

EAST TENNESSEE DEVELOPMENT DISTRICT

2014 Annual Report

Statement from the Chair



The General Assembly authorized the creation of development districts in 1965 to encourage regional planning cooperation among local governments and the promotion of economic development. The East Tennessee Development District was created on September 20, 1966. Municipal and county mayors, two members of the General Assembly and other citizen members make up the district's governing board.

Because district boundaries are drawn to encompass multi-county areas, districts focus on issues of regional importance – on matters that affect more than one city or county. In today's interlinked social and business environment, it is clear that purely local issues are few and far between – cities and counties must embrace a regional perspective on many traditional governmental issues in order to maximize the impact of increasingly scarce public resources.

The East Tennessee Development District has had a strong regional development orientation over the past 48 years. The District has been concerned with economic growth in an environmentally sound manner and places specific emphasis on community planning, regional transportation planning, public infrastructure planning and development, industrial development, small business development, utilities planning, recreation and open space planning, historic preservation planning, housing planning and regional solid waste planning. ETDD's annual work plan is a reflection of the agency's overriding concern to provide adequate public facilities to accommodate quality growth and development, promote the creation of new jobs, foster the investment of new capital and continue to improve the quality of life for our growing population.

The role of the East Tennessee Development District will become increasingly important as we face the future. It is clear that local governments and development districts must be increasingly vigilant regarding the more efficient and economical provision of public services. As state and federal sources become increasingly constrained, the financing of public services at the local level will become more burdensome. Also, the frequent tendency of federal and state governments to mandate programs that local governments must undertake without providing adequate financial resources must be curtailed. More decision making will be placed on local officials as the federal grants we have grown accustomed to are gradually reduced and replaced with loan programs and state pass through programs.

As an association of local governments, the East Tennessee Development District will continually deal with these issues in the coming years.

ETDD continues to be a vital force in helping local governments plan for the future in light of reduced financial resources. ETDD's main objective is to assist in setting regional and local priorities for the orderly physical and economic development of our 16 counties. By working together in partnership, we can continue the progress of the past 48 years and can look forward to successfully meeting the challenges of the 21st Century.

Estelle Herron
Loudon County Mayor
Board Chair
East Tennessee Development District

ETDD: AN ASSOCIATION OF LOCAL GOVERNMENTS

The East Tennessee Development District is a voluntary association of municipal and county governments in the 16-county region of East Tennessee surrounding Knoxville. Organized approximately 48 years ago in 1966, the East Tennessee Development District provides a forum for local governments to solve common problems of economic development and growth.

ETDD's Board of Directors is composed of each municipal and county mayor from the 16 counties and 56 municipalities. In addition, each County Mayor appoints a citizen designated as the "Development Representative" to serve on the Board of Directors. The Tennessee General Assembly is also represented on the Board of Directors, with one member of the State Senate and one member of the State House participating.

The Executive Committee, which represents the Board, is composed of one member from each county, one State Representative, one State Senator and two Minority Members-At-Large. The Executive Committee meets on a regular basis throughout the year. Annually, the Board of Directors establishes policies which the Executive Committee carries out through monthly meetings. The District also holds an annual awards banquet in order to recognize and highlight projects that have special significance to the entire region.

BOARD ACTIVITIES

During the past year, the full Board met twice: the Annual Business Meeting and Luncheon on March 18, 2013 and the Annual Awards Banquet on the evening of June 13, 2013. The Awards Banquet focused on recognizing communities and organizations for outstanding achievements within the region. Fourteen communities were recognized for outstanding achievements at the 2013 Banquet. ETDD was honored to host over 175 local leaders at the banquet.

The Executive Committee met ten times during the year. At the Board of Directors Annual Business Meeting, the preliminary budget and work program for 2013-2014 were approved, the new officers and executive committee members were elected and the Annual Report was presented.

At the January meeting, the state and federal legislative agendas for 2013-2014 were presented and approved by the Executive Committee. The Annual Legislative Platform was immediately distributed to State and Federal legislators.

At the February meeting, the Nominating Committee recommended new officers for 2013-2014, ETDD's upcoming work plan and budget were presented and various grant programs were discussed. An overview of ETDD's financial reporting and controls was presented by the ETDD Fiscal Officer.

At the March meeting, an overview of the impacts of the federal sequestration process was presented, the annual budget was discussed and the upcoming work plan for ETDD was presented.

At the April meeting, an overview of the REMI Economic Modeling program was presented by REMI officials.

At the May meeting, an overview of grant programs that would be available to local governments in the near future was presented and an update on state legislation that might impact ETDD was provided.

At the June meeting, annual salary increases for ETDD employees were approved, the charter for the Audit Committee was approved and the Planning Assistance Service was discussed.

At the August Executive Committee meeting, subcommittee appointments for the upcoming year were made and a presentation of tax abatement programs was provided by Mr. Mark Mamantov.

At the September Executive Committee meeting, the 2013-2014 CEDS was adopted as well as an update to the Affirmative Action Plan. The committee also approved a resolution between ETDD and ADC outlining how the operating agreement between the agencies is allocated.

At the October Executive Committee meeting, an update on the collection of local assessments was provided and an overview of the activities of the Areawide Development Corporation (ADC) was provided.

At the November meeting, the annual audit for the 2013 program year was presented and accepted by the Executive Committee.

BOARD OF DIRECTORS, 2013-2014*

OFFICERS:

Chair: Estelle Herron, Loudon County Mayor
Vice-Chair: Troy Beets, Mayor of Kingston
Secretary: Bill Brittain, Hamblen County Mayor
Treasurer: Jeff Tibbals, Scott County Mayor

EXECUTIVE COMMITTEE:

Terry Frank, Anderson County Mayor
Donald Mull, Mayor of Alcoa
William Baird, Campbell County Mayor
Jack Daniels, Claiborne County Mayor
Vaughn Moore, Cocke County Mayor
Terry Wolfe, Mayor of Bean Station
Rodney Davis, Jefferson County
Development Representative

Tim Burchett, Knox County Mayor
Tim Yates, Monroe County Mayor
Don Edwards, Morgan County Executive
Ron Woody, Roane County Executive
Larry Waters, Sevier County Mayor
Mike Williams, Union County Mayor

Tennessee General Assembly:

Senator Stacey Campfield
Representative Kelly Keisling

Minority Member-At-Large:

George Williams

Anderson County

Mayor Terry Frank**
Mayor Scott Burton
Mayor Tim Sharp
Mayor Chris Mitchell
Mayor Tom Beehan
Mr. Tim Thompson***

Blount County

Mayor Ed Mitchell**
Mayor Donald R. Mull
Mayor Andy Longhorn
Mayor Tom Bickers
Mayor Tom Taylor
Mayor Carl Koella
Mayor Michael Talley
Bryan Daniels ***

Campbell County

Mayor William A. Baird**
Mayor Chris Stanley
Mayor Jack Cannon
Mayor Les Stiers
Mayor Mike Stanfield
Mr. Jay Willoughby***

Claiborne County

Mayor Jack Daniels**
Mayor Bill McGaffee
Mayor Bill Fultz

Mayor Jerry Beeler

Mayor Wayne Jessie
Ms. Robin Mason***

Cocke County

Mayor Vaughn Moore**
Mayor Connie Ball
Mayor Mary Keller
Mr. Glenn Ray***

Grainger County

Mayor Mark Hipsher**
Mayor Terry Wolfe
Mayor Patsy McElhaney
Mayor Danny Turley
Mr. David Lietzke***

Hamblen County

Mayor Bill Brittain**
Mayor Danny Thomas
Mr. Marshall Ramsey***

Jefferson County

Mayor Alan Palmieri**
Mayor Chuck Summers
Mayor George A. Gantte
Mayor Mark Potts
Mayor Charles Guinn
Mayor Stanley Wilder
Mr. Rodney Davis***

Knox County

Mayor Tim Burchett**
Mayor Ralph McGill
Mayor Madeline Rogero

Loudon County

Mayor Estelle Herron**
Mayor Tom Peeler
Mayor Tony Aikens
Mayor Judy McGill Keller
Mayor Chris Miller
Mr. Pat Phillips***

Monroe County

Mayor Tim Yates**
Mayor Doyle Lowe
Mayor Glenn Moser
Mayor Patrick Hawkins
Mayor Larry Summey
Mr. Shan Harris***

Morgan County

County Executive Don Edwards**
Mayor J. R. Voyles
Mayor Joey Williams
Mayor Dennis Reagan
Ms. Sharon Heidel***

Roane County

County Executive Ron Woody**
Mayor Chris Mason
Mayor Troy Beets
Mayor James Watts
Mayor Chris Hepler
Ms. Leslie Henderson***

Scott County

Mayor Jeff Tibbals**
Mayor Jack Lay
Mayor Virgil Cecil
Mayor George W. Potter
Mr. David Cross***

Sevier County

Mayor Larry Waters**
Mayor Jerry Hays
Mayor David Wear
Mayor Glenn Cardwell
Mayor Bryan Atchley
Ms. Earlene Teaster***

Union County

Mayor Mike Williams**
Mayor Johnny Merritt
Mayor H. E. Richardson
Mayor Gary Chandler

* Current as of January 1, 2014

** County Mayor

*** Development Representative

PLANNING AND RESEARCH

The East Tennessee Development District undertakes regional planning and research activities each year to assist the region and its governmental units in identifying needs to prepare for regional growth. ETDD's planning activities include utilities, solid waste, transportation, historic preservation, recreation, infrastructure needs survey, and the maintenance of statistical information. In 2013, ETDD refined its local planning advisory service program component of its annual work plan and was able to provide these important staff services to 28 local governments. These programs will continue to aid the 16-county region in its pursuit of economic growth and a high quality of life.

COMPREHENSIVE PLANNING

In 2013, ETDD engaged in an update of the Comprehensive Economic Development Strategy (CEDS) for the region. In 2012, ETDD prepared a complete revision of the CEDS in order to provide up-to-date baseline data that will guide the regional economic development process. The overhaul of the CEDS was accomplished by contacting elected officials, planning officials, utility districts, special purpose units of local government, economic development agencies and other agencies/persons that are involved with community or economic development activities within the region. In order to comply with regulations that were promulgated in 2006 by the Economic Development Administration (EDA), in August of 2013 ETDD engaged in an inclusive planning process in order to completely update the CEDS document. In July of 2013, a CEDS committee was appointed by the Executive Committee to review and comment on the proposed CEDS document. The CEDS committee met in August of 2013, discussed the composition of the CEDS and then recommended that the updated CEDS be submitted to the Executive Committee for approval. An extensive public review process was undertaken in order to allow the public an opportunity to comment on the proposed revisions to the CEDS. The CEDS document was transmitted to all sixteen county mayors, an announcement regarding the availability of the CEDS was published in Knoxville News-Sentinel and the CEDS was placed on ETDD's website. The CEDS was also transmitted to the State of Tennessee and the Appalachian Regional Commission for review. The CEDS review process was completed in early September and the final CEDS document was approved by the ETDD Executive Committee in September of 2013. The completed CEDS was subsequently submitted to the Economic Development Administration in late September of 2013. Subsequent updates of the CEDS will take place on an annual basis through 2016.

PUBLIC INFRASTRUCTURE NEEDS INVENTORY

In April of 1996, the Tennessee General Assembly adopted the Public Infrastructure Needs Inventory Act. This Act requires the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), to compile and maintain an annual inventory of needed public infrastructure, contracting with the nine Development Districts to survey local officials. It was developed for use as a planning tool for state and local officials in assessing needs and developing priorities for funding local infrastructure.

Work on the project began in November 1996 by collecting information from county mayors, municipal mayors, utility districts, industrial development organizations and school superintendents within the district. The initial Infrastructure Needs Inventory was completed in the spring of 1997. ETDD completed its comprehensive survey, the largest undertaking in the state, in August of 2013. Over 2,000 contacts were made to complete the survey.

On an annual basis, data from the statewide infrastructure needs inventory has been summarized and compiled into a report by TACIR. The July 2013 report estimates the five year cost of state-wide infrastructure needs at approximately \$37.1 billion dollars. Topping the list are transportation and utilities needs at \$20.2 billion, followed by education needs at \$7.2 billion, health and safety needs at \$6.2 billion, recreation and cultural needs at \$1.7 billion, economic development needs at \$1.2 billion and general government needs at \$488 million.

PLANNING ADVISORY SERVICE

The Planning Advisory Service (PAS) was established to assist cities and counties with growth and development issues at the local and regional levels by providing technical advisory services to local governments. Planning services offered under this program include comprehensive land use planning, strategic planning for special project areas and needs; industrial park site location assessments; public infrastructure evaluations; existing and

PLANNING AND RESEARCH

future land use needs assessments; population and economic community profile trends; and, continuing education training to local planning commissioners. Daily services typically consist of site plan and subdivision plat review; advising local officials on community issues and problems; and staffing local planning commission meetings and making recommendations on agenda items. Also offered with the planning program are a variety of Geographic Information System (GIS) services.

Besides having a professional staff to answer daily questions and research projects, staff attendance at regular monthly planning commission meetings and other boards is one of the hallmarks of this relatively new program. Since its inception in September of 2011, the Planning Advisory Service has marginally increased its contract load to twenty-eight (28) cities and counties in the East Tennessee Region. The PAS program is staffed by three full-time planners and one part time planner. This past year, the planning staff attended a total of 263 planning commission meetings, one design review meeting, 43 boards of zoning appeals sessions, one city board meeting, seven Plan ET meetings, one UT Norris Gateway meeting and eleven greenway meetings. Also, staff conducted 139 agenda and project reviews with city/county officials or developers. The staff also participated in the coordination of twenty-six meetings with other agencies and their personnel. The total number of staffed meetings was 499 including seven regional training sessions.

In addition, staff prepared three annexation studies and reviewed three more. Staff also wrote five subdivision regulation amendments and eight amendments to a municipal code dealing with a variety of topical issues. Staff reviewed 246 subdivision plats. Staff also handled 49 rezoning requests, 31 zoning text amendments, 23 amendments to zoning maps, 141 site plans and 42 board of zoning appeals cases.

ETDD continued to offer free regional training for planning commissioners. This year the staff developed seven regional training seminars for a total of 15 hours of training. This training included two sessions on soils and geology, presented in conjunction with the Tennessee Department of Environment and Conservation geologist Pete Lemiski and soils scientist Billy Roach, two sessions on industrial site selection with ETDD staff presenting an industrial site selection checklist in conjunction with Gary Human, consultant with the Tennessee Department of Economic and Community Development and Chris Thompson with the Tennessee Department of Environment and Conservation. Two training sessions were also provided on Storm Water Management with Michael Atchley, TDEC, Roy Arthur with the Knox County office of Storm Water Management and Stephanie Farrell with Third Rock Consultants. Additionally, ETDD staff provided three hours of regional training on changes to the Federal Emergency Management Agency's (FEMA) National Flood Insurance Program. There were also twenty-eight (28) training sessions provided to local communities on specialized topics.

The ETDD Planning Advisory Service is currently developing three new regional training sessions for this calendar year. The first session will be held at the University of Tennessee Arboretum as the first field training for planning commissioners ever conducted. Staff from the Arboretum, the University of Tennessee Institute for Architecture and the Tennessee Department of Environment and Conservation will serve as experts on geology, wetlands, clear-cutting and storm water management. The topic of the second regional session will be "What's a Planning Commissioner to Do" conducted by ETDD staff on various aspects of state law. A third session, planned for the fall of 2014, will focus on the evolving property rights climate in Tennessee.

ETDD also maintains an active and comprehensive GIS program in support of the region's communities. The focus of GIS services is to work with planning and other ETDD staff to assist local governments and ETDD programs with maps, data, and illustrations for grants, planning reports, and other documents. Pulling data together from multiple sources, layers of spatial information are combined and tailored to create a graphical display of essential information. During the last year, GIS staff produced over 140 maps and illustrations for the Planning Advisory Service and over 240 maps and illustrations for ETDD community projects, including CDBG, LPRF, Solid Waste, Recycling, THC, ARC, TDOT Multimodal, and other grants.

GIS projects completed over the last year have included the following: 1) proposed rezoning illustrations and updates to official zoning maps; 2) project area maps and site illustrations; 3) aerial illustrations for grants and CDBG environmental reviews; 4) minority concentration and service area maps for CDBG grants; 5) topographic and flood zone maps and illustrations; 6) land use and natural factors maps, such as those for the Kingston Land Use Plan; 7) proposed park and greenway maps/site illustrations, such as the Rockwood park plan; and 8) fire district boundary maps. GIS staff also compiled maps and data for special studies in the area such as the Caryville neighborhood analysis and the White Pine fringe area study.

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TRANSPORTATION

The development of transportation systems within the region is of paramount importance to the East Tennessee Development District. Continued development of internal transportation systems is a critical component of the orderly economic and community development advancement of the region as a whole. ETDD is concerned with all forms of transportation, be it highway, rail, water, air, bus or van transportation. In November of 2005, the Tennessee Department of Transportation (TDOT) established twelve Rural Planning Organizations (RPOs) across the state. ETDD coordinates two RPOs. The North RPO consists of Campbell County, Claiborne County, Grainger County, a portion of Hamblen County, Morgan County, Scott County, and Union County. The South RPO consists of Anderson County, Cocke County, Monroe County, Roane County, and portions of Blount, Jefferson, Loudon and Sevier Counties. Normally in the spring and the fall, the Technical Committees of each RPO meet to discuss specific regional and local transportation project priorities, to provide input regarding the priority projects, and to officially recommend priority projects to Executive Boards of each RPO. In late spring and early fall of each year, the Executive Boards of the RPOs meet to review the recommendations of the Technical Committee and officially identify a list of regional priority projects. The list of priority projects is then submitted to TDOT for funding consideration. During 2014 - 2015, ETDD will facilitate continued communication between TDOT and the RPOs, coordinate future Executive Board and Technical Committee meetings, participate in TDOT planning processes, and administer all activities for the RPO process.

During the past year, the District continued its involvement in the Knoxville Transportation Planning Organization (TPO). The Executive Director of ETDD is a member of the Technical Committee of the TPO, and the District appoints a local elected official to serve on the TPO Executive Board. Mr. Ed Shouse is the ETDD representative on the TPO Board of Directors. The District also continued its involvement in the Lakeway Area Metropolitan Transportation Planning Organization (LAMTPO), which serves Morristown, Hamblen County and portions of Jefferson County and Cocke County. The Executive Director of ETDD is a member of the Technical Committee of the LAMTPO. In 2013, ETDD staff provided input for the High Priority Highway Projects list for the TPO area and the LAMTPO area.

A new grant program was introduced by TDOT to assist with the development of multi-modal transportation infrastructure. The Transportation Alternatives Program and Multimodal Access Fund Program, provides funding to local governments for a variety of transportation enhancement activities. In 2013 and 2014, ETDD staff assisted the following communities with the preparation of TDOT 2013 Multimodal Access Fund grant applications:

1. Campbell County, Cove Lake Park Connector , total cost - \$1,054,750
2. Gatlinburg, Rocky Top Sports Complex Trolley, total cost - \$1,080,790
3. Morgan County, Downtown Connections, total cost - \$1,037,500
4. Vonore, Multimodal Downtown Improvements, total cost - \$1,000,000
5. Rockwood, Downtown Connector Improvements, total cost - \$899,000
6. Lafollette, Downtown Connector Improvements, total cost - \$79,000
7. Harrogate, Harrogate Pedestrian Trail, total cost - \$631,000
8. Maynardville, Multimodal Downtown Improvements, total cost - \$277,000

UTILITIES

The challenge continues to be providing utility services at an affordable cost given diminished federal/state funding, limited local resources, and more stringent environmental mandates. The emphasis of ETDD's Utilities Planning Program is to promote efficient and effective utility services (drinking water treatment and distribution, wastewater collection and disposal, broadband service and natural gas service) throughout the 16-county region. Various studies aid in this effort.

During 2013, ETDD continued to assist Sevier County with water planning. In late 1994, Sevier County and its four municipalities formed the Sevier Water Board, Inc. to cooperatively participate in the construction of a pump station and raw water line to deliver additional water from Douglas Lake to the Pigeon Forge and Sevierville water treatment plants. The initial project was completed in 1998 and since that time the intake facility has been expanded to accommodate additional growth. Beginning in 2003, the Sevier County Water Board has also acted

as the lead coordinating agency for Sevier County and its municipalities during the implementation of a comprehensive Phase II Storm Water Management Program.

In terms of project funding during 2013, ETDD assisted the following communities with grant administration or the preparation of grant applications that fund improvements to water service or wastewater service: Anderson County, Campbell County, Claiborne County, Cocke County, Hamblen County, Jefferson County, Monroe County, Morgan County, Scott County, Union County, Cumberland Gap, Dandridge, Harrogate, Jacksboro, Jefferson City, Jellico, Lake City, Madisonville, Morristown, Norris, Rockwood, Sweetwater, Vonore and White Pine.

SOLID WASTE

East Tennessee Development District contracts with the State of Tennessee to supply a solid waste planner for the region. The duties of the solid waste planner are to assist the 16 counties and 56 municipalities in the region with the preparation and submission of solid waste reports to the State, provide technical assistance to all communities and assist with writing and administering grants. ETDD has been tasked by the TDEC Division of Solid Waste to research and prepare an individual solid waste needs assessment for every solid waste region in the district every five years. In 2013, ETDD prepared solid waste needs assessments for Cocke County and Scott County.

In 2013, the ETDD solid waste planner also assisted the following counties with the preparation and submission of their annual reports to TDEC: Campbell, Cocke, Grainger, Hamblen, Morgan, Loudon, Scott and Union. The reports detail the county's efforts and activities to divert 25% of their waste from a Class I landfill. The report preparation process also allows the staff planner an opportunity to meet with the solid waste board and determine ways to meet the 25% reduction goal in the most cost efficient manner. ETDD staff also works closely with county solid waste boards to plan for future recycling opportunities and waste diversion efforts.

During 2013 ETDD also assisted Scott County with the re-establishment of their Solid Waste Board. This activity required a qualitative assessment of their solid waste program and the development of a new solid waste plan.

ETDD's solid waste planner also assists with the promulgation of rules and regulations for the local solid waste boards and the preparation of solid waste grant proposals. Typically, the two main grant programs provide funding for recycling efforts and used oil re-use efforts. During 2013, ETDD staff prepared used oil grant program applications on behalf of Scott County, Bean Station, Grainger County, Rockwood, Vonore, Union County, Morgan County and Newport. The total grant request was \$158,500 for these projects. ETDD staff also prepared recycling grant and HUB grant applications on behalf of Campbell County, Scott County, White Pine, LaFollette, Union County, Morgan County and Monroe County. The total grant request was \$318,383 for these projects.

ETDD staff has also been assisting Cocke County with the administration of a special grant that was awarded to them to address the clean-up of discarded tires.

The East Tennessee Development District has gone "green"! During the past year, ETDD has recycled nearly 19,000 lbs. of mixed paper (office and newspaper) and aluminum cans.

REGIONAL COUNCIL OF FIRE CHIEFS

The East Tennessee Regional Council of Fire Chiefs (ETRCFC) was formed in 1982 to promote cooperation among the region's fire departments. The ETRCFC consists of the 16 counties of ETDD and any fire departments in immediately adjoining counties that wish to participate. The Council includes 73 member departments and meets quarterly to deal with such matters as legislation, mutual aid, training, communications, information and technical assistance.

In 2013, ETDD coordinated meetings that were sponsored by the Maryville Fire Department, the Oak Ridge Fire Department, the Karns Volunteer Fire Department and the Knoxville Fire Department. The officers of the ETRCFC during 2013 were Chair, John Tallent, Chief of the Madisonville Fire Department; Vice-Chair, Ken Marston, Chief of the Karns Volunteer Fire Department; Secretary/Treasurer, Terry Bobrowski, Executive Director of the East Tennessee Development District.

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PUBLIC SAFETY PROGRAMS

Over the past several years, ETDD has been very active in assisting local communities and volunteer fire departments with their grant proposals for funding under the Federal Emergency Management Agency's Firefighters Grant Program. The Firefighters grant program has pumped millions of dollars into the region over the past ten years and has funded equipment, facility and vehicle improvements that have dramatically upgraded the capacity of incident response agencies to respond to emergency situations. The program has three funding priorities: (1) firefighting or EMS equipment with priority being given to replacing obsolete equipment rather than expanding service; (2) firefighting vehicles; (3) training for firemen and first responders. The FEMA program is very affordable - grants are typically made for at least 90% of the project costs and the local share can be as low as 5%. Also popular with local governments is the SAFER Program – a grant program that provides funding for the hiring and retention of firefighters. Grant funds can also be used to recruit volunteer firefighters. The FEMA Firefighters Program and the SAFER program are very important grant resources for local fire departments.

In 2013, ETDD staff either assisted or prepared FEMA Firefighter Grant Program applications for the following fire departments: Norris, Clinton, Lake City, Medford VFD, Caryville, Jacksboro, North Tazewell VFD, Cocke County, Rutledge, Thorn Hill VFD, Washburn VFD, Sweetwater, Vonore, Harriman, Rockwood and Andersonville VFD. The total of the grant funds requested was in excess of \$5.4 million dollars.

In other fire protection activities, the ETDD staff continued to assist local fire departments with the administration of their awarded grants. Typical administration duties include assisting with the preparation of bid specifications and assisting with the drawdown of grant funds.

Other popular public safety grant programs include the Bullet Proof Vest program and the COPS program. These programs are available through the U.S. Department of Justice and provide funding to cities and counties for the hiring of new police officers and the purchase of bullet proof vests. ETDD staff submitted a COPS grant application and/or Bullet Proof Vest application on behalf of Clinton, Sweetwater, Caryville, Rockwood, Jacksboro, Grainger County, Oliver Springs, Dandridge, Lake City, Norris, Harriman, Rutledge, Anderson County, Lenoir City and Townsend. The total grant request exceeded \$225,000.

ENERGY EFFICIENCY GRANT PROGRAM

In 2012, the State of Tennessee and the Tennessee Valley Authority jointly created a Clean Energy Grant Program that would assist communities and public utilities with energy efficiency initiatives and alternate energy projects. A total of \$20 million was pledged to the program over a 4 year period with \$5 million being available each year. ETDD staff assisted the following local governments and public utilities with the submission of grant applications: Loudon County, Harriman, Rockwood, Morgan County, Kingston and Cumberland Gap. The total grant request exceeded \$972,000.

INDUSTRIAL LAND DATABASE

ETDD staff completed an update to its industrial land database on all developed industrial parks within the region during the year. The database profiles each industrial park and contains specific information on items such as transportation access, utilities, available acreage, and contact persons. The report also lists the industries and number of employees contained within each industrial park in the region and was published June 2013. The next edition will be published in June 2014.

Community and economic development activities represent a significant portion of the work of the East Tennessee Development District. ETDD's community and economic development activities are designed to foster the orderly development of individual communities as well as promote the development of the region as a whole. Economic and community development activities performed by ETDD include: assisting with grant applications and grant administration, providing technical assistance for grant applications and grant administration, providing technical assistance in the areas of housing and historic preservation, designing specific economic development

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strategies for communities or groups of communities, and preparing other special studies or research projects. Community and economic development programs such as these will continue to represent a major thrust of the East Tennessee Development District in its attempt to assist communities and to maximize the development potential of the region.

GRANTMANSHIP

Over the past year, ETDD has continued to provide grantsmanship expertise to communities seeking federal or state funding for a wide variety of projects. During the past program year, ETDD staff prepared and submitted applications to address needs within the areas of historic preservation, community infrastructure, industrial infrastructure, recreation, business development, solid waste management and essential community services. ETDD is widely recognized for its record of service delivery within the field of grantsmanship.

The Tennessee FastTrack Infrastructure Development Program (FIDP), introduced during late 1988, and the Industrial Loan Program, as funded by the Community Development Block Grant Program (CDBG), have continued to provide local communities with important options for financing improvements required by industrial expansions or new industrial locations. During the 2013 program year, ETDD staff provided application or administration assistance to the Industrial Development Board of Blount County, Loudon County, Sevier County, Industrial Development Board of Oak Ridge, Industrial Development Board of Grainger County and the Industrial Development Board of Scott County. Both programs are important development components, which finance the public/private infrastructure or fixed asset needs of industries wishing to expand or locate in the ETDD region.

ETDD also continued to provide local communities with application and administration assistance for more traditional programs such as those listed below:

- Community Development Block Grant Program
- Appalachian Regional Commission Program
- TDOT Industrial Access Road Program
- TDOT Enhancement Program
- Department of Justice COPS, SAFER and Bulletproof Vest Programs
- Urban Forestry Program
- Recycling Grant Programs
- Economic Development Administration Grant Programs
- USDA Rural Development Programs
- Clean Energy Conservation Grant Program (TVA)
- FEMA Firefighters Grant Program
- TDEC Watershed Planning Grant Program
- EPA Brownfield Assessment and Clean-up Program

Specific communities or agencies assisted during the 2013 program year with one or more of these programs include: Anderson County, Blount County Industrial Board, Campbell County, Claiborne County, Cocke County, Grainger County Industrial Board, Hamblen County, Jefferson County, Knox County, Loudon County, Morgan County, Monroe County, Roane County, Sevier County, Union County, Alcoa, Clinton, Cumberland Gap, Dandridge, Gatlinburg, Harriman, Harrogate, Jacksboro, Jefferson City, Jellico, Kingston, Lake City, Lenoir City Utilities Board, Loudon Utilities Board, Madisonville, New Tazewell, Newport Utilities Board, Norris, Oak Ridge, Oneida, Pigeon Forge, Rockwood, Rutledge, Sevierville, Sweetwater, Tellico Reservoir Development Agency, Tellico Area Service System (TASS), Vonore, and White Pine.

HOUSING

ETDD's housing program provides technical assistance to city and county governments and non-profit organizations in the development, application, and implementation of affordable housing programs for low and moderate income households within the sixteen-county district. ETDD functions as a regional disseminator of housing program information by continuing communication with other housing-related organizations and exchanging information and ideas.

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ETDD housing staff prepared and submitted one housing rehabilitation CDBG grant application in February 2013 to the Tennessee Department of Economic and Community Development. The grant was submitted on behalf of the Town of New Tazewell. ETDD staff is also assisting the City of Clinton with the administration of their previously awarded \$500,000 CDBG grant project.

ETDD continues to work with THDA to improve living conditions for East Tennessee's elderly population. The Emergency Repair Program for the Elderly (ERP) is a continuing program offered by THDA and funded by the Tennessee State Legislature. Ultimately, the goal of ERP is to enable elderly residents to remain in the comfort of their own homes by funding basic yet unquestionably vital repairs and modifications to their houses. In order to successfully implement this program, ETDD relies on a variety of local housing providers in each county. The local providers verify eligible applicants for the program, organize the work to be done, provide in-kind contributions such as voluntary labor or the donation of materials and on-site management of the construction project. With the assistance of these local providers, ETDD has been able to assist elderly homeowners in virtually every community within the region. Over the past five years, ETDD has completed over 260 individual projects and over \$1.35 million has been expended in this effort.

HISTORIC PRESERVATION

The East Tennessee Development District region showcases a wealth of historic and cultural resources with notable significance at local, state and national levels. Our region's identity is precious and uniquely distinguished due to the plethora of surviving historic and cultural landscapes, districts, sites, and buildings. East Tennessee is home to a patchwork of historical assets including frontier period log cabins, antebellum plantations, and Twentieth century urban row houses; from agricultural landscapes to the engineered landscapes of the Tennessee Valley Authority, the District evokes an unmistakable and invaluable sense of place. The variety of resources speaks to a diverse cultural heritage that East Tennesseans are proud to protect and preserve, and ETDD strives to encourage and assist with these efforts utilizing various applications of technical assistance, education, outreach, historical research, field work and documentation.

ETDD staff provides ongoing technical assistance and disseminates information to city and county governments, organizations, and individuals on a variety of preservation matters, such as the National Register of Historic Places, grant opportunities, tax credits, local ordinances, design guideline development and implementation, restoration and rehabilitation of historic structures, the Main Street program and downtown revitalization strategies. By offering this multifaceted set of historic preservation assistance tactics, ETDD serves as a regional resource for historic preservation planning.

This year, ETDD staff prepared and submitted four grant applications for the Tennessee Historical Commission's FY 2014 funding round. These projects included applications for masonry preservation for the Monroe County Courthouse in Madisonville, window replacements at the Pittman Center municipal building, design guideline updates for the City of Harriman's historic districts, and masonry preservation on the historic Claiborne County Jail in Tazewell. Grant recipients are expected to be announced in August 2014, with reimbursement contracts becoming effective soon thereafter.

The preparation of National Register of Historic Places nominations are always a big part of the historic preservation effort at ETDD. Historic preservation staff has numerous National Register nominations in various stages of development including: the Old Health Department building in Monroe County, the South Hall neighborhood district in Alcoa, the Richland House in Grainger County, the Brown House in Knox County, the Hall Cemetery in Anderson County, the LaFollette Coke Ovens in Campbell County, Knippen Cabin in Greenback (Loudon County), the Biggs House in Sweetwater (Monroe County), and the Loudon County Poor House in Loudon.

ETDD staff also regularly provides Section 106 (historic preservation) documentation to state and federal agencies in order to comply with environmental review requirements.

ECONOMIC AND COMMUNITY DEVELOPMENT



The Small Business Administration Certified Development Company Program, enacted on July 2, 1980, as an amendment to the Small Business Investment Act of 1958, was designed to help communities by stimulating the growth and expansion of small businesses within a defined area of operation. The Areawide Development Corporation (ADC), the SBA Certified Development Company for the ETDD region, was organized by ETDD under the provisions of Section 503/504 of the Act in December 1981. Since its creation, the ADC has been a strong force in the promotion and expansion of small business in the region. Because of its past success and its solid relationships with area lending institutions and the SBA, ADC will continue to provide quality financing opportunities to the region in the future.

SBA 504 LOAN PROGRAM

The SBA 504 loan program is a partnership between a Certified Development Company (CDC) such as the Areawide Development Corporation (ADC), the U.S. Small Business Administration and a private lender. SBA 504 loans allow business owners to buy, build or renovate commercial real estate. Financing options include the purchase and/or renovation of an existing building; the purchase of land and construction of a new building; and also the purchase of expensive equipment or machinery that requires long-term financing.

The SBA 504 loan program was created for two reasons: 1) to provide financing to entrepreneurs who are ready to buy or build a facility, and 2) for the purpose of stimulating economic development through job creation, business growth and increased tax revenues. Working with a private lender, the CDC provides up to 40% of the financing needed for an eligible commercial project with an SBA 504 loan. A private lender must partner with the CDC and typically provides 50% of the needed financing, while the entrepreneur ends up investing as little as 10% down into the project.

The CDC works closely with the small business owner to process, approve, close and service the SBA 504 loan. Funding is provided by the CDC issuing a 10 or 20 year debenture bond that is sold to investors on Wall Street giving entrepreneurs access to capital at low, fixed interest rates – usually only available to large corporations. Debenture bonds are especially attractive to investors since they are backed by the SBA and fully guaranteed by the U.S. Treasury. To date, ADC has closed 277 loans resulting in 5,000 jobs being created or retained. ADC's total 504 loan portfolio has 75 active loans and the value of the portfolio exceeds \$48 million dollars (SBA funding only). In 2013, the ADC had 8 loans approved totaling \$7,735,000 in project financing.

RURAL DEVELOPMENT IRP REVOLVING LOAN FUND

Beginning in 1993, ADC began providing fixed asset financing for small businesses through the RDA Intermediary Relending Program (IRP). The maximum loan amount is \$250,000 and may not exceed 75% of the total project costs. Currently, the IRP portfolio has thirteen active loans with a total portfolio value that exceeds \$2.3 million dollars.

EDA REVOLVING LOAN FUND

Since 1983 the EDA Revolving Loan Fund (RLF) has provided fixed asset/working capital financing to small businesses in East Tennessee. The maximum loan amount is \$200,000 and may not exceed 90% of total costs. Currently, the RLF portfolio has eight active loans with a total portfolio value that exceeds \$1.7 million dollars.

SMALL AND MINORITY OWNED BUSINESS ASSISTANCE PROGRAM

Beginning in January 2008 the East Tennessee Development District, through the Areawide Development Corporation, began accepting loan applications through the State of Tennessee's Small and Minority-Owned Business Assistance Program (SMOB). This loan program primarily targets women and minority owned businesses as loan recipients. The maximum loan amount under the SMOB program is \$125,000. To date, \$577,107 has been loaned out to ten individual loan recipients. Currently, the SMOB portfolio has five outstanding loans with a total portfolio value of \$509,800.

FINANCIAL MANAGEMENT

The District's financial statement audit by Rodefur and Moss, Certified Public Accountants for the year ended June 30, 2012 has been approved by the ETDD Executive Committee.

The District's estimated operating revenues for the fiscal year ending June 30, 2013 amounted to \$1,934,022. These revenues consist of a variety of federal, state and local funds received as grants, administrative reimbursements, and assessments as well as charges for administrative services provided to various utility districts, counties and municipalities within the District. The following is a non-inclusive listing of revenues from various contributors to the District:

- Local government contributions from the municipalities and counties that comprise the Development District\$188,039
- State appropriation through the Department of Economic and Community Development 150,000
- Tennessee Housing Development Agency, Technical Assistance and Outreach 19,300
- Tennessee Housing Development Agency, Elderly Repair Program204,880
- U.S. Department of Interior, National Park Service, through the Tennessee Historical Commission 28,938
- Tennessee Department of Environment and Conservation, Solid Waste Needs Assessment..... 36,068
- Federal funding directly from the U.S. Department of Commerce, Economic Development Administration 60,750
- Appalachian Regional Commission fund administered by the Tennessee Department of Economic and Community Development..... 135,409
- Administrative Reimbursements – Loan Programs424,640
- Grant Administration240,763
- Tennessee Advisory Commission on Intergovernmental Relations..... 70,120
- Tennessee Department of Transportation, Rural Planning Organizations104,079
- Regional Planning Services260,167
- Other Revenues 17,283

STAFF



Terrence Bobrowski
Executive Director
26 Years of Service

Don Woods, Areawide Development Corporation Director.....	39 years of Service
Mitchell Loomis, Grant Programs Manager.....	20 years of service
Gail Byrd, Grants Specialist.....	19 years of service
Mollie Childress, Infrastructure Planner.....	16 years of service
Phil Layman, Economic/Community Development Planner.....	10 years of service
Tim Brew, Business Development Specialist.....	9 years of service
Debbie Sudhoff, Business Development Specialist.....	5 years of service
Rick Yakubic, Deputy Director and Fiscal Officer.....	4 years of service
Don Brown, Transportation Planner.....	3 years of service
Beth Lazar, Loan Program Administrator.....	3 years of service
Midge Jessiman, Planner.....	3 years of service
Chad Davis, Planner.....	3 years of service
Joe Barrett, Planner.....	3 years of service
Susie Butefish, GIS Planner.....	3 years of service
Nichole Britt, Grants Specialist.....	2 years of service
Christie Burt, Administrative Assistant.....	7 months of service
Caroline Eller, Historic Preservation/Housing Planner.....	5 months of service

The preparation of this report was funded in part through grants from the State of Tennessee, the Appalachian Regional Commission, the Economic Development Administration, and other federal, state, and local sources. The East Tennessee Development District is an Equal Opportunity Employer. Material from the annual report may be freely reprinted with proper accreditation of the source.