

Knox County
2008-2009 Grant Funding Request Package

SECTION I: KNOX COUNTY GRANTS FUNDING REQUEST

NAME OF AGENCY/APPLICANT: Knoxville Area Chamber Partnership

EIN (FEDERAL TAX I.D.) NUMBER 62-0262640

APPLICATION CONTACT PERSON: Doug Lawyer

PHONE: 865-246-2645 E-MAIL dlawyer@knoxvillechamber.com FAX: 865-523-2071

MAILING ADDRESS: 17 Market Square #201, Knoxville TN 37902

STREET ADDRESS: Same as above

AGENCY CHAIRMAN/BOARD PRESIDENT: Mike Hamilton

EXECUTIVE DIRECTOR: Mike Edwards

PROJECT CONTACT: Doug Lawyer

PHONE: 865-246-2645 E-MAIL dlawyer@knoxvillechamber.com FAX: 865-523-2071

PROJECT TITLE: Innovation Valley, Inc.

FUNDING REQUEST: \$ 400,000

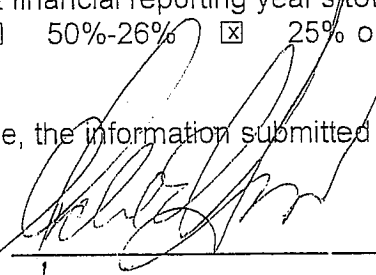
Please check the funding category that applies to the project: (Check One)

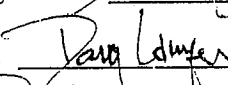
- Tourism/Cultural Health Services Youth Services
 Senior/Veteran Services Conference/Event Social Services

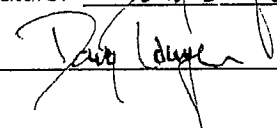
Funding request is what percentage of last financial reporting year's total revenue?

- 100%-75% 75%-51% 50%-26% 25% or less

I hereby certify that, to the best of my knowledge, the information submitted with this application is accurate.

Agency Chairman/Board President Signature: 

Application Contact Person Signature: 

Project Contact Signature: 

Knox County
2008/09 Grant Funding request package
SECTION II Narrative
Knoxville Area Chamber Partnership

Question I: Project/Program Description

The grant funds requested will be utilized by the Knoxville Area Chamber Partnership, in conjunction with other regional economic development partners, to implement the work plan for the Innovation Valley. The work plan is an all encompassing blueprint with specific strategies for 6 key program areas:

Education and Workforce Development
Entrepreneurship and Technology
Global Marketing
Business Retention and Expansion
Public Policy
Resources for Living

The Innovation Valley work plan was drafted with input from over 80 business and community leaders in the Knoxville metropolitan area. This work plan is the next step for our region which has tremendous momentum following the successful Jobs Now program which recently announced fourth year cumulative goals of 28,909 net new jobs, \$2.295 billion in new non-residential capital investment, and increase of average earnings per job to \$39,252.

Question II: Community Need

The Innovation Valley work plan has been designed to benefit all citizens of Knox County. Economic prosperity for a community benefits everyone through better job opportunities, and increased tax revenues for local governments.

Question III: Funding Need

Knox County was a tremendous supporter of the previous 5 year work plan (Jobs Now). Funding from Knox County is a critical component to the implementation of the Innovation Valley work plan as it will allow us to continue the unprecedented momentum achieved for our community.

Question IV: Support and Commitment

The Innovation Valley work plan, we anticipate, will be funded by other regional government partners including the City of Knoxville. Private dollars, raised by Innovation Valley Inc, a newly formed 501 c (3), will supplement the public dollars. There is serious interest in the private business community to support this effort, and private fundraising is being spearheaded by: Jimmy Haslam, Kevin Clayton, and Thom Mason.

Question V: Timeline

December 2007: Legal structure of Innovation Valley Inc. underway

December 2007: Finalizing Innovation Valley Business Action Plan

January 2008: Launch of Innovation Valley Inc. fundraising

July 2008: Begin fund dispersion/implementation of Innovation Valley Work plan

Question VI: Budget

Budget form attached

Knox County Government Knox County, Tennessee Grant Project Budget

1. This document must be completed in English.
2. All amounts must be entered, even if zero.
3. Use the TAB key on your keyboard to advance from one field to the next; this will force the totals to automatically calculate.

Name of Organization Knoxville Area Chamber Partnership
 Organization's Total Annual Operating Revenue \$4,100,000

DIRECTIONS: Budget information is required for 1) the overall proposed project/program, and 2) the use of Knox County Government funds (if approved) for the proposed project/program during the grant.

Salaries Detail

Personnel Name	Title	Budget Amount
		\$
		\$
		\$
		\$
		\$
		\$
Salaries Subtotal		\$ 0

Benefits Detail

	\$
	\$
	\$
	\$
	\$
	\$
Benefits Subtotal	\$ 0

Supplies and Materials Detail

Advertising	\$212,066
Printed Marketing Materials	\$50,000
Collateral marketing materials	\$26,750
	\$
	\$
	\$
Supplies and Materials Subtotal	\$288,816

Knox County Government Grant Request

Expense Category	Total Request
Personnel Salaries	\$ 0
Personnel Benefits	\$ 0
Contractual Services	\$50,000
Supplies and Materials	\$288,816
Other Charges	\$61,168
Total	\$399,984

Contractual Services Detail

Technology Mining and Matching	\$42,000
Continuous website enhancements	\$8,000
	\$
	\$
	\$
	\$
Contractual Services Subtotal	\$50,000

Other Charges Detail

Technology Mining & Matching mileage	\$5,159
Business Recruitment Travel	\$36,085
Existing Industry mileage	\$5,159
ACCRA & other software	\$5,820
Existing Industry Program software	\$4,500
Postage	\$4,445
Other Charges Subtotal	\$61,168

Requested Grant Amount as a Percentage of Annual Revenues	9%
---	----

Internal Revenue Service

Department of the Treasury
P. O. Box 2508
Cincinnati, OH 45201

Date: August 13, 2003

Person to Contact:
Linda A. Hill 31-08001
Customer Service Representative
Toll Free Telephone Number:
8:00 a.m. to 6:30 p.m. EST
877-829-5500
Fax Number:
513-263-3756
Federal Identification Number:
58-1641714

The Partnership Initiatives Fund
601 W. Summit Hill Dr., Ste., 300
Knoxville, TN 37902-2021

Dear Sir or Madam:

This is in response to your organization's Articles of Amendment to the Charter filed with the state on February 21, 2003. We have updated our records to reflect the name change as indicated above.

In May 1988, we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Based on information subsequently submitted, we classified your organization as one that is not a private foundation within the meaning of section 509(a) of the Code because it is an organization described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

This classification was based on the assumption that your organization's operations would continue as stated in the application. If your organization's sources of support, or its character, method of operations, or purposes have changed, please let us know so we can consider the effect of the change on the exempt status and foundation status of your organization.

Your organization is required to file Form 990, Return of Organization Exempt from Income Tax, only if its gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of the organization's annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000, when a return is filed late, unless there is reasonable cause for the delay.

All exempt organizations (unless specifically excluded) are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of \$100 or more paid to each employee during a calendar year. Your organization is not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, these organizations are not automatically exempt from other federal excise taxes.

Donors may deduct contributions to your organization as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to your organization or for its use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

The Partnership Initiatives Fund
58-1641714

Your organization is not required to file federal income tax returns unless it is subject to the tax on unrelated business income under section 511 of the Code. If your organization is subject to this tax, it must file an income tax return on the Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your organization's present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

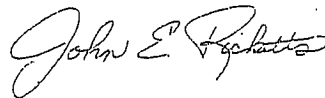
Section 6104 of the Internal Revenue Code requires you to make your organization's annual return available for public inspection without charge for three years after the due date of the return. The law also requires organizations that received recognition of exemption on July 15, 1987, or later, to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. Organizations that received recognition of exemption before July 15, 1987, and had a copy of their exemption application on July 15, 1987, are also required to make available for public inspection a copy of the exemption application, any supporting documents and the exemption letter to any individual who requests such documents in person or in writing. For additional information on disclosure requirements, please refer to Internal Revenue Bulletin 1999 - 17.

Because this letter could help resolve any questions about your organization's exempt status and foundation status, you should keep it with the organization's permanent records.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

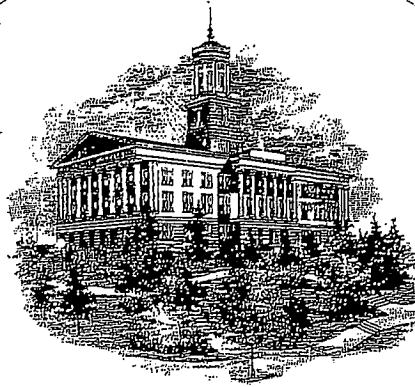
This letter affirms your organization's exempt status.

Sincerely,



John E. Ricketts, Director, TE/GE
Customer Account Services

State of Tennessee



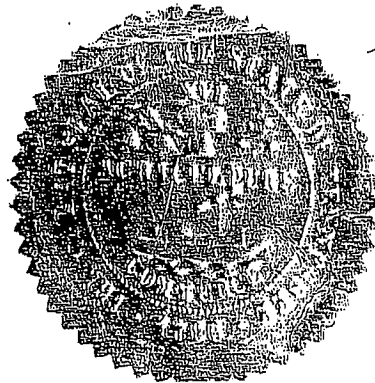
Department of State

I Joe C. Carr, Secretary of State of the State of Tennessee, do hereby certify that the annexed Instrument with Certificate of Acknowledgment was filed in my office and recorded on the 12th day of December 19 47 in Corporation Record Book P-30 page 145

In Testimony Whereof, I have herewith subscribed my Official Signature and by order of the Governor, affixed the Great Seal of the State of Tennessee, at the Department, in the City of Nashville, this 12th day of

December

A.D. 1947



Joe C. Carr
Secretary of State

AMENDMENT TO CHARTER

We, W. F. Moehlman and Fred Roberts, President and Secretary, respectively, of Knoxville Board of Commerce, pursuant to directions from the members of the corporation hereby certify that at a meeting of said members especially called and held at the office of the corporation in Knoxville, Tennessee, for the purpose of amending the corporation's charter, in which meeting a quorum was present, a resolution in writing was adopted by the unanimous vote of said members declaring the desire of said members to amend the Charter of this corporation by striking out all of the present provisions of said charter in their entirety and substituting in lieu thereof the following:

NAME AND PRINCIPAL OFFICE

The name of this corporation shall be the Knoxville Chamber of Commerce, with its principal office and place of business at Knoxville, Tennessee.

GENERAL PURPOSES

The purpose of the organization shall be the advancement of the civic, commercial, industrial and agricultural interests of the City of Knoxville, Tennessee, and the surrounding territory; the promotion of the general welfare and prosperity of the city, county and its surrounding territory, and the stimulation of public sentiment to these ends; and the providing of such social features as will promote these purposes.

GENERAL POWERS OF CORPORATION

The general powers of said corporation shall be:

- (1) To sue and be sued by the corporate name.
- (2) To have and use a common seal, which it may alter at pleasure; if no common seal, then the signature of the name of the corporation by any duly authorized officer, shall be legal and binding.

- (3) To receive property, real, personal or mixed, by purchase, gift, devise, or bequest, sell the same and apply the proceeds toward the promotion of the objects for which it is created, or hold any such property and apply the income and profits towards such objects.
- (4) To establish by-laws, and make all rules and regulations not inconsistent with the laws and constitution, deemed expedient for the management of corporate affairs.
- (5) To appoint such subordinate officers and agents, in addition to a president and secretary, or treasurer, as the business of the corporation may require.
- (6) To designate the name of the office and fix the compensation of the officer.
- (7) To borrow money to be used in payment of property bought by it, and for erecting buildings, making improvements, and for other purposes germane to the objects of its creation, and secure the repayment of the money thus borrowed by mortgage, pledge, or deed of trust upon such property, real, personal, or mixed, as may be owned by it; and it may, in like manner, secure by mortgage, pledge, or deed of trust, any existing indebtedness which it may have lawfully contracted.

BOARD OF DIRECTORS: The Board of Directors as now constituted shall continue in office until their successors are duly elected, and qualified.

MAY INCREASE
TRUSTEES OR
DIRECTORS.

This corporation may increase its directors to a number not more than one hundred by due and proper amendment to its by-laws.

TERM OF OFFICE.

The term of office may be fixed by the by-laws, the said term, however, not to exceed three year All officers shall hold office until their successors are duly elected and qualified.

RECORDS OF
PROCEEDINGS.

The Board of directors shall keep a record of all their proceedings.

BRANCHES IN
OTHER COUNTIES.

The corporation may establish branches in any county in the state.

CORPORATION, HOW
DISSOLVED.

The directors may, at any time, voluntarily dissolve the corporation by a conveyance of its assets and property to any other corporation holding a charter from the state, for purposes not of individual profits, first providing for corporate debts. A violation of any of the provisions of the charter shall subject the corporation to dissolution at the instance of the state

DIVIDENDS OR
PROFITS TO BE
USED FOR COR-
PORATE PURPOSE.

The purpose of the organization of this corporation is for the general welfare and not for profit and any income derived therefrom shall not be paid out in dividends to any person or corporation but shall be used for the general welfare purposes, and only for the purposes of such institution organized hereunder.

MEMBERS NOT
OBLIGATED FOR
DEBTS OF CORPO-
RATION

The private property of the members of this corporation shall not be liable for the debts of this corporation, but shall be wholly exempt therefrom.

And that said resolution was duly entered on the minutes of said corporation.

NOW, THEREFORE, we hereby certify to the fact of the adoption of said resolution by the members of said corporation for the purposes above set out to the end that this certificate may be duly recorded in the office of the Secretary of State.

Witness our signatures on this the 8th day of December, 1947.

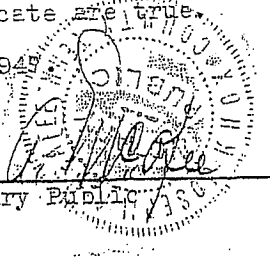
W. F. Moehlman
President
F. A. Roberts
Secretary

STATE OF TENNESSEE)
 ;
KNOX COUNTY)

Personally appeared before me Joseph A. McPhee, a Notary Public of the State and County aforesaid, W. F. Moehlman and Fred Roberts, with whom I am personally acquainted, and who make oath before me in due form of law that W. F. Moehlman is the President and Fred Roberts is the Secretary of Knoxville Board of Commerce and that the statements made in the foregoing certificate are true.

This 8th day of December, 1947

Joseph A. McPhee
Notary Public



My commission expires:
April 12, 1949.

KNOXVILLE CHAMBER BOARD
7/1/2007 - 6/30/2008

COMPLETE NAME	TITLE	COMPANY NAME
Ms. Robyn J. Askew	Vice President	Holrob Investments
Mr. Chris Baker	Vice President & General Manager	WVLT, Volunteer TV
Mr. Thomas B. Ballard	Director of Economic Development & Partnerships	UT-BATTELLE ORNL
Mr. Mike Banks	General Manager	West Knox Utility District
Mr. Jenks Bostic	Senior VP, ETN Area Consumer Banking Manager	AmSouth
Mr. Richard Clayton	Vice President & GM	Clayton Volvo
Mr. Geoff Cromer	President, US Primary Metals	ALCOA, Inc.
Ms. Debbie Crowder	President & CEO	SunTrust Bank of East Tennessee
Mr. Jerry Daves	President	Wood Properties
Ms. Lisa Duncan	Marketing Director	Knoxville News Sentinel
Dr. Allen Edwards	President	Pellissippi St. Technical Community College
Mr. Chris Eilers	General Manager	Claiborne Hauling Contractors
Mr. Michael Evans	President	GEM Technologies, Inc.
Ms. Pam Fansler	Regional President	First Tennessee
Ms. Melissa Feinbaum	President	Miller Feinbaum Recruiting
Mr. Mike Fleming	Chief Manager	360 Media Development
Mr. Warren Gooch	Managing Partner	Kramer, Rayson LLP
Mr. Peyton T. Hairston, Jr.	Senior Vice President, Communications	Tennessee Valley Authority
Mr. Mike Hamilton	Men's Athletic Director	UT Men's Athletic Department
Mr. Buddy Heins	Director Of Business Development	Merit Construction, Inc.
Mr. Tony Hollin	Chairman & CEO	Edfinancial Services
Mr. Kirk A. Huddleston	Director, Corporate & Community Dev.	Blaine Construction Corporation
Mr. Jeff Johnson	Chief Administrative Officer	McCarty, Holsaple, McCarty
Ms. Karengaye M. Johnson	Principal/Managing Member	Architect's International
Mr. Doug Kennedy	CEO	Johnson & Gaylon, Inc.
Mr. Joseph R. Landsman	President & CEO	University Health System
Mr. Allen Neel	President	ETEDA
Ms. Margie Nichols	Director of Communications	City of Knoxville
Mr. John Pace	Area Executive	BB&T
Mr. William T. Ratliff	President	Tennessee Asphalt Company
Ms. Stacy C. Schuettler	Regional Vice President	LBMC Technologies
Ms. Carolyn Silvey	CPA	Staffing Solutions
Mr. Gary L. Spencer	President & CEO	Covenant Health
Mr. Tony Spezia	CFO	Pilot Travel Centers, LLC
Mr. Mitch Steenrod	President & CEO	Bandit Lites
Mr. Michael Strickland	Executive Vice President	NOVA Information Systems
Mr. David Strider	Senior Advisor	Gerdau AmeriSteel
Mr. H. Blair Trimble	Vice President & General Manager	Knoxville Utilities Board
Mr. Dennis Upton	Dean, College of Bus. Admin.	The University of TN
Dr. Jan Williams	President	Young, Williams, Kirk & Stone, PC
Mr. Mark K. Williams	Associate to the Chancellor	21st Mortgage Company
Mr. Tim Williams		The University of TN
Dr. Cliff Woods		

OFFICERS:

- Chair - Mike Hamilton
- Past Chair - Pam Fansler
- Secretary - Dennis Upton
- Treasurer - John Pace

Knoxville Area Chamber Partnership
Annual Salary Information

President and CEO: \$216,918

Executive Vice President: \$150,000

Innovation Valley, Inc.
Funding request form

Entity requesting Funding:
 Funding request period:

Total
 FY08-09

	Admin	Public Funding	Educ/ Workforce	Tech & Entrepren.	Global Marketing	Bus. Ret. & Expansion	Public Policy	Resources for Living	Total
Expenses									
Compensation & Benefits	\$63,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$63,200
Program Expenses	\$0	\$0	\$394,282	\$266,325	\$206,468	\$60,600	\$43,594	\$0	\$971,269
Printing, Pubs, & Ads	\$0	\$0	\$58,250	\$14,000	\$198,188	\$5,000	\$2,900	\$10,000	\$288,338
All Other Expenses	\$161,500	\$835,000	\$54,320	\$162,825	\$166,822	\$45,075	\$8,326	\$0	\$1,433,868
Total all expenses	224,700	835,000	506,852	443,150	571,478	110,675	54,820	10,000	2,756,675

Innovation Valley, Inc.
Funding request form

Entity requesting Funding:
 Funding request period:

Total
 FY08-09

	Admin	Public Funding	Educ/ Workforce	Tech & Entrepren.	Global Marketing	Bus. Ret. & Expansion	Public Policy	Resources for Living	Total
Compensation & Benefits									
Number of employees	1	0	0	0	0	0	0	0	1
Salary	55,000	-	-	-	-	-	-	-	\$55,000
Taxes	4,200	-	-	-	-	-	-	-	\$4,200
Insurance	4,000	-	-	-	-	-	-	-	\$4,000
Total Comp & Benefits	63,200	-	-	-	-	-	-	-	\$63,200
Program Expenses									
Conference	-	-	4,885	2,950	43,531	6,400	1,050	-	\$58,816
Partner Labor	-	-	189,630	257,000	95,750	40,000	37,504	-	\$619,884
Dues	-	-	1,011	175	14,915	800	1,125	-	\$18,026
Event Expenses	-	-	192,000	-	14,000	3,500	-	-	\$209,500
Prospect meetings/meals	-	-	6,756	3,700	27,772	6,400	3,915	-	\$48,543
Web Site	-	-	-	2,500	10,500	3,500	-	-	\$16,500
Total Program Expense	\$0	\$0	\$394,282	\$266,325	\$206,468	\$60,600	\$43,594	\$0	\$971,269
Printing, Pubs, & Ads									
Advertising	-	-	46,000	3,000	113,688	1,000	-	-	\$163,688
Printed Mtls	-	-	6,000	11,000	58,500	3,000	1,000	10,000	\$89,500
Regional Marketing Mtls	-	-	-	-	25,000	-	-	-	\$25,000
Other Printing	-	-	-	-	1,000	-	100	-	\$1,100
Publications	-	-	6,250	-	-	1,000	1,800	-	\$9,050
Total Printing, Pubs, & Ads	\$0	\$0	\$58,250	\$14,000	\$198,188	\$5,000	\$2,900	\$10,000	\$288,338
All Other Expenses									
Contract Services	-	-	10,000	115,000	49,510	-	-	-	\$174,510
Postage	-	-	1,960	500	600	500	120	-	\$3,680
Legal Fees	-	-	12,350	-	-	-	-	-	\$12,350
Software	-	-	6,200	1,000	73,500	25,450	-	-	\$106,150
Supplies	-	-	7,500	14,800	-	1,500	96	-	\$23,896
Telephone	1,500	-	2,660	500	500	500	1,560	-	\$7,220
Travel	-	-	13,650	31,025	42,712	17,125	6,550	-	\$111,062
Public Funding	-	835,000	-	-	-	-	-	-	\$835,000
Overhead	160,000	-	-	-	-	-	-	-	\$160,000
Total All Other Expenses	\$161,500	\$835,000	\$54,320	\$162,825	\$166,822	\$45,075	\$8,326	\$0	\$1,433,868
Total all expenses	\$224,700	\$835,000	\$506,852	\$443,150	\$571,478	\$110,675	\$54,820	\$10,000	\$2,756,675

KACP		
Budget FY08-09		
Economic Development		Innovation Valley
Expenses		
Compensation & Benefits		
	Salaries/Benefits	555,061
	Total Compensation & Benefits	555,061
Marketing Materials Development		
	Printed Materials	50,000
	Collateral Package	26,011
	Ref USA	3,400
	ACCRADATA	1,000
	Other Software	24,849
	Total Marketing Materials Development	105,260
Marketing Program Implementation		
	Advertising	191,300
	Video Creation	8,000
	Conventions/Dues	27,966
	Contract Services	196,410
	Prospect & Site Consultant Visits/Entertainment	26,372
	Receptions	6,650
	TEP Millenium Fund	10,000
	ETAC Support	60,000
	Publications	200
	Transportation, Mileage	2,497
	Travel	33,615
	Web Site Development	8,000
	Total Marketing Program Implementation	571,010
Retention & Expansion		
	Existing Industry Program Events/Software	1,000
	Existing Industry Visits, Mileage	4,000
	TMM Program Consultant	48,000
	TMM Program Visits, Mileage	6,450
	Total Retention & Expansion	59,450
Workforce Development		
	Advertising	40,000
	Conventions/Dues	4,446
	Roundtable Luncheons/Entertainment	6,056
	Event Expense	35,000
	Legal Fees	12,350
	Printing	40,123
	Publications	250
	Transportation, Mileage	1,100
	Travel	5,050
	Total Workforce Development	144,375
Government Relations		
	Conventions/Dues	1,125
	Entertainment	1,915
	Printing	100
	Publications	1,800
	Transportation, Mileage	1,800
	Travel	3,250
	Total Government Relations	9,990

KACP
Budget FY08-09
Economic Development Salaries

	<u>Annual Salary</u>
Director, Economic Development	88,511
Administrative Assistant	36,565
ED Project Manager	53,560
Research Specialist	38,989
Director, Workforce Development	82,400
Manager, Workforce Deveopment	44,805
	<u><u>344,830</u></u>