

**EAST TENNESSEE DEVELOPMENT DISTRICT
EXECUTIVE COMMITTEE MEETING
SEPTEMBER 8, 2020
MINUTES**

The East Tennessee Development District's Executive Committee held a meeting on Tuesday, September 8, 2020, via Zoom Video/Web Conferencing. The following Executive Committee members were present:

Roland (Trey) Dykes, III, City of Newport Mayor
Mark Potts, Jefferson County Mayor
Joe Brooks, Claiborne County Mayor
Jeff Tibbals, Scott County Mayor
Terry Frank, Anderson County Mayor
E.L. Morton, Campbell County Mayor
Bill Brittain, Hamblen County Mayor
Glenn Jacobs, Knox County Mayor
Brian Langley, Morgan County Mayor
Jason Bailey, Union County Mayor
Senator Richard Briggs, State Senator
Evelyn Gill, Member at Large

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
LeAnn Sutton, Jefferson County Development Representative
Pam May, Roane County Development Representative
Gary Human, TN Dept. of Economic and Community Development

CALL TO ORDER

Chairman Trey Dykes called the meeting to order.

MINUTES

Chairman Trey Dykes presented the minutes of the July 28, 2020 meeting to the Executive Committee for approval. Anderson County Mayor Terry Frank made a motion to approve the minutes as presented, it was seconded by Claiborne County Mayor Joe Brooks, and the minutes were unanimously approved.

TREASURER'S REPORT

The Treasurer's Report for the months ending June 30, 2020 and July 31, 2020 were presented by Scott County Mayor Jeff Tibbals. Mayor Tibbals made the motion to accept the report as presented and it was seconded by Morgan County Executive Brian Langley, and it was approved by all.

DIRECTOR'S REPORT

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

Budget Amendment

Mr. Bobrowski was pleased to report that ETDD has collected 95% of our local assessments as of the end of August. Given the current fiscal climate, this is an outstanding development and I appreciate everyone sending in their assessments in a timely fashion. We still have two counties and two cities that have yet to send in their assessment but we expect those communities to pay in short order and do not expect to have any problem with meeting a 100% participation rate again this year.

We did take two large hits from our State funding pool – our solid waste planning grant was completely eliminated this year. We used this funding to provide technical assistance to our communities within the field of solid waste with a specific concentration on assisting counties with the preparation of their annual progress reports – a statutory activity that is mandated by TDEC. This is a loss of about \$90,000 to our budget. However, we were awarded a two year grant from the Economic Development Administration in the amount of \$400,000 that will more than replace the lost funding and we will be able to continue to assist our communities with the preparation of the annual reports. We will be working over the coming year with the legislature and the administration to get this important funding restored in next year's budget.

We also received word from ECD that our annual state appropriation was being reduced by a little over \$25,000. Apparently, ECD was instructed to reduce its overall budget by 12% this year and our share of the cut was \$25,000 per district. We are hopeful that this funding will be restored in next year's budget as well.

Mr. Bobrowski asked for a motion from the Chair to pass the Budget Amendment.

Senator Briggs made the comment that the Governor asked each department to cut their budgets by 12% and each month the Commissioner of Finance will be reporting to the Legislature and the Finance Committee (Senator Briggs mentioned he is on the Finance Committee) if they see the revenues coming in improve as the years go along, we may see some of that money come back, particularly some of the \$25,000.00.

Member at Large Evelyn Gill made a motion to accept the Budget Amendment as presented, and Campbell County Mayor E.L. Morton seconded the motion and it was approved by all.

COVID Update

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 has been back in the office for several months now. 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.

Luckily, we have not had anyone test positive in our office nor have we had a person that has had close contact with someone that has tested positive for COVID. We now have formal policies in place that dictate our response to an employee that contracts COVID and how to deal with an employee that has been exposed. Our policies are based on the CDC guidelines and are probably the same as many of yours. We have made preparations for employees to work from home should circumstances require that the office be closed. I feel comfortable that ETDD's work will continue uninterrupted under any set of circumstances.

Grants Update

ARC Grants

Mr. Bobrowski reported that ARC recently released a new grant program called INSPIRE which stands for Investments Supporting Partnerships for Recovery Ecosystems. Funding through the program will support the post-treatment to employment continuum which leads to workforce entry or re-entry. These efforts could include recovery-based job training programs, or investments in

healthcare networks that support substance abuse recovery professionals. Projects should focus on the potential for individuals in recovery to re-enter the workforce, maintain employment, develop workplace skills and promote industry partnerships. Letters of Intent for grants up to \$500,000 or planning grants up to \$50,000 are due on October 16th with a final grant deadline of November 13th. Awards will be made in the Spring of 2021.

A workshop on the regular annual ARC program will be held on October 7th in Knoxville. ARC pre-applications will be due in Nashville on December 4th, 2020. Virtually any project is eligible although the focus in Washington is on work force development projects, infrastructure development in distressed counties and projects that deal with the opiate crisis. Grants can be for up to \$500,000 with a local share of from 50% down to 20% based upon the relative need of the community that is applying.

CDBG Grants

Mr. Bobrowski reported that we have heard that the announcement of the funding decisions for the grant applications that were submitted last February is imminent. We anticipate that communities will be notified this week. In regard to the 2021 program, we expect that the same schedule will be utilized as in years past. We are starting to work on applications already and if you have an interest in applying it is not too early to contact us. We normally contact everyone that is eligible to apply to make sure that they do not miss the opportunity to apply if they are eligible. Applications are expected to be due in Nashville on February 26th of 2021.

EPA Brownfields Grant

ETDD is pulling together a \$600,000 request for funding under the EPA Brownfields Assessment Program. We expect to have the application complete by the October deadline. We are pulling together a coalition grant that includes local partners in Roane County, Scott County, Morristown/Hamblen County, and the Town of Rocky Top. If approved, we will be able to fund brownfields environmental assessments in all those communities.

TDOT RuPI Grant Program

We have awarded Rural Planning Initiative grants in the amount of \$23,500 in five communities in our region. The funds will be used to pay for transportation corridor studies in Scott County, Monroe County and Claiborne County and bike/ped plans in Cocke County and Parrottsville.

We are also working on TDOT Transportation Alternative Program applications for Sweetwater and possibly Loudon.

Revolving Loan Fund Program

Mr. Bobrowski mentioned we are still looking for applications for our new revolving loan program from the US Economic Development Administration. The primary provisions of the loan program are:

- The minimum loan size is \$25,000. This will allow us to reach more small businesses with assistance.
- We no longer have to prove that the business cannot find financing at another lending institution.
- The minimum interest rate can now be as low as 0%.
- We can make more working capital loans. This should be very beneficial to small businesses as well since working capital will be a critical need as small businesses start to open back up.
- Other new provisions include a waiver of stringent job creation requirements, relaxed collateral requirements and relaxed matching investment requirements.
- Non profit organizations are eligible applicants

The new provisions also give us more flexibility in terms of reviewing and approving a loan in house. This process should work very efficiently, and we should be able to react very quickly to get a loan from the application stage to approval stage.

We have also been asked by the Economic Development Administration to apply for an additional \$740,000 of loan funds that will be used to capitalize a new revolving loan fund. Although separate and distinct from our existing RLF, the new RLF would be guided by the same lending policies as stipulated in the amendment to our existing RFL - \$25,000 minimum loan, potential 0% interest rate, relaxed matching requirements, relaxed collateral requirements and a fast turnaround time.

EDA Disaster Grant or COVID Grant Programs

We are working on three disaster grant applications or COVID grant applications for EDA funding – Scott County, Clinton, and the Sevier Water Board.

Emergency Repair Program for the Elderly

Mr. Bobrowski informed the Committee that THDA has awarded ETDD \$300,000 for our ERP program for this fiscal year. Most of this money has been reserved by our partners out in the region and we expect to provide benefits to over 50 homeowners.

Local Parks and Recreation Program (LPRF)

The ETDD staff recently attended a workshop on the Local Parks and Recreation Program. This is the program through TDEC that rolls around every couple of years and is really the only grant funding that is available to local governments. The program is basically the same as it has been in past years – funds can be used to purchase recreation equipment or develop recreation facilities including walking trails. Grants are made on a 50/50 matching basis. Eligible applicants are cities and counties. Pre-applications are due on October 8th and then TDEC will make decisions on whom to ask for a full application by October 30th. For those that are invited to submit a full application, the document is due by December 7th. New this year is a requirement that the applicant must have an acceptable 5-year comprehensive recreation plan that is less than 5 years old. If a community does not have an existing comprehensive plan, then they are not eligible to apply.

Appointment to Knoxville TPO

Every two years the ETDD Executive Committee appoints a representative to the Executive Board of the Knoxville Knox County TPO, the organization that handles all of the transportation planning in the Knoxville metropolitan area that includes all of Knox County and portions of Blount, Sevier, Loudon and Anderson counties. Mr. Ed Shouse has been the ETDD representative for the past eight years. Mr. Shouse is a former Knox County Commissioner and is currently serving as the Knox County Trustee. Mr. Shouse has been an active and engaged member of the TPO for the past eight years and has indicated his desire to continue his service on the TPO Executive Board. I highly recommend his re-appointment. Mr. Chairman, a motion is needed to confirm his appointment to the TPO for the next two years.

Anderson County Mayor Terry Frank made a motion to accept the re-appointment of Mr. Ed Shouse to the Knoxville TPO Executive Board, and Campbell County Mayor E.L. Morton seconded the motion and it was approved by all.

2020-2021 Affirmative Action Plan

We have recently completed the annual update of our Affirmative Action Plan for the East Tennessee Development District Board of Directors, Executive Committee and staff. Each year we update the plan to show five-year goals and timetables for diversification of the Board, Executive Committee and staff. The plan also contains all of the equal opportunity provisions which govern the employment practices of the District as well as specific procedures for complaint resolution. A copy of the revised plan is included in your packets. The Affirmative Action Plan must be adopted by the Executive Committee and I would ask the Chair that such a motion be proposed.

Member at Large Evelyn Gill made the motion to approve the Affirmative Action Plan, and Morgan County Executive Brian Langley seconded the motion and it was approved by all.

Calendar Matters

The next ETDD/ETHRA meeting will be held on October 13th hopefully back at the ETHRA offices. Also, for a long term hold, we anticipate holding our Annual Business meeting on March 9th, 2021 at Rothchilds in Knoxville.

Mike Arms wanted me to mention that the Association of Tennessee Valley Governments will hold it's fall meeting in Gatlinburg on October 27th and 28th in Gatlinburg.

The TCSA has cancelled its annual conference in Murfreesboro this year and the TN ECD Conference that is normally held in late October has been cancelled as well.

Other Business

Mr. Bobrowski informed the committee that he is turning in his resignation as the Executive Director of East Tennessee Development District and proposed to work through March 1, 2021. It has been his honor to serve the 72 jurisdictions in the ETDD region during his tenure at ETDD.

ADJOURNMENT

With no other business, Chairman Trey Dykes entertained a motion to adjourn. Campbell County Mayor E.L. Morton made the motion, it was seconded by Morgan County Executive Brian Langley and approved by all.