

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
JUNE 13, 2023
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, June 13, 2023, at Rothchild Conference Center in Knoxville, TN. The following Executive Committee members were present:

Ron Williams, Mayor of Farragut
Ed Mitchell, Blount County Mayor
Rob Mathis, Cocke County Mayor
Bill Brittain, Hamblen County Mayor
Mark Potts, Jefferson County Mayor
Jerried Jeffers, Scott County Mayor
Neal Pucciarelli, Mayor of Cumberland Gap
Roland “Trey” Dykes, Mayor of Newport
Richard Briggs, State Senator
Elaine Davis, State Representative
Terrence Carter, Member at Large

Guests

Joe Barrett, ETDD Regional Planner
Jack Qualls, Loudon County Development Representative
Keith Abraham, Senator Bill Hagerty’s Office

CALL TO ORDER

Vice-Chairman Ron Williams called the meeting to order.

MINUTES

Vice-Chairman Ron Williams presented the minutes of the May 9, 2023, meeting to the Executive Committee for approval. Jefferson County Mayor Mark Potts made a motion to approve the minutes as presented, it was seconded by Representative Elaine Davis and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending April 30, 2023, was presented by Executive Director Rick Yakubic. Town of Cumberland Gap Mayor Neal Pucciarelli made the motion to accept the report as presented and it was seconded by Representative Elaine Davis, and it was approved by all.

DIRECTOR'S REPORT

Rick Yakubic, ETDD Executive Director, gave his director's report:

Mr. Yakubic mentioned that the Director's report was emailed to the committee prior to this meeting, so that we may spend more time on topical issues. A couple of announcements to make before we start on today's topic.

Mr. Yakubic announced he included a list in his report the next Executive Committee meetings will be the second Tuesday of every month including the September meeting. Before, we have combined the September Executive Committee meeting with the Awards Banquet but this year we will hold the Executive Committee meeting on Tuesday, the 12th. Our Awards Banquet will be held this year on September 26th, at the Airport Hilton, and it will be a celebration only to recognize the things going on in our communities. More information will be sent out at a later date.

Rick recognized Terrence Carter in working with him and the Knoxville Urban League on the DOL Grant in conjunction with North Carolina. A multi-state with 18 to 25 at risk youth using a health care worker model. Vice-Chairman, we will need a motion to accept the Director's report.

Member at Large Terrence Carter made a motion to accept the Director's report as presented, seconded by Town of Cumberland Gap Mayor Neal Pucciarelli and it was approved by all.

Topical Discussion - Housing

Mr. Yakubic announced that the topical discussion for today would be on housing and some of the housing areas to discuss is housing shortages, housing prices, and what direction should our region pursue in this area. Are there some private investments or partnerships we should be looking at. Mr. Yakubic mentioned that he attended a meeting at the East Tennessee Economic Council and Hancan Sale with East Tennessee Realtors did a presentation while he was there. Mr. Yakubic gave out some data that was in the presentation on the housing market and rental market. A very good presentation and would like to consider having him attend here at one of our Executive Committee meetings.

Blount County Mayor Ed Mitchell commented for Blount County, the average re-appraisal rate is 75% this year. The new apartments and townhomes going up on Topside Rd. are going for very high rental rates. How do we make affordable housing happen when you have people coming in that make money and can afford them. Blount County is becoming a retirement community.

Mayor of Newport Trey Dykes said it is the opposite of Blount County. They are trying to attract other developers to come in and build homes. There is plenty of property available.

Cocke County Mayor Rob Mathis mentioned in his county, some people are coming in and land that is not buildable or habitable will put tiny homes in and almost living like slums.

Scott County Mayor Jerried Jeffers commented that for Scott County, there has been an .8% growth in population in one year. Trying to attract to build, are they aiming toward middle class housing or going for subsidized housing. Appraisals have jumped to 79% and tax rates have dropped. Some people try living off the grid. We can pass all the laws, but it is trying to get those laws enforced on how some of these people are living that is not sanitary.

Jefferson County Mayor Mark Potts says he is having the same issue for instance with fifth wheel campers coming in and living without any septic system.

Workers are living in back of businesses because they can't afford to live in the county, so the business is allowing it to keep good workers. School systems can't hire good teachers because they can't afford to live in the county.

Losing agricultural land due generational farming. Children are not taking over the farms. They see dollar signs and sell.

People move here because of the low taxes but want more amenities.

Loudon County, 32% of their population is 55 and older. Becoming more of a retirement community. They live in high dollar homes but then go to Knoxville to shop. Comes down to workforce housing.

In Cumberland Gap, Mayor Neal Pucciarelli commented that they are more of a college town, probably 2/3 of the population is college people. Property is rented out to them with a high price and cannot get affordable housing.

Senator Briggs stated that we have problems in East Tennessee. Our growth is negative compared to what is going on in middle Tennessee. Can't build schools fast enough due to the growth.

Joe Barrett with ETDD says school systems and traffic are all affected. Looking at the adverse effects with infrastructure and water systems have to be considered when looking at a site plan and zoning.

Mr. Yakubic says he will see if he can get Hancu Sale to come in our next meeting and do a presentation on counties with and without zoning and how it affects the housing market and continue this conversation.

Adjournment

With no other business, Cocke County Mayor Rob Mathis made a motion to adjourn the meeting, it was seconded by City of Newport Mayor Trey Dykes and approved by all.