

East Tennessee Development District

December 2020

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*Happy Holidays
May the Joys of the Season
Lead the Way
To a Bright and Prosperous
New Year!*

ECONOMIC DEVELOPMENT

ETDD staff has submitted an EDA application that will assist the City of Clinton with the funding of water system improvements that will serve the I-75 Industrial Park. The EDA request was \$2.7 million matched by \$678,000 from Clinton.

ETDD staff assisted the City of Loudon with a Disaster Grant that will allow for the upgrade of a water force main under the Tennessee River to the Blair Bend Industrial Park. The project amount is for \$3.2 million with a grant of \$2.5 million.

ETDD staff is assisting the following communities with economic projects that will provide economic opportunities in the future:

Campbell County Workforce Development; Grant amount = \$84,925.00. These funds will be used for the acquisition of welding equipment to be housed at the Campbell County High School welding laboratory.

Claiborne County Industrial Development Board; Grant amount = \$89,775.00. Funds to be used for a due diligence study that includes resistivity and rail feasibility study for the Russell Industrial property.

Eastbridge Business Park Knox County; Grant amount = \$500,000.00. Funds to be used for the construction of a centrally located pump station and the installation of approximately 4,500 lf of sewer line.

Jefferson City Industrial Development Board; Grant amount = \$500,000. Funds will be used to grade 25 acres at the Jefferson City Industrial Complex and improve road access to the Hunt property.

City of Friendsville: ETDD staff is assisting in the administration of a EDA grant that will allow the City to place additional wastewater lines along the 321 corridor to assist in the recruitment of future industrial and commercial endeavors. Grant amount = \$440,885.00.

ETDD Staff worked with these communities to successfully close out their projects: Industrial Development Board of Scott County; Grant amount = \$37,699.00 for assessment of several industrial sites and Niles Ferry Industrial Park Monroe County; Grant amount = \$500,000.00 for site grading.

ETDD continues to monitor federal and state funding sources that are involved with making COVID – related funding available to local governments and businesses.

PINI (TACIR)

We are continuing to collect infrastructure needs from all counties, cities, and utility districts within our sixteen county region. We have met with schools' officials and are concurrently entering the school updates. The General Inventory surveys have begun, and the School Inventory data collection is well underway.

Infrastructure projects for the purpose of this survey include any needed public improvement over \$50,000 in these categories: transportation, utilities, education (facilities), health, safety, welfare, culture, economic development, and various public facilities. In cooperation with the Tennessee Advisory Commission on Intergovernmental Relations (TACIR), development districts from across the state participate in the survey. The deadline for data entry in this year's survey is March 31, 2021.

If you have not yet been contacted, please be aware that I will contact you soon and ask you to provide infrastructure project information and updates. It is very important that all needs are reported, and that information is accurate. After all the surveys have been collected, TACIR publishes a lengthy summary that details infrastructure needs for all of Tennessee. The report is presented to the governor and state legislators for use as a planning tool and a funding decision-making tool. To read the report online, use the link: <https://www.tn.gov/tacir/infrastructure/infrastructure-reports-/infrastructure-needs-2018-2023.html>. For further information, call Mollie Childress by phone at (865)273-6003 or by e-mail at mechildress@etdd.org.

GRANT INFORMATION

Community Development Block Grant (CDBG)

The State of Tennessee held a statewide virtual workshop on December 8, 2020 to provide information on grant management for the community development grant. This year's guidelines for submittal of grant applications are the following:

- One grant per community.
- An existing grant must be closed by March 31, 2021.
- Grant applications are due on February 26, 2020. If you do not close your existing grant by March 31, 2021, the new application will be returned and will not be scored for funding opportunities.

Grants (Continued)

The level of funding is determined annually through Federal Congressional appropriations. Each state receives a projected allocation of CDBG funds, based on a federal formula and does not compete with other states for funding allocations.

There are five application categories:

1. Water line extensions
2. Water line plant improvements and waterline collection system improvements.
3. Wastewater line plant improvements and wastewater collection system improvements.
4. Community livability that includes fire trucks, ambulances, drainage, etc.
5. Housing

Every application requires a match except Housing, which is 100% grant. Community development grant rates are based on the “ability-to-pay” of the applicant as calculated by the Center for Business and Economic Research at the University of Tennessee.

Maximum grants are \$600,000 for lines, systems, and housing rehabilitation. Maximum grants for community livability projects are \$400,000. Communities that participate in the Three-Star program are eligible for up to \$25,000 (\$15,000 for community livability projects) in additional funding.

The point system for Community Development Block Grants is based on the following factors:

Community need measures unemployment and income levels in the applicant city or county and in the service area of the project. Each project is eligible for up to 100 points in community need.

Project need is a relative measure of the community need for the project being requested compared to similar projects that may be submitted. Project need is calculated differently for different kinds of projects (for example, a water project may measure bacteria content in the water, while a housing rehabilitation project uses the extent of deteriorated housing as a measure of need). Line and system projects can receive up to 100 points in project need, while livability and housing projects can receive only 50 points.

Project feasibility measures the adequacy of the design and engineering of the project. For line and system projects, feasibility is a threshold for approval as determined by the Department of Environment and Conservation; no points are assigned, but the project must

be determined to be feasible. Livability and housing projects may receive up to 50 points for feasibility.

Project impact is a benefit/cost measure and compares the number of people being served and the amount of money being requested. Line and system projects can earn up to 100 points in project impact, while livability and housing projects can earn only 50. For the 2020 application round, 10 additional points in the project impact category are available if the application shows that the proposed project affects the community's economic development.

Project essentialness is used only in community livability projects in order to ensure that those projects, related to health and safety, receive the greatest opportunity for funding. A maximum of 50 points is available in essentialness.

The governor's set-aside is reserved for projects for which there is an exceptionally high project need, but for other reasons (perhaps low unemployment and high income) did not rank high enough to be funded. If the governor's set-aside is not used, the \$1 million is transferred to other project categories.

At the writing of this newsletter, ETDD staff is talking with the following communities for 2021 applications: Claiborne County, Monroe County, Rocky Top, Blount County, Jellico, Caryville, Harrogate, Cocke County, Scott County, Norris, Campbell County, Loudon, Oakdale, and Roane County.

ETDD staff is currently assisting 28 communities with the administration of their funded CDBG projects.

Appalachian Regional Commission (ARC)

The 2021 pre-application is now online. The deadline for submitting a pre-application is December 4, 2020. The State held a workshop to discuss the 2021 ARC goals on October 7, 2020.

Applications can be made for up to \$500,000 for construction projects and \$250,000 for non-construction projects. The distressed counties for 2021 applications in the ETDD region are Cocke County and Scott County, which relates to a 20% match. The At-Risk Counties are Campbell, Claiborne, Grainger, Monroe, Morgan, and Union Counties, which require a 30% match. All other counties in the region are considered transitional counties and that match rate is 50/50.

The types of projects eligible for funding are wide open, but the emphasis is on job creation and economic improvement in the ETDD region. A successful project

Grants (Continued)

must also have a sustainability plan in place for funding once the grant has been completed.

At the writing of this newsletter, ETDD staff is talking with the following communities in order to make a 2021 pre-application: Parrottsville for wastewater system improvements, Campbell County for Elk Tower, Monroe County for Industrial Spec Building, Grainger County for Agri-Business Development, Cocke County for Rural Waterlines, Claiborne County for Boat Dock and fishing pier, Blount County for wastewater system replacement at Lanier School, Jefferson City for water tank, and Loudon for Marina Development.

ETDD staff is currently working with 16 communities on the administration of their funded ARC projects.

ETDD staff submitted an ARC Inspire Grant application for Springs of Life Recovery located in Jellico to expand their job skills training program. The INSPIRE Initiative focuses on projects that will lead to workforce entry or re-entry for individuals in recovery from Substance Use Disorder (SUD).

ETDD staff also assisted TCAT Jacksboro with preparing an application for an Advance Welding Workforce Initiative Grant to purchase welding training equipment for their satellite campus located at Jellico High School. The Advance Welding Workforce Initiative focuses on projects that enhance or expand advanced welding job skills training in Appalachian communities.

FEMA

Congratulations to the Town of Caryville for receiving a 2019 FEMA grant in the amount of \$95,800.00 for SCBA units with harness/backpack, face piece, and (2) cylinders.

FEMA is now holding virtual workshops to discuss the assistance to firefighter grants that are expected to be opening soon for applications.

December 1, 1:00 p.m. – 2:00 p.m. EST
December 3, 3:00 p.m. – 4:00 p.m. EST
December 10, 3:00 p.m. – 4:00 p.m. EST

Keep in mind you must be registered with their new on-line system, FEMA Go, to apply. If you need help with registration, contact Tim Hendrick at thendrick@etdd.org.

Recreation

The State Recreation Education Service is currently accepting full applications from communities who

successfully submitted pre-applications by October 8, 2020. To be eligible for the first round of applications, communities must have a Parks and Recreation Systemwide Master Plan that is no older than 5 years. A second round of pre-applications will be accepted August 3, 2021, once eligible communities have completed a Master Plan.

Local Parks and Recreation Fund (LPRF)

The LPRF program provides state funding for the purchase of land for parks, natural areas, greenways, and the purchase of land for recreational facilities. Funds also may be used for trail development and capital projects in parks, natural areas, and greenways. Recreation Educational Services administers the LPRF grants. These grants are a 50% match. For the 2021 LPRF Grant Application Cycle, the grant application minimum request is \$20,000 (\$40,000 total project) and the grant application maximum request is \$500,000 (\$1,000,000 total project).

ETDD Staff assisted Union County in submitting a pre-application for a multi-sports complex in the region and assisted the City of Clinton with mapping for a pre-application to upgrade and add new features to their pool.

Tourism

ETDD staff is currently assisting Union County with the recently awarded Tourism Grant that will allow the County to have a multi-purpose event center.

Congratulations to Loudon County, City of Loudon, Lenoir City and Tellico Village on being one of the 15 communities across the Tennessee RiverLine four-state region to be accepted into the inaugural Tennessee RiverTowns program.

Transportation

ETDD Staff prepared and submitted transportation alternative applications for the following communities:

1. Anderson County - Total cost \$1.45 million; State - \$1.16 million; Local - \$290,131.00
2. Sweetwater - Total cost \$946,500; State - \$899,175; Local - \$47,325

Grant Application System Registration

As funding for COVID relief becomes available, communities and organizations will need to act quickly to complete the application tasks that are generally processed through grants.gov. However, many

communities of ETDD are not registered with grants.gov or sam.gov, and the process of completing the registration is both time consuming and complex, often taking months from start to finish. ETDD staff is working to determine which communities, community organizations, public utilities, volunteer fire departments, police departments, and other grant-eligible entities are not registered with the primary federal government grant application systems and will provide the necessary technical assistance to complete the registration process. ETDD staff will also assist eligible entities with registering for any necessary public and private grant application portals, such as FEMA Go, as required. If your community or organization is not registered to apply for federal grants and you need assistance to complete the process, please contact Tim Hendrick at thendrick@etdd.org to request support.

COVID Impact on ETDD Communities

ETDD staff is working to determine the effects of the pandemic on the local level and working with county and municipal governments and other public entities to address their needs. All communities of the ETDD region will be contacted by the end of 2020 to discuss their COVID-related issues and what steps have been taken for mitigation. Your timely response to any solicitation for survey responses is very much appreciated. The collected data will be compiled and analyzed at the municipal and county levels. ETDD staff will develop county-specific reports on the pandemic's affects and local solutions, eventually producing a regional overview.

TDOT Multimodal Access Grants

As part of the COVID response program, ETDD staff is working with local communities to increase or enhance their infrastructure available for residents to be outside and utilize outdoor recreational spaces and to ease the ability of pedestrians to safely walk to grocery stores, pharmacies, and other locations of critical need. To address these needs, ETDD staff provided TDOT Multimodal Access Grant application assistance to the following communities:

- Anderson County: installation of sidewalks and crosswalk improvements to the area around Norwood Elementary and Middle Schools with a total project cost of \$951,300
- City of Rocky Top: installation of sidewalks and improvements to existing sidewalks connecting Lake City Middle School to the downtown corridor with a total project cost of \$999,645
- Town of Rutledge: installation of sidewalks and pedestrian lighting through downtown Rutledge

and connecting to Rutledge Primary School with a total project cost of \$499,972

- City of Sweetwater: installation of a multiuse path for pedestrians and bicyclists to complete the loop of trails around downtown Sweetwater with a total project cost of \$948,950.

HOUSING

The Tennessee Housing Development Agency's (THDA) Emergency Repair Program (ERP) grant is in full swing with ETDD administering and working with service providers to complete 37 projects for elderly and disabled homeowners in Knox and the surrounding fifteen counties. The next round of funds will be released in July 2021. ETDD housing staff is available to discuss housing needs and community housing grant applications. We can also provide information on local and regional housing service providers, agencies and alternate programs that can assist individuals in need of housing repair. For more information on these programs, contact Jonathan Moseley at (865) 273-6003.

HISTORIC PRESERVATION

The State Historic Preservation Office is accepting grant applications for the federal Historic Preservation Fund (HPF) beginning December 1, 2020. Applications must be completed by 4:00 (Central Time) February 1, 2021. The HPF will be available after Congress passes the federal budget. The exact amount of available grant funding is not known but it is expected to be in the range of \$300,000. Applications will be reviewed, rated, and ranked. The grants are matching grants and will reimburse up to 60% of the costs of approved project work. The remaining 40% must be provided by the grantee as matching funds. The selection process will emphasize projects such as architectural and archeological surveys, design guidelines for historic districts, and restoration of historic buildings that are listed in the National Register and have a public use. Priorities for grants will be based on the State Preservation Plan. Examples include areas experiencing rapid growth and development, other threats to cultural resources, areas where there are gaps in knowledge regarding cultural resources and communities that participate in the Certified Local Government program. For proposed survey projects, the projects should identify and record historic districts, sites, buildings, structures, and objects built over 50 years ago. Surveys may be for a specific geographic area or for properties associated with themes or events important in the state's history, such as the development of railroads in

the 19th century or post World War II residential development. Preservation plans for towns, neighborhoods and historic districts and the preparation of nominations to the National Register of Historic Places (NRHP) are other areas possible for grant funding. For more information, please visit the Tennessee Historical Commission's website or Johnathan Mosely at ETDD.

The Tennessee Historical Commission has started a new initiative to research Post-WWII suburbs contingent upon their frequent appearances in NR nominations and Section 106 reviews. While there is substantial general context on post WWII suburban development there is nothing specific to Tennessee. Survey time frame for these neighborhoods is circa 1950-1990. The start date can be as early as 1950 but with a preferred emphasis on 1960 and later eras. Please inform ETDD staff of suggestions for neighborhoods that might meet these criteria.

ETDD works with a variety of local and regional preservation groups and advocates that can assist with NRHP nominations, preservation grant applications, and tax incentives. Please contact Jonathan Moseley with ETDD for preservation-related assistance and technical guidance.

RURAL PLANNING ORGANIZATION (RPO)

On November 19, 2020, a joint virtual meeting of the ETSRPO Executive Board and Technical Committee was held. The ETNRPO also held a joint meeting of the Executive Board and Technical Committee on the same day. The primary agenda items included the annual ranking of TDOT roadway projects and approval of the rural regional transportation plans for each RPO.

Rural Planning Initiative Grant transportation planning studies are currently underway for Monroe County, New Tazewell, Parrottsville, Newport and Oneida. These studies are being prepared by a consultant under contract with the ETDD.

The following communities received 2020 Community Transportation Planning Grants: Campbell County, Harriman, Newport and Sevierville. Kickoff meetings for these planning studies are currently being held.

The East Tennessee Development District website contains the most up-to-date information on the two RPO's. The web site includes the most up to date TDOT Project Status Reports that provide a description and status of all TDOT projects in each county within the RPO. The link to this website is

<http://www.etdd.org/services/community-development/transportation/>.

PLANNING ADVISORY SERVICE

Transportation/Land Use Plans

The Tennessee Department of Transportation has contracted with the East Tennessee Development District to prepare three Land Use and Transportation Plans in the East Tennessee Region. Each of the plans will focus on a single county. The counties selected are: Campbell, Grainger, and Scott Counties. These counties were chosen because they are considered by the state to be economically distressed and would greatly benefit from long range plans to improve transportation facilities.

The purpose of these plans is to identify needed improvements to federal, state, and state street-aid roads within each county. TDOT will use these plans to rank and prioritize road improvements within the region. Some of the needed improvements will be based on existing conditions that negatively impact safety, impede the efficient movement of vehicles, and hinder economic activities. The plans will also detail future road improvements based on the anticipated growth of the county and its municipalities. Of particular importance will be future land use patterns based on several factors including population and economic growth; the location and scale of public infrastructure such as public water and sewer facilities; and geographic constraints such as steep topography or being prone to flooding.

These plans will be prepared by the planning staff of the East Tennessee Development District. Planning staff will work closely with the local planning commissions and legislative bodies to obtain input as the plans are prepared. The planning staff will also solicit input from the general public during the process. The proposed land use and transportation plans are in their beginning stages of data collection. They are proposed for completion in January 2022.

GEOGRAPHIC INFORMATION SYSTEMS (GIS)

GIS staff prepared 58 maps and illustrations for projects in district communities during the last quarter. 41 of these maps were made in direct support of ETDD's grant program. A total of four maps were made for ARC grant projects, which included a topographic map, airport radius map, and a flood map illustration using a FIRMette for the environmental review of an application for the

Tennessee Valley Boys and Girls Club in Claiborne County, as well as a client service area map for an ARC INSPIRE Grant for the City of Jellico. 22 of the grant maps were made for environmental review of three CDBG projects in Morristown, Anderson County, and White Pine. These included topographic maps, airport radius maps, and several flood map illustrations. In economic and community development, three maps were made for the environmental review of a TDEC Placemakers Grant for the town of Sweetwater, including an airport radius map, a topographic map, and a flood illustration. In recreation, GIS staff prepared eight maps in support of two Local Parks and Recreation Fund (LPRF) Grant applications for the City of Clinton and Cocke County. These products included vicinity maps, project area location maps, and topographic maps. A new draft of the preliminary site plan for Union County's LPRF application was completed this quarter as well and was prepared as a large format poster for the project's upcoming public meetings. In transportation, ETDD's GIS staff created a map delineating overall planned sidewalk improvements for two Anderson County TDOT projects – one Transportation Alternatives Grant and a Multimodal Access Grant – both taking place along SR61 in the Norwood community. Also, in transportation, three project location maps were completed for Traffic Signal Modernization Program grant applications for the cities of Rutledge, Caryville, and Jellico.

GIS projects for Planning Advisory Service contracts this quarter included eight proposed rezoning illustrations for several communities. These included the towns of Bean Station, Rocky Top, Jellico, Oliver Springs, and Oneida. GIS staff also completed several official zoning map updates per signed ordinances for the Pittman Center, Caryville, Maynardville, and Rocky Top communities. A newly adopted historic overlay district was added to Jellico's official zoning map, bringing it up to date as well. A special zoning map was also made for Jefferson City focusing on their historic district. ETDD GIS staff is currently working on a large zoning map update for the city of Huntsville. It will include several annexations and one rezoning. In other Planning Advisory Service work, GIS staff prepared a corporate limits map and provided two large format, hard copy tax maps to the city of Townsend. Lastly, a population map by census tract was made for Grainger County.

AREAWIDE DEVELOPMENT CORPORATION

As we reflect over 2020, this has been a different year for our country and the world. COVID-19 has brought forth many changes in the way we all do business as well

creating financial distress for many businesses and its employees. In this historic year, SBA quickly stepped up to assist small business owners by assuming financial responsibility for making six monthly loan payments for all existing 504 borrowers. 504 loans funded between April and December 2020 were placed on deferment for 90 days and then SBA began making six monthly loan payments for these new borrowers as well. This is the first time in the history of the SBA 504 loan program that these events have occurred. Furthermore, SBA administered the Economic Injury Disaster Loan (EIDL) and the Paycheck Protection Program (PPP) nationally for small businesses. SBA has become a household name in the small business world because of these programs and the financial assistance offered.

In other 504 news, ADC had three 504 loans approved in fiscal year 2020 with debentures totaling \$4,095,000. The requests included new construction of a facility for a fourth-generation family business, FF&E purchase for the new facility and the last request was a small business that had been in leased space with their business located in multiple facilities. This business was able to purchase one building to house their entire business operations under one roof. As we go into the holiday season, small business owners are continuing to take advantage of the historically low interest rates of the SBA 504 loan program. ADC is currently underwriting 5 loan requests for projects involving real estate and FF&E purchases and 1 loan request for refinance of existing real estate and FF&E debt. Typically, this time of the year business starts to slowdown but not in 2020!

COVID Loan Program

The East Tennessee Development District, in conjunction with ADC, has recently disbursed \$400,000 to assist small businesses negatively impacted by the COVID-19 pandemic in our sixteen-county region. These funds were made available through an EDA grant and we are actively seeking ways to financially assist small businesses. These funds are available to for profit and not for profit business and the loan rates and terms are flexible based upon collateral available. The minimum loan amount is \$25,000. If you are aware of a small business within our sixteen-county region that have been impacted by COVID-19 and would possibly benefit from this loan program, please contact ETDD or ADC for further assistance.

In closing, ADC would like to say thank you to all our lending partners for entrusting us to meet the financial needs of small businesses across Tennessee! We wish everyone a Merry Christmas and we look forward to growing our relationships in 2021.

This newsletter 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. Materials from the ETDD Newsletter may be freely reprinted with proper crediting of the source.

Calendar of Events

December 2020

- 4 ARC Grant Pre-Application Deadline
- 10 ETDD Audit Subcommittee meeting, ETHRA offices
- 10 ETDD Executive Committee & ETHRA Policy Council Meetings, Virtual Platform
- 14 State Data Center Affiliates Meeting, virtual platform
- 17 TDDA monthly meeting, Nashville, TN
- 24-25 Christmas holidays, ETDD offices closed
- 31 ThreeStar Goal Report deadline

January 2021

- 1 New Year's Day holiday, ETDD offices closed
- 12 ETDD Executive Committee & ETHRA Policy Council Meetings, ETHRA Offices
- 18 MLK Day holiday, ETDD offices closed
- 19 ET Fire Chiefs Meeting, Roane State CC, Knoxville campus
- 21 TDDA monthly meeting, Nashville, TN
- 21 TN General Assembly convenes for 2021 session
- 22 ECD Certified Sites grant application deadline

February 2021

- 9 ETDD Executive Committee & ETHRA Policy Council Meetings, ETHRA Offices
- 15 President's Day Holiday, ETDD offices closed
- 17 TDDA monthly meeting, Nashville, TN
- 26 2021 CDBG Grant Application Deadline