

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

**APRIL 9, 2019
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, April 9, 2019, at the ETHRA offices in Knoxville, TN. The following Executive Committee members were present:

E.L. Morton, Campbell County Mayor
Ron Woody, Roane County Executive
Roland (Trey) Dykes III, Member at Large
Mark Potts, Jefferson County Mayor
Joe Brooks, Claiborne County Mayor
Crystal Ottinger, Cocke County Mayor
Glenn Jacobs, Knox County Mayor
Rollen (Buddy) Bradshaw, Loudon County Mayor
Jeff Tibbals, Scott County Mayor
Jason Bailey, Union County Mayor
Evelyn Gill, Member at Large

Guests

Rick Yakubic, ETDD
Jack Qualls, Loudon County Development Representative
Jane Jolley, Knox County
John LeCroy, TDEC
Tammy Merritt, Congressman Fleischmann's Office
Madison Heinsohn, Congressman Tim Burchett's Office
David Lietzke, Grainger County Development Representative
Mike Arms, ATVG
Chris Shultz, MTAS

CALL TO ORDER

Chairman E.L. Morton called the meeting to order.

MINUTES

Chairman E.L. Morton presented the minutes of the March 12, 2019 meeting to the Executive Committee for approval. Scott County Mayor Jeff Tibbals made a motion to approve the minutes as presented, it was seconded by Claiborne County Mayor Joe Brooks, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending February 28, 2019 was presented by Jefferson County Mayor Mark Potts. Mayor Potts made the motion to accept the report as presented and it was seconded by Roane County Executive Ron Woody, and it was approved by all.

DIRECTOR'S REPORT

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

Grants Update

There are several items to report on:

ARC Grant Programs

Mr. Bobrowski announced that he is pleased to report that four of the eight pre-applications that we submitted were selected for preliminary funding. White Pine was funded for an interconnection with Morristown Utilities, the Arthur Sewanee UD in Claiborne County was funded for a new water tank that will serve a middle school, Campbell County was selected for additional broadband expansions, and Hamblen County received funds for an inmate drug program. We are now preparing full applications for funding for these four projects. The applications are due on April 15th.

We are also preparing one POWER grant application. These are ARC funds that are designated for coal impacted communities. We are working with a consortiums of 8 schools, 2 TCATs and 1 community college to prepare a \$1.5 million dollar request for a workforce development program.

Upcoming grant programs include COPS grants and FEMA fire fighters grants. Both of these program provide funding to public service agencies.

Agribusiness Loan Program

Mr. Bobrowski mentioned we are still looking for applications for our new loan program for the TN Dept. of Agriculture. The purpose of the program is to stimulate farm and agri-business income. We intend to provide low interest financing for the purchase of farm equipment and machinery in order to create new markets for locally produced farm products. Loans can be for up to \$25,000, 7 years maximum term and we anticipate the interest rate to be around 4%. Loans can be used for building, harvesting equipment, production equipment, fencing, irrigation equipment, grain storage and variety of other things. No rolling stock such as trucks or trailers are eligible.

Site Development Grants

Mr. Bobrowski wants to remind everyone that the Dept. for Economic and Community Development have a variety of industrial site development grants available to local governments. The menu of grants includes:

- A Property Evaluation Program whose goal is to expand the state's inventory of both industrial sites and existing buildings through an evaluation of a community's existing inventory that prioritizes where investment may be most beneficial and what steps may be needed to address issues and shortcomings;
- Site Development Grants which can include (1) typical construction activities such as access roads, site leveling, drainage improvement and infrastructure installations; (2) property purchases, (3) High Impact grants designed to address a specific deficiency when large capital investment or job creation is involved; (4) due diligence grants which involve paying for site investigation studies such as Phase I environmental studies, soil studies, wetlands, grading plans; (5) rehabilitation of publicly owned buildings and (6) brownfield remediation.
- The Select Tennessee Certified Sites Program was developed as a rigorous process aimed at elevating Tennessee's sites to the level of preparedness necessary for corporate investment. The program will market the sites to a targeted group of site selection consultants and business leaders in Tennessee's key industry clusters. We currently have 7 certified sites in our region and there are about 45 sites across Tennessee.

The next round of applications is coming up and it is not too early to prepare. Property Evaluation applications are due on September 6th, 2019 and March 6th, 2020. Site Development grant applications are due on September 13th, 2019 and March 13th, 2020. Certified Site applications are due on July 26th, 2019 and January 24, 2020.

Rural Economic Development Initiative Overview

Mr. Bobrowski mentioned that is sure most of you have heard that one on Governor Lee's main priorities is an increasing focus on rural economic development. In fact his first Executive Order was all about rural development and directed each state agency to develop a plan for focusing resources on rural areas. I have copies of the Executive Order if anyone would like one. I feel like this is a special opportunity for the development district to participate in this state-wide effort. There are many different programs that potentially could benefit rural areas but we simply do not have the staff capacity to assist local governments with accessing many of these programs. We think that the addition of a staff person that would focus on these new programs, especially programs that deal with broadband expansion, downtown redevelopment, workforce training related to the opioid crisis and infrastructure development would be a very impactful way to participate in the new initiative. Accordingly, we have drafted a proposal for consideration by the State Legislature to provide us with an additional \$125,000 that would be used to focus on the rural economic development initiative. Our House sponsor is Susan Lynn, Chair of the Finance Committee.

Census PSAP Overview

Mr. Bobrowski reported that ETDD is continuing to work with the US Census on various preliminary count projects. We have been designated by the census as the coordinator for Participant Statistical Areas Program or PSAP for all 16 of our counties. The 2020 Census Participant Statistical Areas Program (PSAP) allows invited participants to review and update selected statistical area boundaries for 2020 Census data tabulation following U.S. Census Bureau guidelines and criteria. The Census Bureau also will use the statistical areas defined for the 2020 Census to tabulate data for the annual American Community Survey (ACS) estimates and the Economic Census. Standard statistical geographies include: Census tracts and Block groups. The 2020 Census PSAP is the only opportunity prior to the 2020 Census to review and update the selected statistical areas. The Census Bureau uses the statistical areas defined for the 2020 Census to tabulate data for the ACS throughout the decade. We are working with GIS folks in the eight counties that have active GIS capabilities and actually doing the revisions for the eight counties that do not have in house capabilities. Those counties have the materials that they need to review and we expect to hear back from them soon. We have 90 days to finish and we are in good shape to meet the deadline.

Federal Budget Overview

Mr. Bobrowski quickly mentioned an overview of the President's recent budget proposal to Congress. Looks like the budget for the EPA is down 31%, transportation is down 19%, HUD is down 16%, Agriculture is down 15%, Interior is down 14%, Health and Human Services is down 12%, Education is down 12%, Energy is down 11%, Labor is down 10% and Justice is down 2%. Defense is up 5%, Commerce is up 7%, Homeland Security is up 7% and Veterans Affairs is up 8%. This is very similar to the budget that was proposed last year.

Just for your information, there is an effort to reauthorize the Economic Development Administration for another 5 years. EDA has been operating on appropriations only for approximately the past ten years so the reauthorization interest is very encouraging. EDA just approved a \$400,000 disaster response grant for Sevier County.

Calendar Matters

Mr. Bobrowski announced the next couple of meetings coming up:

The next Executive Committee meeting is scheduled for May 14th at the ETHRA offices. And for a long term hold - we have also scheduled our Annual Awards Banquet for Thursday, July the 11th – we are going to go back to The Venue in Lenoir City for this event this year.

Other Business

Chris Shultz with Municipal Technical Advisory Service (MTAS) spoke briefly on his services.

John LeCroy with TDEC thanked everyone for those that showed up at the open house last week. The Commissioner was in town and attended as well.

Mike Arms announced upcoming events for ATVG. Spring meeting is planned for April 16-17 in Bowling Green, KY.

ADJOURNMENT

With no other business, a motion was made to adjourn by Jefferson County Mayor Mark Potts and seconded by Member at Large Roland (Trey) Dykes, and approved by all.