

EAST TENNESSEE DEVELOPMENT DISTRICT 2016 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. Almost fifty years ago, the East Tennessee Development District (ETDD) was created on September 20, 1966. ETDD's Board of Directors is made up of municipal and county mayors, two members of the General Assembly and other citizen members that are directly involved in the fields of economic or community development.

The East Tennessee Development District focuses 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 50 years. The District has been concerned with economic growth in a sustainable manner and places specific emphasis on providing staff support for planning commissions, regional transportation planning, public infrastructure planning, industrial development, small business financing, support for entrepreneurship, 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 infrastructure to accommodate quality growth and development, promote the creation of new jobs, foster the investment of new capital, protect our natural and cultural 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 responsibility for the financing of public services will become more focused at the local level. 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 relied on in the past 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 50 years and can look forward to successfully meeting the challenges of the 21st Century.

Bill Brittain
Hamblen County Mayor
Board Chair
East Tennessee Development District

ETDD: AN ASSOCIATION OF LOCAL GOVERNMENTS

The East Tennessee Development District is a voluntary association of municipal and county governments in the 16-county region of East Tennessee surrounding Knoxville. Organized approximately 50 years ago in September of 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 at least 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.

BOARD ACTIVITIES

During the past year, the full Board met twice: the Annual Business Meeting and Luncheon on March 12, 2015 and the Annual Awards Banquet on the evening of June 4, 2015. The Awards Banquet focused on recognizing communities and organizations for outstanding achievements within the region. Twelve communities were recognized for outstanding achievements at the 2015 Banquet. ETDD was honored to host over 120 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 2015-2016 were approved, the new officers and executive committee members were elected and the Annual Report was presented. Congressman Chuck Fleischmann provided remarks on current issues facing the US Congress and Mr. Randy Boyd, Commissioner of the Tennessee Department of Economic and Community Development, provided keynote remarks.

At the January meeting, the state and federal legislative agendas for 2015-2016 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 2015-2016, a fiscal review by the state legislature was discussed and an overview of ETDD's planning assistance service was provided.

At the March meeting, the annual budget was discussed and the upcoming work plan for ETDD was presented. A legislative update was also provided.

At the April meeting, a resolution of support was approved for the start up of the TVA Watts Bar II nuclear reactor.

At the May meeting, an overview of grant programs that would be available to local governments in the near future was presented and a list of projects to be presented at the Awards Banquet was provided.

At the June meeting, annual salary adjustments for ETDD employees were presented and the recent staff changes at the state ECD office were discussed.

At the July Executive Committee meeting, the new ETDD officers were seated and new subcommittee appointments were made by the Chair.

At the September Executive Committee meeting, the 2015-2016 CEDS was adopted as well as an update to the Affirmative Action Plan. The committee also approved the annual management agreement between ETDD and the ADC.

At the October Executive Committee meeting, an update on the status of grant programs was provided and the upcoming training schedule for planning commissioners was discussed.

At the November meeting, the annual audit for the 2015 program year was presented and accepted by the Executive Committee.

BOARD OF DIRECTORS, 2015-2016*

OFFICERS:

Chair: Bill Brittain, Hamblen County Mayor
Vice-Chair: Terry Frank, Anderson County Mayor
Secretary: Johnny Merritt, City of Luttrell Mayor
Treasurer: E. L. Morton, Campbell 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, III

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 Linda Fultz

Mayor Phil Greer
Mayor Wayne Jessie
Ms. Robin Mason***

Cocke County
Mayor Crystal Ottinger**
Mayor Connie Ball
Mayor DeWayne Daniel
Mr. Tommy Bible***

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

Hamblen County
Mayor Bill Brittain**
Mayor Gary Chesney
Mr. Marshall Ramsey***

Jefferson County
Mayor Alan Palmieri**
Mayor J. Clint Hurley
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 Teresa Ryon
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 Werner
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, 2016

** 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 2011, ETDD added a local planning advisory service program component to its annual work plan and is now able to provide these important staff services to 33 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 2015, ETDD engaged in a complete format revision of the Comprehensive Economic Development Strategy (CEDS) for the region. ETDD prepared the revision of the CEDS in order to comply with new regulations that were promulgated by the US Economic Development Administration in 2015. 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 July of 2015, a CEDS committee was appointed by the Executive Committee to review and comment on the revised CEDS document. The CEDS committee consisted of local elected officials, business leaders and workforce development officials. In late August of 2015, the CEDS Committee met and engaged in an inclusive planning process in order to provide input on the revised CEDS document. The CEDS committee discussed the composition of the CEDS and then recommended that the revised 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 revised 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 2015. The completed CEDS was subsequently submitted to the Economic Development Administration in late September of 2015. Subsequent updates of the CEDS will take place on an annual basis through 2018.

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 the current annual iteration of the comprehensive survey, the largest undertaking in the state, in August of 2015. Over 2,100 projects were updated in 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 2015 report estimates the five year cost of state-wide infrastructure needs at approximately \$38.2 billion dollars. Topping the list are transportation and utilities needs at \$21.6 billion, followed by education needs at \$7.5 billion, health and safety needs at \$5.5 billion, recreation and cultural needs at \$1.6 billion, economic development needs at \$1.2 billion and general government needs at \$551 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 for local planning

commissioners. Daily services typically consist of site plan and subdivision plat review; advising local officials on community issues and problems; staffing local planning commission meetings and making recommendations on agenda items.

The Planning Advisory Service (PAS) has a professional staff of three full time planners and one part-time planner to answer daily questions, provide staff for meetings and conduct research projects. Staff attendance at regular monthly planning commission meetings and other boards is one of the hallmarks of the PAS. Since its inception in September of 2011, the Planning Advisory Service has grown from twenty-seven (27) contracts to a contract load of thirty-three (33) cities and counties in the East Tennessee Region. The newest additions are Hamblen County and the City of Baneberry. Other communities have expressed an interest in utilizing this service in the coming year.

This past year, the planners attended a total of 292 night meetings which include meetings with planning commissioners, legislative bodies, boards of zoning appeals and training sessions. Staff also conducted 121 agenda and project reviews with city/county officials or developers. The staff also coordinated 20 meetings with other agencies. There were also 58 meetings with Boards of Zoning Appeals members and 20 meetings with the legislative bodies. Total number of meetings held with local officials in the past year was 491. This is the main focus of the Planning Advisory Service, an on-going personal relationship with local contract communities in an effort to promote the community and the well-being of its citizens. Additionally, staff prepared eight annexation studies, wrote eleven subdivision regulations amendments and four amendments to municipal codes, dealing with a variety of issues such as food vendors, special event boards, storage yards and special event promotions. Staff reviewed: 309 subdivision plats, 38 rezoning requests, 30 zoning text amendments, 35 zoning map amendments, 168 site plans and 69 board of zoning appeals cases for a total of 672 agenda items handled this past year.

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 10 hours of training. This training included: a land use tour of the Arboretum, two sessions on storm water with the Tennessee Department of Environment and Conservation and two sessions on private property rights with Dan Hawk. There were also several more training sessions given in local communities on specialized topics such as tiny homes, solar farms, land use planning, platting standards, sign ordinances, telecommunications act and local regulatory authority for cell towers, small area studies, neighborhood analysis, powers of the board of zoning appeals, rural development, fire wise and grant development, application of subdivision regulations, comprehensive growth plan and annexation.

Several studies and projects have been completed by staff in addition to the total agenda items handled. These studies and projects include: grading standards for Pittman Center, Jefferson City Land Use Plan, Rocky Top Zoning Ordinance, new Rockwood Zoning map, Clinton Land Use and Transportation Policy Plan, amended Townsend Land Use and Transportation Policy Plan, 2010-2020, 2015 Caryville Neighborhood Study, Oneida Community Assets: Commercial and Industrial Inventory, Townsend Storm Water Ordinance, revamped the White Pine Sign Ordinance, digitized Oneida Subdivision Regulations and the White Pine Subdivision Regulations, Norris Design Review Commission, New Tazewell Sign Regulations, Oliver Springs sign regulations, Newport Bed and Breakfast Inns, Newport Sign Amendments, Newport Travel Home Ordinance.

ETDD's GIS program continues very active support of the region's communities. The focus of GIS services is to work with planning and other ETDD staff in their efforts to assist local governments and ETDD programs. GIS staff provides maps, data, and illustrations for grants, planning reports, and other documents. During the last year, GIS staff produced over 300 maps and illustrations for the Planning Advisory Service and ETDD grant and community projects, including planning projects, CDBG, Solid Waste grants, housing grants, THC applications, ARC grants, TDOT Multimodal Access grants, EDA projects, recreation grants, and more. GIS staff also generated data for land use plans and other community studies. Several major projects requiring considerable GIS staff support over the last year included a series of maps for a detailed zoning/land use study in Rockwood, and maps and data for a variety of community studies. For example, in Gatlinburg, GIS staff created several slope maps, a series of maps showing development by decade, and land use. Staff also created a series of maps for the Caryville neighborhood study and several maps were created for the Jefferson City and Clinton Land Use Plans as well as the Oneida commercial and industrial inventory. GIS staff also worked to bring Baneberry's road and property maps up to date. A completely new zoning map for Baneberry was digitized, as was a new fire district map. Other maps for the city are in progress.

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 Anderson County, Campbell County, Claiborne County, Grainger County, Morgan County, Scott County, and Union County. The South RPO consists of Cocke County, Monroe County, Roane County, and portions of Blount, Jefferson, Loudon and Sevier Counties.

The Technical Committee and Executive Board of each RPO meet as needed to prioritize transportation grant applications, to discuss and prioritize needed roadway improvements in the region, to receive TDOT updates on ongoing projects, to discuss various TDOT grant and funding programs and to discuss future transportation needs of the region. During 2015 - 2016, 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.

TDOT continues to fund the following grant programs: Transportation Alternatives Grant, Safe Routes to School Grant, Community Transportation Planning Grant, Multi-modal Access Fund Grant and other transportation related grant programs. ETDD staff prepared grant applications for multiple local governments interested in funding under these TDOT grant programs. The RPO's Executive Board and Technical Committee were involved in reviewing and scoring grant applications in order to send the top rated applications to TDOT to compete in the statewide competition.

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 2015, ETDD continued to assist Sevier County with water and storm 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 2015, 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, Dandridge, Harrogate, Jefferson City, Madisonville, Newport Utilities, Norris, Rocky Top, the Tellico Area Service System and Vonore.

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 2015/16, ETDD prepared solid waste needs assessments for Hamblen, Blount and Anderson County.

In 2015/16 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 2015/16 ETDD continue to assist 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 2015/16, ETDD staff prepared used oil grant program applications on behalf of Dandridge, Morgan County, Campbell County, Friendsville, Morristown, Hamblen County, Norris, Sunbright, Union County and Newport. The total grant request was \$296,750.00 for these projects. ETDD staff also prepared recycling grant and Waste Reduction grant applications on behalf of Campbell County, Union County and Scott County. The total grant request was \$199,408.00 for these projects.

- ETDD staff continued to assist communities 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.
- 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 75% completed and should finish up the fall of 2016.
- The East Tennessee Development District has gone "green"! During the past three years, ETDD has recycled nearly 60,000 lbs. of mixed paper (office and newspaper), plastic bottles and aluminum cans!

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 2015, ETDD coordinated meetings that were sponsored by the Maryville Fire Department, the Newport Fire Department, the Rural Metro Fire Department in Knox County and the Loudon Fire Department. The officers of the ETRCFC during 2015 were Chair, Randy Ragan, Chief of the Newport Fire Department, Vice-Chair, Mike Brubaker, Chief of the Loudon Fire Department and 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 2015/16, ETDD staff either assisted or prepared FEMA Firefighter Grant Program applications for the following fire departments: LaFollette, Oneida, Vonore, Roane County, Clinton, Norris, Harriman, Rocky Top, Rockwood, Scott County, Campbell County and Parrottsville. The total of the grant funds requested was \$3.9 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 Bullet Proof Vest applications on behalf of Dandridge Sweetwater, Oliver Springs, Rockwood, Lenoir City and Norris. The total grant monies requested was for outfitting 79 officers.

WEB SITE UPGRADE FOR ETDD

In the summer of 2015, the completely renovated ETDD web site went live on the internet. The web site overhaul, the first in over seven years, was the result of many hours of staff participation in a comprehensive evaluation of information that would be beneficial to ETDD's clientele. The end result of the evaluation is a website that is aesthetically pleasing, easy to maneuver within and packed full of useful information. New features on the website include an events/programs calendar, What's New section and an interactive contact feature. Visit us at www.etdd.org!

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 2015. The next edition will be published in July 2016.

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 2015 program year, ETDD staff provided application or administration assistance to the Industrial Development Board of Knoxville, Sevier County, Tellico Reservoir Development Agency, City of Clinton, Industrial Development Board of Blount County, Monroe County, Cocke County and the Town of Caryville. 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's Area Development Program, TDOT Industrial Access Road Program, TDOT Enhancement Program, TDOT Multi-Modal 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), and the FEMA Firefighters Grant Program.

Specific communities or agencies assisted during the 2015 program year with one or more of these programs include: Anderson County, Blount County Industrial Board, Campbell County, Claiborne County, Cocke County, 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, 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 one housing rehabilitation CDBG grant application in February 2015 to the Tennessee Department of Economic and Community Development. The grant was submitted on behalf of the City of Rockwood and was subsequently funded for \$500,000. ETDD staff is also assisting the City of Clinton, the Town of Tazewell and the Town of New Tazewell with the administration of their previously awarded housing rehabilitation CDBG grant projects.

In March 2015, ETDD housing staff submitted six (6) HOME grant applications for the following governmental entities: Hamblen County, Morristown, Sevier County, Roane County, Kingston and Monroe County. Five of these applications were approved for HOME grant assistance in May 2015.

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. In July of 2014, ETDD received a 2-year allocation of \$300,000 from THDA for the ERP budget. Within about two weeks of ETDD signing the grant contract, ERP funds had been allotted to nearly 60 projects throughout our region. By the end of 2015, approximately 85% of the funds had been expended. 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 300 individual projects and over \$1.55 million has been expended in this effort. ETDD expects to receive double the normal amount from THDA in 2016 - \$600,000 – to continue this important program for another two years.

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.

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 program year 2015, ETDD staff submitted National Register nominations for the Old Grainger County Jail in Rutledge, the First Presbyterian Church in Rutledge, and the Morristown Commercial Historic District. Both of the nominations from Grainger County were accepted by the National Trust and are now on the National Register. The Morristown nomination will be considered in the January 2016 Board meeting. Other nominations being prepared include the Coal Hill Historic District in Scott County, the LaFollette Coke Ovens in LaFollette, and Wolfe Creek Bridge in the Del Rio area of Cocke County and the Shults Grove Methodist Church in Sevier County.

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 January 2016 full term rate for the 20 year debenture was 5.290%. The 10 year debenture funds every other month, the most recent funding was January 2016, and the full term rate was 4.842%. Both the 10 and 20 year debentures are fully amortizing loans. To date, ADC has received SBA approvals for loans totaling \$199,000,000 resulting in over 5,000 jobs being created or retained. ADC's total 504 loan portfolio has 64 outstanding loans and the value of the portfolio exceeds \$44 million dollars (SBA funding only). ADC had four loans approved totaling \$1,607,000 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 six outstanding loans with a total portfolio value \$512,575.

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 seven outstanding loans with a total portfolio value \$811,175. The District's financial statement audit by Rodefer Moss & Co, PLLC, Certified Public Accountants, for the year ending June 30, 2015 has been accepted by the audit committee and was approved by the ETDD Executive Committee in November of 2015. ETDD is pleased to report that the audit was "clean" and contained no findings.

FINANCIAL MANAGEMENT

The District's estimated operating revenues for the fiscal year ending June 30, 2016 amounted to \$1,812,806. 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 200,000
- Tennessee Housing Development Agency, Technical Assistance and Outreach 20,000
- Tennessee Housing Development Agency, Elderly Repair Program45,000
- 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..... 32,000
- Federal funding directly from the U.S. Department of Commerce, Economic Development Administration 63,000
- Appalachian Regional Commission fund administered by the Tennessee Department of Economic and Community Development..... 132,986
- Administrative Reimbursements – Loan Programs439,200
- Grant Administration205,000
- Tennessee Advisory Commission on Intergovernmental Relations 70,420
- Tennessee Department of Transportation, Rural Planning Organizations104,400
- Regional Planning Services276,000
- Other Revenues4,800

STAFF



Terrence Bobrowski
Executive Director
28 Years of Service

Don Woods, Areawide Development Corporation Director.....	41 years of service
Mitchell Loomis, Grant Programs Manager.....	22 years of service
Mollie Childress, Infrastructure Planner.....	18 years of service
Phil Layman, Economic/Community Development Planner.....	12 years of service
Debbie Sudhoff, Business Development Specialist.....	7 years of service
Rick Yakubic, Deputy Director and Fiscal Officer.....	6 years of service
Don Brown, Transportation Planner.....	5 years of service
Midge Jessiman, Planner.....	5 years of service
Chad Davis, Planner.....	5 years of service
Joe Barrett, Planner.....	5 years of service
Susie Butefish, GIS Planner.....	5 years of service
Nichole Britt, Grants Specialist.....	4 years of service
Christie Burt, Administrative Assistant.....	2 years of service
Nikki Woods, Loan Program Administrator.....	1 year of service
Tina Piatt, Administrative Assistant.....	9 months of service
Joe Austin, Business Development Specialist.....	9 months of service
Lindsay Crockett, Historic Preservation/Housing Planner.....	1 month 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.