

# EAST TENNESSEE DEVELOPMENT DISTRICT

## 2015 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 Board of Directors.

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 been a strong advocate for a regional approach to economic and community development over the past 49 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, protect our natural assets 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 funding sources become increasingly constrained, the financing of public services at the local level will become more difficult. Also, the frequent tendency of federal and state governments to mandate programs that local governments must undertake without the concurrent provision of adequate financial resources must be curtailed. More decision making will be placed on local officials as traditional funding sources we have grown accustomed to are gradually reduced, and in some cases, eliminated altogether.

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 49 years and can look forward to successfully meeting the challenges of the 21st Century.

Larry Waters  
Sevier County Mayor  
Board Chair

# 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 49 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 up to two Minority Members-At-Large. The Executive Committee typically meets on a monthly basis throughout the year. Annually, the Board of Directors establishes policies which the Executive Committee carries out through the 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.

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## BOARD ACTIVITIES

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During the past year, the full Board met twice: the Annual Business Meeting and Luncheon on March 6, 2014 and the Annual Awards Banquet on the evening of June 5, 2014. The Awards Banquet focused on recognizing communities and organizations for outstanding achievements within the region. Fifteen communities were recognized for outstanding achievements at the 2014 Banquet. ETDD was honored to host over 150 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 2014-2015 were approved, the new officers and executive committee members were elected and the Annual Report was presented. Mr. Ralph Perrey, Executive Director of the Tennessee Housing Development Agency (THDA), provided keynote remarks.

At the January meeting, the state and federal legislative agendas for 2014-2015 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 2014-2015, various grant programs were discussed and an overview of ETDD's community planning services was provided.

At the March meeting, a status update on pending state legislation was provided, the annual budget was discussed and the upcoming work plan for ETDD was presented.

At the April meeting, an overview of the TVA tax equivalency program was presented by TVA representatives.

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 ETDD's community planning program was provided.

At the June meeting, annual salary increases for ETDD employees were approved and a new Conflict of Interest Policy for the ETDD Board was discussed.

At the July Executive Committee meeting, funding applications submitted to the Appalachian Regional Commission were presented and the FEMA Fire Fighters Grant Program was discussed.

At the September Executive Committee meeting, the 2014-2015 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 implemented.

At the October Executive Committee meeting, an update on the collection of local assessments was provided. An overview of the PILOT program was presented by a local consultant.

At the December meeting, the annual audit for the 2014 Program year was presented and accepted by the Executive Committee.

# BOARD OF DIRECTORS, 2014-2015\*

## OFFICERS:

Chair: Troy Beets, City of Kingston Mayor (July – November); Larry Waters, Sevier County Mayor (December – Current)  
Vice-Chair: Bill Brittain, Hamblen County Mayor  
Secretary: Jeff Tibbals (July – August)  
Treasurer: Terry Frank, Anderson County Mayor

## EXECUTIVE COMMITTEE:

Terry Frank, Anderson County Mayor  
Donald Mull, Mayor of Alcoa  
E. L. Morton, Campbell County Mayor  
Jack Daniels, Claiborne County Mayor  
Crystal Ottinger, Cocke County Mayor  
Terry Wolfe, Mayor of Bean Station  
Bill Brittain, Hamblen County Mayor  
Rodney Davis, Jefferson County  
Development Representative

Tim Burchett, Knox County Mayor  
Rollen Bradshaw, Loudon County Mayor  
Tim Yates, Monroe County Mayor  
Don Edwards, Morgan County Executive  
Ron Woody, Roane County Executive  
Dale Perdue, Scott County Mayor  
Larry Waters, Sevier County Mayor  
Johnny Merritt, Mayor of Luttrell

## Tennessee General Assembly:

Senator Ken Yager  
Representative Kelly Keisling

## Minority Member-At-Large:

Roland Dykes

### Anderson County

Mayor Terry Frank\*\*  
Mayor Scott Burton  
Mayor Michael Lovely  
Mayor Chris Mitchell  
Mayor Warren Gooch  
Mr. Tim Thompson\*\*\*

### Blount County

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

### Campbell County

Mayor E. L. Morton\*\*  
Mayor Chris Stanley  
Mayor Jack Cannon  
Mayor Forster Baird  
Mayor Mike Stanfield  
Mr. Andy Wallace\*\*\*

### Claiborne County

Mayor Jack Daniels\*\*  
Mayor Bill McGaffee  
Mayor Bill Fultz

### Mayor Phil Greer

Mayor Wayne Jessie  
Ms. Robin Mason\*\*\*

### Cocke County

Mayor Crystal Ottinger\*\*  
Mayor Connie Ball  
Mayor DeWayne Daniel

### Grainger County

Mayor Mark Hipsher\*\*  
Mayor Terry Wolfe  
Mayor Patsy McElhane  
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  
Ms. Sarah Fansler\*\*\*

### Loudon County

Mayor Rollen Bradshaw\*\*  
Mayor Tom Peeler  
Mayor Tony Aikens  
Mayor Jim Greenway  
Mayor Chris Miller  
Mr. Pat Phillips\*\*\*

### Monroe County

Mayor Tim Yates\*\*  
Mayor Doyle Lowe  
Mayor Glenn Moser  
Mayor Patrick Hawkins  
Mayor Bob Lovingood  
Mr. Bryan Hall\*\*\*

### Morgan County

County Executive Don Edwards\*\*  
Mayor Buddy Miller  
Mayor Jonathan Dagley  
Mayor Dennis Reagan  
Ms. Sharon Heidel\*\*\*

### Roane County

County Executive Ron Woody\*\*  
Mayor Chris Mason  
Mayor Tim Neal  
Mayor Mike Miller  
Mayor Jerry Vann  
Mr. Wade Creswell\*\*\*

### Scott County

Mayor Dale Perdue\*\*  
Mayor Jack Lay  
Mayor Virgil Cecil  
Mayor George W. Potter  
Mr. David Cross\*\*\*

### Sevier County

Mayor Larry Waters\*\*  
Mayor Mike Helton  
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, 2015

\*\* 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 2014, ETDD refined its local planning advisory service program component of its annual work plan and was able to provide these important staff services to 31 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 2014, 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 2014 ETDD engaged in an inclusive planning process in order to completely update the CEDS document. In July of 2014, 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 2014, 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 2014. The completed CEDS was subsequently submitted to the Economic Development Administration in late September of 2014. 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 2014. 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 June 2014 report estimates the five year cost of state-wide infrastructure needs at approximately \$38.8 billion dollars. Topping the list are transportation and utilities needs at \$21.8 billion, followed by education needs at \$7.7 billion, health and safety needs at \$5.9 billion, recreation and cultural needs at \$1.7 billion, economic development needs at \$13 billion and general government needs at \$555 million.

### PLANNING ADVISORY SERVICE

The Planning Advisory Service 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 strategic planning for special project areas and needs; industrial park site location assessments; public infrastructure evaluations; existing and 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.

The Planning Advisory Service has a professional staff of three full time planners and one part-time planner to answer daily questions and research projects. Staff attendance at regular monthly planning commission meetings and other boards is one of the hallmarks. Since its inception in September of 2011, the Planning Advisory Service contract load of twenty-eight (28) cities and counties in the East Tennessee Region has increased to thirty-two (32) contracts. Cocke County, Newport and New Tazewell are the newest additions. Hamblen County will begin contracting with the Planning Advisory Service on April 1, bringing the total number of contracts to thirty-three (33). This past year, the planners attended a total of 291 night meetings which include meetings with planning commissioners, legislative bodies and training sessions. Also, staff conducted 107 agenda and project reviews with city/county officials or developers. The staff also coordinated 25 meetings with other agencies.

Additionally, staff prepared three annexation studies and reviewed three more. Staff also wrote nine subdivision regulations amendments and five amendments to municipal codes, dealing with a variety of issues. Staff reviewed: 270 subdivision plats, 57 rezoning requests, 39 zoning text amendments, 25 zoning map amendments, 202 site plans and 73 board of zoning appeals cases. Total agenda items handled this past year were 686.

The Planning Advisory Service continued to offer free regional training for planning commissioners. This year the staff developed five regional training seminars for a total of 14 hours of training. This training included: a land use tour of the Arboretum, two sessions on tourism with Molly Gilbert from the East Tennessee Tourism Council, two sessions on private property rights with Dan Hawk. Additionally, ETDD staff gave two training sessions, four hours each, on the Federal Emergency Management Agency (FEMA) National Flood Insurance Program. There were also seven more training sessions given in local communities on specialized topics. As the East Tennessee Development District is now a contractor with the Federal Emergency Management Agency, the Planning Advisory Service assists local communities in updating their local flood plain programs. Staff completed the updates for five floodplain ordinances for New Market, Rockwood, Lafollette, Tazewell and Newport.

Several studies have been completed by staff and include: Kingston Land Use Plan, sample greenway standards, conservation design regulations for Pittman Center, updated zoning ordinance for Jefferson City, new subdivision regulations for Rocky Top, new zoning ordinance for Blaine, Anderson County Population and Economic Study and White Pine Planning Region study, Norris Land Use and Transportation Plan, Harrogate Zoning Map and Norris Subdivision Regulation Review. Future studies include: Clinton Land Use and Transportation Policy and Plan 2015 – 2025, Gatlinburg Land Use Plan, Caryville Neighborhood Study, New Tazewell Sign Regulations, Cocke County Subdivision Regulation Review, Oneida Vacant Commercial and Industrial Inventory, Townsend Strategic Vision Plan, Jefferson City Land Use Plan, new zoning ordinance for Rocky Top, new zoning map for Rockwood.

ETDD 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 95 maps and illustrations for the Planning Advisory Service and over 275 maps and illustrations for ETDD community projects, including CDBG, LPRF, Solid Waste, HOME, THC, ARC, TDOT Multimodal Access, EDA, 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 for land use plans and studies; and 7) proposed park and greenway maps/site illustrations. Other examples of maps created this year include those for the Norris Land Use Plan showing existing land use, future land use, natural factors affecting development, the major thoroughfare plan, regional setting, and location of public facilities.



# PLANNING AND RESEARCH

## 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.

TDOT introduced a new grant program this year. The new Community Transportation Planning Grant (CTPG) program provides resources to assist Tennessee communities develop transportation and land use plans in preparation for future transportation, land use, and growth management issues. TDOT also continued to fund the following grant programs: Transportation Alternatives Grant, Safe Routes to School Grant and Multi-modal Access Fund Grant. ETDD staff prepared grant applications for multiple local governments interested in funding under these TDOT grant programs.

ETDD staff continued to participate with TDOT in Road Safety Audit Reviews (RSAR) on state and local roadways within the Region. The goal of the RSAR program is to reduce injuries and fatalities on our state and local roadways. Types of improvements include signage, pavement markings, rumble strips, guardrail, minor geometric improvements and others.

## 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 2014, 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 its annual comprehensive Phase II Storm Water Management Program.

In terms of project funding during 2014, 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, Claiborne County, Cocke County, Jefferson County, Monroe County, Morgan County, Roane County, Union County, Cumberland Gap, Dandridge, Harrogate, Jefferson City, Madisonville, Newport Utilities, Norris, Rocky Top, Rockwood, Parrottsville 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 2014, ETDD prepared solid waste needs assessments for Morgan County and Grainger County.

In 2014, 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 2014 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 2014, ETDD staff prepared used oil grant program applications on behalf of Scott County, Rocky Top, Dandridge, Jefferson City, Tellico Plains, Morgan County and Newport. The total grant request was \$101,700 for these projects. ETDD staff also prepared recycling grant and HUB grant applications on behalf of Caryville, Newport, LaFollette, Union County, Morgan County and Monroe County. The total grant request was \$145,872 for these projects.

- During 2014 ETDD also assisted Scott County with the re-establishment of their Solid Waste Board. Due to the new elections, this process was carried over from the 2013 Annual Report. The qualitative assessment is still ongoing and should be completed by the spring of 2015.
- 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 grant is a three year grant and the project is about 50% completed and should finish up the fall of 2015.
- The East Tennessee Development District has gone "green"! During the past year, ETDD has recycled nearly 21,000 lbs. of mixed paper (office and newspaper) and aluminum cans. This represents an increase from 2013, which illustrates ETDD commitment to recycle and be good environmental stewards.

# PLANNING AND RESEARCH

## 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 over 100 member departments and meets quarterly to deal with such matters as legislation, mutual aid, training, communications, information and technical assistance.

In 2014, ETDD coordinated meetings that were sponsored by the Jefferson City Fire Department, the Andersonville VFD, the Alcoa Fire Department (joint meeting with Upper TN Chiefs) and the Kingston Fire Department. The officers of the ETRCFC during 2014 were Chair, Ken Marston, retired Chief of the Karns Volunteer Fire Department; Vice-Chair, Randy Ragan, Chief of the Newport Fire Department, Secretary/Treasurer, Terry Bobrowski, Executive Director of the East Tennessee Development District.

## 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 three (3) funding opportunities; *Firefighters Grant* that deals with firefighting or EMS equipment, firefighting vehicles and 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 other program is Fire Prevention that allows our communities to request funding for smoke detectors, school education supplies and training facilities. The FEMA *Firefighters Program*, *SAFER* program and *Fire Prevention* program are very important grant resources for local fire departments and has pumped millions of dollars into the region over the past twenty years.

In 2014, ETDD staff either assisted or prepared FEMA Firefighter Grant Program applications for the following fire departments: Parrottsville, Cocke County, Cumberland Gap, Rutledge, Rockwood, LaFollette, Caryville, Norris, Jacksboro, Harriman and Clinton. The total of the grant funds requested was \$1.8 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 COPS grant applications and/or Bullet Proof Vest applications on behalf of Lenoir City, Rocky Top, Grainger Co., Rutledge, Jacksboro, Sweetwater, Harriman, Townsend, Blaine and Tellico Plains. The total grant monies requested exceeded \$191,000.00.

## 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 monies requested exceeded \$972,000.



# ECONOMIC AND COMMUNITY DEVELOPMENT

## 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 July 2014. The next edition will be published in July 2015.

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 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, has continued to provide local communities with important options for financing improvements required by industrial expansions or new industrial locations. During the 2014 program year, ETDD staff provided application or administration assistance to the Industrial Development Board of Blount County, Campbell County, Loudon County, Roane County, Scott County, Caryville, Lenoir City Utilities Board, Newport Utilities Board and the Tellico Regional Development Agency. The program is an important development component which finances 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 the 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, Recycling Grant Programs, Economic Development Administration Grant Programs, USDA Rural Development Programs, Clean Energy Conservation Grant Program (TVA), FEMA Firefighters Grant Program, and TDEC Watershed Planning Grant Program.

Specific communities or agencies assisted during the 2014 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, 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, Lenoir City Utilities Board, Loudon Utilities Board, Madisonville, New Tazewell, Newport Utilities Board, Norris, Oak Ridge, Rocky Top, Pigeon Forge, Rockwood, Rutledge, Tazewell, Sevierville, Sweetwater, Tellico Reservoir Development Agency, Tellico Area Service System (TASS), Vonore, and White Pine.

# ECONOMIC AND COMMUNITY DEVELOPMENT

## 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.

ETDD housing staff prepared and submitted two housing rehabilitation CDBG grant applications in February 2014 to the Tennessee Department of Economic and Community Development. The grants were submitted on behalf of the Towns of Tazewell and New Tazewell. ETDD staff is also assisting the City of Clinton with the administration of their previously awarded housing rehabilitation CDBG grant project.

In March 2014, ETDD housing staff submitted 7 HOME grant applications for the following governmental entities: Claiborne County, Cocke County, Hamblen County, Cumberland Gap, New Tazewell, Tazewell and Kingston. 4 of these applications were approved for HOME grant assistance in May 2014.

ETDD continues to work with THDA programs in our service area to assist the low-income and elderly populations with necessary home rehabilitation projects. One the most successful programs in our district is the Emergency Repair Program for the Elderly (ERP), a THDA grant that allow for vital repairs and modifications that will allow families and elderly residents to remain in their homes. ETDD received a 2-year allocation from THDA in July 2014. Within about two weeks of ETDD signing the grant contract, ERP funds had been allotted to nearly 60 projects throughout our region, two-thirds of which were completed before the end of 2014. With the assistance of our local providers, ETDD has been able to assist elderly homeowners in virtually every community within the district. 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

Our region is filled with unique historic and cultural resources and a network of engaged stewards who work to protect and preserve these valuable community assets. ETDD preservation staff partners with the Tennessee Historical Commission, the East Tennessee Preservation Alliance (regional arm of Knox Heritage) and preservation-minded local officials and individuals in each of our sixteen counties to conserve and promote our region's culture. ETDD strives to encourage and assist with these efforts utilizing various applications of technical assistance, education, outreach, historical research, field work and documentation.

ETDD's Preservation Planner provides ongoing technical assistance and responds to inquiries on a variety of preservation matters, such as the National Register of Historic Places, grant opportunities, tax credits, local historic zoning, 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 six grant applications for the Tennessee Historical Commission's FY 2015 funding round. These projects include the following: masonry preservation for the Monroe County Courthouse in Madisonville; architectural surveys of Cocke County and Campbell County; the East Tennessee Preservation Alliance annual conference; Blount Mansion Blount Scholars education programming; and repairs to the Craighead-Jackson house in Knoxville. Grant recipients are expected to be announced in May 2015, with reimbursement contracts becoming effective in October.

ETDD preservation staff regularly submits National Register of Historic Places (NRHP) nominations to the Tennessee Historical Commission for review and subsequent National Park Service approval. NRHP listing is an honorary designation that allows access to federal historic preservation grant funds and tax incentives, and provides for limited protection under Section 106 of the National Historic Preservation Act of 1966. In June 2014, ETDD staff submitted National Register nominations for Richland (Albert Miller Lea House) in Blaine, Grainger County and the Leadvale (Rankin) Coal Tipple site in the Newport vicinity, Cocke County. These properties were officially listed in the NRHP November 19<sup>th</sup> and December 1<sup>st</sup>, respectively.

# AREAWIDE DEVELOPMENT CORPORATION



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 Areawide Development Corporation (ADC), the U.S. Small Business Administration, and a private lender. SBA 504 loans allow small business owners to purchase and/or renovate an existing building; the purchase of land and construction of a new building; and the purchase of long term equipment and machinery.

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 maximum SBA debenture is \$5 million or \$5.5 for small manufacturers.

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. The February 2015 full term rate for the 20 year debenture was 5.060%. The 10 year debenture funds every other month, the most recent funding was January 2015, and the full term rate was 4.969%. Both the 10 and 20 year debentures are fully amortizing loans.

To date, ADC has closed 283 loans resulting in over 5,000 jobs being created or retained. ADC's total 504 loan portfolio has 69 outstanding loans and the value of the portfolio exceeds \$46 million dollars (SBA funding only). ADC had nine loans approved totaling \$7,200,000 in fiscal year 2014.

## 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 IRP loan program was created to fund community development projects, the establishment of new businesses, expansion of existing businesses, creation of employment opportunities, or saving existing jobs. The borrower must be located in a rural area of the State, unable to obtain financing from its own resources or through commercial credit or other Federal, State, or local programs at reasonable rates and terms. The maximum loan amount is \$250,000 and may not exceed 75% of the total project costs. The loan term is up to twelve years based upon the useful life of the collateral. Currently, the IRP portfolio has eleven outstanding loans with a total portfolio value \$713,000.

## EDA REVOLVING LOAN FUND

Since 1983 the Economic Development Administration Revolving Loan Fund (RLF) has provided fixed asset/working capital financing to small businesses in the East Tennessee counties serviced by ETDD. The objectives of the RLF program are to create / retain jobs, aid in small business development, increase tax base, overcome specific gaps in local capital markets that inhibit businesses from obtaining suitable credit, and provide capital for manufacturing and service companies using new technologies with an emphasis on growth industries. The maximum loan amount is \$200,000 and may not exceed 90% of the total project costs. Currently, the RLF portfolio has eight outstanding loans with a total portfolio value \$714,000.

# FINANCIAL MANAGEMENT

The District's financial statement audit by Rodefur and Moss, Certified Public Accountants for the year ended June 30, 2014 has been approved by the ETDD Executive Committee.

The District's estimated operating revenues for the fiscal year ending June 30, 2015 amounted to \$1,837,586. 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 .....\$188,000
- State appropriation through the Department of Economic and Community Development ..... 150,000
- Tennessee Housing Development Agency, Technical Assistance and Outreach ..... 20,000
- Tennessee Housing Development Agency, Elderly Repair Program .....160,000
- U.S. Department of Interior, National Park Service, through the Tennessee Historical Commission ..... 32,000
- Tennessee Department of Environment and Conservation, Solid Waste Needs Assessment..... 28,000
- Federal funding directly from the U.S. Department of Commerce, Economic Development Administration ..... 58,500
- Appalachian Regional Commission fund administered by the Tennessee Department of Economic and Community Development..... 132,986
- Administrative Reimbursements – Loan Programs .....439,200
- Grant Administration .....205,000
- Tennessee Advisory Commission on Intergovernmental Relations ..... 70,420
- Tennessee Department of Transportation, Rural Planning Organizations .....104,400
- Regional Planning Services .....244,280
- Other Revenues .....4,800

## STAFF



**Terrence Bobrowski**  
Executive Director  
27 Years of Service

Don Woods, Areawide Development Corporation Director.....	40 years of service
Mitchell Loomis, Grant Programs Manager.....	21 years of service
Mollie Childress, Infrastructure Planner.....	17 years of service
Phil Layman, Economic/Community Development Planner.....	11 years of service
Tim Brew, Business Development Specialist.....	10 years of service
Debbie Sudhoff, Business Development Specialist.....	6 years of service
Rick Yakubic, Deputy Director and Fiscal Officer.....	5 years of service
Don Brown, Transportation Planner.....	4 years of service
Beth Lazar, Loan Program Administrator.....	4 years of service
Midge Jessiman, Planner.....	4 years of service
Chad Davis, Planner.....	4 years of service
Joe Barrett, Planner.....	4 years of service
Susie Butefish, GIS Planner.....	4 years of service
Nichole Britt, Grants Specialist.....	3 years of service
Christie Burt, Administrative Assistant.....	1 year of service
Caroline Eller, Historic Preservation/Housing Planner.....	1 year of service
Shannon Gilliam, Administrative Assistant.....	7 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.