

2015-2019 Consolidated Plan: CDBG Substantial Amendment Summary

The State of Tennessee Community Development Block Grant (CDBG) program has historically allocated the grant funds to eligible non-entitlement local governments for community development improvements including water and sewer infrastructure, public facilities, owner-occupied housing rehabilitation, and commercial façade improvements. Until the past few years, CDBG funds were also used for economic development loans. Through a process of reconciliation of grants funds an unexpended balance of \$22 million has been determined to be available for allocation. \$4 million was used to fund additional projects in from the 2016 regular CDBG application round. TNECD is proposing the following uses for the remaining balance of funds.

- \$1,000,000 to be used for rural microenterprise assistance. Microenterprises are considered to be businesses of five (5) or fewer employees including the owner(s).
- \$10,000,000 to be used for workforce development in rural Tennessee. These funds will be used to fund additional TCATs in rural areas that applied for the Drive to 55 Capacity Building Fund grant.
- \$2,000,000 to be allocated as a one-time use of funds to rehabilitate and reroute the Stanton Wastewater Treatment System.
- \$2,500,000 to be allocated as a one-time use of funds for the construction of an EMS facility in the southwest area of Haywood County.
- \$1,000,000 to be used for Project 95. Funds will go toward the construction of a facility to create jobs in Hancock County.
- \$200,000 to be used for the Asset-Based Planning initiative that will assist counties to identify, enhancement, and maximize their assets.
- \$300,000 to be used for a Retail Academy that will assist communities in developing and implementing plans and strategies to recruit and grow retail businesses.
- \$1,000,000 to be allocated for the use of unmet recovery needs in Sevier County and a result of the November, 2016 wildfires.

Please send comments and questions to Kent Archer at kent.archer@tn.gov. All comments must be received by February 28, 2017