

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

**APRIL 10, 2018
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, April 10, 2018, at the ETHRA offices in Knoxville, TN. The following Executive Committee members were present:

Johnny Merritt, Mayor of Lutell
E.L. Morton, Campbell County Mayor
Roland (Trey) Dykes III
Donald Mull, Mayor of Alcoa
Terry Wolfe, Mayor of Bean Station

Guests

Rick Yakubic, ETDD
Gary Holiway, ETHRA
Shaunta Wilson, Claiborne County Development Representative
Mark Potts, Mayor of Jefferson City
Bryan Hall, Monroe County Economic Development Agency
Jack Qualls, Loudon County Economic Development Agency
Mike Arms, ATVG
Lana Moore, Senator Lamar Alexander's Office

CALL TO ORDER

Chairman Johnny Merritt called the meeting to order.

MINUTES

Chairman Johnny Merritt presented the minutes of the March 6, 2018 meeting to the Executive Committee for approval. City of Alcoa Mayor Don Mull made a motion to approve the minutes as presented, it was seconded by Loudon County Development Representative Jack Qualls, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending February 28, 2018 was presented by Member at Large Roland (Trey) Dykes III. Campbell County Mayor E.L. Morton made the motion to accept the report as presented and it was seconded by Town of Bean Station Mayor Terry Wolfe and it was approved by all.

DIRECTOR'S REPORT

Terry Bobrowski, ETDD Executive Director, gave his Director's report:

Mr. Bobrowski wanted to mention briefly about the letter from the State of Tennessee Comptroller's Office regarding our Audit for FY 2017 addressed to the Board of Directors stating that the report has been filed as part of the public records of the State of Tennessee. It is also available to view on our website.

Grants Update

There are several items to report on:

ARC Grants

Mr. Bobrowski reported that the Appalachian Regional Commission has two grant programs available that are of note. The POWER program is a congressionally funded initiative that targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries due to the changing economics of America's energy production and the coal economy. POWER supports efforts to create a more vibrant economic future for coal-impacted communities by cultivating economic diversity, enhancing job training and re-employment opportunities, creating jobs in existing or new industries, and attracting new sources of investment. ARC's POWER Initiative for FY18 will

focus on four areas:

- Building a Competitive Workforce
- Enhancing Access To and Use of Broadband Services
- Fostering Entrepreneurial Activities
- Developing Industry Clusters in Communities

Applications are due in Washington on May 1st and then a second round of applications will be accepted on July 27th. These are good sized grants – starting at \$400,000 and going up to \$1.5 million dollars. All ARC jurisdictions are eligible to apply but the applicant must demonstrate that it has been negatively impacted by the downturn in the coal industry. We are currently looking at projects in Campbell County, Scott County, Cocke County and a consortium from ORNL and UT.

The ARC also has a new initiative called the Appalachian Diabetes Coalition Project. The ARC is offering specific communities up to \$10,000 to stand up diabetes coalitions in distressed counties that currently do not have functioning coalitions. The counties in the ETDD region that are eligible are Cocke, Campbell, Morgan and Scott. Applications are due on May 11th. We hope to work with all of these communities to submit an application.

EDA Disaster Grant Funding

Mr. Bobrowski mentioned there is also some funding available from the Economic Development Administration that is related to a declared federal disaster that occurred on July 19, 2017. Apparently severe storms and flooding triggered the disaster declaration. At any rate, funding from EDA has been made available to 14 counties in Tennessee. Back in February, based upon information acquired from the counties in our region that are eligible, we submitted a preliminary list of potential projects for consideration by EDA and they responded this week with a list of projects that they want to take a second look at. So we are working on industrial park projects in Knox County (2 projects) and Roane County, and infrastructure projects in Roane County, Loudon County and Morgan County. No promise of funding for these projects but this is kind of a windfall that could really benefit these communities if they are successful in receiving funding.

Home Program

THDA announced that they will be accepting HOME program applications again this year. This program has not been available for the past several years and we are glad to see it come back. The HOME program provides grant funds for owner occupied housing rehabilitations for low and moderate income persons. On March 29th we submitted applications for Winfield, Grainger County and Union County.

We are also finishing up our Emergency Repair Program for the Elderly effort for FY 2018. We have expended over \$260,000 of grant funds for housing repairs and we were awarded a

supplemental grant for \$220,000 for the balance of 2018. This is a very popular program and we work with small housing providers in your communities to get these grant funds out there working to benefit the elderly population.

LPRF Grants

Mr. Bobrowski mentioned that currently we are working on applications for the Local Parks and Recreation Fund, the big grant program from TDEC that rolls around every two years. We are currently working with 4 communities on their applications. The deadline is April 18th. There is also a Recreation Trails Program application that is due on the 18th. We are working with one community to submit an application. These funds can be used for trail development, trail rehab and trailhead facilities. Grants range from \$25,000 to \$500,000 and a 50% match is required for the LPRF and a 20% match is required for the RTP.

State Legislative Overview

Looks like the State Legislature will be finishing up its work by the end of April. Our annual appropriation of \$150,000 plus an additional \$50,000 appears to be secure within the budget proposal and we expect passage without a problem.

In March at our annual TDDA conference, we recognized State Senator Ken Yager and State Representative Kent Calfee as our Legislators of the Year. We also recognized Campbell County as the recipient of this year John Wilder Infrastructure Award in the ETDD region.

Federal Budget Overview

Mr. Bobrowski reported on March 22, the House and Senate passed an omnibus spending bill for fiscal year (FY) 2018. The bill, the Consolidated Appropriations Act of 2018, funds federal programs through the remainder of the fiscal year (until September 30, 2018). House members approved the bill by a vote of 256-167; the Senate passed the measure on a 65-32 vote. President Trump signed the bill into law on March 23. It is important to note that a portion of funding to be formally appropriated has already been spent since federal programs have been operating under a series of CRs since the beginning of the current fiscal year on October 1, 2017. There are six months remaining in FY2018, so programmatic increases over FY2017 levels will apply to remainder of the current fiscal year.

The package totals \$1.2 trillion in discretionary spending and would boost funding for the military and domestic discretionary programs by more than \$100 billion over last year's levels. The path was cleared for these funding increases by passage of a budget deal in February which raised spending limits imposed under the 2011 Budget Control Act.

FY2018 Funding for Key Federal Agencies and Programs

U.S. Economic Development Administration

\$301.5 million for EDA, \$25.5 million above the FY2017 level

- \$33 million for Partnership Planning, \$1.5 million above the FY2017 level
- \$117.5 million for Public Works, \$17.5 million above the FY2017 level

U.S. Department of Agriculture-Rural Development

\$3 billion for Rural Development Program, \$63 million above the FY2017 level

- \$919 million for Business and Industry loans, level funding from last year
- \$3 billion for rural water and waste program loans, \$1.8 billion above the FY2017 level
- \$1 billion for rural water and waste program grants, \$50 million above the FY2017 level
- \$685 million for expansion of broadband service, \$625 million above the FY2017 level
- Includes \$52 million for Distance Learning and Telemedicine grants

Appalachian Regional Commission

\$155 million for the Appalachian Regional Commission, \$3 million above the FY2017 level

- \$10 million for high-speed broadband deployment in distressed counties in the Central Appalachian region most negatively impacted by the downturn in the coal economy, level funding from last year
- \$16 million for a program of industrial site and workforce development in Southern and South Central Appalachia focused primarily on the automotive supply sector and the aviation sector (up to \$13.5 million is specified for activities in Southern Appalachia), level funding from last year
- \$6 million for a program of basic infrastructure improvements in distressed counties in Central Appalachia, level funding from last year
- \$50 million for the POWER initiative, a multi-agency effort designed to assist communities and workers impacted by changes in the coal power industry, level funding from last year

U.S. Department of Housing and Urban Development – Community Planning and Development

\$3.3 billion for Community Development Block Grant formula grants, \$300 million above the FY2017 level

\$1.362 billion for HOME, \$412 million above the FY2017 level

U.S. Department of Transportation

The omnibus bill appropriates an additional \$4.4 billion from the general fund to transportation programs, supplemental funding that address the desire of Congress to spend an additional \$10 billion in FY2018 on infrastructure

- \$1 billion for the Airport Improvement Program (discretionary grants with an emphasis on non-primary and non-hub airports)
- \$2.5 billion for federal-aid highways (\$225 million for a new competitive bridge program in states with a population density of less than 100 persons per square mile)
- \$834 million for mass transit formula grants

\$1.5 billion for TIGER grants, \$1 billion above the FY2017 level

\$2.5 billion for transit Capital Investment Grants, \$1 billion above the FY2017 level

U.S. Department of Labor-Employment and Training Administration

\$845 million for Adult Employment and Training Program, \$30 million above the FY2017 level

\$903 million for Youth Employment and Training, \$30 million above the FY2017 level

\$1.62 billion for Dislocated Worker Employment and Training, \$20 million above the FY2017 level

\$145 million for Apprenticeship Grants, \$50 million above the FY2017 level

\$1.72 billion for Job Corps, \$14 million above the FY2017 level

\$400 million for Senior Community Service Employment, level funding from last year

LUCA Overview

Mr. Bobrowski touched briefly on the LUCA program that the US Census will be conducting in connection with the 2020 Census. LUCA stands for Local Update of Census Addresses. Basically, the Census Bureau wants to verify local addresses before they start the count. They have compared the list of addresses they have from the 2010 census to the statewide 911 address data and have identified addresses that are on one list but not the other. The LUCA process involves verifying the addresses that are in question. Some communities have registered with the census to use their own forces to verify their addresses. Others have declined to participate or not responded at all. For entities (counties and municipalities) that did not register, you will fall under a Tennessee “state participant” review. This review will focus on high priority areas in each county, which in most cases probably means areas of new growth or new group housing. It will NOT be a

comprehensive review of all your addresses due to the enormity of the project, staffing limitations, and time constraints. The state LUCA liaison for unregistered entities will be Dennis Pedersen, Director of GIS Services under the Tennessee Department of Finance & Administration. ETDD is currently investigating and, if possible, may participate as a reviewer for the state. If we do so, we will require support and participation from our district communities. The process is still under investigation, but if we participate with you, you will need to provide assistance by reviewing unresolved addresses in your jurisdiction. We will collect the address data from you and then enter it into a data base that will be transmitted to the TN GIS Service. Be aware that once we have the address data from the census bureau and the state, we will only have 120 calendar days to complete the entire process and return the review for the district.

Why is LUCA important? While LUCA is voluntary, it is one step in preparation for the 2020 decennial census that will help the Census Bureau conduct an accurate population count. An accurate count is important for several reasons, including the following:

- Apportioning representation among states as mandated by Article 1, Section 2 of the U.S. Constitution.
- Drawing congressional and state legislative districts, school districts, and voting precincts.
- Enforcing voting rights and civil rights legislation.
- Informing planning decisions of federal, state, and local government, and organizational decisions of businesses and non-profits.
- **Distributing federal dollars.**

If ETDD assists in the state LUCA review, we ask that you consider participating with us to ensure the best possible results for your community. Please feel free to contact me at to discuss the matter further. When we receive the raw data from the State or the Census Bureau, we will be back in touch.

Calendar Matters

Several meetings are coming up that I wanted to make sure that you are aware of:

The next Executive Committee meeting is scheduled for May 8th at the ETHRA offices.

We have also scheduled our Annual Awards Banquet for Thursday, July the 12th – we will be going to back to the Venue in Lenoir City for our event this year.

OTHER BUSINESS

Mike Arms with ATVG mentioned briefly about upcoming events.

ADJOURNMENT

With no other business a motion was made to adjourn by Town of Bean Station Mayor Terry Wolfe and it was seconded by City of Alcoa Mayor Don Mull and approved by all.