

Chattanooga's Innovation District revived the city — but is it sustainable?

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Above: Chattanooga is now building a more sustainable, innovative economy with its Innovation District.

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The future of gaming meets the legends, and lessons from the past this year at GamesBeat 2017 in San Francisco, Oct. 5+6. [Registration is 40% for a limited time.](#)

Chattanooga clung to its old ways and manufacturing past for too long, leaving the former “Dynamo of Dixie” with barren factories and a polluted environment when old-line businesses relocated from Chattanooga to cheaper places offshore, Mayor Andy Berke said Monday.

But Berke said Chattanooga is now building a more sustainable, innovative economy. During a brainstorming session Monday night in the hub of Chattanooga’s Innovation District, Berke urged community leaders to help design a better way to create more innovation in the heart of the city, using the ultra-fast broadband links in the self-proclaimed “Gig City” by bringing together the academic, business, and cultural attributes found in an urban city.

“I grew up in a city that was dying,” the 49-year-old mayor said. “We thought that foundries and steel mills were going to be around forever, and it turned out we were wrong. As soon as labor got cheaper somewhere else, those jobs moved to somewhere else overseas, and they left behind a dirty legacy for us that we still struggle to clean up.”

To spur a different future, Berke and other city leaders helped create a 140-acre Innovation District two years ago centered around a former Tennessee Valley Authority office building vacated as the utility downsized its staff. In just two years, the Edney Building has been transformed from TVA office space to a home for one of Tennessee’s most successful business accelerator programs, Tech Town training for youth and disadvantaged people, research programs by the Enterprise Center and the Oak Ridge National Laboratory, and a host of business startups.

“Cities that don’t develop and promote the innovation economy are going to be left behind,” said Ken Hays, president of the Enterprise Center, a nonprofit group formed to promote Chattanooga as a hub for innovation and to grow the digital economy.

Chattanooga lacks the major research-focused university or technology businesses that have formed the core of many college research parks or R&D centers in Boston, Austin, or Silicon Valley.

But Chattanooga is unique in offering what the city’s municipal utility EPB has branded as “Gig City.” Since EPB installed its fiber optic network to all homes and businesses in its 600-square-mile territory, Chattanooga has become the first city in the Western Hemisphere with a 10 gigabit-per-second internet link to every residence.

The gig connection has helped local startups make lightning-fast connections around the globe and attracted global attention and new digital economy investments in the city.

“Others may have the gig, but the universality of what we have is a big advantage over what every other city has,” Berke said. “We need to make sure we take advantage of this asset because infrastructure only does so much and then it is about the people. Innovation is something that is not done by computers or robots, it is done by people, and we want the Innovation District to be a place that attracts people and brings them here to discover new ideas.”

A real estate consulting firm, U3 Advisors, has been hired to lead a 5-month planning process to help take the Innovation District to the next level of success. The firm has offices in New York, Boston, and Philadelphia, and has worked with universities and major businesses and cities

across the country to help develop research parks, urban gathering places and innovation hubs where next generation businesses and urban ideas can be developed.

“This isn’t necessarily going to be a new building or a new street — it could be that, and I hope it is along with many other new things,” said Todd Stern, managing partner for U3 Advisors.

“Innovation involves science, research, and technology, but it also involves linkages with arts, culture, food, and many other attributes of the people and places in a city.”

During the Monday night forum, retired educator and community activist Franklin McCallie challenged city leaders to make sure there is more racial and class diversity in the development of the new innovation economy.

“We have a tremendous barrier in Chattanooga between black and white people,” said McCallie, who cited one tech business downtown that has only one black worker among its 139 employees. “We’re really not doing much to break down that barrier, and black people are telling us they are not coming downtown.”

Berke challenged the claim that black residents in Chattanooga don’t want to come downtown, but he agreed workforce diversity and digital equity are keys to helping build an innovation economy.

“The best ideas are often born when people with different backgrounds and different ideas come together and learn and discuss with one another,” Berke said. “Innovation doesn’t come from me sitting alone in my room trying to think up the next great idea, and cities can be the place to bring people together to create the best innovation for our future.”

This post originally appeared on [Chattanooga Times Free Press](#).