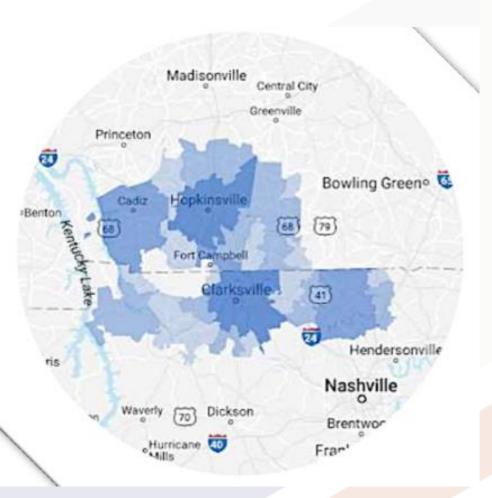


Rory Malloy

Executive Director

CSM, U.S. Army, Retired

Regional Approach



- Three major considerations influence where soldiers and families decide
 - proximity to friend and family,
 - employment opportunities,
 - moving back "home" to be near family.
- 69% of transitioning soldiers make the decision greater than 10 months before they separate

Regional Approach

- Tennessee does not have a state income tax
- Tennessee does have higher property taxes, in general, than Kentucky. Example,
 Montgomery County pays \$4.31 per \$100 at 25% of assessed value. A home assessed at \$175,000 is taxed at \$1,885.62
- Tennessee has higher sales taxes at 9.5%, 8.5% for groceries.

- Kentucky has a state income tax.
- Kentucky property taxes in Christian County are \$1.008 per \$100 of assessed value. A home assessed at \$175,000 is taxed at \$1,764.
- Kentucky sales tax is 6%, 0% tax on groceries.
- Kentucky does not tax military retirement income below \$41,100.

Permanent Residency

- There is a general lack of understanding of the opportunities to soldiers and families in the region.
- The majority of the communities understand the benefits of having military and actively work to attract them
- The quality of life focus of the region helps soldiers and families want to return to the region or stay here and retire.
- Significant lack of understanding of the difference in taxes between Kentucky and Tennessee leads to under-informed decisions about where they choose to permanently reside
- The emphasis by communities to enhance the quality of life is effective and makes them want to return to the FCS region for additional assignments and retirement.

Military Spouse Employment

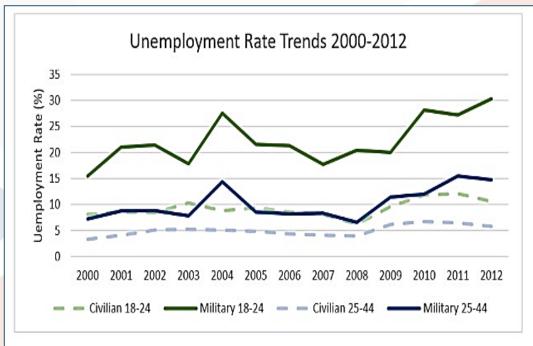
• 43% of military spouses are not in the labor force compared to 25.5% of civilian spouses, the ratio for unemployment is 12.04% for military spouses versus 7.74% for civilian spouses.

In 2012 the rate of unemployment for armed forces spouses ages 18-24 was 30.3% and civilian spouses was 10.5%, for those 25-44 years old it

was 14.7% vs 5.8%.

 The unemployment rate for Army spouses is higher than the other services in the DOD.

- Underemployment for military spouses is 35-40%.
- The Anchor



Economic Development

- Inaccurate portrayal of OEA facts
 - could inadvertently cause site selectors to dismiss sites in both KY and TN.
 - OEA report may dismiss TN locations due to workforce, and KY sites due to space or tax conditions or a combination of the three that is inaccurate.
- Supply chain analysis of Middle Tennessee and Western Kentucky is necessary to accurately portray gaps. One needs to be done for the FCS region
- 20,000 additional millennials in the FCS region above the national norm, provides an advantage over other parts of middle TN and western KY.

Economic Development (cont.)

- Aerospace and defense industry provides the following:
 - Support investment in research and development, facilities and infrastructure across the region
 - Create jobs
 - Export goods nationally and internationally
 - Attract and retain top-tier talent resulting in overall increase in spending across the region
 - Provides a stable industry partner
 - Enhances networking and partnership with supporting agencies across the region.

Bridge



Customer:

Transitioning service members from Fort Campbell are trying to determine what to do after separation. The Bridge could help them make an informed decision.

Veterans from all branches have expressed concerns regarding a lack of preparation for transition.

Dependents receive no assistance with preparing for the transitional challenges of the veteran and upcoming changes to the family dynamics.

Problem:

Transitional training is not equipping veterans to market themselves or how to translate their military skills to civilian knowledge. skills and abilities.

Fort Campbell Career Skills Programs (Internships/ Apprenticeships) are at capacity due to their effectiveness to connect the veteran with employers for relationship building and training.

Competition:

Transitioning service members are given hundreds of links to find jobs, education, business resources and connect with benefits. Competing resources have overwhelmed the customer.

Solution:

Streamline resources to guide the customer through pathways to jobs, education, business resources. benefits and services.

Benefits:

- Skilled workforce stays in the region.
- Employers connect to the skilled veteran workforce.
- Improved processes, data collection and information sharing.

Advantage:

No other state using this streamlined approach. This will become a

national model to the benefit of the veterans struggling to transition.

Volume:

Between 350 to 600 soldiers separate from the U.S. Army out of Fort Campbell. An estimated 4.844 soldiers will separate from Fort Campbell in 2017.

Only 35 percent currently stay in the region. However, nearly half of soldiers polled by Workforce Essentials stated they would stay if they had a civilian job.

Economic Benefit:

More than 500 employers contact Fort Campbell annually to recruit soldiers.

Larger regional employers are looking for strategic ways to recruit and relocate veterans.

Technical Skills:

Skills leaving Fort Campbell include:

- Medical
- Mechanics-vehicle and aircraft
- Law enforcement
- Communications operations and repair to include radios, satellites and computers
- **Human Resources**
- Supply and logistics Heavy equipment operators
- Information Technology

Funding:

- State appropriations
- Private sector investmentsinternships, apprenticeships, mentorships
- GI Bill Benefits

Construction Cost:

68,500 square feet \$230.00 per square \$27,700,000.00 Total

Cost Appendix B

Operational Cost:

Monthly operational costs are estimated at \$25,791.21,..

Annual operational costs are estimated at \$482,114.52.

Appendix C

Staffing:

- 15 Tennessee state employees-Salary/ Benefits: \$739.552
- 6 Kentucky state

TCAT-7 employees-Salary/Benefits:

Hopkinsville CC -7 employees-Salary/ Benefits: \$364,000

Startup Needs:

- Lease with Fort Campbell for 6 acres of land outside the post gates.
- · State appropriations from Tennessee and Kentucky for construction.
- Memorandum of Agreements with Kentucky and Tennessee partners.

Key Relationships:

- Fort Campbell
- Kentucky Education and Workforce partners
- Tennessee Education and Workforce partners
- Federal and state benefits experts
- Transitional services

- employees-Salary/ Benefits: \$153,264

\$364,000

Appendix D

The Alliance

- Unify the Region with a dedicated voice
- Advocate to Protect and Grow the mission at Ft Campbell
- Grow the Economic Impact in Ft Campbell Region

Together - We All Win!













Unify! Advocate! Grow!