Street Department manager; Lisa Pinner Wilson, Customer relations and billing; and Brad Kinney from the City shop. All these managers are new except for Brad, long time manager at the shop. There are 60 full-time people in the department.

The sanitation services are contracted out and are currently working well.

### Utilities

Utilities and the roadway system are the backbone of the City. All of these are critical to maintaining and expanding the City. Calvin Johnson has taken over this area and has since worked to obtain both his water plant and sewer plant managers' certifications. Covington provides sanitary sewers, water, and gas utilities. With all the retirements, much of the gas purchasing experience was lost and the staff and Lisa have worked together to get a handle on this.

Provision of utilities is a challenge to any small town, but especially when large industries are involved. The largest ice cream producer in the world is in Covington, Unilever. The City has worked with Unilever to make a 1,000,000 gallon per day expansion to the water plant and the company paid for the expansion and is being reimbursed through their monthly water bills. However, the water plant is old, and it has been recommended that the plant be replaced in the near future.

This City's Sewer Plant is 30 years old and is presently operating at near maximum capacity. Although it is adequate in terms of treatment of "gallons per day," but in the area of biochemical oxygen demand (BOD), the facility is up to 93% of its capacity. This condition makes it difficult to accommodate another expansion at Unilever or any new food processing industry. Industries which deal with sugar pose a problem for sewer treatment facilities. The sugar kills the "bugs" which are critical to the sewer treatment process.

Unilever now pays a surcharge for sewer treatment with a surcharge being based on the quantity the company discharges into the sewer system. Because of its age, the Sewer Plant should be upgraded or a new plant should be constructed. Funds for these items should be included in the City's Capital Improvement Program. It appears that the Department is not facing any difficulty in gas purchasing and distribution.

Streets- James Dowell is the manager of this Department. Mr. Dowell transferred from the Codes Department to Supervisor and has since been promoted to Manager. James has very little experience in this area. The City only has about \$100,000 available for paving each year. Mr. Dowell has moved up the ladder quickly and is working diligently to gain the necessary experience in the department.

City Shop- Brad Kinney is the manager of the City Shop. Mr. Kinney is responsible for the maintenance of City vehicles and equipment. The shop has its own challenges. It is 60 years old and located in the 100-flood plain. In 2017 a new rood was added to the facility.

A major challenge is the condition and age of the City's equipment and vehicles. This is due in part to the fact that during past administrations, much of the construction equipment was purchased as used or surplus. Accordingly, maintenance of this equipment is constant and quite costly. Additional cars for the Police Department, a new sewer truck, and a knuckle boom truck were purchased recently. These vehicles and other equipment need to be placed on a revolving schedule for replacement. The city is currently participating in a fleet leasing program and will continue to pursue this and other options to update needed equipment.

Other duties- The Department is also responsible for working with Codes on blight removal and grass cutting. The department is responsible for cutting 275 acres of land and any properties identified by Codes where the owner will not cut the grass. The Department has purchased some new 0-turn mowers to help with this task.

Accomplishments:

- Adoption of a new Gas ordinance
- Adoption of a new curb side ordinance
- Purchase of new trucks and equipment

### **7. Parks and Recreation, Joseph Mack**

Mr. Mack has been the Parks Director for a short time and has already improved the Department in many ways. The Department is responsible for the operation and maintenance of 6 parks and several sports field complexes. It is also responsible for the Aquatic Center and Sportsplex. Mr. Mack is a retired Navy Chief and has worked in fitness and instruction.

There are 6 full time personnel in the Parks Department. They are supplemented by part-time workers during the various sports seasons. Parks also shares grass cutting duties with Public Works, primarily cutting the sports fields and other critical areas. Joseph has spent a lot of time in getting the Department organized. He, like other department heads, could use additional full-time help. Mr. Mack has created many new programs and evaluated and changed others.

Accomplishments:

- Reduced the monthly cost for membership at the Sportsplex and subsequently the revenues were increased from \$70,000 to \$85,000. They have over 3,000 memberships.
- Established a Corporate Sponsorship for fields and parks
- Increased the participation in youth sports and added youth flag football and youth lacrosse.
- Added summer camps
- Instituted employee evaluations
- Initiated Team member of the month and Team member of the year recognition. These are published on the City web page and in Sara's newsletter

### **8. City Attorney, Rachel Witherington**

Ms. Witherington was raised in Covington and came back home to practice law. She worked in T. D. Forrester's law office and stepped into the City part-time position when it became available. Ms. Witherington assisted Mr. Forrester with this work and had knowledge of the issues and nuances of the work.

Much of Attorney Witherington's work has involved resolving old litigation and other matters which arose under past administrations. She is currently working with Director Fisher and the Mayor in writing the requirements and technical information on a proposed TIF to assist in the redevelopment of portions of North Main and Highway 51. This involves clearance of blighted buildings. The City will utilize new state legislation to speed this process.

Accomplishments:

- Settled a lawsuit from previous administration
- Developed TIF policies and submitted to the Industrial Board

- Updated Drainage requirements
- Updated Cemetery Rules

### **9. Robin Anderson, Covington Airport Manager**

Mr. Anderson served in this capacity for the two previous City administrations. The Airport is highly important for the existing and potential industrial users. It is frequently used by Unilever and other industries when expansion work is being done. It is also used by Sealtest, TVA, Charms, and Baskin Truck Sales customers.

The Airport is in good condition, all the hangars are rented, and fuel sales are good. These generate revenue for the Airport. Including Mr. Anderson, there are three full time employees.

Almost all local airports require a subsidy from the local sponsor.

#### **Accomplishments:**

- The Airport has completed several projects recently with a 95% federal 90% and State 5% grant. City pays the local 5% share.
- Major building rehab of hangar including new exterior siding.
- Re-roof of buildings
- Runway Safety Area drainage improvements
- Completed Runway rehab
- Restriping runway, taxiways, and hangar areas
- Crack seal repair on all pavements

## **B. Priorities for Departments**

### **1. Fire Department**

The City and County are currently both classified with an ISO rating of 4, even though fire service in the City is better due to the availability of adequate water and the time involved in arriving at the scene. The average response time within the City is 6.5 minutes. The City is losing money in relation to the mutual aid agreement with the County. The funds raised from the County supplement and the voluntary fee do not offset the additional overtime and expense from providing this service to the outlying areas as far as Mason. The County is starting the process to establish a County Fire Department to serve along with the Cities in serving the residents. This could help eventually, but it will take some time to accomplish this.

#### Goals

- Continue to work on improving the ISO rating to a 3.
  - The City added 3 positions in the past year.
  - Pre-planning on all commercial and industrial buildings have been completed
  - All administrative requirements have been met.
- Work to secure more volunteer firemen to assist in serving and to serve as a trained source of new hires or replacements.

- Encourage current staff to secure Emergency Medical and Paramedic training. Tuition assistance is available. There should be a salary step increase if this additional training is provided.
- Work to reduce the average response time to calls within the City from 6.5 to 5.5 minutes.
- Establish a schedule for replacement of one fire engine.

## **2. Police Department**

The City is working on plans to construct a new Police Department Headquarters and Courtroom. This effort is supported by the community which listed Public Safety as the number one priority for funding.

This Department is headed by a career law-enforcement officer who is approaching retirement age. While he is committed to the completion of the Police Building, the City needs to start succession planning aimed toward the eventual replacement of the Director upon his retirement. Many of the vehicles are older and there is a need for a better schedule for replacement of these vehicles.

### Goals

- Complete and occupy the new Police Station.
- Secure laptops for all patrol vehicles.
- Work on succession planning for the director's position.
- Provide training on communications and dealing with citizens.

## **3. Personnel Department**

The Personnel Department has just completed its move to the newly renovated building which was formerly the Baptist Church. In addition to basic personnel responsibilities, this Department will now be responsible for coordinating the use of the new building for City events and other public uses such as weddings, receptions, and other functions. With only three staff members in the Department and with its basic responsibilities of personnel, benefits, and administering the insurance policies, the added responsibility of coordinating uses of the building may place a strain on the staff. Updating the Employee Classification Plan is a departmental priority as other priorities are completed.

Many Cities have converted to performance-based compensation. Richard Stokes with the Municipal Technical Advisory Service has helped many cities with these changes and salary analyses. The City of Millington has converted to this type of pay system and it may be good to talk to them.

## Goals

- Complete an evaluation of the current salaries by job classification to determine if they are in keeping with industry standards. Performance should be a part of the compensation within classifications.
- Implement a City-wide employee evaluation and provide training to both the employees and managers necessary to properly complete this effort.
- Establish updated Job descriptions for all positions.
- Provide basic computer training for all employees that are required to complete work on this equipment.
- Provide or make available training for employees being promoted to management positions.

### **4. Codes Department**

This Department has many responsibilities including code enforcement, animal control, and operating and maintaining the records of the City Cemetery. Although has not been much activity in terms of new construction, there has been constant activity in the residential and commercial remodeling areas. The Director is the “Certified Inspector” and has held the Director’s position for only a few months. One of the key elements identified in the Community Surveys was the need for beautification of the City entrances and all along Highway 51. While this Department is responsible for Code Enforcement and blight removal, until the recent State grant there were no funds for these activities. The grant gives the Department the funding needed for these efforts. It is critical that the City enforce the grass cutting and removal of inoperable vehicles, especially in high visibility areas along Highway 51.

## Goals

- Develop an overall plan for City Beautification with an emphasis on enforcement of existing codes and regulations, including litter.
- Establish a priority for removal of blighted structures and conditions.
- Adoption of the revised Sign Ordinance currently in process.
- Increase training for all staff.

### **5. City Recorder/Treasurer Department**

The Director, who has been in this position for five years, was an employee in the Department for almost 20 years prior to that. This Department is responsible for work with all departments in the development of budgets and maintaining the purchasing and payment requirements. It is also responsible for all accounting and payroll administration. The Department is responsible for maintaining City records including the Board minutes. This department is cross trained so there is staff available in all areas during leaves and vacations. The department has initiated banking on-line, direct deposit of checks, and updated to new local government software.



## Goals

- Make provisions to collect taxes on-line.
- Establish better spending control on budget items, particularly travel.
- Provide staff training in customer service and computer software.
- Make the minutes and other records available electronically.
- Take the lead in the preparation of a Capital Improvements Plan.

## **6. Public Works**

There have been a number of retirements of long-term employees in this Department. The director and most of the managers have been in their positions for less than two years. Some of the managers have been promoted from within the department and others from different City departments. There is a general need for increased training and knowledge for all the managers who have been moved into new positions without the benefit of assistance or experience from the previous manager. The Manager is approaching the end of his working career and has indicated he will consider retiring within a couple of years. His goal is to get the right directors in position and the department staff properly trained and operating prior to his retirement.

A major issue for the Department is the staff leaving for better paying jobs after they have been trained and given skills. The pay is too low to maintain the trained workforce. They have been successful in getting some new trucks and mowers. They have adopted a curbside pickup ordinance and new gas ordinance.

## Goals

- Secure Board approval on a new backflow ordinance.
- Improve staff through training and hiring qualified applicants.
- Develop a vehicle and equipment replacement schedule, consider leasing vehicles.
- Work to improve the pay scale for employees and managers.
- Work on succession planning for the Director's position.

## **7. Parks and Recreation**

The director of this Department has only been with the City for a short time. He has improved the operation and funding of the Sportsplex and has extensive goals for the future development of the recreation program at the City. However, in this time of severe budget limitations, it would be best to establish a list of proposed projects and cost estimates for these projects. The list would be prioritized in consultation with the administration and Board and then included in the Capital Improvement Program.

## Goals

- Implementation of initial development of the Newman property. Provide trails and bikeways.
- Develop an overall plan for upgrading the existing parks and making them ADA compliant.

- Continue to work on getting private involvement and financing through “corporate sponsorships”.
- Solicit public input and direction in park programs and improvements.

### **8. City Attorney**

The City Attorney is working closely with the Mayor and Board to resolve issues inherited from prior administrations. She is now in a position to work on issues related to blight removal and best practices for the redevelopment of these areas.

#### Goals

- Develop a system similar to the Shelby County Environmental Court to allow better coordination of blight elimination and other environmental conditions.
- Work with redevelopment tools such as Tax Increment Financing (TIF) to remove blight and redevelop areas north of the square and along Highway 51.
- Consider establishing a Land Bank.

### **9. Covington Airport**

Several significant projects have been completed in the past years at the airport.

#### Goals

- Coordinate with the State Bureau of Aviation to secure Federal AIP grants and State Grants
- Replace runway, REIL, and taxiway lights with LED lighting
- Replacement of runway and taxiway signage.

## **V. Recommended Strategies and Tactics for Priority Areas**

### **A. Overview**

Covington, like all municipal governments, has limited resources to devote to community challenges. Accordingly, choices must be made as to when and how to address those challenges. From various civic responses, as well as interviews with City Directors, the consensus among priorities for marshalling resources and expertise emerged. These included:

- Economic Development and Job Creation
- Workforce Development
- Youth Development
- Blight Removal
- Public Safety

There is no “silver bullet” to accomplish Covington’s goals. It will, however, require a coordinated strategy that focuses on all of the priorities noted. Additionally, it is unrealistic to expect major undertakings in each of these areas within just one or two years. Therefore, the various recommendations have been categorized into the short term, Years 1-3, and Mid Term, Years 4-10. As accomplishments are achieved in each of the focus areas or as partners emerge to facilitate particular recommendations, items can be reprioritized.

### **B. Economic Development and Job Creation**

Economic growth and a sound and stable tax base are critical to a city’s ability to support basic services and the features and amenities which add to an attractive quality of life. Without growth, existing taxpayers must shoulder the revenues needed to sustain the city. If not addressed, this factor can create a downward spiral in which the cost efficiency of doing business is jeopardized thereby prompting businesses to close or relocate to more conducive environments.

While local governments do not create private sector jobs they play a critical role in economic development and the resulting job creation. The government creates the business environment with tax policy, fees, business orientation and responsiveness, infrastructure, and incentive policy. Indirectly, the government also plays a key role in partnering with the county in education and workforce development. Furthermore, successful cities participate with Chambers of Commerce and Economic Development Corporations in marketing and promoting their cities to site selection consultants, and businesses considering expansion or new locations.

## Years 1-3 Strategies

### **Recommendation 1: Support Chamber's "Existing Business Retention Program" (City/Covington Chamber)**

*Rationale:* Statistics indicate that for a typical community, 80% of new jobs will be generated by existing businesses. Furthermore, with the fluid movement of companies around the country, it is essential to make sure existing companies are not facing a challenge that may result in their relocation that could be addressed if efforts are initiated early enough. Therefore, the city administration should partner with, and support, the Chamber's existing business program.

### **Recommendation 2: Link the Covington Chamber more directly into the HTL Advantage Economic Development Programs. (City/Tipton County/Chamber)**

*Rationale:* The Haywood Tipton Lauderdale Advantage is a partnership among the three counties in West Tennessee surrounding the Memphis Regional Megasite. This entity is primarily charged with promoting the three-county area to businesses potentially interested in the Megasite or other locations within the three-county area. While the Covington Chamber does not have this direct responsibility, coordination between business leadership entities is important. The City should work with Tipton County to promote periodic updates and opportunities for coordination between the Covington Chamber and HTL. While confidentiality for current prospects must be maintained, any trends and issues that might hinder economic development should be discussed.

### **Recommendation 3: Utilize the annual support for the Covington Chamber to reinforce retail, existing business, and coordination on marketing (Covington budget/contracts).**

*Rationale:* Chambers of Commerce, because of their private status offer local governments the ability to execute economic and business development in a manner that is more cost efficient than hiring additional and separate City staff for that function. To focus efforts of the partnership, many cities develop a scope of work tailored to the needs of the City in return for the support the City provides. This enables the City to be an active partner in planning the Chamber activities and to also detail to any constituent the scope of services received for the funding.

### **Recommendation 4: Refine incentive policy and programs to be offered to attract a significant expansion or new business (City and IDB).**

*Rationale:* In today's economy, site selection consultants are associated with a large percentage of projects that are considering expansion or relocations in a given year. Consultants look for simple and predictable processes that can readily be quantified and implemented. Cities must also calibrate their incentives to make sure the constituents are getting a favorable return on their investment of City resources. This can be accomplished by establishing criteria to review applications for incentives, ensuring compliance with commitments made, and also tailoring

incentives so that the City sees some portion of the benefit immediately to cover any added costs associated with providing services to the new business. Existing businesses must also be eligible for incentives if a significant capital investment and adding new employees is involved. However, only new investment and new employment should qualify for incentives except in rare situations where a major employer is in jeopardy.

***Recommendation 5: Establish a Tax Increment Financing Strategy to employ on economic development and community development activities (City and IDB).***

*Rationale:* Cities in Tennessee have limited tools to attract new and expanding companies. Payments in lieu of taxes (PILOT) is one of the primary vehicles to provide local government assistance to a potential project. In much of Tennessee, Tax Increment Financing (TIF) is a tool that is the incentive of choice despite the fact that the same property taxes are involved in both. Because a TIF has more limited uses of the funds, it is typically preferred in situations where a significant amount of public infrastructure is required. TIF funds can be leveraged by issuing bonds early in the project time frame which may be beneficial to a project financial structure. PILOT benefits are produced over time for the duration of the freeze. The Covington Industrial Development Board has developed policies and procedures for consideration of TIF applications. The associated criteria for review of applications and means to market the tools are also warranted. Additionally, the allocation of funds between the city, county and developer should be addressed along with a schedule of modest fees to help support economic and community development efforts.

***Recommendation 6: Establish fee structures for PILOTs, TIFs, and other incentives. These fees should be used to support economic development efforts. (City and IDB)***

*Rationale:* Many communities offer incentives designed to offer the maximum benefit to the company producing the jobs and capital investment. While this is a worthy pursuit to create a competitive advantage, most companies are fully supportive of sharing a reasonable portion of the new government revenues generated by the project.

***Recommendation 7: Construct an attractive sign with an electronic changeable copy at the corner of Highway 51 and West Pleasant Avenue. This sign should be located in the area where the airplane is located and as close to the highway as possible. The sign should be visible from both northbound and southbound traffic.***

*Rationale:* Sales tax revenue is extremely important to the City and this sign will help in getting people off highway 51 and on to the square. The Covington Square is one of the success stories for the City. The normal shopping and festival attendance of would be greatly enhanced by directing more of the traffic to the business on the square. Other signs were considered, but an electronic sign is more visible in both day and night and can be used to direct visitors to the square and to announce City festivals and events. The costs associated with this sign should be offset by additional tax revenues. Local businesses may be willing to participate in the cost of this sign.

**Recommendation 8:**

**Develop and implement a robust and aggressive plan to market the Covington Square and Historic District as destination attractions for tourists and residents alike.**

*Rationale:* One theme was consistent throughout interviews across all sectors; people are proud of Covington and its tightknit atmosphere. This is a factor which the City of Covington can use to its benefit. A recent publication by the University of North Carolina School of Government entitled “Small Towns, Big Ideas” emphasizes this point. The report states, *Further, the mere fact that a particular town is small can become an asset. In some cases, locating a business in a small town can provide a competitive advantage for the business. In Fairfield, Ohio, local leaders are taking advantage of the perception that businesses located in small-town rural locations carry a moral and ethical standard above their urban competitors.”*

Years 4-10 Strategies

**Recommendation 9: Coordinate with the Megasite Authority on business prospects through HTL and Tipton County. (City, Chamber, HTL, Megasite Authority)**

*Rationale:* Experience has shown that once a major manufacturing concern locates on a megasite, there are numerous spin off opportunities for accessory providers to locate within the primary service area up to 90 miles away. This makes the megasite opportunity of utmost importance to Covington. While the City nor the Covington Chamber have direct responsibility for the marketing and promotion of the Megasite, it is essential to provide support for its development and to monitor its progress.

**Recommendation 10: Develop additional industrial sites in the City (City/Chamber/Tipton County)**

*Rationale:* There are currently very limited vacant industrial sites within the Covington City limits to accommodate modern manufacturing operations which typically require at least 100 acres and often up to 300+ acres counting room for expansion. With the probable locating of a major employer on the regional Megasite in Haywood County, there is the opportunity for suppliers and other industries to locate in surrounding areas such as Covington. Work with Tipton County and the Covington IDB to identify and secure sites within the City either through acquisition, option or landowner agreement.

**Recommendation 11: Formulate and implement a Retail Recruitment Strategy. (City, Chamber)**

*Rationale:* An important ingredient of any economic development strategy, especially for a smaller community, is enhancing retail development. This not only helps build the quality of life associated with shopping and other retail choices, but commercial development creates jobs, property taxes, and sales taxes. The Covington Chamber has already identified this as an important component of its work and is seeking partners in undertaking this strategy. The city

should consider partnering with the chamber to establish and execute a retail strategy potentially and other regional partners such as West Tennessee Industrial Association. A retail profile with demand, supply, and some identified gaps is provided in Appendix "C".

***Recommendation 12: With partners, develop a robust data base for site consultants and enhance website as a mechanism to promote the City's attributes. (City/Chamber)***

*Rationale:* As noted earlier, more and more professional site selection consultants are retained by corporate entities to identify and recommend sites for new business enterprises. Consultants typically start with a data search to identify as many as 30-50 prospective locations. This large listing is then narrowed down further from data that can be obtained electronically to avoid the cost of site visits to that many locations. A fully developed data base provided on the City website and linked to the Chamber and HTL is essential.

### **C. Workforce Development**

In the last twenty years as baby boomers retire and the skills gap is exacerbated, the focus in economic development has shifted from inexpensive land and cost of doing business to workforce development. Companies have realized that the cost of inexperienced or unproductive workers is an ongoing cost of business versus short term benefits of incentives or free land. The national shortage of skilled workers is an advantage for any community that can demonstrate that there is a pipeline from school to career and adult job training that will produce qualified workers in abundance. Businesses interviewed and those participating in the various surveys outlined the local dilemma and offered to participate in a long term solution. Additionally Tipton County has rightly recognized the importance of workforce development and has devoted resources to lead the countywide effort. This approach is already bearing fruit with dual enrollment from high school and post-secondary educational institutions.

#### Years 1-3 Strategies

***Recommendations 13: Coordinate with Tipton County workforce development initiatives and the Workforce Investment Network for in-school youth and out of school adults. (City, Board of Education, Chamber, TCAT, DSCC)***

*Rationale:* Tipton County has taken the initiative to coordinate strategies between secondary and post-secondary education institutions to create a pipeline of skilled workers. The Workforce Investment Network housed at Dyersburg State Community College is also a key partner in the workforce development system. Covington should take an active role with each partner in school to career and adult job training to equip citizens for the current and future workforce.

**Recommendation 14: Promote expansion of the “Dual Enrollment/Dual Credit” college courses for high school students. (Tipton County, City, Board of Education, TCAT, DSCC)**

*Rationale:* An earlier start to equipping students for career selection and preparation is essential. The age of students in the technical schools is often 25 years or older. This means they have not used the years after high school to properly prepare for a career. If the school to career transition can be abbreviated, a student would more likely be supervisors by age 25 and would be well on their way to family sustaining incomes. Fortunately, Tipton County staff have already undertaken this as a key objective and dual enrollment has already increased significantly. The City should come alongside the County in this effort and help market the programs through faith-based organizations and using the Office of the Mayor.

**Recommendation 15: Establish additional communication between major employers and educational institutions with focus on apprenticeships, summer employment, internships, and on-site training programs. (Chamber, TCAT, DSCC, City)**

*Rationale:* To assist in accomplishing Recommendation 12 and getting students into technical careers sooner, employers can play a key role in career exploration and exposure to opportunities with their companies. This can be accomplished through events such as Manufacturing Day, Logistics Day, Healthcare Day, etc. where companies allow high school counselors to bring students into various businesses and have presentations on the careers available, salaries/wages, educational requirements etc. Students often have no awareness of the jobs that are available in specific industry sectors and this is a good mechanism to dispel false impressions of different jobs. Once a student expresses interest in a field, apprenticeships, internships, and other in plant experiences can solidify a student’s interest and commitment to the field and even the particular company.

**Recommendation 16: Market the Tennessee Promise, Tennessee Reconnect, and other state programs to youth and adults in Covington through educational institutions, faith-based community, and businesses. (City, Faith Based Groups, Chamber)**

*Rationale:* Tennessee is one of the only states to offer free education for Associate degrees or Certificates at community colleges and technical schools. A student can complete a portion of the Associate degree requirements under dual enrollment and then complete the degree or a certificate in close to one year and enter the workforce with no debt and be well on the way of a career path. Unfortunately, not enough students are taking advantage of this opportunity. The City and business leaders can facilitate more outreach to parents, guidance counsellors, and students about the benefits of these state programs.

**Recommendation 17: Establish a Faith Based Advisory Council to communicate educational and training opportunities, promote career exploration, and identify candidates for skills training. (City, Faith based Leaders)**



*Rationale:* It is important to reach candidates for additional education and job training at places where there is a trusted advisor able to reach large numbers of potential candidates. The faith based community is an ideal forum to identify interested candidates and refer them to the appropriate entity for follow-up. Formation of a Faith Based Advisory Council is a low cost/low resource option that can be productive as part of a broader system for follow-up.

#### Years 4-10 Strategies

**Recommendation 18: Focus on establishing career pipelines in targeted careers where jobs are currently and projected to be available in Covington and adjoining counties. (Tipton County, City, Chamber)**

*Rationale:* High demand occupations should be the focus of education and training programs to ensure that the graduates are not compelled to leave Covington after gaining skills. A continuous pipeline from high school through technical schools, community colleges, and even bachelor's degrees is the desired outcome. This takes significant coordination and cooperation between educators, business leaders, and economic development officials and can be promoted through the City leadership.

**Recommendation 19: Evaluate re-entry programs for non-violent ex-offenders from Covington. (City and Tipton County)**

*Rationale:* The unemployed and underemployed labor pool contains individuals with criminal backgrounds. Employment is one of the paths back into society and without gainful employment, prospects for recidivism is high. There are a number of model re-entry programs for ex-offenders that should be incorporated into a comprehensive workforce development strategy.

**Recommendation 20: Annually host a Workforce Summit with community stakeholders to assess the accomplishments of workforce efforts and to establish direction for future years. (City, Tipton County, WIN)**

*Rationale:* A successful workforce development initiative takes a broad partnership all focusing on shared objectives and measurable outcomes. One vehicle to bring attention to the importance of workforce development and to celebrate accomplishments of partners and participating businesses is to hold an event annually for these purposes. A breakeven breakfast or lunch can be beneficial.

#### **D. Youth Development**

Throughout the development of this vision and strategy, the importance of youth development was reiterated by a cross section of community leaders. The only way to grow the community in the future, provide an educated and skilled workforce, and address youth violence is to effectively help youth reach their full potential and personal goals. Furthermore, the goal of attracting families with children is facilitated by having quality education, sports, and recreation opportunities for youth.

## Years 1-3 Strategies

### **Recommendation 21: Develop a robust youth program (City, Youth Organizations, Foundations)**

*Rationale:* Opportunities for youth was a concern of at least ninety percent of the respondents. Covington, like most American cities, is not flush with cash and is limited in terms of new revenue sources. Because of that reality, it is recommended that the City of Covington either employ on a part-time basis an individual dedicated to identifying the numerous resources available to Covington which can be used for financial and technical assistance in defraying the cost of developing a robust youth program. An excellent source is Youth.Gov which is an extension of Youth Engaged for Change. Both are projects of the Interagency Working Group on Youth Programs (IWGYP). A survey of these resources can be found at (<http://engage.youth.gov>).

As an alternative to having an individual dedicated to youth programs, the City should consider engaging a part-time Director of Youth and Community Programs. Based on our interviews, we are reasonably certain that there are retired individuals who would be more than glad to take on this assignment for the City of Covington.

It has been the experience of the consultants that the first step toward attracting external resources is to develop a “home” for those resources. In other words, external sources are reluctant to work with and fund local activities unless there is an office or an individual assigned to any proposed program. There is no requirement that such an individual be fulltime or that such an office have youth programs as its sole mission.

The City of Covington should also consider working closely with existing not-for-profit programs such as the Boys and Girls Club of the Hatchie River and entering into an agreement with that organization either by way of grant or contract, to develop and implement a full-blown youth program for the City of Covington. In return for the support provided by the City, the Club would agree to honor a scope of work tailored to the needs of the City.

The Memphis Youth Violence Prevention Plan, which is an initiative of Operation “Safe Community,” developed what it called its Guiding Principles as a basis for its comprehensive program. These or similar Guiding Principles should undergird Covington’s youth program. The Memphis’ Plan states:

- The key to preventing youth violence is positive youth development.
- The foundation for positive youth development is a healthy belief system and support from families, youth, and the community-at-large.
- Effective coordinated and sustained resources for positive child and youth development should be available to all children and youth.
  - Support for parents and families
  - In the absence of family support, other caring adults to support youth

- Culturally-relevant providers with adequate resources and accountable for achieving results
- Neighborhoods that foster healthy environments for their youth and families
- Youth must have opportunities for leadership and a voice in our community.
- Youth and parents must be held accountable for problem behaviors and acts of youth violence.
- Youth must have access to a system of “graduated sanctions” that balances youth accountability with resources for rehabilitation.

The above principles can be scaled to meet the needs of Covington.

A successful and comprehensive youth program should include the following components:

1. An effective truancy program.
2. Effective programs that divert children from formal court proceedings.
3. Year-round afterschool and out of school programs, including physical activity programs and literacy programs.
4. Job skills programs.
5. Character building programs.
6. Robust summer programs, particularly for weekend nights.
7. Summer meal programs. These programs may be known as Lunch and Learn programs and were found to be particularly attractive in Memphis.
8. Anti-recidivism program for youth who have completed periods of incarceration.

There are, indeed, readily available model programs. One effective program is the My Brother’s Keeper Program and any successor programs to that initiative. My Brother’s Keeper programs focus on health, vocational, literacy, and character development needs. Such broad-based programs hold great potential for engaging private sector participation such as the medical and business communities.

***Recommendation 22: Establish a Summer Youth Program sponsored by businesses, WIN, City government, churches, etc. which focuses on youth 14-21 with age appropriate activities.***

*Rationale:* A summer program is a component of the overall Youth Program referenced above but while the larger program is being developed, a summer activities plan should be devised and implemented. The activities must be age specific since youth 14-16 are often not accepted in corporate work environments and 18-21 year olds are not interested in just class room exposure to career opportunities. There are resources already available from certain federal programs, business foundations, and civic philanthropy to subsidize the cost of stipends or other program expenses.

**Recommendation 23: Enhance the Parks and Recreation programming through church leagues and other private sports leagues.**

*Rationale:* A number of cities in West Tennessee have been successful in attracting families through provision of sports leagues and other recreation programming. Covington experienced some fall off in participation due to competition from these communities and also as programming diminished. The new Parks Director is establishing new programming that will be beneficial. Coordination with other providers and leagues will assist in filling gaps that are not being met.

Years 4-10 Strategies

**Recommendation 24: Upgrade current outdated facilities and properties and develop additional sports fields at City owned properties through naming rights, sponsorships, private fund raising, etc.**

*Rationale:* Demand for upgrades at current recreation facilities is great and resources are limited. It is prudent to modernize current facilities and equipment prior to undertaking new parks. Criteria for ongoing maintenance and also replacement of equipment and facilities would help ensure an equitable distribution of resources among various neighborhoods and sectors of the City.

**Recommendation 25: Encourage development of a Youth Foundation to be an advocate for, and financial supporter of, youth programs offered by the City and community partners.**

*Rationale:* Government alone is not able to provide all of the youth programming that is warranted and in many cases the private or non-profit sectors are able to better leverage scarce public resources. Furthermore, a number of private business entities are more likely to contribute to a non-profit than a government entity. Therefore, consideration should be given to forming a Youth Foundation that can be a clearinghouse for programs and a source of funding for youth activities.

**E. Blight Removal**

As indicated by the numerous interviews, the Online Survey, and the Vision Session, Covington residents are highly concerned about blighted and neglected properties. They are also of the opinion that this is a condition that should be addressed urgently. While it is clear that blight and neglected properties concern many Covington residents, attacking such conditions can be costly. The City of Covington, as is the case with many American cities, is operating under very tight budget constraints.

Years 1-3 Strategies

**Recommendation 26: Solicit Support of Non-for-Profit Entity to Develop Detailed Blight Strategy**

*Rationale:* The elimination of blight in a community is fraught with an array of legal and financial issues in which solutions are highly specialized. Based on the success the City of Memphis had in working with the Neighborhood Preservation, Inc. (NPI), and the University of Memphis Humphrey School of Law, Attorney Steve Barlow and Professor Daniel Schaffzin were contacted to submit a proposal to address the issue. The proposal is attached as Exhibit "D".

The first step in the proposal calls for two to three scoping visits to Covington to evaluate the scope of the City's need for a policy and program development to address blight and neglected properties. This step should be taken whether or not NPI and the Law School are engaged. If those entities are engaged, they, of course, can follow through on the steps in their proposal. Even if they are not engaged, the City will benefit by knowing the dimensions of the challenge it faces and how to muster internal resources to tackle blight. There are also sources of financial assistance to help defray the cost of the NPI-Law School engagement.

**Recommendation 27: Form Mayors Blight Team comprised of officials from planning, code enforcement, legal and prosecutors, health department, etc. which meets monthly to review priority cases, documents outcomes and produces an annual report with accomplishments and recommendations. (Codes Department, City Attorney, Fire Marshall, Health Department)**

*Rationale:* Blight can be caused by an assortment of violations of City codes and ordinances. Therefore, a coordinated approach to solving the violations is warranted. A Blight Team approach has been successful in other jurisdictions by helping to prioritize blighted properties; providing a forum for solutions; and adding accountability for expeditious action.

**Recommendation 28: Structure the code enforcement program around three strategies: 1) routine district inspection; 2) complaint-driven system; 3) concentrated code enforcement in strategic areas. (City Code Department and Blight Team)**

*Rationale:* Given limited staff resources, code enforcement strategies are most successful using City personnel as well as neighborhood and business volunteers. Therefore, the three-fold approach outlined above specifies a complaint driven system using volunteers who have been briefed on codes and ordinances as well as City staff. The routine district inspection is oriented to periodic drive through of areas subject to blight and the concentrated code enforcement is targeted to an area of multiple blighted properties that require more intensive action.

**Recommendation 29: Establish Code Enforcement Auxiliary using neighborhood liaisons to identify and report code violations. (City Code Department and Blight Team)**

*Rationale:* Neighborhood leaders are attuned to blighting influences in their areas and are good sources of potential code violations. These volunteers extend the reach of the City code staff and form partnerships that are beneficial for a variety of other functions.

**Recommendation 30: Develop “Codes 101” training programs for neighborhood and other community leaders to familiarize them with code policy and violations.**

*Rationale:* The complexity of numerous codes for zoning, building condition, health, and fire make identifying potential violations more challenging for neighborhood volunteers. A short course presented by City staff to neighborhood liaisons would enhance their ability to identify violations and streamline the process of reporting actual violations.

**Recommendation 31: Consider formation of a “Covington Land Bank” to accept/acquire blighted properties and facilitate redevelopment.**

*Rationale:* State laws are currently being amended to enable more Tennessee communities to establish land banks. Land banks are an effective tool to acquire by various means properties that are blighted and transform them into productive properties. Land banks provide more flexibility to address back taxes and transfer to redevelopers that offer the highest and best use for the City.

Years 4-10 Strategies

**Recommendation 32: Evaluate establishment of an “Environmental Court” in General Sessions with ability to compel remedial action for blighted properties.**

*Rationale:* The enforcement of codes in municipal court can be ineffective given the authority and penalty powers of a municipal court. In Tennessee, General Sessions Courts have greater powers and have been used effectively in conducting blight remediation programs. One national model is the Shelby County Environmental Court under the leadership of Judge Larry Potter. This court has specialized in zoning and other code violations and has dealt with thousands of properties during its tenure. This can be an expensive proposition but its success makes it worthy of investigating further for Covington and Tipton County.

**Recommendation 33: Investigate “Anti Neglect Ordinances” and compare to property maintenance code standards.**

*Rationale:* Certain jurisdictions in Tennessee have adopted Anti Neglect Ordinances that are enforced by the City Fire Marshal. This ordinance can address potential blight issues earlier in the process and attempt to remedy the conditions before health and safety issues are involved. Because of the broad powers of the Fire Marshal, this office often has more success than general construction or zoning inspectors in addressing code violations.

## **F. Public Safety**

The safety of the public and private property is one of the fundamental functions of all levels of government. It is the cornerstone of quality of life and economic development. As noted throughout this document, public safety has been cited by an array of stakeholders as one of the highest priorities. Consequently, the City has devoted time, attention, and resources to both fire and police services for years. More is needed in particular aspects of the departments and a number of those recommendations are noted below:

### **1. Police Services**

#### Years 1-3 Strategies

#### **Recommendation 34: Complete Phase 1 of the new police facility.**

*Rationale:* The highest priority for police services is to bring design and construction of the new headquarters. The police personnel and functions are currently in multiple locations that affect morale, job satisfaction, and efficiency. Additionally, the certification of the department necessitates the improvement of facilities.

The timing of the design and construction of the Police Department Headquarters is estimated below:

- Building and Site Design, including staff review (7-10 months)
- Bidding, advertising, Board approval (2-3 months)
- Construction (12-15 months)

#### **Recommendation 35: Establish Neighborhood Watch programs for all neighborhoods in Covington.**

*Rationale:* As with other City functions, limited resources promote the use of volunteers to be the eyes and ears in their own community. Neighborhood Watch programs not only provide a cost-effective vehicle to report criminal activity to police officials but also can serve as a communication mechanism to provide data to the community from the police department regarding trends and techniques to prevent criminal activity.

#### **Recommendation 36: Establish a business watch program and meet with business leaders quarterly to review incidents and tactics to reduce crime.**

*Rationale:* Like traditional neighborhood watch programs, business watch is an effective means of addressing criminal activity in commercial areas. One of the key outcomes is to increase communication between businesses and police personnel that can deal with property crimes, employee thefts, on site violence and other criminal activity that can affect long term viability of a commercial activity. A Downtown Merchant Association has been formed and can be used for this purpose and serve as a pilot for this program to be expanded to other areas of the city.

**Recommendation 37: Prepare an annual crime presentation with crime statistics and trends by area, and type of criminal activity.**

*Rationale:* Knowledge is power in addressing criminal activity and data driven activities have produced results in policing communities. This is true for police departments but it is also true for citizens and businesses. Furthermore, misperceptions of types and levels of crime can artificially affect the perception that residents and business have about a community. Accurate reporting also provides an accountability system to indicate success of tactics and investments made in public safety. An annual reporting of crimes by type, quantify, and geographic area provides transparency that is important to provide to the public.

Years 4-10 Strategies

**Recommendation 38: Complete phased development of new police facility.**

*Rationale:* On the assumption that the police facility will be completed in several phases, the full development of the facility should be incorporated into the capital plan and completed within the ten year period that his plan covers.

**Recommendation 39: Enhance complement of officers to correlate to the level of criminal activity and the population and business growth of the City.**

*Rationale:* As a community grows, the demand for police services also tends to grow. Criminal activity is fluid and can often manifest itself in areas where it has not been a problem. Identify theft and internet fraud are examples of how criminal activity morphs into new areas. With the new areas of activity, personnel requirements in terms of numbers and expertise may change. Qualified officers can be a challenge to recruit and one approach enhance to provide a pipeline of future officers is an Officer Reserve Program in which individuals are trained and used for overtime and special activities but are not full time officers.

**2. Fire Services**

Years 1-3 Strategies

**Recommendation 40: Establish a five year capital plan for equipment and facilities.**

*Rationale:* Covington fire stations have been repaired and are in quite good condition but constantly require routine replacement of systems to maintain the effectiveness of the department. The equipment is currently more of a necessity and should be prioritized by the department and incorporated into the capital plan. Not only is this important for effective fire-fighting, but also for safety of fire personnel. It is also an ingredient in securing a reduction in the ISO Rating that is beneficial to all property owners in the City.

**Recommendation 41: Cross train all firefighters as EMTs or paramedics and provide incentive compensation for achieving certifications.**



*Rationale:* A large percentage of fire service calls involve medical attention. Cross training of fire personnel on trucks will enable a faster response to medical emergencies and enhance life safety of the citizens.

**Recommendation 42: Reevaluate and renegotiate fire services provide through mutual aid outside of Covington and associated fees.**

*Rationale:* The City of Covington provides fire protection to the areas immediately adjoining the City inside the unincorporated part of the county. This has been provided through an agreement with Tipton County and the City is partially reimbursed for the services. Off-duty firefighters are often called in under overtime policies to handle the responses. Additionally any equipment involved could mean that in the case of a fire in the City, the equipment may not be available, or delayed in responding. The relationship with the County is important for many reasons but Covington citizens should not have to subsidize the cost of services to the County residents. The full cost of the services should be documented and the agreement renegotiated so that the full costs are recovered.

#### Year 4-10 Strategies

**Recommendation 43: Upgrade equipment at all stations.**

*Rationale:* The Fire Department has been quite successful in seeking grants to upgrade equipment but these grants are very competitive and cannot be relied upon to provide and maintain a modern and fully equipped department. Fortunately the useful life of major fire apparatus is 10 years or more but an ongoing capital plan that projects equipment needs and phases the purchases in over numerous years is required.

**Recommendation 44: Secure the reduction of the ISO Rating from 4 to 3.**

*Rationale:* The ISO rating for Covington is currently at Level 4 and the department is working to achieve an improvement to Level 3. This is not only a benefit for protection of life and property, but also reduces the cost for fire insurance. Some insurance companies also factor in the fire incident loss ratios in a community, but a reduction in the rating is an important upgrade for the citizens and businesses in the City.

### **G. General Government**

During the course of the interviews with departments and City personnel, a number of general observations were made that led to recommendations that are applicable to the general government and not to a particular department.

**Recommendation 45: Quantify debt capacity and establish a Capital Improvement Plan for a five-year period.**

*Rationale:* The nature of capital projects are that they can be major investments and last for a relatively long period of time. Therefore, it is incumbent upon local governments to plan longer

term as well. Periods beyond five years are unpredictable and too speculative, therefore a rotating five year capital plan is appropriate. The first step is to determine the debt capacity based upon the projected revenues, expenses, and other current obligations. This will yield the amount of funds that can be borrowed annually or periodically without adversely affecting bond ratings and corresponding interest rates.

In addition to the Police Department Headquarters, an upgrade to the wastewater treatment plant may also be required, particularly if economic development opportunities emerge as expected. The design, permitting, and construction of the plant upgrade would likely take 36-48 months.

***Recommendation 46: Establish and document overtime and comp time policy.***

*Rationale:* Various departments require overtime due to staff shortages or special assignments. Federal laws dictate the requirements for exempt and non-exempt personnel and must be adhered to strictly. Accordingly, whether an employee must receive direct overtime pay or may be eligible for comp time, all of the hours should be documented and maintained.

***Recommendation 47: Establish job descriptions and performance appraisal/disciplinary action system for all employees.***

*Rationale:* To effectively manage employees and ensure each employee is fully aware of the duties and responsibilities of the job, updated job descriptions are essential. Additionally, annual performance appraisals are needed for all employees to provide feedback on job performance to employees and to document any deficiencies that could ultimately lead to disciplinary action.

***Recommendation 48: Pursue termination of contract for Biomass facility.***

*Rationale:* The Biomass Energy Facility acquired by the City some years ago has not functioned properly and is increasingly becoming a financial burden on the City. All remedies should be pursued to terminate the contract for the facility and eliminate the remaining debt obligation of the City.

***Recommendation 49: Secure Services of a GIS Coordinator***

*Rationale:* The mapping of various municipal data is an essential component of being able to analyze data for policy development and implementation. The city would benefit from GIS capability for many activities in numerous departments including: crime mapping, fire incidents, blight and code enforcement, planning and zoning, surplus properties for sale, etc. The city should consider securing the underlying property data base from the county and contracting with a GIS specialist until a full time GIS coordinator can be accommodated in the city budget.

**Recommendation 50: Conduct an annual “Leadership Retreat”.**

*Rationale:* Regular communication between the City leadership in the City administration and the Board of Aldermen is vital to produce a consensus to address important issues. An annual planning retreat at least a half day with the Mayor, Directors, and Board of Aldermen can be an effective tool. The agenda can be formulated each year but include upcoming budget priorities and processes; results from previous year; topics of current interest; etc. It would be helpful to have a facilitator to enable full participation by City leaders.

**Recommendation 51: Ensure ongoing civic engagement in the final plan and implementation of adopted priority recommendations.**

*Rationale:* Given the extensive civic engagement by Covington citizens and stakeholders in the development of this document, it is incumbent upon the City leadership to share the results and plans going forward. This can be accomplished by 1) posting the document on the City’s website; 2) establishing a speaker’s bureau comprised of elected officials and direct participants in the planning process to make presentations to interested groups; and 3) periodic updates on accomplishments of the plan recommendations.

**Recommendation 52: Adoption of the Vision and Strategic Plan by the Board of Aldermen**

*Rationale:* One of the key tenets of this effort was to establish a shared vision among the elected officials, business leaders and civic stakeholders. After analyzing and debating the recommendations of the Vision and Strategic Plan, the Mayor and Board of Aldermen should adopt all or parts of the plan recommendations and commit to carrying them out. Additionally, each director should review the adopted aspects of the plan with all staff members so that the key objectives are widely known and accepted by the team that will be responsible for executing them.

**Recommendations 53: Establish a Vision Statement and Guiding Principles**

*Rationale:* A final component of the planning process is to define the desired end state as implementation of the priority recommendations is achieved. Furthermore, “How” the plan will be accomplished is an important aspect of implementation. At the first leadership retreat, the administration and aldermen could work together on a Vision, Mission and Guiding Principles. As a starting point, the following can be discussed, revised and adopted in some form and communicated to all City personnel:

**“Covington: Living, Learning, and Working Together”**

# **Appendix “A”**

# Covington Community Survey

Monday, November 06, 2017

# 669

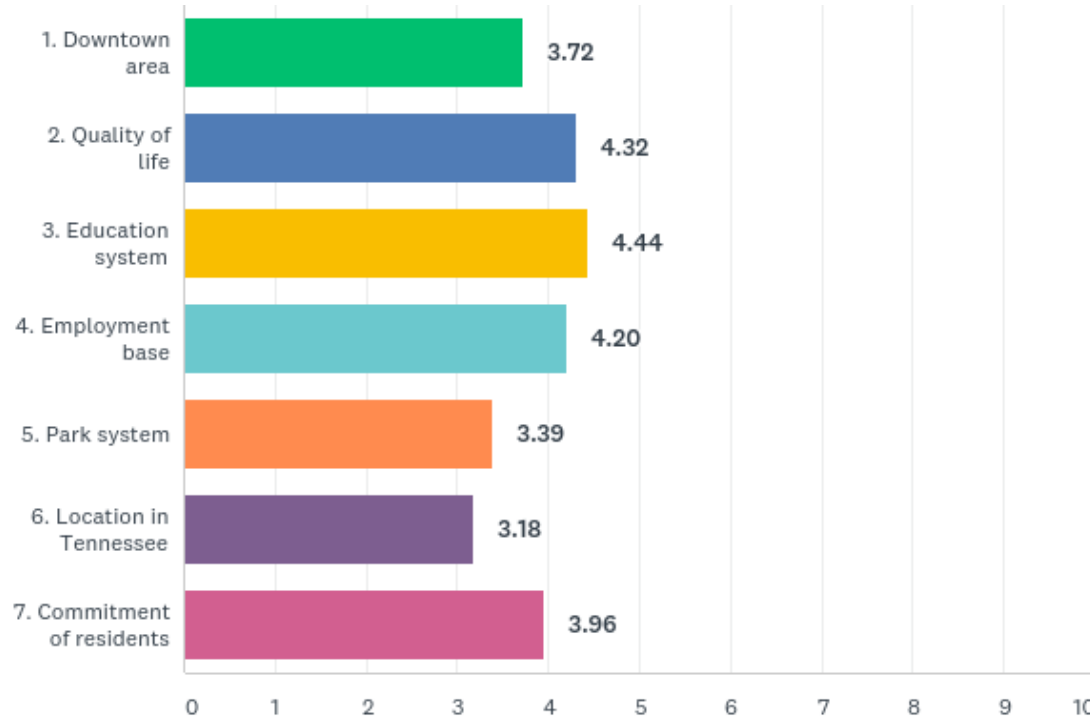
**Total Responses**

Date Created: Thursday, October 05, 2017

Complete Responses: 669

# Q1: What would you say are Covington's greatest assets?

Answered: 666 Skipped: 3



# Q1: What would you say are Covington's greatest assets?

Answered: 666 Skipped: 3

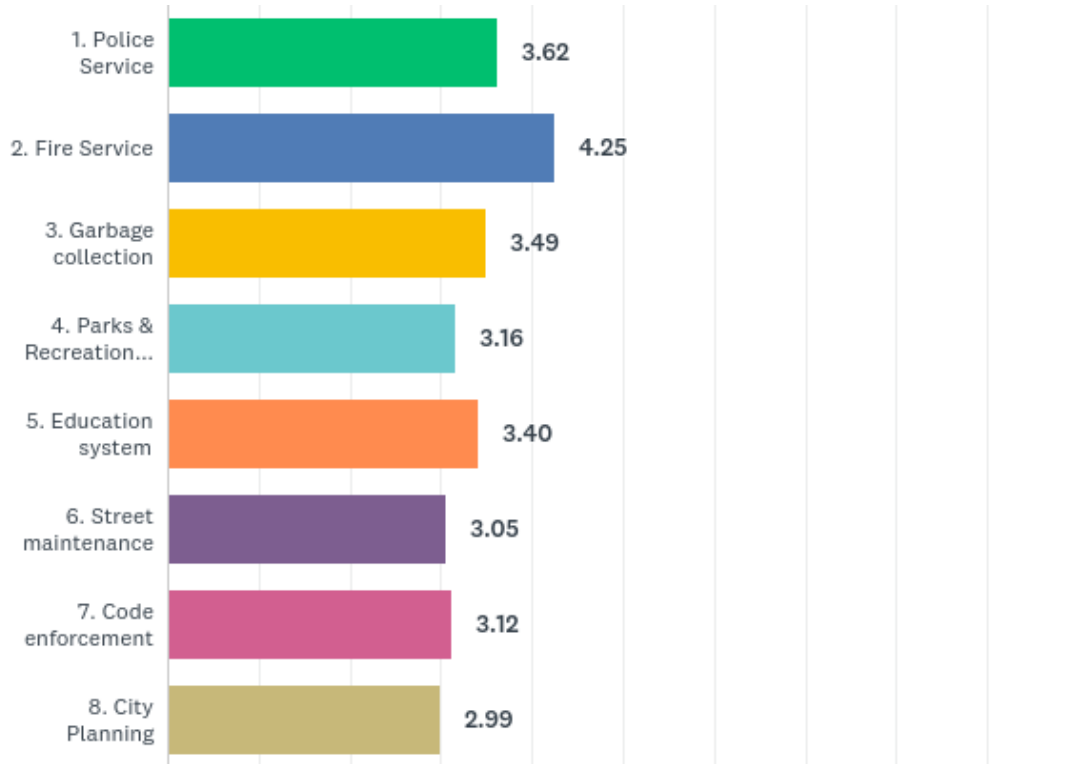
	MOST IMPORTANT	VERY IMPORTANT	IMPORTANT	SOMEWHAT IMPORTANT	NOT IMPORTANT	TOTAL	WEIGHTED AVERAGE
1. Downtown area	19.85% 132	43.16% 287	28.57% 190	5.56% 37	2.86% 19	665	3.72
2. Quality of life	49.09% 324	38.18% 252	9.55% 63	1.52% 10	1.67% 11	660	4.32
3. Education system	58.16% 385	33.53% 222	4.68% 31	1.51% 10	2.11% 14	662	4.44
4. Employment base	39.94% 264	44.78% 296	11.95% 79	2.42% 16	0.91% 6	661	4.20
5. Park system	10.11% 67	36.80% 244	39.22% 260	9.95% 66	3.92% 26	663	3.39
6. Location in Tennessee	9.98% 66	28.44% 188	38.73% 256	14.83% 98	8.02% 53	661	3.18
7. Commitment of residents	28.96% 192	45.55% 302	19.76% 131	4.22% 28	1.51% 10	663	3.96








## Q2: How would you rate the current City services and facilities?

Answered: 668 Skipped: 1



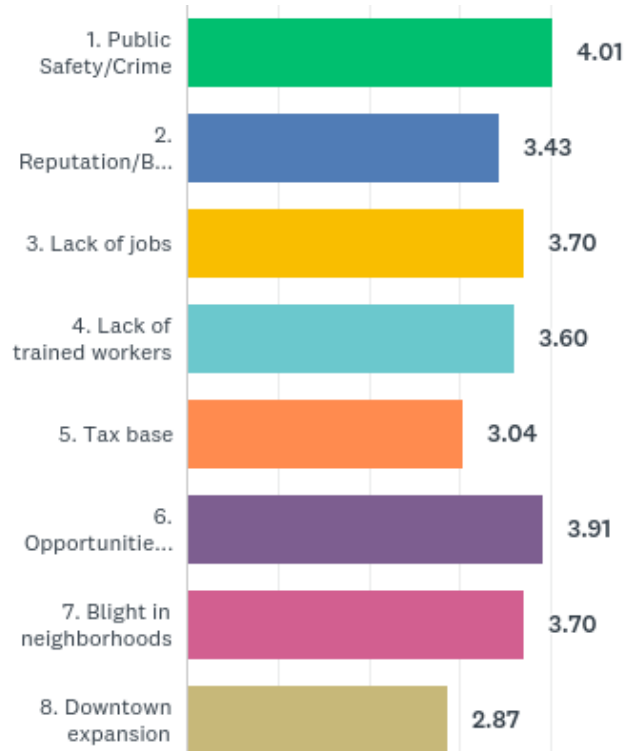
## Q2: How would you rate the current City services and facilities?

Answered: 668 Skipped: 1





	EXCELLENT	VERY GOOD	GOOD	NOT VERY GOOD	POOR	TOTAL	WEIGHTED AVERAGE
 1. Police Service	18.98% 126	34.94% 232	37.50% 249	6.17% 41	2.41% 16	664	3.62
 2. Fire Service	43.50% 288	39.43% 261	15.86% 105	1.06% 7	0.15% 1	662	4.25
 3. Garbage collection	13.49% 87	33.49% 216	43.88% 283	6.51% 42	2.64% 17	645	3.49
4. Parks & Recreation programs	6.84% 45	28.42% 187	44.98% 296	12.92% 85	6.84% 45	658	3.16
5. Education system	12.27% 81	33.48% 221	39.39% 260	11.21% 74	3.64% 24	660	3.40
6. Street maintenance	5.25% 35	24.89% 166	45.28% 302	18.44% 123	6.15% 41	667	3.05
7. Code enforcement	6.09% 40	25.42% 167	47.95% 315	15.07% 99	5.48% 36	657	3.12
8. City Planning	4.26% 28	21.00% 138	50.84% 334	17.05% 112	6.85% 45	657	2.99

# Q3: What are Covington's greatest challenges?

Answered: 668 Skipped: 1

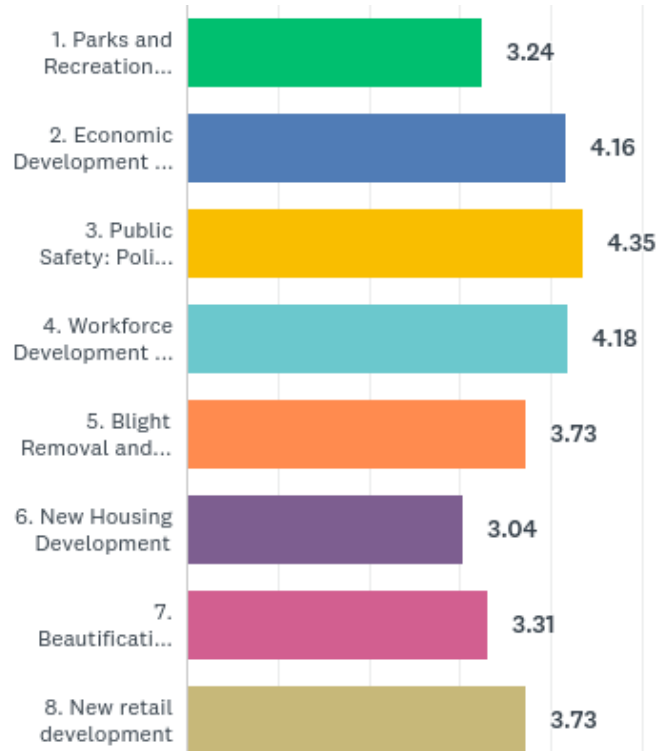


### Q3: What are Covington's greatest challenges?

Answered:		GREATEST CHALLENGE	SIGNIFICANT CHALLENGE	ONE OF MANY CHALLENGES	SOMEWHAT SIGNIFICANT CHALLENGE	NOT A CHALLENGE	TOTAL	WEIGHTED AVERAGE
	1. Public Safety/Crime	36.13% 241	36.58% 244	20.69% 138	5.10% 34	1.50% 10	667	4.01
	2. Reputation/Branding	12.59% 83	38.39% 253	33.23% 219	10.93% 72	4.86% 32	659	3.43
	3. Lack of jobs	24.06% 160	36.24% 241	27.67% 184	9.77% 65	2.26% 15	665	3.70
	4. Lack of trained workers	20.30% 135	36.84% 245	29.02% 193	10.38% 69	3.46% 23	665	3.60
	5. Tax base	7.32% 48	26.22% 172	39.18% 257	17.68% 116	9.60% 63	656	3.04
	6. Opportunities for youth	32.48% 216	37.29% 248	21.05% 140	6.62% 44	2.56% 17	665	3.91
	7. Blight in neighborhoods	22.67% 151	38.29% 255	28.08% 187	8.41% 56	2.55% 17	666	3.70
	8. Downtown expansion	8.60% 57	21.42% 142	35.29% 234	17.35% 115	17.35% 115	663	2.87
	9. Education system	21.15% 140	32.93% 218	26.74% 177	12.39% 82	6.80% 45	662	3.49
	10. Appearance of gateways and entrances to city	15.04% 100	26.47% 176	25.26% 168	15.49% 103	17.74% 118	665	3.06

## Q4: What are your budget priorities for the City?

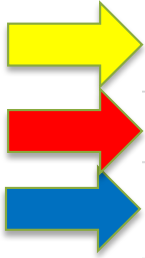
Answered: 667 Skipped: 2



## Q4: What are your budget priorities for the City?

Answered: 667

	HIGHEST PRIORITY	SIGNIFICANT	ONE OF MANY PRIORITIES	NOT SIGNIFICANT	NOT A PRIORITY	TOTAL	WEIGHTED AVERAGE
1. Parks and Recreation Programs	9.05% 60	28.05% 186	45.70% 303	12.67% 84	4.52% 30	663	3.24
2. Economic Development and Job Creation	40.36% 268	38.40% 255	18.98% 126	1.81% 12	0.45% 3	664	4.16
3. Public Safety: Police and Fire	55.35% 367	27.30% 181	14.63% 97	1.96% 13	0.75% 5	663	4.35
4. Workforce Development & Education	38.22% 253	42.75% 283	18.13% 120	0.91% 6	0.00% 0	662	4.18
5. Blight Removal and Code Enforcement	21.92% 146	37.84% 252	33.18% 221	5.56% 37	1.50% 10	666	3.73
6. New Housing Development	9.95% 66	23.83% 158	38.46% 255	15.99% 106	11.76% 78	663	3.04
7. Beautification of City Gateways/Entrances	16.52% 110	26.28% 175	35.44% 236	15.17% 101	6.61% 44	666	3.31
8. New retail development	21.57% 143	43.29% 287	24.74% 164	7.24% 48	3.17% 21	663	3.73
9. Maintain or reduce the tax rate	22.36% 148	28.85% 191	29.15% 193	13.75% 91	5.89% 39	662	3.48



# Appendix “B”

**Session Name**  
11-7-2017 8-21 PM v2

**Date Created**  
11/7/2017 6:27:51 PM

**Average Score**  
0.00%

**Active Participants**  
49

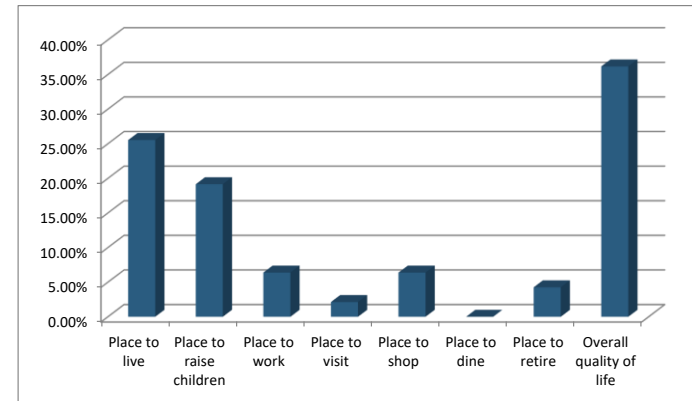
**Total Participants**  
49

**Questions**  
28

## Results by Question

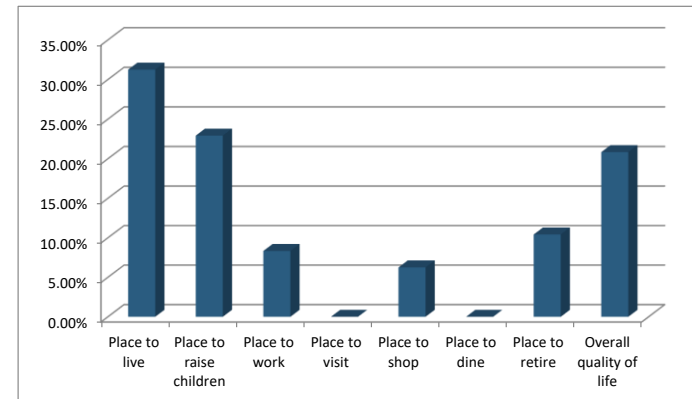
1. Please rate the following aspects of quality of life in Covington(Select the Most Attractive Aspect) (Multiple Choice)

	Responses	
	Percent	Count
Place to live	25.53%	12
Place to raise children	19.15%	9
Place to work	6.38%	3
Place to visit	2.13%	1
Place to shop	6.38%	3
Place to dine	0.00%	0
Place to retire	4.26%	2
Overall quality of life	36.17%	17
<b>Totals</b>	<b>100%</b>	<b>47</b>



2. Please rate the following aspects of quality of life in Covington(Select the 2nd Most Attractive Aspect) (Multiple Choice)

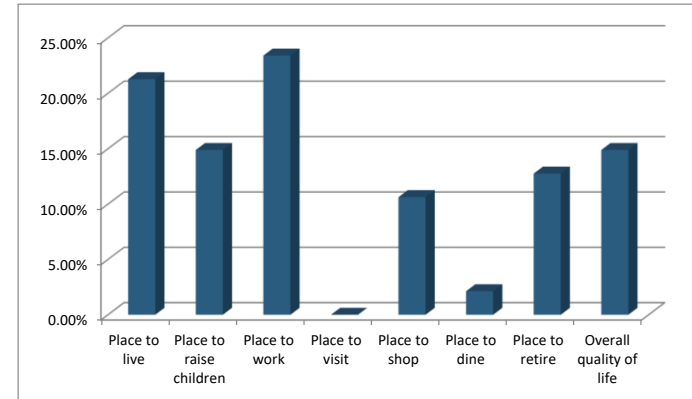
	Responses	
	Percent	Count
Place to live	31.25%	15
Place to raise children	22.92%	11
Place to work	8.33%	4
Place to visit	0.00%	0
Place to shop	6.25%	3
Place to dine	0.00%	0
Place to retire	10.42%	5
Overall quality of life	20.83%	10
<b>Totals</b>	<b>100%</b>	<b>48</b>





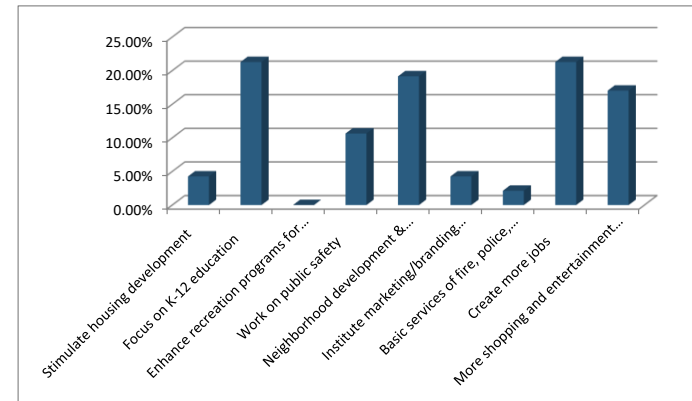
3. Please rate the following aspects of quality of life in Covington(Select the 3rd Most Attractive Aspect) (Multiple Choice)

Responses		
	Percent	Count
Place to live	21.28%	10
Place to raise children	14.89%	7
Place to work	23.40%	11
Place to visit	0.00%	0
Place to shop	10.64%	5
Place to dine	2.13%	1
Place to retire	12.77%	6
Overall quality of life	14.89%	7
<b>Totals</b>	<b>100%</b>	<b>47</b>



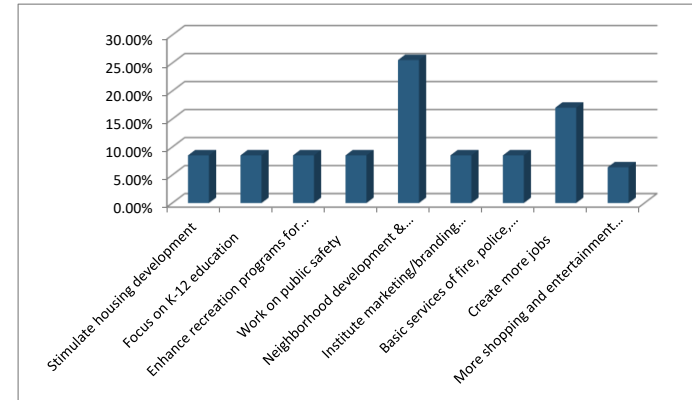
4. What actions should Covington undertake to attract people? (Select the 1st Priority) (Multiple Choice)

Responses		
	Percent	Count
Stimulate housing development	4.26%	2
Focus on K-12 education	21.28%	10
Enhance recreation programs for youth	0.00%	0
Work on public safety	10.64%	5
Neighborhood development & blight removal	19.15%	9
Institute marketing/branding campaign	4.26%	2
Basic services of fire, police, sanitation, etc.	2.13%	1
Create more jobs	21.28%	10
More shopping and entertainment opportunities	17.02%	8
<b>Totals</b>	<b>100%</b>	<b>47</b>



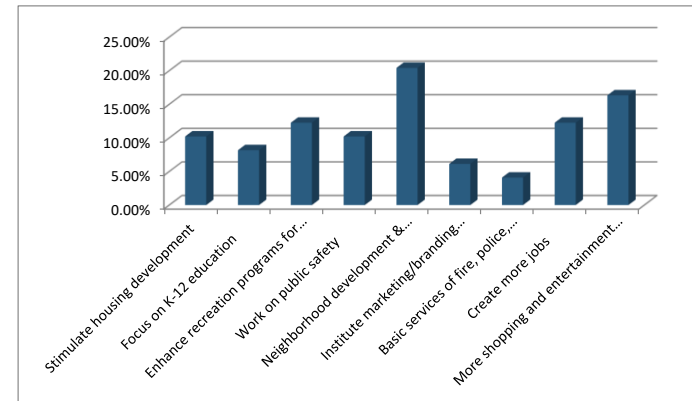
5. What actions should Covington undertake to attract people? (Select the 2nd Priority) (Multiple Choice)

	Responses	
	Percent	Count
Stimulate housing development	8.51%	4
Focus on K-12 education	8.51%	4
Ice recreation programs for youth	8.51%	4
Work on public safety	8.51%	4
Job development & blight removal	25.53%	12
Real estate marketing/branding campaign	8.51%	4
Improvements of fire, police, sanitation, etc.	8.51%	4
Create more jobs	17.02%	8
More shopping and entertainment opportunities	6.38%	3
<b>Totals</b>	<b>100%</b>	<b>47</b>



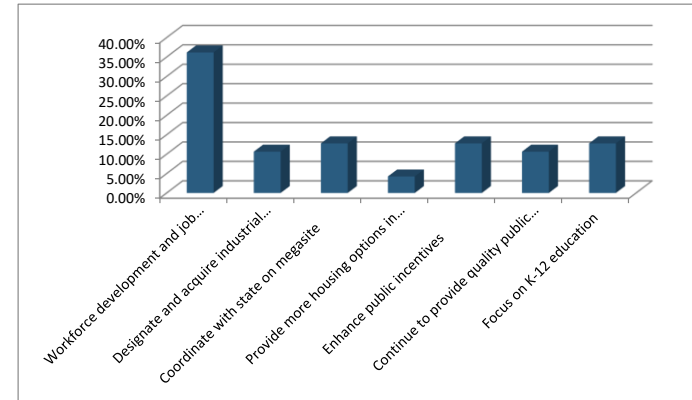
6. What actions should Covington undertake to attract people? (Select the 3rd Priority) (Multiple Choice)

	Responses	
	Percent	Count
Stimulate housing development	10.20%	5
Focus on K-12 education	8.16%	4
Ice recreation programs for youth	12.24%	6
Work on public safety	10.20%	5
Job development & blight removal	20.41%	10
Real estate marketing/branding campaign	6.12%	3
Improvements of fire, police, sanitation, etc.	4.08%	2
Create more jobs	12.24%	6
More shopping and entertainment opportunities	16.33%	8
<b>Totals</b>	<b>100%</b>	<b>49</b>



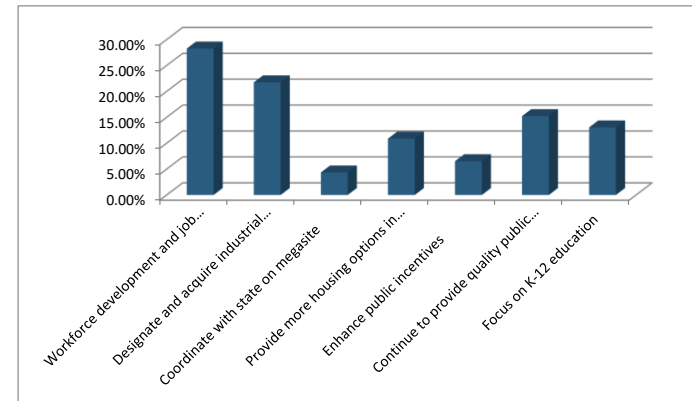
7. What should Covington undertake to attract jobs?(Select the 1st Priority) (Multiple Choice)

Responses		
	Percent	Count
Development and job training programs	36.17%	17
Designate and acquire industrial sites	10.64%	5
Coordinate with state on megasite	12.77%	6
Provide more housing options in the city	4.26%	2
Enhance public incentives	12.77%	6
Continue to provide quality public services	10.64%	5
Focus on K-12 education	12.77%	6
<b>Totals</b>	<b>100%</b>	<b>47</b>



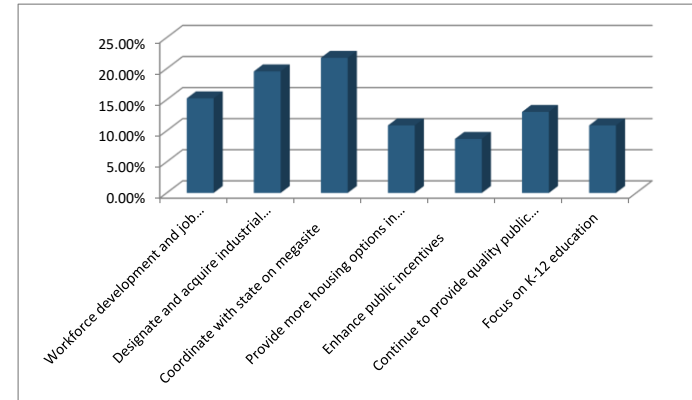
8. What should Covington undertake to attract jobs?(Select the 2nd Priority) (Multiple Choice)

Responses		
	Percent	Count
Development and job training programs	28.26%	13
Designate and acquire industrial sites	21.74%	10
Coordinate with state on megasite	4.35%	2
Provide more housing options in the city	10.87%	5
Enhance public incentives	6.52%	3
Continue to provide quality public services	15.22%	7
Focus on K-12 education	13.04%	6
<b>Totals</b>	<b>100%</b>	<b>46</b>



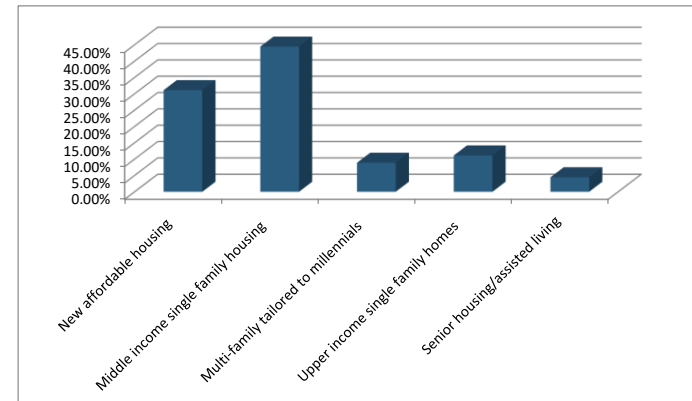
9. What should Covington undertake to attract jobs?(Select the 3rd Priority) (Multiple Choice)

Responses		
	Percent	Count
Development and job training programs	15.22%	7
Designate and acquire industrial sites	19.57%	9
Coordinate with state on megasite	21.74%	10
Provide more housing options in the city	10.87%	5
Enhance public incentives	8.70%	4
Continue to provide quality public services	13.04%	6
Focus on K-12 education	10.87%	5
<b>Totals</b>	<b>100%</b>	<b>46</b>



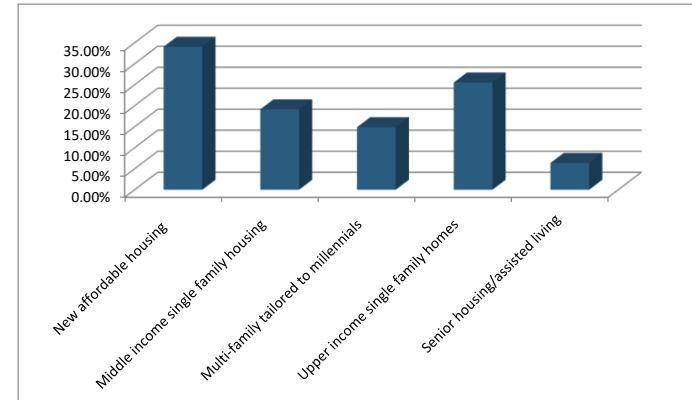
10. What types of new housing are needed in Covington? (Select the Greatest Need) (Multiple Choice)

Responses		
	Percent	Count
New affordable housing	31.11%	14
Middle income single family housing	44.44%	20
Multi-family tailored to millennials	8.89%	4
Upper income single family homes	11.11%	5
Senior housing/assisted living	4.44%	2
<b>Totals</b>	<b>100%</b>	<b>45</b>



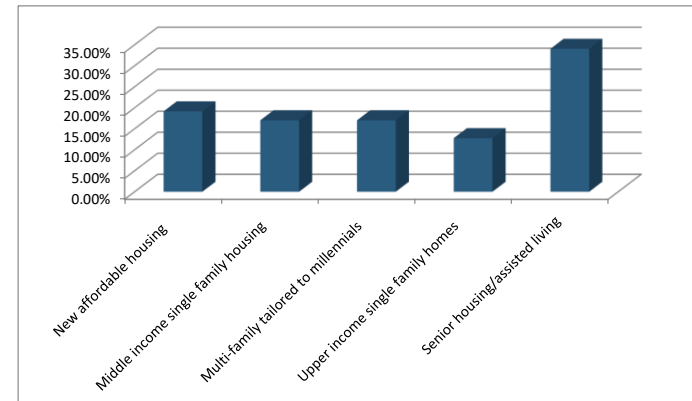
11. What types of new housing are needed in Covington? (Select the 2nd Greatest Need) (Multiple Choice)

	Responses	
	Percent	Count
New affordable housing	34.04%	16
Middle income single family housing	19.15%	9
Multi-family tailored to millennials	14.89%	7
Upper income single family homes	25.53%	12
Senior housing/assisted living	6.38%	3
<b>Totals</b>	<b>100%</b>	<b>47</b>



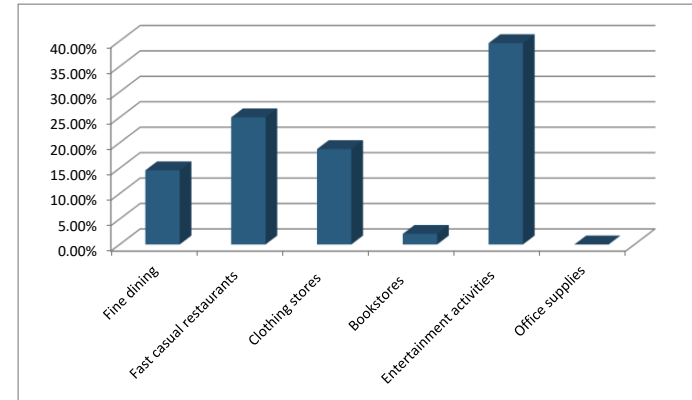
12. What types of new housing are needed in Covington? (Select the 3rd Greatest Need) (Multiple Choice)

	Responses	
	Percent	Count
New affordable housing	19.15%	9
Middle income single family housing	17.02%	8
Multi-family tailored to millennials	17.02%	8
Upper income single family homes	12.77%	6
Senior housing/assisted living	34.04%	16
<b>Totals</b>	<b>100%</b>	<b>47</b>



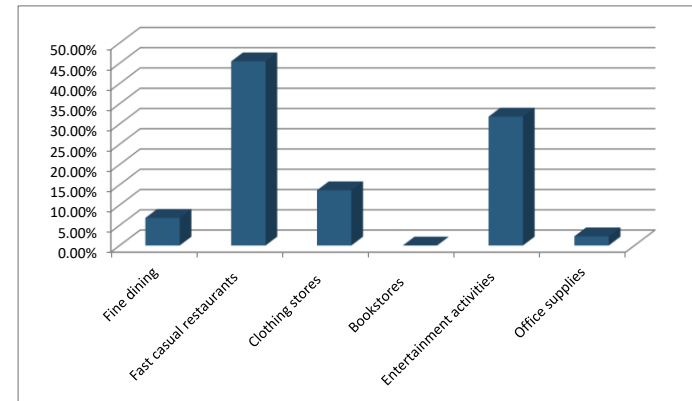
13. What types of commercial developments are needed in Covington?(Select the 1st Priority) (Multiple Choice)

	Responses	
	Percent	Count
Fine dining	14.58%	7
Fast casual restaurants	25.00%	12
Clothing stores	18.75%	9
Bookstores	2.08%	1
Entertainment activities	39.58%	19
Office supplies	0.00%	0
<b>Totals</b>	<b>100%</b>	<b>48</b>



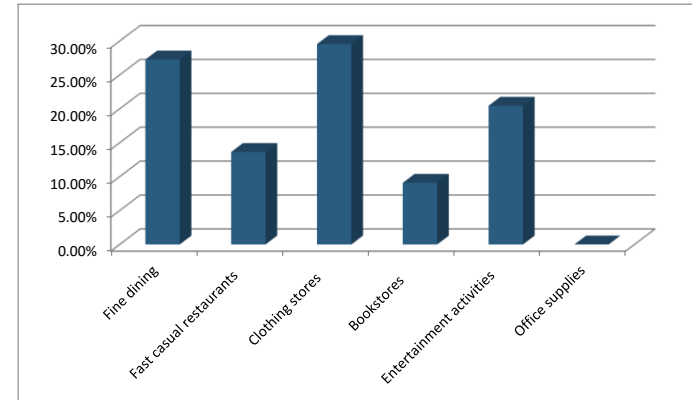
14. What types of commercial developments are needed in Covington?(Select the 2nd Priority) (Multiple Choice)

	Responses	
	Percent	Count
Fine dining	6.82%	3
Fast casual restaurants	45.45%	20
Clothing stores	13.64%	6
Bookstores	0.00%	0
Entertainment activities	31.82%	14
Office supplies	2.27%	1
<b>Totals</b>	<b>100%</b>	<b>44</b>



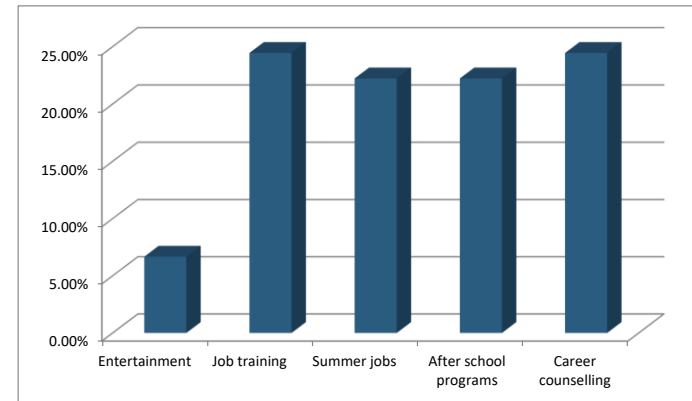
15. What types of commercial developments are needed in Covington?(Select the 3rd Priority) (Multiple Choice)

Responses		
	Percent	Count
Fine dining	27.27%	12
Fast casual restaurants	13.64%	6
Clothing stores	29.55%	13
Bookstores	9.09%	4
Entertainment activities	20.45%	9
Office supplies	0.00%	0
<b>Totals</b>	<b>100%</b>	<b>44</b>



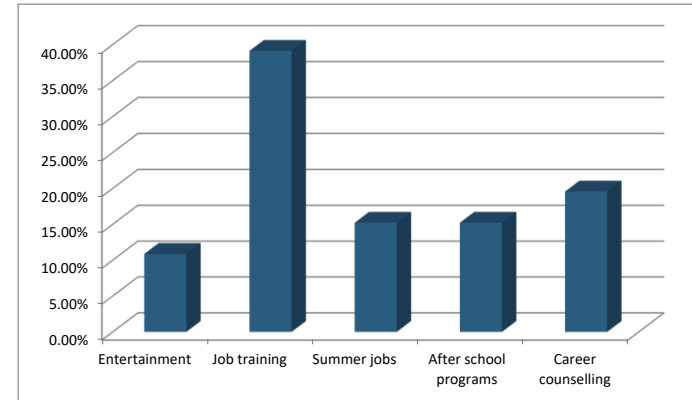
16. What types of activities are needed for youth? (Select the 1st Priority) (Multiple Choice)

Responses		
	Percent	Count
Entertainment	6.67%	3
Job training	24.44%	11
Summer jobs	22.22%	10
After school programs	22.22%	10
Career counselling	24.44%	11
<b>Totals</b>	<b>100%</b>	<b>45</b>



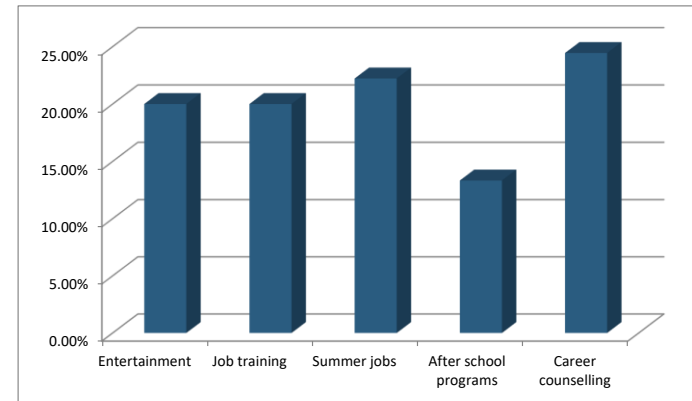
17. What types of activities are needed for youth? (Select the 2nd Priority) (Multiple Choice)

Responses		
	Percent	Count
Entertainment	10.87%	5
Job training	39.13%	18
Summer jobs	15.22%	7
After school programs	15.22%	7
Career counselling	19.57%	9
<b>Totals</b>	<b>100%</b>	<b>46</b>



18. What types of activities are needed for youth? (Select the 3rd Priority) (Multiple Choice)

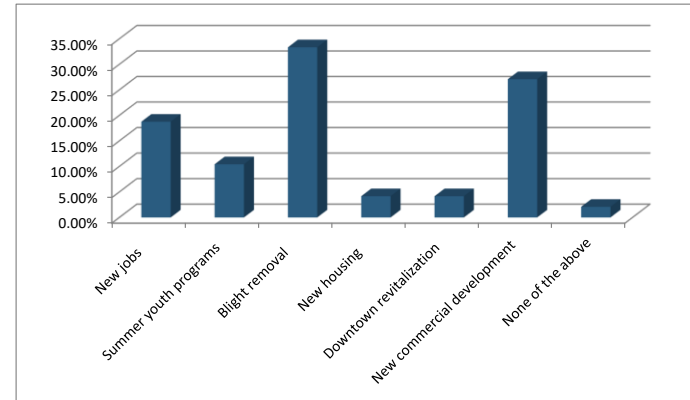
Responses		
	Percent	Count
Entertainment	20.00%	9
Job training	20.00%	9
Summer jobs	22.22%	10
After school programs	13.33%	6
Career counselling	24.44%	11
<b>Totals</b>	<b>100%</b>	<b>45</b>





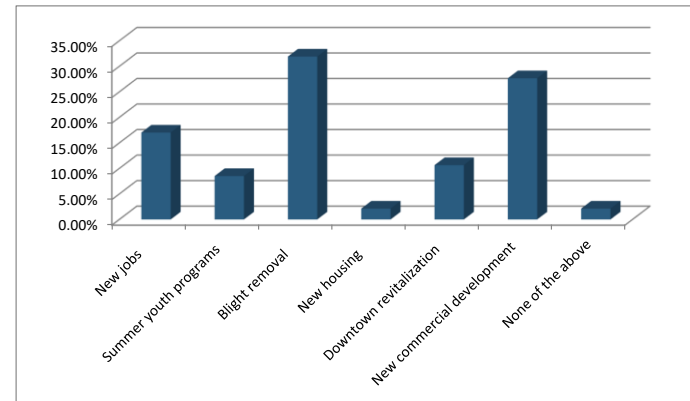
19. Would you support public investments for the following?(Select the Most Supportive) (Multiple Choice)

	Responses	
	Percent	Count
New jobs	18.75%	9
Summer youth programs	10.42%	5
Blight removal	33.33%	16
New housing	4.17%	2
Downtown revitalization	4.17%	2
New commercial development	27.08%	13
None of the above	2.08%	1
<b>Totals</b>	<b>100%</b>	<b>48</b>



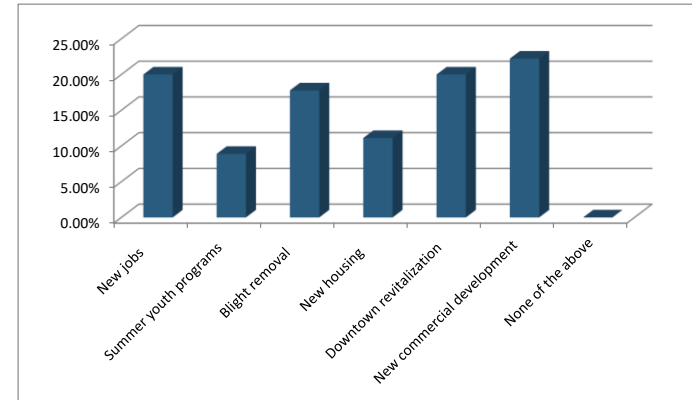
20. Would you support public investments for the following?(Select the 2nd Supportive) (Multiple Choice)

	Responses	
	Percent	Count
New jobs	17.02%	8
Summer youth programs	8.51%	4
Blight removal	31.91%	15
New housing	2.13%	1
Downtown revitalization	10.64%	5
New commercial development	27.66%	13
None of the above	2.13%	1
<b>Totals</b>	<b>100%</b>	<b>47</b>



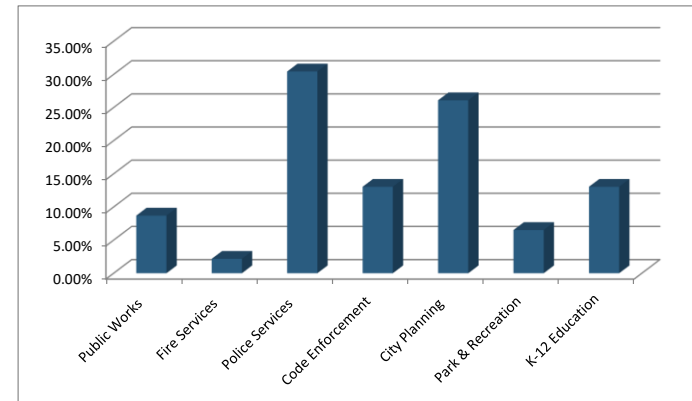
21. Would you support public investments for the following?(Select the 3rd Supportive) (Multiple Choice)

	Responses	
	Percent	Count
New jobs	20.00%	9
Summer youth programs	8.89%	4
Blight removal	17.78%	8
New housing	11.11%	5
Downtown revitalization	20.00%	9
New commercial development	22.22%	10
None of the above	0.00%	0
<b>Totals</b>	<b>100%</b>	<b>45</b>



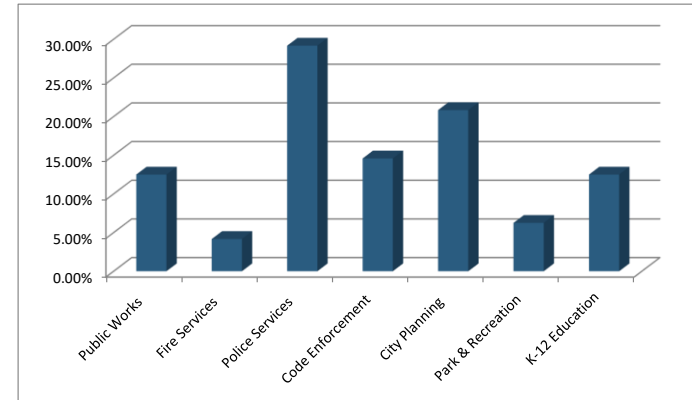
22. In which city services should the city invest more?(Select the 1st Priority) (Multiple Choice)

	Responses	
	Percent	Count
Public Works	8.70%	4
Fire Services	2.17%	1
Police Services	30.43%	14
Code Enforcement	13.04%	6
City Planning	26.09%	12
Park & Recreation	6.52%	3
K-12 Education	13.04%	6
<b>Totals</b>	<b>100%</b>	<b>46</b>



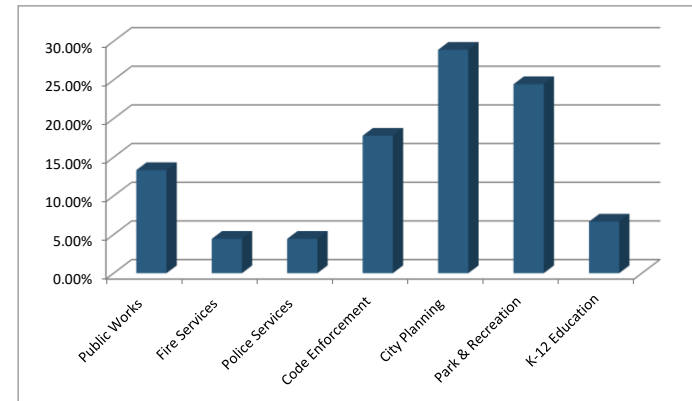
23. In which city services should the city invest more?(Select the 2nd Priority) (Multiple Choice)

	Responses	
	Percent	Count
Public Works	12.50%	6
Fire Services	4.17%	2
Police Services	29.17%	14
Code Enforcement	14.58%	7
City Planning	20.83%	10
Park & Recreation	6.25%	3
K-12 Education	12.50%	6
<b>Totals</b>	<b>100%</b>	<b>48</b>



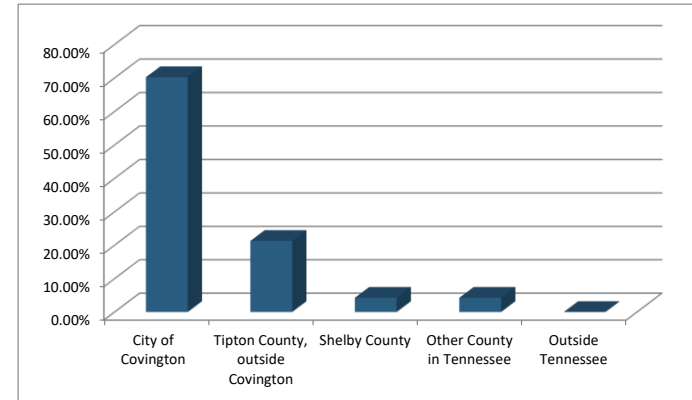
24. In which city services should the city invest more?(Select the 3rd Priority) (Multiple Choice)

	Responses	
	Percent	Count
Public Works	13.33%	6
Fire Services	4.44%	2
Police Services	4.44%	2
Code Enforcement	17.78%	8
City Planning	28.89%	13
Park & Recreation	24.44%	11
K-12 Education	6.67%	3
<b>Totals</b>	<b>100%</b>	<b>45</b>



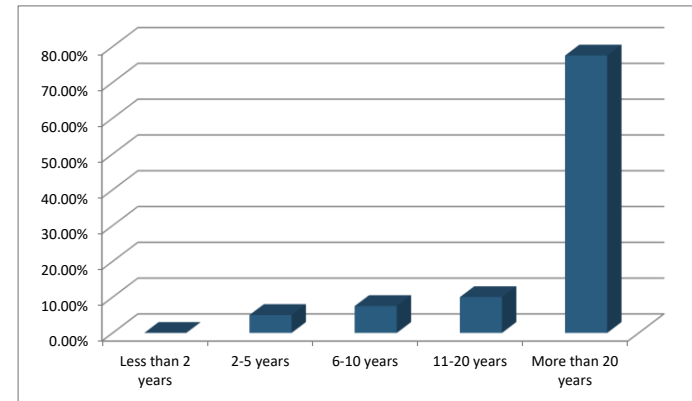
25. Where is your place of residence? (Multiple Choice)

Responses		
	Percent	Count
City of Covington	70.21%	33
Tipton County, outside Covington	21.28%	10
Shelby County	4.26%	2
Other County in Tennessee	4.26%	2
Outside Tennessee	0.00%	0
<b>Totals</b>	<b>100%</b>	<b>47</b>



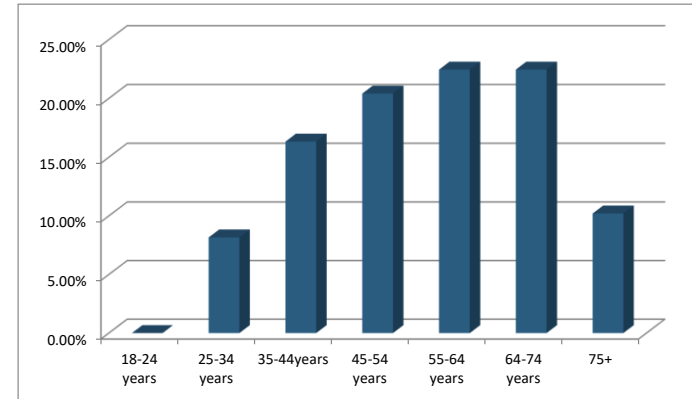
26. If you live in Covington, how many years have you lived there? (Multiple Choice)

Responses		
	Percent	Count
Less than 2 years	0.00%	0
2-5 years	5.00%	2
6-10 years	7.50%	3
11-20 years	10.00%	4
More than 20 years	77.50%	31
<b>Totals</b>	<b>100%</b>	<b>40</b>



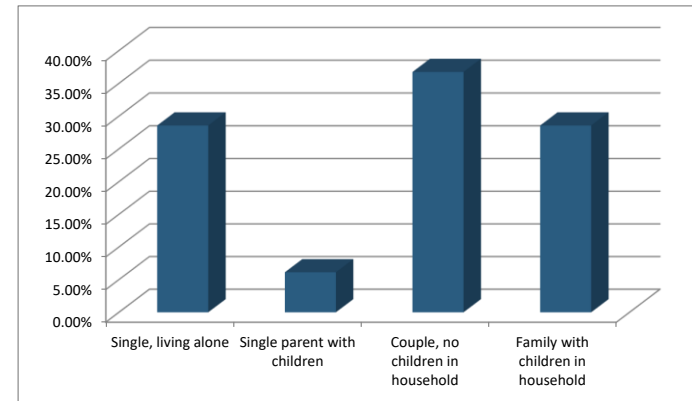
27. What is your age category (Multiple Choice)

	Responses	
	Percent	Count
18-24 years	0.00%	0
25-34 years	8.16%	4
35-44years	16.33%	8
45-54 years	20.41%	10
55-64 years	22.45%	11
64-74 years	22.45%	11
75+	10.20%	5
<b>Totals</b>	<b>100%</b>	<b>49</b>



28. What is your family structure? (Multiple Choice)

	Responses	
	Percent	Count
Single, living alone	28.57%	14
Single parent with children	6.12%	3
Couple, no children in household	36.73%	18
Family with children in household	28.57%	14
<b>Totals</b>	<b>100%</b>	<b>49</b>



# Appendix “C”



## Retail Leakage and Surplus Analysis

The Retail Leakage and Surplus Analysis examines the quantitative aspect of the community's retail opportunities. It is a guide to understanding retail opportunities but it is not an analysis that indicates unconditional opportunities. The analysis is sometimes called "a gap analysis" or "a supply and demand analysis" and can aid in the following:

- Indicating how well the retail needs of local residents are being met
- Uncovering unmet demand and possible opportunities
- Understanding the strengths and weaknesses of the local retail sector
- Measuring the difference between estimated and potential retail sales

### Understanding Retail Leakage

Retail leakage means that residents are spending more for products than local businesses capture. Retail sales leakage suggests that there is unmet demand in the trade area and that the community can support additional store space for that type of business.

However, retail leakage does not necessarily translate into opportunity. For example, there could be a strong competitor in a neighboring community that dominates the market for that type of product or store.

### Understanding Retail Surplus

A retail surplus means that the community's trade area is capturing the local market plus attracting non-local shoppers. A retail surplus does not necessarily mean that the community cannot support additional business. Many communities have developed strong clusters of stores that have broad geographic appeal. Examples of these types of retailers include: sporting goods stores, home furnishing stores, restaurants, and other specialty operations that become destination retailers and draw customers from outside the trade area.

Examining the quantitative aspects (Leakage/Surplus) is only part of the evaluation of community's retail opportunities. Before any conclusions can be drawn about potential business expansion or recruitment opportunities, qualitative considerations such as trade area psychographics and buying habits must be analyzed in context of other market factors.

### Interpreting Leakage Index

1.0 = equilibrium, meaning that demand and sales in the area being analyzed are in balance.

.80 = demand exceeds sales by 20%, meaning that consumers are leaving the area being analyzed.

1.2 = sales exceed demand by 20%, meaning that consumers are coming from outside the area being analyzed.

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.

## Leakage/Surplus Index by Major Store Type

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

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

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



Store Type	Potential	Estimated Sales	Surplus/Leakage
Motor Vehicle Parts & Dealers	59,310,425	59,099,520	1.0
Furniture & Home Furnishing Stores	4,418,882	14,374,674	3.3
Electronics & Appliance Stores	5,074,246	3,306,391	0.7
Building Material & Garden Equipment & Supply Dealers	14,190,550	26,109,880	1.8
Food & Beverage Stores	30,805,135	62,694,798	2.0
Health & Personal Care Stores	18,511,215	29,850,333	1.6
Clothing & Clothing Accessories Stores	11,662,808	9,073,157	0.8
Sporting Goods, Hobby, Book, & Music Stores	3,816,128	2,474,482	0.6
General Merchandise Stores	32,151,207	44,071,878	1.4
Miscellaneous Store Retailers	6,059,088	4,578,043	0.8
Foodservice & Drinking Places	30,898,069	46,242,787	1.5
Total	216,897,753	301,875,943	1.4

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.



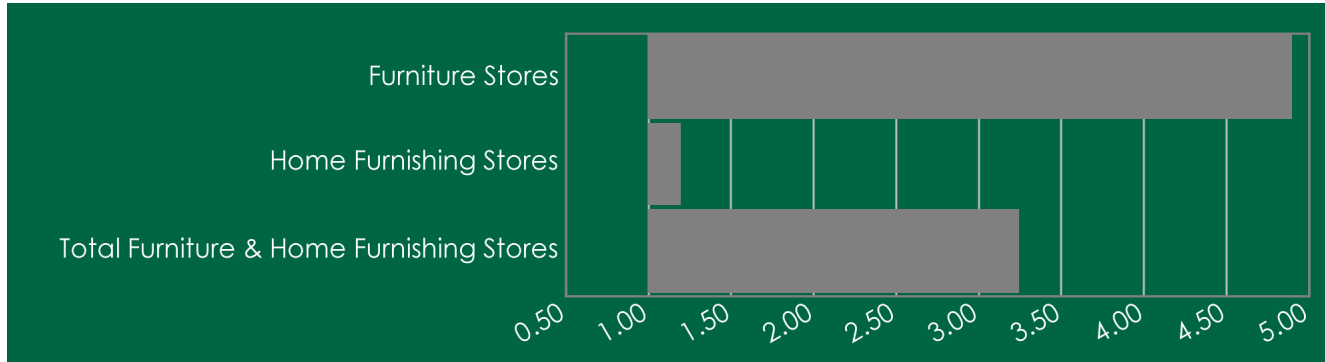
## Sub-Categories of Motor Vehicle Parts & Dealers



Store Type	Potential	Estimated Sales	Surplus/Leakage
Automotive Dealers	51,947,913	45,040,156	0.9
Other Motor Vehicle Dealers	2,999,032	4,177,548	1.4
Automotive Parts, Accessories, & Tire Stores	4,363,480	9,881,816	2.3
Total Motor Vehicle Parts & Dealers	59,310,425	59,099,520	1.0

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.

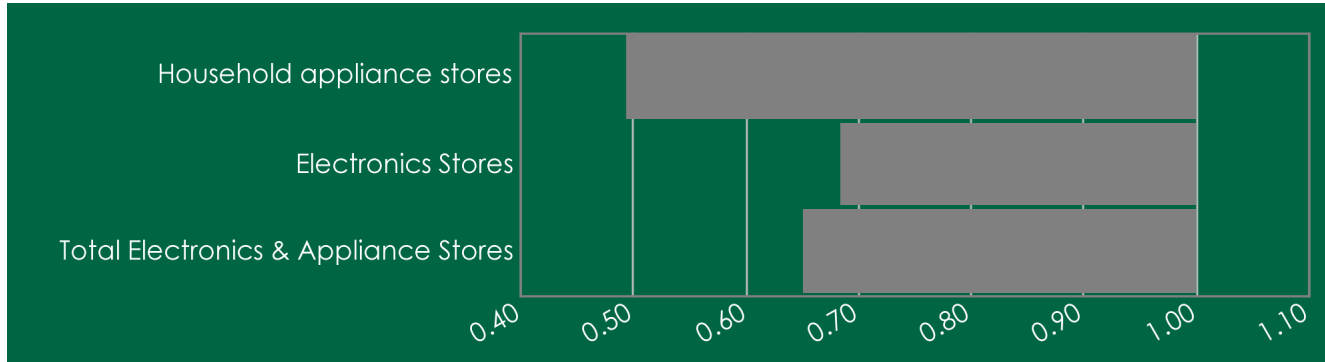
Sub-Categories of Furniture & Home Furnishing Stores



Store Type	Potential	Estimated Sales	Surplus/Leakage
Furniture Stores	2,447,518	12,008,935	4.9
Home Furnishing Stores	1,971,364	2,365,739	1.2
Total Furniture & Home Furnishing Stores	4,418,882	14,374,674	3.3

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.

Sub-Categories of Electronics & Appliance Stores



Store Type	Potential	Estimated Sales	Surplus/Leakage
Household appliance stores	876,647	432,910	0.5
Electronics Stores	4,197,599	2,873,481	0.7
Total Electronics & Appliance Stores	5,074,246	3,306,391	0.7

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.

## Sub-Categories of Building Material & Garden Equipment & Supply Dealers



Store Type	Potential	Estimated Sales	Surplus/Leakage
Home Centers	6,808,884	16,245,709	2.4
Paint and Wallpaper Stores	373,022	0	0.0
Hardware Stores	1,089,771	712,183	0.7
Other Building Material Dealers	3,717,310	2,934,300	0.8
Outdoor Power Equipment Stores	320,615	3,740,031	11.7
Nursery, garden center, & farm supply stores	1,880,948	2,477,657	1.3
<b>Total Building Material &amp; Garden Equipment &amp; Supply Dealers</b>	<b>14,190,550</b>	<b>26,109,880</b>	<b>1.8</b>

All estimates, projections or forecasts in this model are subject to errors, including statistical error, error due to the subjective nature of some data, error due to changes in demographics, error based on lagging competitor information or growth data, and error due to factors that are not included in the model. The user assumes all risk of reliance on this information.

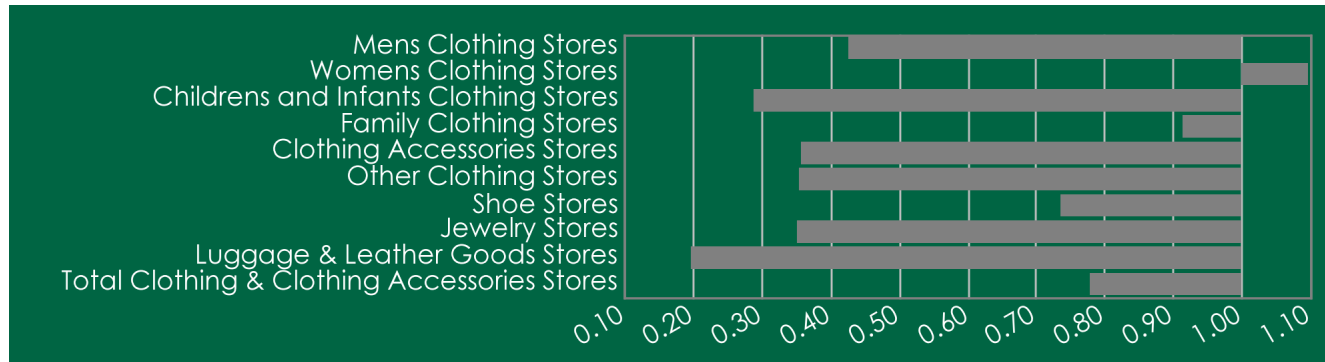
Sub-Categories of Food & Beverage Stores

Store Type	Potential	Estimated Sales	Surplus/Leakage
Supermarkets and Other Grocery (except Convenience) Stores	26,784,149	59,016,828	2.2
Convenience Stores	1,168,494	2,637,106	2.3
Specialty Food Stores	1,065,520	0	0.0
Beer, Wine, & Liquor Stores	1,786,972	1,040,864	0.6
Total Food & Beverage Stores	30,805,135	62,694,798	2.0

Sub-Categories of Health & Personal Care Stores

Store Type	Potential	Estimated Sales	Surplus/Leakage
Pharmacies and Drug Stores	15,566,671	25,558,040	1.6
Cosmetics, Beauty Supplies and Perfume Stores	1,194,348	2,428,023	2.0
Optical Goods Stores	483,794	1,470,943	3.0
Other Health and Personal Care Stores	1,266,402	393,327	0.3
Total Health & Personal Care Stores	18,511,215	29,850,333	1.6

## Sub-Categories of Clothing & Clothing Accessories Stores



Store Type	Potential	Estimated Sales	Surplus/Leakage
Mens Clothing Stores	400,732	170,982	0.4
Womens Clothing Stores	2,354,255	2,580,491	1.1
Childrens and Infants Clothing Stores	507,439	147,003	0.3
Family Clothing Stores	4,701,234	4,292,326	0.9
Clothing Accessories Stores	426,081	152,387	0.4
Other Clothing Stores	727,662	257,824	0.4
Shoe Stores	1,559,949	1,146,681	0.7
Jewelry Stores	850,921	298,918	0.4
Luggage & Leather Goods Stores	134,535	26,545	0.2
Total Clothing & Clothing Accessories Stores	11,662,808	9,073,157	0.8

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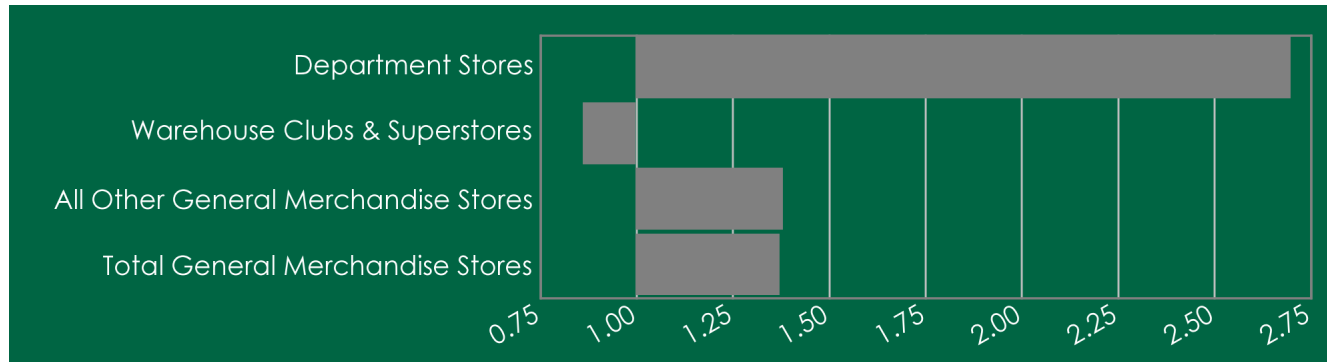
## Sub-Categories of Sporting Goods, Hobby, Book, & Music Stores



Store Type	Potential	Estimated Sales	Surplus/Leakage
Sporting Goods Stores	2,105,413	1,591,491	0.8
Hobby, Toy, and Game Stores	822,523	359,691	0.4
Sewing, Needlework, and Piece Goods Stores	156,127	0	0.0
Musical Instrument and Supplies Stores	196,682	0	0.0
Book Stores	378,713	523,300	1.4
News Dealers and Newsstands	156,670	0	0.0
Total Sporting Goods, Hobby, Book, & Music Stores	3,816,128	2,474,482	0.6



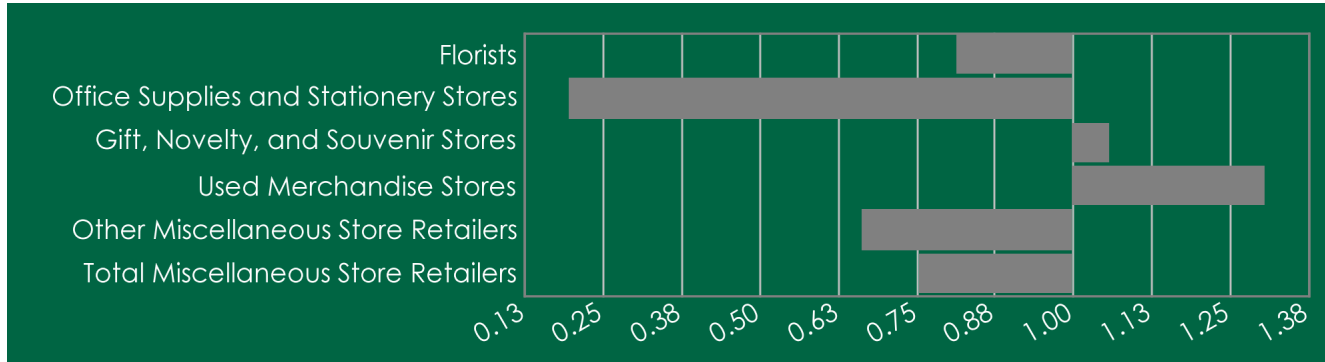
Sub-Categories of General Merchandise Stores



Store Type	Potential	Estimated Sales	Surplus/Leakage
Department Stores	7,981,592	21,556,310	2.7
Warehouse Clubs & Superstores	20,913,897	18,007,258	0.9
All Other General Merchandise Stores	3,255,718	4,508,310	1.4
Total General Merchandise Stores	32,151,207	44,071,878	1.4

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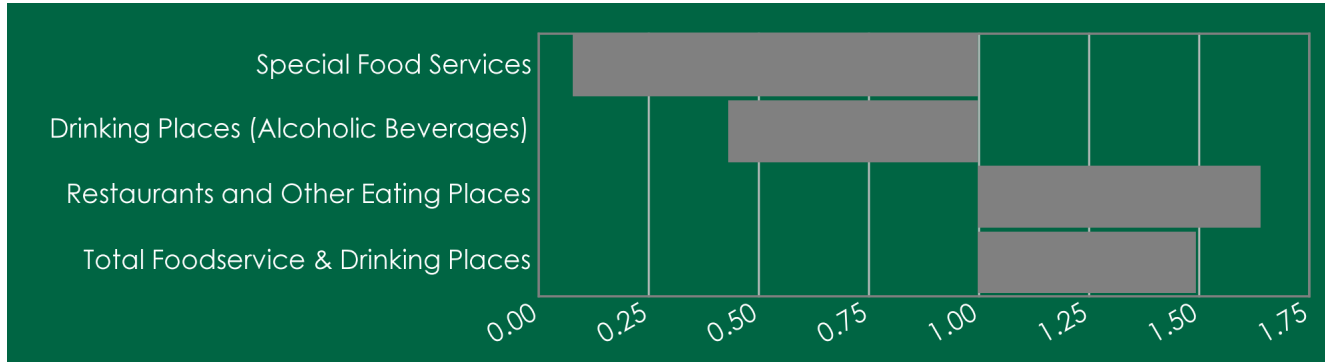
Sub-Categories of Miscellaneous Store Retailers



Store Type	Potential	Estimated Sales	Surplus/Leakage
Florists	276,846	225,125	0.8
Office Supplies and Stationery Stores	684,782	135,073	0.2
Gift, Novelty, and Souvenir Stores	857,746	906,731	1.1
Used Merchandise Stores	772,554	1,009,862	1.3
Other Miscellaneous Store Retailers	3,467,160	2,301,252	0.7
Total Miscellaneous Store Retailers	6,059,088	4,578,043	0.8

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Sub-Categories of Foodservice & Drinking Places



Store Type	Potential	Estimated Sales	Surplus/Leakage
Special Food Services	2,220,157	174,394	0.0
Drinking Places (Alcoholic Beverages)	887,455	383,251	0.4
Restaurants and Other Eating Places	27,790,457	45,685,142	1.6
Total Foodservice & Drinking Places	30,898,069	46,242,787	1.5

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## Sources and Methodology

The primary data sources used in the construction of the database include:

- Current Year CAPE (Census Area Projections & Estimates) Consumer Expenditure Estimates
- Census of Retail Trade, Merchandise Line Sales
- Census Bureau Monthly Retail Trade

The Census of Retail Trade presents a table known as the Merchandise Line summary, which relates approximately 120 merchandise lines (e.g. hardware) to each of the store types. For each merchandise line, the distribution of sales by store type can be computed, yielding a conversion table which apportions merchandise line sales by store type.

The CAPE (Census Area Projections & Estimates) Consumer Expenditure database was re-computed to these merchandise lines by aggregating both whole and partial categories, yielding, at the block group level, a series of merchandise line estimates which are consistent with the CAPE Consumer Expenditure database.

These two components were then combined in order to derive estimated potential by store type. The results were then compared to current retail trade statistics to ensure consistency and completeness.