



Annual Report

FISCAL YEAR 2019

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Financial Statements

Financial

An audit of the financial records by Whitlock & Co., P.C. for Fiscal Year 2019 has been completed and filed with the State Comptroller's Office. It was a clean audit with no findings. Copies of the complete financial statements and auditors' report and notes are available on our website at <http://makeitnmcminn.org/about-us/reports-presentations>. The Development Authority's unrestricted revenues were up \$11,500 from Fiscal Year 2018, and operating expenses were down \$17,297. The change in net position was up at \$14,905.

Statement of Net Position - Fiscal Year Ending June 30, 2019

Assets and Deferred Outflows of Resources		
Current Assets:		
Cash and Cash Equivalents	\$ 276,485	
Accounts Receivable	17,426	
Prepaid Expenses	3,800	
Total Current Assets		\$ 297,711
Capital Assets, net		17,571
Non-depreciable Property Held for Resale:		
Mt. Verd Industrial Park	1,344,093	
Athens/McMinn I-75 Industrial Park	1,877,170	
North Etowah Industrial Park	467,604	
Total Non-Depreciable Property Held for Resale		3,688,867
Total Assets		4,004,149
Deferred Outflows of Resources:		
Pension Changes in Expected and Actual Experience	18,756	
Pension Changes in Investment Earnings—Actual and Projected	176	
Pension Changes in Assumptions	1,011	
Pension Contributions Subsequent to the Measurement Date	20,247	
Total Deferred Outflows of Resources		40,190
Liabilities, Deferred Inflows of Resources and Net Position:		
Current Liabilities:		
Accounts Payable	15,955	
Deferred Revenue	64,818	
Accrued Liabilities	616	
Total Current Liabilities		81,389
Other Liabilities:		
Net Pension Liability	14,902	
Accrued Other Post-Employment Benefit Liability	10,519	
Total Other Liabilities		25,421
Deferred Inflows of Resources:		
OPEB – changes in assumptions	54	
Pension Changes in Expected and Actual Experience	7,135	
Pension changes in Investment Earnings – Actual and Projected	817	
OPEB – Difference Between Expected and Actual Expense	152	
Total Deferred Inflows of Resources		8,158
Net Position:		
Investment in Capital Assets		17,571
Unrestricted		222,933
Restricted for Industrial Property for Resale/Improvements		3,688,867
Total Net Position		\$ 3,929,371

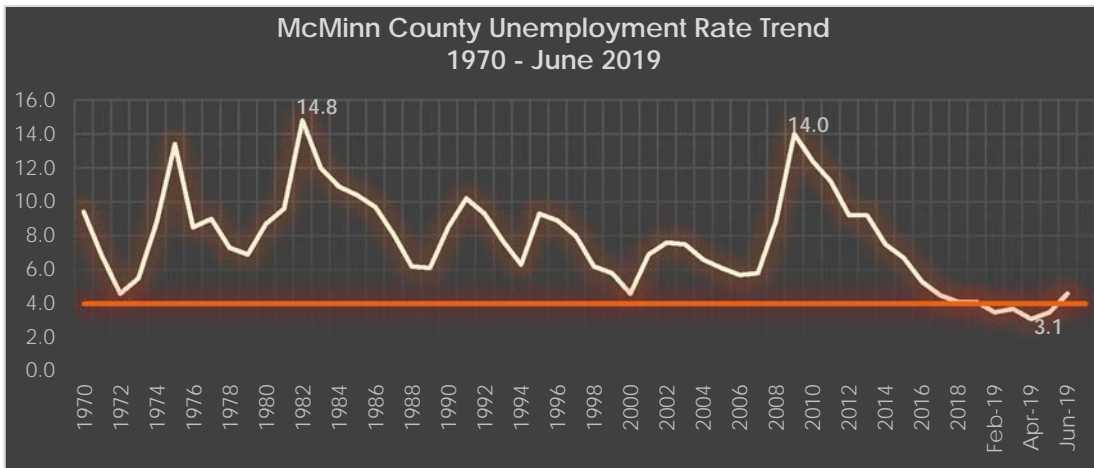
Statement of Revenues, Expenses, and Change in Net Position
Fiscal Year Ending June 30, 2018

Operating Support and Revenue:	
Athens Utilities Board	\$ 61,000
City of Athens	35,000
City of Etowah	5,000
Etowah Utilities Board	20,000
McMinn County	65,000
General Membership	25,650
Partners for Progress	30,000
Grants:	
IDB	10,000
TVA Partnership Funding	3,500
Total Operating Support and Revenues	\$ 255,150
Operating Expenses:	
Communications	\$ 2,437
Salaries	135,633
Payroll Taxes/Fringe Benefits	19,164
Business Insurance	5,832
Office Supplies and Printing	6,056
Marketing	2,784
Retirement	11,720
Dues and Subscriptions	4,117
Website	14,527
Professional Fees	7,625
Salute to Industry	6,287
Meetings	2,448
TVA Grant	542
Travel and Business Development	14,954
Auto and Local Travel	4,181
Depreciation	1,977
Miscellaneous	1,352
Total Operating Expenses	\$ 241,186
Operating Income	\$ 13,964
Non-Operating Revenue (Expense)	
Interest Earned	\$ 941
TN Site Development Grant	269,213
TN Site Development Grant Expenses	(269,213)
Total Non-Operating Revenue (Expense)	941
Change in Net Position	\$ 14,095
Net Position – Beginning of Year	3,914,466
Net Position – End of Year	3,929,371

Achievements & Activities

Achievements & Activities

McMinn County's economy continued to perform well in Fiscal Year 2019, with consistent record low unemployment – record low rate of 3.1% in April 2019. A strong and healthy unemployment is measured at 4.0% or below.



The number of employees in the labor force fluctuates month-to-month due to those leaving the workforce for various reasons, and those who are entering the workforce for the first time or returning to the workforce. McMinn County realized a 2.6% decrease in labor force participants from 2018-2019. Finding qualified labor continues to be a challenge for local employers. More work-based learning/apprenticeship programs are being developed to help build a pipeline of qualified workers and to help fill positions that continue to go vacant.

Manufacturing private sector employment was 6,805 at the end of the fiscal year, an increase of 8.5% year-over-year between June 2018 and June 2019. Employment in all private sectors was 16,883 or a 6.1% increase. Average manufacturing wages have increased 2.0% to \$1,191 per week from 2018 with wages in all private sectors seeing a 2.3% increase to \$844 weekly.

Employment, All Sectors
As of June 30, 3019

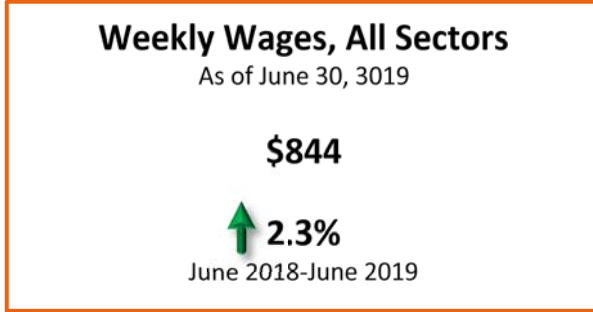
16,883

↑ **6.1%**
June 2018-June 2019

Employment, Manufacturing
As of June 30, 3019

6,805

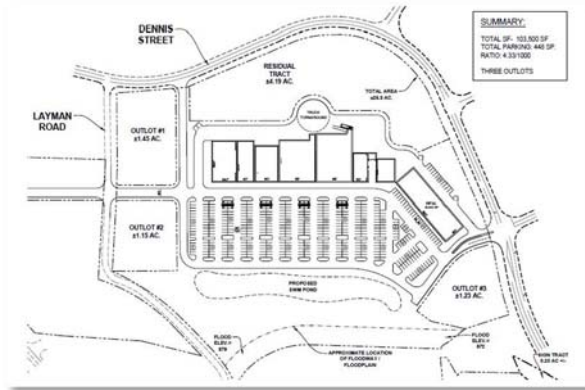
↑ **8.5%**
June 2018-June 2019



Business Recruitment, Expansion, & Retention

Requests for information from industrial prospects increased slightly in Fiscal Year 2019. The Development Authority had opportunity to submit proposals to 64 prospective industrial businesses, up 1.6% from Fiscal Year 2018. Staff submitted proposals on 35 of the 64 requests. Lack of buildings was the primary reason for not submitting on a project. There continues to be a lack of existing building inventory nationwide including in McMinn County. The U.S. tariff discussions slowed some companies from making location decisions during the fiscal year because of the uncertainty of how the trade talks with China and NAFTA would play out. If past Presidential election years are an indicator, it is expected that activity will slow through the 2020 election. Automotive car sales slowed during the first half on 2019. At the end of the fiscal year, June 30th, *Automotive News* reported that “after six monthly declines to start the year, the industry is down 2.4 percent halfway through 2019. It’s on pace to finish at slightly more than 16.9 million, which would be the first time shy of 17 million since 2014. We continue to monitor auto sales because our local economy is so dependent on automotive supply manufacturing, and to detect any economic slowdowns that may be on the horizon.

Staff worked with developers on a plan for a new 103,500 square foot retail shopping center to be constructed on Dennis Street in Athens. Information was provided to potential retailers for the center. The center, named Athens Marketplace, is anticipated to create up to 300 new jobs, bring in an additional estimated \$1 million in sales tax revenue annually to the community, and reduce retail leakage to other communities when completed. It is anticipated the center will break ground in 2020. The developers, BMS Athens Associates LLC submitted a Tax Increment Financing (TIF) application for \$3,000,000 in tax increments to be paid over a 20 year period. The Industrial Development Board of the County of McMinn’s (IDB) application review committee met with developers to review and make recommendation on the application to the full Board. After revisions to the application, the Board met and voted to require an Economic Impact Plan be prepared



on the project. A public hearing and joint meeting with the City of Athens Council, County Commission, and IDB to consider the TIF will be scheduled early in Fiscal Year 2020.

Relationships with site selection consultants and service providers are key to industrial recruitment. Staff maintained and enhanced close relations with the Tennessee Department of Economic Development (TNECD), Tennessee Valley Authority (TVA) Economic Development, and regional economic development organizations – Southeastern Industrial Development Association (SEIDA) and Greater Chattanooga Economic Partnership. Staff met with site consultants, developers, and individual companies to promote McMinn County, and our available industrial properties. Staff attended the following conferences and events where industrial site location consultants and/or companies were present to network, strengthen relationships, and to further promote McMinn County. These events also offered professional development opportunities to help strengthen McMinn County's competitiveness.

- Greater Chattanooga Economic Partnership quarterly meetings
- Tennessee Economic Development Council Day on the Hill
- Tennessee Economic Development Council Spring Conference
- Tennessee Economic Development Council Fall Conference
- TVA Economic Development Forum
- Governor's Conference on Economic Development
- Presented our industrial products and workforce story at the TVA Target Market Showcase
- Rural Development Conference
- Southern Economic Development Council Annual Conference
- Southern Economic Development Council Board Planning Retreat & Capital Connections
- Southern Economic Development Council Meet the Consultants
- International Economic Development Council Annual Meeting
- Southeast US – Canada Joint Meeting
- Japanese America Society of Tennessee Women's Leadership Conference

Executive Director Price served in her second year as Tennessee's Director on the Southern Economic Development Council (SEDC) Board to further shape economic development programs throughout the south, and develop deeper relationships with key players in the industry. SEDC is the oldest and largest regional economic development organization in North America. Economic development representatives from seventeen states - Alabama, Arkansas, Florida, Georgia, Kansas, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, West Virginia, and the District of Columbia – make up the organization. She hosted the State Caucus at the annual meeting.

Price also served on the Tennessee Economic Development Council Board of Directors. TEDC is a statewide, non-profit organization created to unite the efforts of its members to further industrial development in the State of Tennessee. TEDC promotes cooperation and understanding among the individual members of the council and the varied interests they represent.

Staff continued with their annual visitations with existing industries to strengthen relationships, and to understand the needs of our local industries. These visits are instrumental for our retention and

expansion programs, and have proved valuable in being able to attract new investment in our local industries. Existing industries will continue to be the driving force for economic growth in our community. Typically, existing industry accounts for 80% or more of a community's growth annually. Staff strives to make at least one corporate headquarter visit annually. In Fiscal Year 2019, staff met with Resolute Forest Products at their corporate headquarters in Montreal to continue to strengthen relationships with the corporate staff and impress upon them the importance of future investments into the Calhoun Mill, and show appreciation that that remain McMinn County's number one property tax revenue generator and offer the highest wages in the county. Resolute Forest Products also had a Board of Directors meeting at the Calhoun Mill in 2019 and staff was able to meet with the Board of Directors while they were visiting. Employment surveys were conducted throughout the year to keep abreast of any major changes in employment at our local industries. Staff also assisted the Chattanooga Regional Manufacturers Association and the Southeast Industrial Development Association in collecting information from local manufacturers for the regional wage and benefit study.



ABB, formerly Thomas & Betts, announced in December 2018 an \$18 million expansion of their Athens facility that will add 60,000 square feet to its existing facility and create 70 new jobs.

Resolute Forest Products completed construction of a 300,000 square foot distribution center build next to their tissue converting plant. The \$15.4 million distribution center resulted in 35 new jobs.



The Development Authority continued to co-host the bi-annual Plant Manager's meetings with the Tennessee College of Applied Technology Athens (TCAT). Topics at the meetings included: legislative updates from our State representatives, TOSHA State Director presentation, TCAT Foundation, McMinn Higher Education Center updates, Your Skills Your Future McMinn presentation, training assistance opportunities, United Way, Blue Skies Initiative, Labor and Education Alignment and more.

Our annual Industry Awards Lunch was held on October 3, 2018 at Springbrook Golf and Country Club. The APEX Awards, which recognize industries and individuals in McMinn County for **A**daptability, **P**erformance, and **E**xcellence in their industry or profession, are a small way that we can highlight successes within our industries. Listed below are the Fiscal Year 2019 award winners and sponsors. In addition to the award presentations at the lunch, staff attended celebrations for the award winners at Galyon Machining, ABB and McMinn Central High School.

Logan Smith, McMinn Central High School
APEX CTE Student of the Year
Sponsor DENSO Manufacturing



Farron Bunch, ABB
APEX Production Worker of the Year
Sponsor TCAT Athens



Martin Dain, E&E Manufacturing of Tennessee
APEX Professional of the Year
Sponsor Tennessee Wesleyan University



Dynasty Spas
APEX Distinguished Service Award
Sponsors:
Athens Area Chamber of Commerce
Etowah Area Chamber of Commerce



Ashley Cooper, E&E Manufacturing of Tennessee
APEX Young Professional of the Year
Sponsor All McMinn Modern Professionals



Donald Umphrey & Galyon Machining
APEX Innovator of the Year
Sponsor The McMinn County Economic
Development Authority

Resolute Forest Products
APEX Environmental Steward of the Year
Sponsor The Daily Post-Athenian



Product Development

The Development Authority is focused on building an inventory of developable properties for present and future economic growth. The Development Authority is charged with exploring and evaluating new product opportunities to expand our industrial base for future opportunities. Speed to market is critical for companies seeking new site locations creating a desire for prepared sites to lessen any unknown risks, lower costs, and accelerate the construction process. Oftentimes companies start their search for an existing building, and after not finding a suitable building they turn their search to a Greenfield site. McMinn County is at a disadvantage with a low supply of existing buildings that have the desired attributes such as ceiling heights so we are typically automatically eliminated from a building search. McMinn County is also becoming less competitive as new prepared Greenfield sites are becoming available in the Southeast and East Tennessee regions. Fiscal Year 2019, we focused on getting all the necessary due diligence studies on our industrial properties, and going into to Fiscal year 2020 we hope to be in a position to start preparing 1-2 sites as we continue to lose projects because of our lack of pad ready product.

The Development Authority received a \$15,000 TNECD grant and a \$5,000 Southeast Industrial Development Association SR2 grant to perform due diligence studies to include updated environmental, geotechnical, threatened and endangered species, hydrologic assessments and a wetlands mitigation plan for the Athens/McMinn Interstate Industrial Park. The site was an applicant to become Select TN Sites certified, but will not be certified until the wetlands are mitigated.

We also received a \$5,000 SEIDA SR2 grant and McMinn County, the City of Athens, and Athens Utilities Board funded \$57,201 toward environmental, geotechnical, hydrologic, threatened and endangered species assessments, wetland/stream mitigation planning, and a site grading plan. All assessments were completed in Fiscal Year 2019 with the site grading plan to begin in Fiscal Year 2020.

The City of Athens also committed up to \$30,000 for hydrologic assessment and site grading plan for the 200,000 square foot virtual speculative building on the city-owned Redfern Site. Due diligence studies were completed in Fiscal Year 2019 with the site grading plan to begin in Fiscal Year 2020.

Staff worked with the TVA and Norfolk Southern to identify potential rail sites in McMinn County to serve large “mega” industrial projects. There is a lack of 500 acre plus rail sites in the Tennessee Valley causing Tennessee to lose out on these mega projects. A potential site was identified in the northern end of the county outside of the Niota city limits. The identified site encompasses over 1,000 acres and consists of 24 different parcels of land. A Development Authority representative had conversations with property owners about their desires to sell their property. This was the first challenge in the process as not all property owners wished to sell and some pricing their properties outside of market prices for agricultural land. Another challenge was utility service, specifically wastewater, in the area to accommodate a large industrial user. The Development Authority received a \$54,000 TVA InvestPrep grant and a \$54,000 grant from Norfolk Southern to evaluate the properties for industrial use. Due diligence studies were completed to include environmental, geophysical, natural resources, hydrologic and threatened and endangered species on the properties. Additional challenges presented themselves through the studies to include historic cultural resources such as a revolutionary war soldier grave and historic buildings on the large of the 24 parcels. These are real challenges to development and while we are not abandoning our search for a “mega” site, we are slowing our approach at this time.

In Fiscal Year 2018 the Development Authority was awarded an \$879,675 Site Development Grant from the TNECD to design, acquire right-of-way and relocate utilities for a new industrial access road to serve the North Etowah Industrial Park. The new access will be located along County Road 608 off directly off of Highway 30. The Tennessee Department of Transportation also provided an in-kind State Industrial Access Road grant for environmental assessments, plans review and local programs right-of-way oversight to ensure the design is prepared to TDOT specs and regulations for the future construction of the road. Development Authority sustaining member Cannon and Cannon Engineers was selected to do the design. Preliminary and right-of-way designs were completed in Fiscal Year 2019. A public input session was held on January 24, 2019 with property owners that will be affected by the new road. Right-of-way acquisition will begin in Fiscal Year 2020. The Southeast Tennessee Development District and Southeast Industrial Development Association staff are managing the grant and overseeing right-of-way acquisition for the project.

CSX had staff changes within their economic development department in Fiscal Year 2019. Development Authority staff worked with the new regional representative to help educate them on the North Etowah Industrial Park by hosting visits, conference calls, etc. An updated environmental study was completed on the site and discussions began on how to get the site in a better marketable position. The topographic challenges of the site has caused lost opportunity for the community. A funding plan is currently being developed for rough grading of the site.

The congressional Tax Cuts and Jobs Act of 2017 created an Opportunity Zone program to encourage long-term investment in low-income urban and rural communities nationwide. The program provides a tax incentive for investors to reinvest their unrealized capital gains into these zones. In Fiscal Year 2018, 176 qualified opportunity zone census tracts in Tennessee were identified with two of those zones in McMinn County. All of the county's industrial parks are included in the opportunity zones. In Fiscal Year 2019, staff attended training sessions to learn how opportunity zones work and about opportunity zone funds. Maps were developed through the Development Authority that shows all county tax map parcels that are included in the zone. Staff also promoted prime zoned sites to potential developers.



Workforce Development

As with the last couple of years with unemployment at an all-time low, local industries are finding it more difficult to find talent. McMinn County has made significant strides over the past few years with its workforce development programs, but in order to sustain a successful industrial recruitment, expansion and retention program we must keep workforce development in the forefront of our programming. Staff continues to be engaged with local educators to help them understand industrial skill sets, and to build a pipeline of workers equipped with the skills necessary to fulfill the needs of industry.

Through a \$15,000 TNECD grant, the Development Authority was able to "buy-in" to the Cleveland Bradley County Chamber of Commerce's Your Skills Your Future program. Your Skills Your Future McMinn is an initiative to create a well-qualified workforce to meet the ever increasing local industry demands by developing skills and passions into a successful and sustainable career. The goal of the program is to raise awareness and create a pipeline



of skilled workers by showing students and the community that a well-paying career with a successful future is easily attainable. The www.YourSkillsYourFutureMcMinn.com website offers a career quiz to help guide students into careers suitable to their interests. There are pages focused to students, educators and parents. The site also offers access to job availabilities at our local industries for career seekers. www.McMinnJobs.com was also secured and linked to the career seekers page. . A soft roll out of the program was done in November 2018 with a bigger push coming in Fiscal Year 2020. A committee was formed with educators to help oversee the marketing of the program and a marketing plan was developed for the program. Dana Ferguson, the Development Authority Workforce Coordinator made presentations on the program to Athens City Council, Athens Kiwanis Club, Chattanooga Regional Manufacturer's Association, McMinn County Commission, and the local plant manager's meeting.

Staff continued to seek necessary funding through federal and state sources for construction of a **McMinn County Higher Education Center**. The Center will include Cleveland State Community College (CSCC) Athens Campus, TCAT Athens, and the University of Tennessee McMinn County Extension Service. Staff met with legislators, the Tennessee Board of Regents, and the Tennessee Higher Education Commission, and solicited letters of support from our local industries to market the need for funding the Center. The Governor announced that funding for the center would be put in the State's Fiscal Year 2020 budget which passed through the legislator. The State Building Commission awarded the construction contract for the Center in June 2018.

"It certainly is one of a number of proposals that align with the things that I think are important in education and that is vocational and technical education, the alignment with industry and the education system partnering," said Lee after wrapping up his last day of public budget hearings with state agencies. I'm really interested in that project.."
Governor Bill Lee

Chattanooga Times Free Press, January 30, 2019



GMC

CONCEPTUAL IMAGE

McMINN HIGHER EDUCATION CENTER
ATHENS, TENNESSEE
03/27/19

The seventh annual **12-grade Career Expo** was held on November 7, 2018. The Expo introduces local high school seniors to careers offered by our local industries, and to training opportunities. The Development Authority was a co-sponsor for the event, served on the planning committee, and assisted students at the event.



2018 Job Fair

THURSDAY, August 30, 2018

9am - 3pm

Athens Regional Park
2405 Decatur Pike
Athens, TN 37933

Health & Wellness:

- American Cancer Society
- American Heart Association
- American Lung Association
- American Red Cross
- American Stroke Association
- American Diabetes Association
- American Heart Association
- American Lung Association
- American Cancer Society
- American Heart Association
- American Lung Association
- American Stroke Association
- American Diabetes Association

Schedule Job Fair:

- 9:00am - 10:00am Registration
- 10:00am - 11:00am Job Fair
- 11:00am - 12:00pm Job Fair
- 12:00pm - 1:00pm Lunch
- 1:00pm - 2:00pm Job Fair
- 2:00pm - 3:00pm Job Fair

Special Features:

- Live Entertainment
- Free Food & Beverage
- Free Parking
- Free Admission
- Free Refreshments
- Free Information
- Free Job Postings
- Free Job Applications
- Free Job Interviews
- Free Job Offers

Sponsors:

The seventh annual **McMinn County Job Fair** was held at the Athens Regional Park Conference Center on August 30, 2018. The Development Authority was a co-sponsor of this event, served on the planning committee, and assisted job seekers at the event. There were 318 job seekers attending with 158 of those unemployed at the time of the event. There were 43 employers that set up at the Job Fair.

Executive Director Price was named on the Executive Committee and the regional economic development representative on the Board of Directors of the Southeast Tennessee Local Workforce Development Board. Price also serves on the Oversight Committee. The committee evaluates funding needs for training programs for in demand jobs throughout the region.

Executive Assistant Dana Ferguson graduated from the TVA Valley Workforce Institute. The Institute is designed to assist economic developers in understanding and selling their workforce assets and address talent pipeline challenges in today's economy. Four one-day sessions were conducted by leading area experts. The training included focused skills development in workforce data analysis and application, identifying and addressing labor force challenges and opportunities, developing creative labor force solutions, and crafting a comprehensive workforce story.



Staff visited with newly appointed Tennessee Department of Labor and Workforce Development Commissioner Jeff McCord during a regional listening session to help shape the department's strategic plan on workforce development.

Staff participated in the Tennessee Chamber of Commerce & Industry Workforce Conference, Tennessee Reconnect Roundtable discussion on workforce development, and Waupaca Foundry's Educator Round Table meeting.

Executive Director Price continues to serve on the Tennessee Wesleyan University (TWU) Goodfriend School of Business Advisory Committee to help shape course offerings within the field of business.

Community Development

A housing task force was organized in Fiscal Year 2018 to create a strategy that will increase housing opportunities, population and income growth in McMinn County. With the assistance of McMinn County Commission and City of Athens Council, the task force contracted with Hodges & Pratt Co. to develop two market studies on multi-family housing and single-family housing in McMinn County. Draft studies were received at the end of the fiscal year, and the studies will be completed in Fiscal Year 2020 with plans to submit their strategic plan to elected officials the first quarter of 2020. Staff surveyed employees of our top employers on their housing needs and received over 400 surveys returned. The survey results will be part of the overall housing studies. Staff also participated in an International Economic Development Council webinar focused on housing opportunities in rural communities.

Staff coordinated with the Southeast Tennessee Development District's EPA Brownfields grant to perform environmental studies on two sites for potential housing opportunities. One of the sites was on Rocky Mount Road, Athens, owned by Cleveland Oil Company. An Environmental Phase I Assessment was completed on this site with recommendation for a Phase II study. The other site was a site owned by the City of Etowah in the south end of the City. A Phase I and a limited Phase II study was completed on the site. Staff continues to work with Etowah City staff and a developer on a potential single-family subdivision on the site.

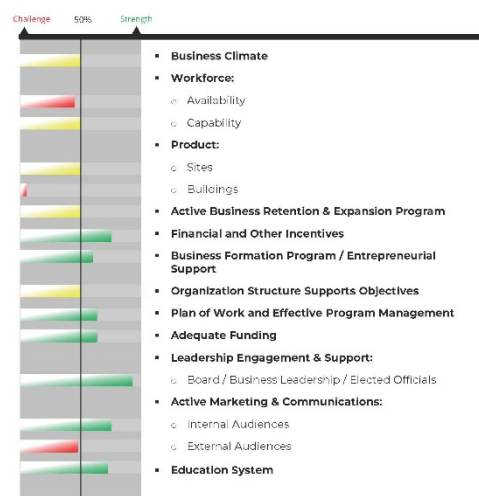
The Development Authority continued to be involved in the All McMinn Modern Professionals group. Staff served on the Board for the young professional group, maintained the group’s website, assisted in organizing events, and provided bookkeeping services. Dana Ferguson, Executive Assistant, for the Development Authority was awarded the inaugural Young Professional of the Year. The Development Authority partners with TVA Economic Development’s Young Talent initiative and participated in a TVA Young Talent Workshop during the fiscal year.



Category	Total Score per Category (Score 1-10 with 1 being lowest and 10 being highest)
Housing Trends and Distribution	8
Neighborhoods	8
Transportation and Connectivity	8
Environment	8
Healthcare	8
Entertainment	8
Education	8
Business	9
Engagement	8
Opportunity	9
Safety	8
Demographic Appeal/Growth/Decline	8
Tourism	8
Other Items	9
Overall Score	8

The Development Authority was accepted, through a competitive application process, to be part of the Tennessee Valley Authority (TVA) Community Livability Initiative. The program is designed to map and showcase livability assets in an effort to attract economic growth in the area and showcase talent attraction assets. The program is offered to community economic development organizations in the TVA service area to help foster long-term success. Staff was required to map McMinn County’s livability assets and make a formal presentation to site selection consultants from Newmark Knight Frank on July 23, 2018 in Nashville. Newmark Knight Frank scored participating communities on housing trends and distribution, neighborhoods, transportation and connectivity, environment, healthcare, entertainment, education, business, engagement, opportunity, safety, demographic (appeal, growth and decline), tourism and other items. McMinn County scored an 8 on a scale of 1-10, which was very good for a rural community. As a result of our participation in the program, the Development Authority was awarded a \$5,000 unrestricted grant.

The Development Authority was also accepted into the TVA Competitive Communities Audit Program. TVA contracted with VisionFirst Advisors, an economic development and site selection firm, to facilitate an assessment and provide recommendations which can enhance the economic development efforts in McMinn County, Tennessee. VisionFirst Advisors VisionFirst approached the assessment as if it was conducting a site search for a competitive project. They visited McMinn County over a two day period, May 14-15, 2018. The visited industrial sites and met with key stakeholders to assess the community’s competitiveness. Post visit, they provided key recommendations to the Development Authority with opportunities to increase community competitiveness.



Executive Director Price drafted a revision to the communities TIF Policies and Procedures and presented them to the IDB, McMinn County Commission, City of Athens County and City of Etowah Commission for adoption. The new policies and procedures included adding an application review committee made up of representation from the governing bodies. Price also presented the current Payment in Lieu of Tax Policies and Procedures to the City of Etowah Commission for adoption.

Staff met with consultants, Community Development Partners LLC and Brown Pearman Russell LLC, and provided information for the City of Athens comprehensive 20-Year Land Use Plan.

The Board of Directors of the Development Authority approved transferring land the Denso Eco Park land in the Athens McMinn Interstate Industrial Park to the City of Athens. Staff worked with the City and the title company to convey the land to the City of Athens.



The Development Authority continues to manage McMinn County's Three Star program. Staff coordinated with McMinn County and partner organization on the Three Star Program and reports annually on progress. The Development Authority was awarded a \$15,000 Three Star grant to develop the Your Skills Your Future McMinn community awareness program. Executive Director Price also served on the TNECD Three Star Advisory Community influencing change to the program and co-facilitated asset based planning sessions in three regional communities to help them develop goals for their Fiscal Year 2020 program. As a requirement for the revamped Three Star program, staff developed and presented the county's smart goals for Fiscal Year 2020. The Development Authority also hosted a regional Three Star meeting at the McMinn County Courthouse Annex.

Executive Director Price continued to serve on the Athens Sister City committee to help reignite the sister city program between Athens and Isahaya, Japan. TWU is a sister university with Nagasaki Wesleyan University in Isahaya.

The LITE House - a community entrepreneurial, small business and co-working space initiative - was started by Tennessee Wesleyan University after Executive Director Price brought together leaders in the community from various entities to discuss the lack of small business and entrepreneurial resources in the community. It was discovered that Tennessee Wesleyan University was already working toward an entrepreneurial program, and that they would be the most logical entity to start an entrepreneurial initiative. Executive Director Price served on the organization committee and attended a Co.Starter facilitator training for the initiative. The Development Authority supported grant applications for funding the initiative.



Executive Director Price worked with a local retail business in response to property impacts related to the Highway 30 TDOT construction plans in the south end of the City of Athens. Price coordinated a meeting with the property owner and TDOT staff at their Region 2 offices. The meeting was positive and resulted in changes to the construction plan to minimize drainage and right-of-way effects on the property.

Executive Director Price presented to McMinn County Commission at the annual planning retreat. She also attended and presented to the City of Athens Council planning session. Price expressed the need for

prepared industrial sites, for better marketability and competitiveness, and for a formal housing study to be used to market the housing shortage to residential developers.

Staff attended both Athens Area Chamber of Commerce and Etowah Area Chamber of Commerce Annual Awards dinners, and CSCC's Community First Awards banquet.

Marketing

The Development Authority's brand, "Make It In McMinn," continues to be widely recognized throughout the community, State, Southeast region, and with site consultants. We have been referred to as a positive example of community branding. Other economic development organizations throughout the State of Tennessee have called upon staff for recommendations on branding. Local organizations have also begun using our brand to promote McMinn County.



The website, www.MakeItInMcMinn.org, is the Development Authority's prime source of marketing next to relationship building and community and site visits. The IDB presented the Development Authority \$10,000 cash grant to revamp the website. Work began on the redeveloped site in Fiscal Year 2019 and the updated site will be rolled out in Fiscal Year 2020.

The Development Authority typically does not do a lot of advertising in print media because of the return on investment is minimal. However, we did advertise in the Greater Chattanooga Economic Development magazine (<https://livability.com/tn/chattanooga/magazine>) as a part of the Greater Chattanooga Economic Partnership. The advertisement below was placed in the print and online edition of the magazine. We also ran ads in the Daily Post Athenian in special editions to the paper, and staff was interviewed by the Japan Times for an article to run in one of their special editions.

An advertisement for McMinn County industrial properties. The main headline reads "Over 600 Acres of Prime Industrial Properties Available!". A list of benefits includes: Rail served sites available; Located along Interstate 75 midway between Knoxville & Chattanooga; Debt-free county – lowest debt per capita in Tennessee; Low tax climate; Gigabyte internet speeds; Reliable and affordable power; Talented regional workforce; First class workforce training; Gold rated sustainable community; World class research and technical assistance through Oak Ridge National Labs and University of TN-Knoxville. The ad features a map of Tennessee with a red dot in McMinn County, a "Certified Industrial Sites Available" starburst, and the McMinn County logo. Contact information includes: 9 E. Madison Ave., Suite 201, Athens, TN 37303, phone 423.745.1506, fax 423.745.1507, and website www.MakeItInMcMinn.org. Logos for CSX select site, Tennessee, and Gold are also present.

The best marketing tool we can offer is hosting visits to our community for site selectors, TNECD Project Managers, TVA Target Market Specialists, and other regional and state economic development groups.

We hosted a variety of these visits to introduce our sites and community and refresh memories of those who have visited in the past. We also presented at or hosted the following:

- Select TN Sites Certification program with Austin Consulting
- TVA Community Livability Program with Newmark Knight Frank site selection consultants
- TVA Competitive Communities Program with Vision First Advisors site selection consultants
- TVA Economic Development regional economic development partner dinner.
- TVA How to Sell Your Community Workshop
- TVA Target Market Specialist Showcase
- TVA Telling Your Story marketing training

Maintaining relationships with site selectors and keeping them abreast on happenings in our community and our industrial products is an important aspect of economic development marketing. Executive Director Price visited with site selectors in Chicago during the year.

A database of available industrial properties is maintained through the tvasites.com searchable database. This comprehensive database includes available sites, and buildings, throughout the Tennessee Valley. We subscribe to the LocalInsite tool for the database, and incorporate McMinn County's portion of the database onto our website.

While most of the Development Authority's marketing is focused outside of McMinn County, it is still important to tell our story to our stakeholders and local citizens. Internal marketing efforts were included as part of our marketing plan. Staff wrote articles for inclusion in the Daily Post-Athenian FYI and Foundations special editions. We also continue to do radio spots during Dairy Month to show our appreciation to the dairy industry and its importance to our community. Another focus for our internal marketing includes keeping civic groups abreast on the state of the economy, and activity of the Development Authority. Staff made presentations at local civic groups, and presented to the Leadership McMinn class on their industry day. Staff was also guests on WLAR's Round Table.

Administrative & Professional Development

The Board of Directors had a strategic planning session on July 17, 2018 at the Springbrook Golf and Country Club. Alex Sadler, TVA Economic Development, facilitated the session. The Board was directed to focus on three areas: Attract, Retain, and Market. At the August 2018 Board meeting, the Board of Directors adopted three priorities and strategic goals to focus on from Fiscal Year 2019 through Fiscal Year 2021.

Priority #1: Workforce Development

Goal #1: Develop a pipeline of skilled workers to meet the demands of the high-tech industrial jobs.

Priority #2: Site Development

Goal #2: Develop industrial sites that eliminates risk and increases speed to market for new industrial locations.

Priority #3: Housing

Goal #3: To increase single- and multi-family housing opportunities in McMinn County for workforce.

Each priority and goals timely and accountable tasks to be performed within the three year period.



The Development Authority became a certified economic development organization through the TVA Rural Certified Communities program. The Rural Certified Communities Program provides third party evaluation and feedback of organizational structure, operation and strategic planning efforts to recognize rural economic development organizations who are prepared to compete for job creation and investment. Strategic Development Group (SDG) was engaged by TVA Economic Development for development and assistance in management of the program. The Development Authority had to go through an application process, and worked with SDG on their review of the organization. Staff traveled to Nashville to present to the SDG site consultants and for a formal interview process. Positive feedback was received by the consultants, and they congratulated staff on one of the best presentations of material they had experienced.

The full membership of the Development Authority meets annually to conduct business on behalf of the organization. The annual meeting was held on June 11, 2019 at the Springbrook Golf and Country Club in Niota, Tennessee. President Farah Reynolds passed the gavel to Scott Cass who will serve as the President of the Board in Fiscal year 2020. The members elected new Directors to serve on the Board for a three year term beginning July 1, 2019. The newly elected directors include: Travis Giles (Starr Regional Medical Center), Jay Hacker (Hacker Signs), Sarah Kennedy (Estes & Kennedy Law Offices), and Will Robinson (Will Robinson Construction). The membership voted to approve minor by-laws changes during the meeting. After the official membership meeting, members enjoyed a time of networking during a Casino Night event. During Fiscal Year 2019, three new members joined the organization at the partnership level.



Staying abreast of proposed legislation that can positively, or negatively, affect our economic development efforts, and maintaining positive relations with our state and federal legislators are important roles of the Development Authority. Staff participated in the Tennessee Economic Development Council's Legislative Day on the Hill, the Tennessee Chamber of Commerce and Industrial Day on the Hill, and communicated with state legislators in Nashville throughout their time in session.

The Development Authority was awarded a Bright Spot Impact Award from the Southeast Tennessee Development District for the Courthouse Annex and Downtown Redevelopment successes. Staff attended the development district's annual meeting where the award was presented.

Staff continued to be the administrative arm and fiscal agent for the IDB.

Staff attended a mandatory Tennessee Consolidated Retirement Service (TCRS) meeting on changes to the TCRS system and actuarial studies. Staff also participates in Agency Benefit Coordinator conference

calls and mandatory in-person meeting in order to stay active in the State Health Benefits system for our employee health insurance benefits.

The Personnel Policies and Procedures Manual was updated to include a requirement by the State of Tennessee to include language on the offering of retiree insurance.

Professional development is an important part of the growth of any organization. It is important to stay abreast of industry trends, and new programs to benefit our economic development efforts. Staff participated in seminars, conferences, webinars, conference calls and trainings.

The Development Authority, and staff, maintained professional memberships and affiliations in national, regional, state, and local organizations and civic groups. Executive Assistant Dana Ferguson continued professional development courses required for her to become certified through the University of Tennessee Center for Industrial Services. Classes she took toward her certification include: business retention and expansion, managing economic development organizations, TIFs & PILOTs (Payment in Lieu of Taxes), and advanced finance. Executive Director Price served as a Tennessee Certified Economic Developer mentor for Stephanie Watkins, Southeast Industrial Development Association, and Kathy Barber, University of Tennessee Center for Industrial Services. Ferguson also participated in the TVA Valley Workforce Institute as mentioned in the Workforce section above.

Following are a list of civic and professional organizations staff are members of:

- Athens Area Chamber of Commerce Diplomat
- Athens Kiwanis Club
- Community Pre-K Advisory Council
- Greater Athens Human Resource Association
- McMinn County Education Foundation
- Main Street Athens Board of Directors
- International Economic Development Council
- SEDC Board of Directors
- Tennessee Economic Development Council Board of Directors
- Tennessee Governor's Three Star Advisory Council
- Tennessee Wesleyan University Goodfriend School of Business Advisory Committee
- Tennessee Wesleyan University Alumni Board
- TVA Economic Development Rural Cabinet
- Ex-Officio Director on Athens Area Chamber of Commerce Board
- Ex-Officio Director on Etowah Area Chamber of Commerce Board

In order to keep private membership dues and local public funding levels stable, the Development Authority seeks financial resources through regional, state and federal agencies, and other avenues to increase revenues and supplement expenses. The organization has not had to raise private membership dues since its inception, while we continue to increase services provided by the organization. The staffing level has not changed, and as you can see through this annual report the organization does a lot with limited resources. In order to offset expenses, staff brought in and managed over one million dollars in grant revenue during Fiscal Year 2019. The chart below outlines the grants and funding staff was able to leverage in order to supplement the budget.

Granting Entity	Type of Grant/Contribution	Amount	Match
TNECD	Site Development Grant*	\$ 879,675	\$ 97,742
TNECD	Certified Sites Grant	15,000	-
TNECD	ThreeStar Grant	15,000	-
TVA	TMS Showcase Grant (non-restrictive)	7,500	-
TVA	Community Livability Grant (non-restrictive)	5,000	-
TVA	Partnership Funding Grant (non-restrictive)	3,500	-
TVA	Product Development Grant	54,000	-
Norfolk Southern	Product Development Grant	54,000	-
IDB	Website/Marketing Contribution	10,000	-
SEIDA	SR2 Grant	5,000	-
SEIDA	SR2 Grant	5,000	-
SEIDA	AUB REDA Funds	14,033	-
		\$ 1,067,708	\$ 97,742

*Match provided by McMinn County and the Etowah Utilities Board

Organization Information

Organization Leadership

OFFICERS

Farah Reynolds*, President

Scott Cass*, Vice President

Chris Adams*, Treasurer

Will Estes*, Past President

BOARD OF DIRECTORS

John Gentry*

David Crews

Chuck Burris

Burke Garwood

Eric Newberry*

Harold Masengil*

Rhonda Owens

Chuck Gilreath

Steve Keylor

Sherry McKee

Erin Holbrook

Jason Robertson

Matt Mason

Kenley Hansen

Jerry Smith

Rob Preston

Durant Tullock

Stewart Smith

Elizabeth Pierce-Oswalt

Ex-officio (non-voting)

Tina Tuggle*

C. Seth Sumner*

Jeff Schumacher

Senator Mike Bell

Representative Mark Cochran

Richard Clowers

Lois Preece

STAFF

Kathy Price

Executive Director

Kathy@MakeltInMcMinn.org

Dana Ferguson

Executive Assistant

Dana@MakeltInMcMinn.org

**Denotes Executive Committee Member*

9 E Madison Ave., Suite 201

Athens, TN 37303

Tel 423.745.1506

Fax 423.745.1507

www.MakeltInMcMinn.org

Organization Membership

Funding Agencies	McMinn County Athens Utilities Board	City of Athens Etowah Utilities Board	City of Etowah
Partners for Progress	Adman Electric* Athens Fed. Community Bank BB&T Daily Post Athenian, The DENSO Manufacturing	First Tennessee Bank* First Volunteer Bank Simmons Bank Simply Bank* SouthEast Bank	Starr Regional Medical Ctr. TVA Econ. Development Waste Connections
Sustaining Members	ABB Bargain Barn/UGO Blaine Construction Bowater Credit Union Cannon & Cannon Engineers Christmas Company, The Clayton Home	East TN Industrial Warehouse Hiwassee Builders Supply Holston Gases, Inc. Mayfield Dairy Farms Michael Brady, Inc Resolute Forest Products Smith Funeral Home	Southern Construction Springbrook Country Club TN Valley Fed Credit Union* Waupaca Foundry Wright Brothers Constr.
General Members	Adient AT&T Athens Area Chamber Athens Board of Education Athens Housing Authority Athens Insurance Athens Movie Palace Bordwine Funeral Home Carter, Harrod, & Willhite PPLC Choate Printing City of Niota Cleveland State Comm. Coll. Consolidate Metco (ConMet) Creative Foam Corp. E&E Manufacturing Edward Jones – Murray Willis Edward Jones – Skyler Dean East Tennessee Auto Outlet	East Tennessee Properties Estes & Kennedy Law Etowah Area Chamber Hacker Sign Company Heil Trailer International H.R. Sources & Solutions Johns Manville Latitude Residential Maxwell Industries McKee Promotions McKinney Excavating McMinn Co. Board of Educ. Merit Construction Metro Transport Miller & McPhail Riley Consultants S&ME Seaton Iron & Metal	Selective Structures Southern Hydraulic Sullins Family Eye Care Superior Sanitation Sweetwater Valley Oil TCAT - Athens Tennessee Wesleyan Univ. Town of Englewood Valley Title VIP Promotional Products Walden, Blair & Associates Warren Jackson CPAs Webb Plumbing, Heating & Electric Wholesale Supply Group Wilson Construction Paul Willson Ziegler Funeral Home

*denotes New Partner/Member