

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING**

MAY 12, 2020

MINUTES

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, May 12, 2020, via Zoom Video/Web Conferencing. The following Executive Committee members were present:

Ron Woody, Roane County Executive
Roland (Trey) Dykes III, Member at Large
Mark Potts, Jefferson County Mayor
Joe Brooks, Claiborne County Mayor
Terry Frank, Anderson County Mayor
E.L. Morton, Campbell County Mayor
Crystal Ottinger, Cocke County Mayor
Mike Byrd, Grainger County Mayor
Bill Brittain, Hamblen County Mayor
Glenn Jacobs, Knox County Mayor
Brian Langley, Morgan County Executive
Jeff Tibbals, Scott County Mayor
Larry Waters, Sevier County Mayor
Jason Bailey, Union County Mayor
Richard Briggs, State Senator
Kent Calfee, State Representative

Guests

Rick Yakubic, ETDD
Gary Holiway, ETHRA
Ed Mitchell, Blount County Mayor
Jane Jolley, Knox County Development Representative
Anna Beth Walker, Claiborne County Development Representative
Jack Qualls, Loudon County Development Representative

CALL TO ORDER

Chairman Ron Woody called the meeting to order.

MINUTES

Chairman Ron Woody presented the minutes of the March 10, 2020 meeting to the Executive Committee for approval. City of Newport Mayor Trey Dykes made a motion to approve the minutes as presented, it was seconded by Campbell County Mayor E.L. Morton, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the month ending February 29, 2020 was presented by Claiborne County Mayor Joe Brooks. Mayor Brooks made the motion to accept the report as presented and it was seconded by Jefferson County Mayor Mark Potts, and it was approved by all.

The Treasurer's Report for the month ending March 31, 2020 was presented by Claiborne County Mayor Joe Brooks. Mayor Brooks made the motion to accept the report as presented and it was seconded by Scott County Mayor Jeff Tibbals, and it was approved by all.

DIRECTOR'S REPORT

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

COVID-19 Update

Mr. Bobrowski announced that ETDD resumed normal operating protocols on May 1 in response to the Governor's guidance on re-opening the state. ETDD staff was working from home for the latter part of March and all of April and everyone is back in the office. The staff is attending all scheduled planning commission meetings and is also attending local government functions that require our attendance. Due to the continuing concerns over large group gatherings, ETDD will be conducting RPO meetings, training meetings and other large group meeting via video conferencing where possible and via conference call in other instances.

Since the Governor's Executive Order requiring social distancing has been extended to June 30th, we are hesitant to commit to holding the Annual Awards banquet on July 9th. There is a substantial amount of deposit money that would be forfeited if we had to cancel without adequate notice and I am just not sure if our guests will feel comfortable enough to attend an event that generally draws over 130 people. Therefore my inclination is to cancel the banquet for July and possibly look at a re-scheduled date later in the year. I would be happy to get feedback from anyone before I make the final decision.

Some good news along these lines, total COVID cases reported in the ETDD region last Monday the 4th were 556 reported cases with 435 recoveries and 123 active cases. Yesterday the 11th the totals were 627 total reported cases with 513 recoveries and 114 active cases. It appears that the spread of the virus in our region has certainly slowed and a slight downward trend is starting to appear. We will hope for a continuation of this trend.

Grants Update

There are several items to report on:

Governor's Local Government Assistance Grants

Mr. Bobrowski announced and thinks everyone is fairly familiar by now with the distribution of an estimated \$200 million dollars by the state to local governments. The specific allotment for each city and county has been determined and the application process has been established. Basically there are six categories within which that the funds can be spent:

IT Hardware Upgrades – Information Technology upgrades would include new or replacement of IT equipment with a one-time expenditure for items such as hardware. Public Safety Systems can also be included.

Capital Maintenance – Projects should focus on maintaining current facilities, primarily through repair and renovation of roofing, mechanical, and electrical systems. Projects would include items that appreciably extend the life of the facility, such as alterations to rectify code deficiencies, modifications for health and safety issues, repairs to improve utility systems, repaving, roof repairs, exterior fencing and lighting, and repair. The maintenance and renovation of recreational facilities (ballfields, parks, greenways, and recreation centers) would not be an allowable use.

Utility System Upgrades – Utility System upgrades would include maintenance and upgrades to existing water and sewer infrastructure.

Road Projects – Road Projects would include road and bridge maintenance, renovation and replacement projects along with traffic control initiatives. Priority should be given to existing roads and bridges.

Public Safety – Public Safety items would include ADA type projects (Not planning) as well as equipment purchases for Law Enforcement, Fire and Emergency response and School Buses.

COVID-19 Response - COVID-19 response items would include items related to control and containment. Examples of one-time expenses include supplies and equipment purchases, cleaning, emergency food and shelter programs.

Applications can be submitted anytime between now and April 30, 2021 however, the funds will not be available until after June 30, 2020. No local match is required and the funds are advanced to the local government upon approval of the application.

CDBG Grants

Mr. Bobrowski informed that our staff submitted 2020 CDBG applications to ECD Nashville on February 28th of 2020. The state typically funds between 60 and 70 applications per year. We submitted applications from Anderson County and White Pine for waterlines; Loudon County for a water tank; New Tazewell, Hamblen County, Union County, Loudon City and Parrottsville for a fire truck; Oakdale and Roane County for ambulances; and Norris and Jefferson City for wastewater projects. The state received about 115 applications from across the state so the program remains very competitive. I expect them to fund around 60 projects this year. We should hear about the winners in September.

We have also heard from Brooxie that the state will be receiving several rounds of additional CDBG money. The first round would be about \$16 million dollars of additional CDBG funds from the CARE Act. ECD is currently evaluating how to spend that money – a survey was sent out to local governments concerning the potential uses for the money and over 3000 jurisdictions responded. It looks like there will be an initial distribution of about half the money and then another distribution later in the summer.

ARC Grant Programs

Mr. Bobrowski is pleased to report that we submitted four full applications that were given preliminary approval for funding by the State. Applications were approved for the Claiborne School System – Wastewater to Springdale School; Clearfork Utility – Water Plant upgrades, Plateau Utility District in Morgan County – Reservoir study and a training center conversion project for the Grainger County Industrial Board.

EPA Regional Assessment Grant

Mr. Bobrowski announced that ETDD intends to apply to the US Environmental Protection Agency for an assessment grant that will allow us to identify and evaluate brownfield properties in the ETDD region.

The purpose of the Brownfields Assessment Grant is to provide funding to communities to develop a brownfields inventory, conduct Phase I and Phase II Environmental Site Assessments (ESA), prepare cleanup and reuse plans, and conduct community outreach for brownfield sites to help further revitalization efforts and economic development. For Coalition Assessment Grants, the ETDD will receive funds to distribute to the participating municipalities to pay for the site assessments. Per the EPA's Brownfields Grant Program, no cost sharing is required for assessment grants. ETDD will be responsible for and perform the required activities to administer the grant and a portion of the Assessment Grant fund is used to cover ETDD's administrative cost. Based on their current strategic plan, the EPA is focusing their grants in economically impacted areas. Following are some attributes a proposed brownfield site should possess.

- 1) Eligible sites / property can be privately owned, provided the owner is willing to allow access to perform the assessment.

- 2) The site is located in an economically distressed area and/or Certified Opportunity Zone.
- 3) The site is located in a rural area.
- 4) Redevelopment of the site will benefit the community (jobs, health and welfare benefits.)
- 5) The grant will be leveraged with other economic development efforts to enhance its effectiveness.

As mentioned above, completing an Environmental Site Assessment helps the property owner by reducing the uncertainty for future redevelopment and the potential future sale of the property. Further, if issues are found on the property, the Assessment Grant can be used for a Phase II Assessment to define the required clean up. If cleanup is required, it is possible to apply for an EPA Brownfield Cleanup Grant.

We recently sent out a preliminary survey to local governments in our region. If you are interested in participating, or you would like more information, please complete this questionnaire and return via email to Mitch Loomis at mloomis@etdd.org **by June 5, 2020**.

TDOT Grants

Mr. Bobrowski mentioned we are also working with seven local governments to assist them with the preparation of applications for funding through TDOT's Rural Planning Initiative Grant program. This program is intended to help rural communities identify needs and promote solutions that lead to an interconnected community with efficient modes of transportation. This initial year 2020, will be a pilot to determine if this program will benefit rural communities and to further develop the process. The goals of the program are to:

- Assist rural municipalities to identify solutions, within their communities, that promote the efficiency of a multimodal transportation system that aids in achieving the statewide transportation goals.
- Guide rural municipalities in determining the strategies that will support improvements in traffic flow, safety, and overall efficiency of the transportation system.
- Provide rural city governments with planning resources to achieve community visions as related to transportation and land use needs that promote future economic growth

Eligible applicants must be a Tennessee Distressed or At-Risk County or a municipality within a Distressed or At-Risk County, located outside an MPO planning boundary.

Also, Multi-Modal grant awards were recently announced by TDOT. In our region, Rocky Top received \$899,878 for pedestrian improvements, Sweetwater received \$941,403 for Multi-use paths and other pedestrian improvements and Alcoa received \$514,886 for pedestrian facility improvements.

Loan Programs

Mr. Bobrowski wanted to mention that we have two in-house loan programs. The Agribusiness Loan Program and the other being our Revolving Loan Funds Program which can be used to help businesses that may be struggling to re-open and are needing to make inventory purchases or

working capital type of needs in order to get their business back up and running. We own the loans so we are flexible in reference to setting up the terms of the loan and with the re-payment schedule depending on the circumstances of the business or what situation they may be in. The turn-around time is usually within a couple of weeks. So if you know someone that would be interested, give us a call.

Legislative Agenda Update

Mr. Bobrowski reported and as everyone is aware, the legislature is in recess until the early part of June but a state budget was passed prior to the recess. Unfortunately, budget amendments were not considered prior to the recess so all of the work that we did to get our funding restored to the previous level did not conclude with any success at all. We are still slated to receive approximately \$20,000 less next fiscal year than we did in 2019. The budget reduction that is in place is recurring so we will have to revisit this issue every year until something is changed. We had great support for our request but as you know the budget that was passed was bare bones and many other budget amendment requests were not considered. I have no confidence that additional budget requests will be considered when the legislature reconvenes in June and am a little apprehensive about further cuts to important programs given the huge revenue shortfalls that have been projected.

ETDD Budget Overview

Mr. Bobrowski reported that our proposed budget for the upcoming year has not changed significantly from prior years. We are in the state's budget again this year for \$150,000 plus an additional \$30,000 and we have received contracts from the federal ARC and EDA for planning work again this year. In fact, our EDA contract was extended out for three years. We will again be adding about \$300,000 into our budget to fund the local planning work component – these are funds that are derived from contractual fees paid to the development district by the 38 communities that we provide local planning services to. In general, our budget is stable and we do not anticipate any problems with our funding sources.

In terms of expenditures, our expense level is essentially the same as last. We have an extremely well-funded reserve fund that will allow us to remain in good shape in terms of meeting cash flow requirements. Cost of living increases for the staff was discussed, as well.

Another item of interest that popped up in recent days is The Economic Development Administration has asked ETDD to apply for an additional \$400,000 of funding. The funds could be used to fund additional staff for ETDD for the next 24 months. Our initial plan would be to hire two more people in our community and economic development program to focus exclusively on assisting local governments with access to state and federal grant funding that is appropriated as a result of the COVID crisis. These new staff people would act as circuit riding technical assistance providers for local governments and greatly expand our capabilities to provide these services to local governments.

Calendar Matters

Mr. Bobrowski stated that since the Governor's Executive Order requiring social distancing has been extended to June 30th, we are hesitant to commit to holding the Annual Awards banquet on July 9th. There is a substantial amount of deposit money that would be forfeited if we had to cancel without adequate notice and I am just not sure if our guests will feel comfortable enough to attend an event that generally draws over 130 people. Therefore we incline to cancel the banquet for July and possibly look at a re-scheduled date later in the year or wait until next year.

All were in agreement with cancelling the banquet and holding it next year.

Other Business

No other business.

ADJOURNMENT

With no other business, Chairman Ron Woody entertained a motion to adjourn and was approved by all.