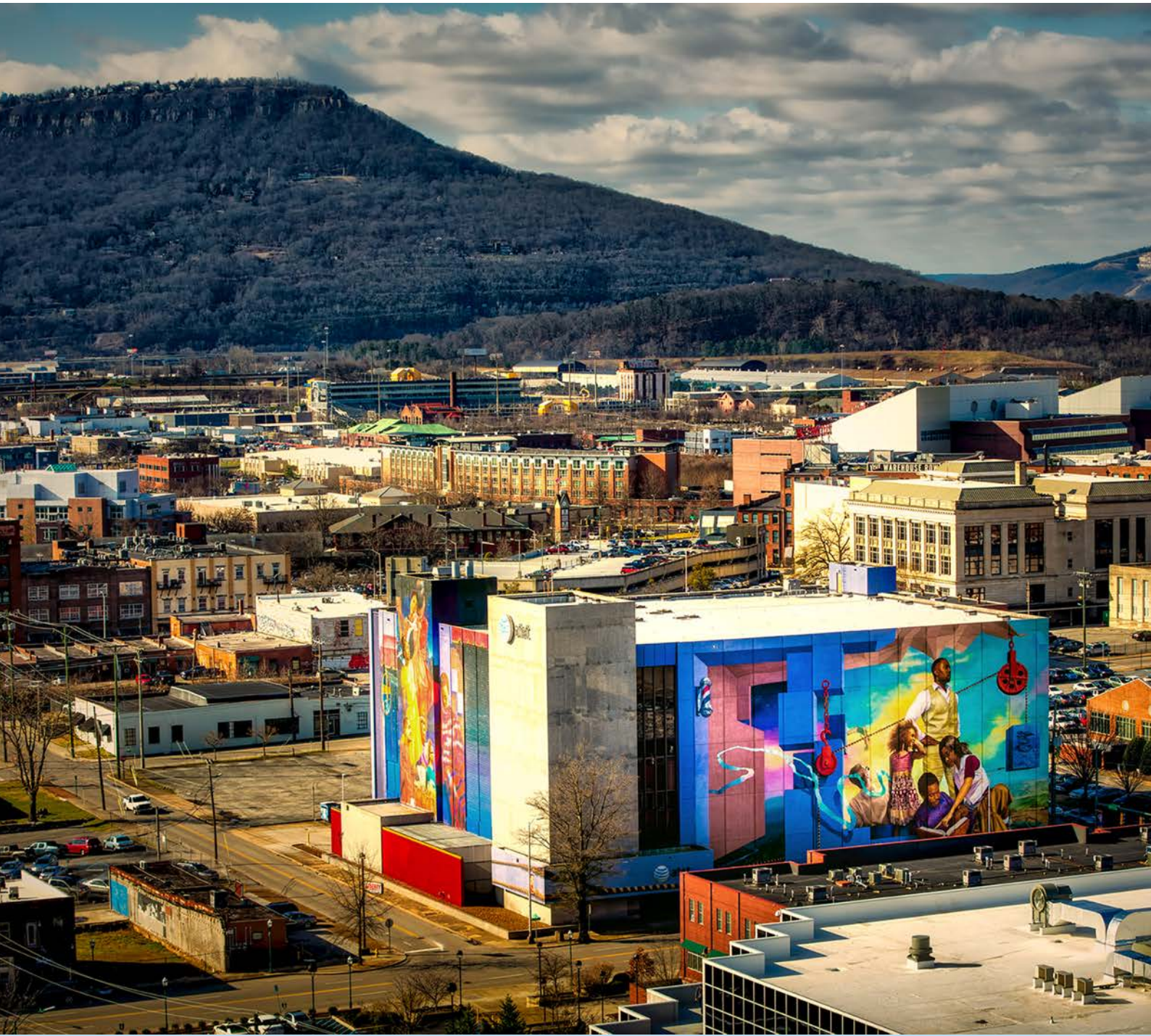




THE ENTERPRISE CENTER



2018 ANNUAL REPORT

JULY 2017 - JUNE 2018

CHATTANOOGA, TENNESSEE

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Hamilton County Commissioner

Ken Smith

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Chattanooga City Council

Jonathan Welch

Hamilton County School Board

A WORD FROM THE PRESIDENT & CHAIRMAN

No recounting of the past year's work of The Enterprise Center should begin without expressing our most sincere thanks and gratitude to the partners, supporters and funders who help make our work possible, to the many stakeholders in and beyond the district, and to all who have participated in making the innovation ecosystem, the Edney Innovation Center and the Innovation District worth every minute of the work it takes to fulfill their potential.

And yet we still feel as though this is work in progress, a start-up, an experiment or a pilot project. We still have a lot to learn as a district and as a community to help everyone benefit from the innovation economy and to help the district and its initiatives exhibit the diverse talents, ideas and dreams of our city as a whole. This means we can never sit back and figure we have made it, there is always more good work to do together. So as we close 2018, our sights are further ahead. With your help, your ideas and your continued engagement in this work, we have promising years to come.

KEN HAYS
PRESIDENT

DAVID BELITZ
CHAIRMAN





OUR VISION AND MISSION

Our vision is to see a better city and a better world because of Chattanooga's unique integration of world class connected technology with a dynamic culture of innovation and entrepreneurship.

Our mission is to establish Chattanooga as a hub of innovation, improving people's lives by leveraging the city's digital technology to create, demonstrate, test and apply solutions for the 21st century.

Core Values

We believe:

- Information technology and innovation are driving the new global economy
- In working together collaboratively
- Equity and inclusion must be hallmarks of our work
- Chattanooga's unique character and spirit are key advantages for a leap into the new economy

2018 STRATEGIC GOALS

The Enterprise Center is dedicated to achieving the following three strategic goals:

INNOVATION DISTRICT

The Enterprise Center helped establish and continues to promote and develop Chattanooga's 140-acre downtown Innovation District to maximize its potential as an economic driver for the city, connecting the innovation assets in the district to the city around it.

DIGITAL EQUITY

The Enterprise Center works to address issues of digital equity through such programs as Tech Goes Home, a digital inclusion program that provides Chattanoogaans with the skills, hardware and connectivity to thrive in today's technology-driven environment.

RESEARCH AND APPLICATIONS DEVELOPMENT

The Enterprise Center aims to establish Chattanooga as a test-bed for the development of next generation smart products, processes and services. To accomplish this work with have partnered with UTC, EPB, Co.Lab, Erlanger Health System and Hamilton County and the City of Chattanooga to form the Chattanooga Smart Community Collaborative.





THE INNOVATION DISTRICT

This year was the second full year of operation for The Edney Innovation Center as it continues to be a hub of area entrepreneurship and innovation of all kinds. Renovation began on the Market Street storefront space for the 2018 opening of Naked Foods, a grab-and-go fresh food restaurant. Floor Five continues to serve as the area's central collision point and gathering space for the district, surpassing last year's number of programmed events and attendees with 2,029 of events with 28,813 people participating. Regular gatherings include CHA Dev, 1 Million Cups and Creative Mornings.

Innovation District Framework Plan

After almost a year of public and stakeholder input, the Innovation District Framework Plan was published in March, articulating the community's values and vision for embracing the energy and excitement in our innovation economy in the 140-acre downtown district. This plan will help ensure that our decisions are intentional and that we achieve the goals set out in the planning process to improve the district and build new places to support innovation and a knowledge-based economy. Implementation has begun on the four plan strategies, people and programming, public realm enhancements, innovation ecosystem supports and building and redevelopment priorities.

Miller Park Renovation

The first phase of the Miller Park District redesign began July 10, 2017, with a complete renovation of Miller Park and ML King Boulevard from Georgia Ave to Market St. With construction projected to last 14 months, the new Miller Park will contain a multimedia performance venue, a large green open space, climbable rock outcropping, restrooms and outdoor café seating.

Market City Center

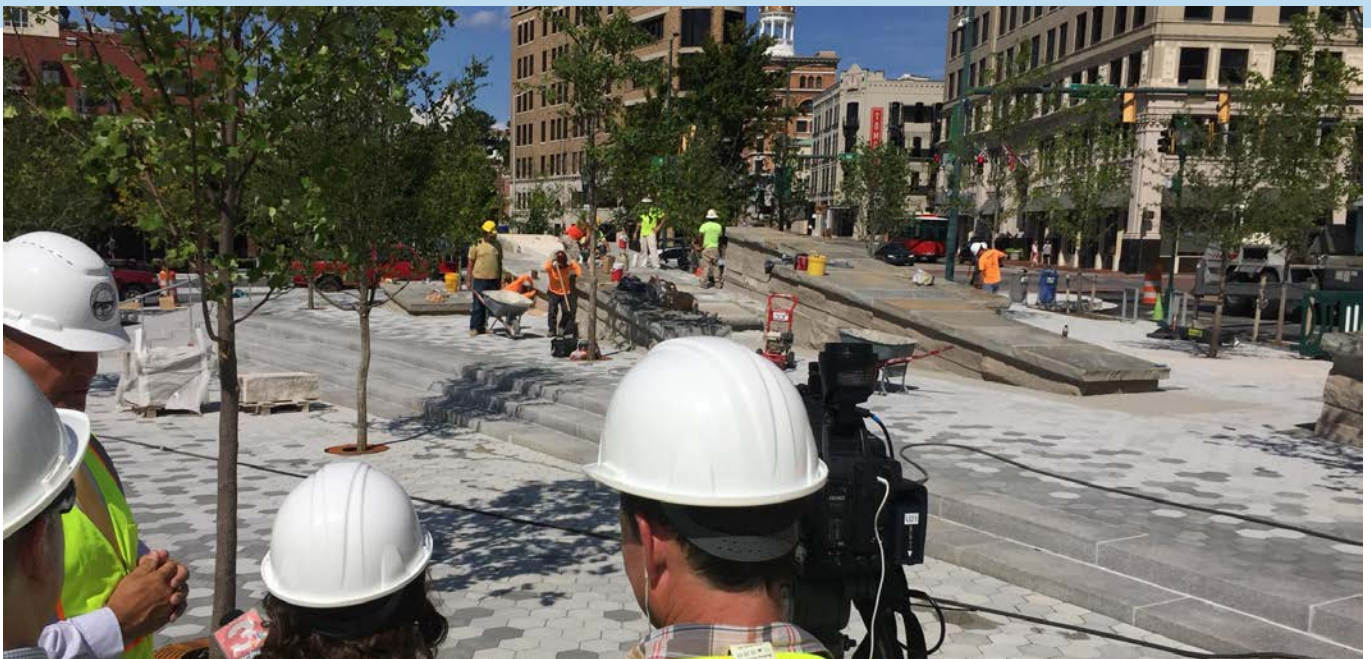
In September, Georgia based Simpson Group opened the 10-story, 125-unit apartment and retail complex in the long vacant 700 block of Market Street. With two floors of retail and office space, onsite parking and urban amenities such as roof top open space, the development brings the first concentration of rental housing to the Innovation District.

Westin Hotel

Redeveloping the ten story “Gold Building” on the corner of Pine St. and ML King Boulevard into a premier 260-room hotel and an urban district destination was a decade of work for local developers Byron and Ken DeFoor. The Westin and adjacent West Village opened in the fall with more area restaurants and retail to follow the initial \$88 million investment.

Society of Work Expansion

Building off the success of two floors of coworking space in the Edney, Society of Work expanded into the Lamp Post Group’s Loveman’s Building on Market Street and quickly filled another 6,000 square feet with coworking businesses.



The renovation of Miller Park, which began in July 2017, is a complete redesign of the public space in downtown Chattanooga.

Levitt AMP Music Series

Chattanooga was one of only 15 US cities to be selected for a grant to host a ten-week free live music series beginning in fall 2017. The grant request was submitted by the Chattanooga Area Urban League to the Mortimer and Mimi Levitt Foundation and performances were held outdoors at the Bessie Smith Cultural Center. The series celebrated the rich musical heritage of the area and provided another reason for people to gather and enjoy the cultural offerings in the district.

Startup Week

Chattanooga's fourth annual startup week programmed dozens of Innovation District events to showcase and celebrate all things start-up in Chattanooga. Basecamp, located at Miller Plaza, was a hub of the week's events, and remains open with free Wifi all year, to keep the Startup Week buzz going and give entrepreneurs and downtown workers the opportunity to collide.

Rise of the Rest

AOL founder Steve Case and his venture capital firm Revolution Ventures rolled into town in May on a five city Rise of the Rest Tour. They spent the day touring start-ups, meeting entrepreneurs, spreading a message of inclusion and leaving behind a \$100,000 investment in FreightWaves, local winner of the evening pitch competition.



People enjoy the free music series from the Levitt Foundation on the lawn of The Bessie Smith Cultural Center.



Passageways 2.0

Building on the ringing success of its 2015 Passageways project, River City Company partnered with Cogent Studio and Public Art Chattanooga on Passageways 2.0, an international competition to create a permanent art installation in the alley between Cherry and Market Streets, behind the new Market City Center development. The firm selected, SPORTS from Syracuse NY will complete the \$80,000 “City Thread” installation in fall 2018.

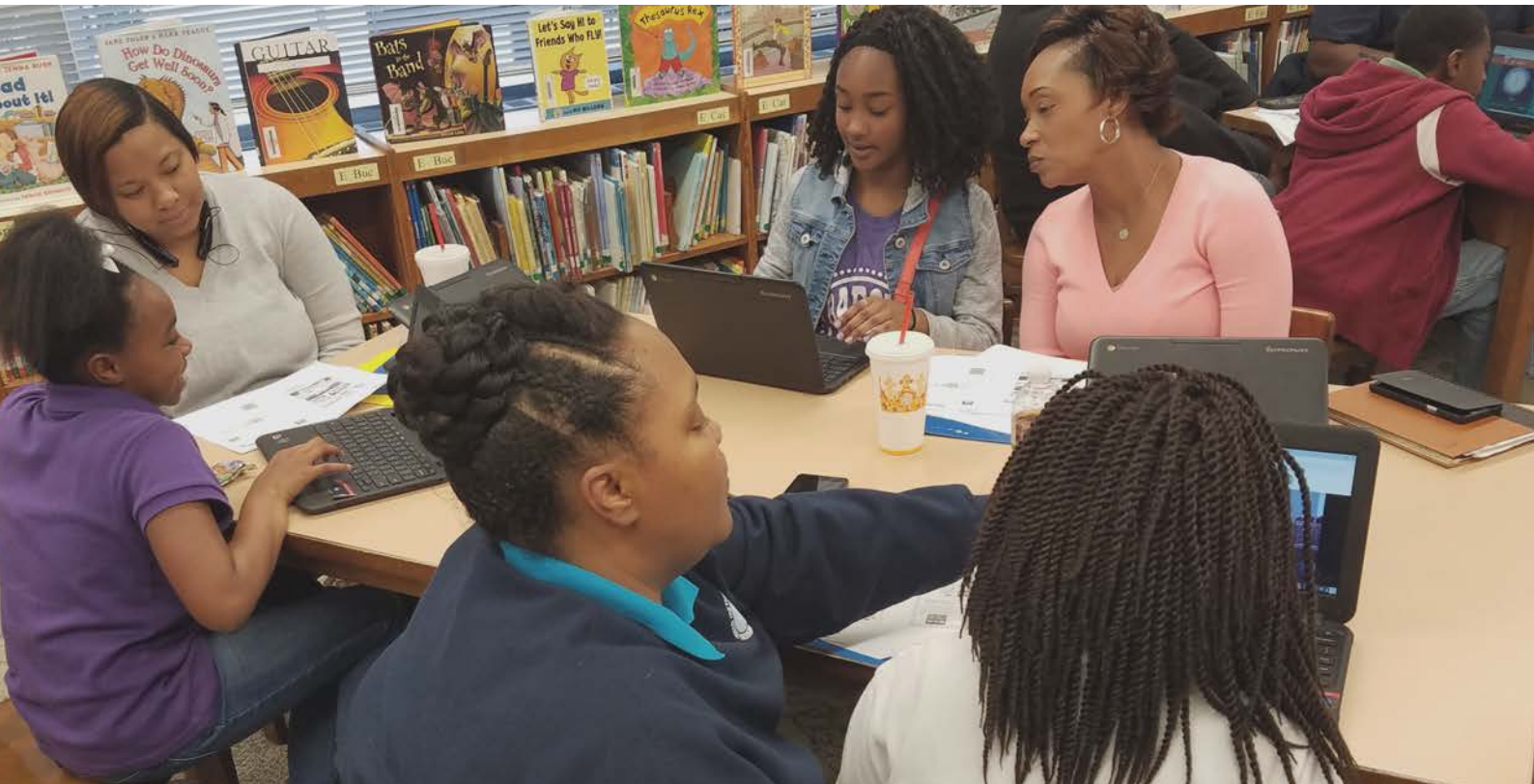
Read House

In November, new Read House Hotel owners Avocet Hospitality Group began a \$25 million renovation of the original 1872 portion of the historic hotel on Market St at ML King Boulevard for a fall 2018 re-opening.

In addition to room renovations, the grand lobby, ballroom and all common spaces will also be restored.

Mayfield Annex and the Co-op

Continuing the Cherry Street area concentration of building renovation for innovation economy uses, Second Story Properties completed the renovation of two historic buildings, the 1907 former Elks Lodge on the corner of Seventh and Walnut Streets, later renamed the Mayfield Annex, and the adjacent 19,000 square foot Co-op on Cherry St. By year's end, the four-story Mayfield Annex was more than 50 percent leased and is now home to River Street Architecture and Woods Engineering. The Co-op housed PV Design and will soon be home to a storefront restaurant.



Parents learn with their kids at a Tech Goes Home class.

DIGITAL EQUITY

Over this past year, the Enterprise Center has expanded its digital equity efforts beyond the flagship Tech Goes Home program. While Tech Goes Home (TGH) continues to grow and remain strong, the digital equity team has been able to expand efforts beyond the digital literacy program to reach into small business, early childhood and office-ready programs.

Tech Goes Home

Tech Goes Home Chattanooga, TEC's first effort to begin addressing community issues of digital equity, has completed its third year and reached the impressive milestone of graduating over 3,000 people. The program addresses three digital equity issues:

- Education — TGH provides a 15-hour curriculum, helping participants maximize the benefits of the internet in their daily lives
- Hardware — Participants may purchase a new laptop for \$50
- Low-cost connectivity — Participants are able to sign up for low-cost internet access



984

The number of individuals who participated in TGH this fiscal year

2,040

The number of computers, tablets, and other devices distributed by TGH since 2015

In the 2017-2018 fiscal year, 984 individuals representing 595 families participated in Tech Goes Home. Since its inception in 2015, TGH has distributed 2,040 devices and continues its efforts to provide economically disadvantaged areas of the community with low-cost internet access.

Through a partnership with the Public Education Foundation and Hamilton County Department of Education, Tech Goes Home was able to continue its Teacher Training Program. The program has trained over 100 public school teachers in FY 2018 on how to better utilize technology and software in their classrooms, with an emphasis on Google Classroom.

Over the past year, TGH has piloted several new projects. Through a partnership with Launch Chattanooga, Tech Goes Home was able to get its small business program off the ground. Launch CHA trained minority and underserved entrepreneurs to utilize technology and internet resources to enhance and expand their businesses.

The TEC Digital Equity team has also developed partnerships with the City of Chattanooga's Department of Early Learning and Signal Centers to re-tool the Tech Goes Home Early Childhood program. TGH has worked with Signal Centers to host multiple new courses to serve their Pre-K constituency. Along with Chattanooga 2.0, our team piloted a joint Tech Goes Home/Camp Kindergarten program in Hardy and Clifton Hills elementary schools to move forward with an expanded program in the summer of 2019.

Finally, the TEC Digital Equity team piloted a new Office Ready program in the Spring of 2018. The 10-week, 48-hour course focused on essential digital office skills such as emailing, word processing, spreadsheets, and presentations. A dozen people completed the program and graduated with a new PC laptop. TEC will partner with The Chatterbox, La Paz Chattanooga, the Chattanooga Public Library, and Urban League to conduct multiple Office Ready programs for area residents in FY 2019.

Code School

The Enterprise Center issued a Request For Proposals to set up a coding bootcamp in Chattanooga. TEC leased space from the city for classes and chose Covalence of Birmingham to conduct a series of 10-week coding schools. TEC also worked with the City of Chattanooga's Industrial Development Board to set up a Forgivable Loan Program to encourage a diverse mix of students.

Covalence hosted its first cohort from May to August of 2017, with its second cohort starting in September of 2017. Eleven individuals graduated from the first cohort, three of which were scholarship recipients. Ten graduated from the second cohort, four of which were scholarship recipients. At the time of this report, all but one scholarship recipient had found employment.

Overall job placement for graduates was not up to expectations as such coding schools around the country ran into problems of effectively connecting skills learned to local job requirements. TEC continues to explore better ways to deliver basic coding skills for area workers and employers.



Covalence students learn new material during a lesson.



A student at STEM School Chattanooga teleconferences with students at Red Bank High School who are remotely using the 4k Microscope.

RESEARCH & APPLICATIONS DEVELOPMENT

This year TEC further developed programming and collaboration among partners in the innovation ecosystem, and research and development initiatives grew in their breadth and impact. With support from the Benwood and Lyndhurst Foundations and EPB, TEC collaborated with community partners to determine methods and approaches for achieving smart city priorities in the areas of energy, health and transportation. TEC also continued to grow the nationally recognized education gigabit applications in partnership with EPB, the Hamilton County Department of Education (HCDE) and US Ignite and Mozilla.

4k Microscopy

In 2017 STEM School students and educators continued to experience the impacts of this application that gives K-12 students the opportunity to do authentic research and conduct their own experiments with the most advanced technologies available in ultra-high definition video and microscopy. After the initial pilot period, US Ignite, NSF and Mozilla funded the purchase of a professional microscope that is now installed at the STEM School. TEC facilitated professional training sessions for instructors at Brainerd High, Howard School, East Hamilton Middle, East Hamilton High and Red Bank High School for the fall 2018 curriculum.

LOLA in the Classroom

Live performances using LOLA (a low latency, real-time audio-visual application) have illustrated the potential for gigabit connectivity to facilitate seamless interaction across thousands of miles. LOLA far outperforms the latency in common applications like Facetime and Skype and allows artists to perform together remotely and synchronously while utilizing the bandwidth provided by gigabit networks like EPB's and over Internet2.

With funding from US Ignite and Mozilla, the "LOLA in the Classroom" initiative was launched in fall of 2017, making Chattanooga area schools the first in the country to feature LOLA as part of their arts education curricula. In one example, fifth grade music students from Red Bank Elementary, a Title I school, and high school dancers at the Chattanooga High School Center for Creative Arts, an arts magnet school, are attending class and performing together in real time across EPB's network.

4k Video Streaming

With EPB's support and Mozilla funding, partners provided live daily footage of alligators and jellyfish into select classrooms. This real-time application is in collaboration with Tennessee Aquarium and the Tennessee Aquarium Conservation Institute.

In October, Mozilla awarded a \$27,000 grant to continue the 4K streaming program in schools and in collaboration with educational partners in Lafayette, Louisiana, who will stream live footage of their local sites, like the Louisiana Swamp Base. This intercity program represents an exciting turning point in opening up authentic, animated worlds to students in the classroom. TEC coordinated with partners so that the application is now available to classrooms at Red Bank Elementary School, CSAS, East Brainerd Elementary, and Calvin Donaldson, which is in Chattanooga's Opportunity Zone.



Dance students at Chattanooga High School Center for Creative Arts connect with music students at Red Bank Elementary. The CCA students choreographed a dance to music composed by the Red Bank students and did a live performance using LOLA.

Elevating Cross-Disciplinary and Smart Cities Work

Working collaboratively with the City, EPB, CO.LAB and The University of Tennessee at Chattanooga (UTC), TEC continued to ensure success for two Smart & Connected Community NSF grants with leaders and researchers at UTC. The research team for one of these projects—procuring augmented reality of underground infrastructure data using ground penetrating radar—explored strategies for moving the technology to possible commercial applications with utilities and other possible funding partners. This innovation cycle, from community involvement to a marketable business, demonstrates the positive outcomes that result when community partners collaborate.

In 2017, the City responded to the increasing demand for applying new research and advanced technologies related to improving mobility for citizens, creating the position of the Smart Cities Director. The Director is now leveraging initiatives at CDOT, TEC and UTC, while increasing the efficiency of city/university collaborations and is coordinating with regional partners like TDOT. In addition, UTC appointed a Lead Scientist for Smart Cities to grow the University's research work in the fields of mobility, energy and health and to collaborate closely with the Smart Cities Director and TEC staff.

TEC has also been involved in successful community and national events with UTC that took place at the Edney in the center of the Innovation District. UTC's

leadership spoke to over a hundred community representatives in September about the context of their research objectives and in June to national researchers and industry executives gathered for a conference on research and data analytics.

Increased National Partnerships

With acceptance into MetroLab, an advanced University-City Network in September, TEC helped establish a highly coordinated approach to working together on smart city initiatives and focused research opportunities that solve issues related to the quality of life in Chattanooga. This initiative was featured by the Times Free Press on December 20 and September 15th. In March 2018, TEC's work was featured in Government Technology detailing the sensor work underway with MetroLab.

In early 2018, five NSF grant applications, totaling \$9,445,491 were submitted in which TEC is part of the budget for managing community relationships and facilitating access to various infrastructures. Even if these applications are not funded, the ideas and teams continue on for future projects, such as TEC's collaboration with Vanderbilt University on a transit application.



FINANCIALS

To see the most recent audit for TEC, [click here](#).



THE ENTERPRISE CENTER

Establishing Chattanooga as a hub of innovation, improving people's lives by leveraging the city's digital technology to create, demonstrate, test, and apply solutions for the 21st century.

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