

# Department of Economic and Community Development

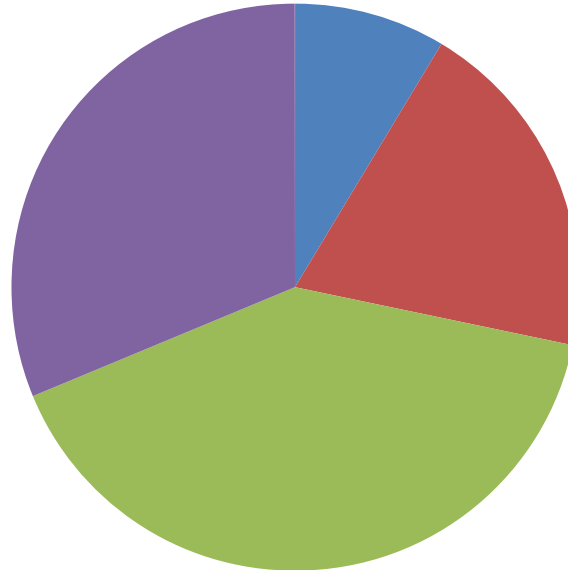
Budget Request FY 2019-2020

# About the Department

## FY 2020 Base Budget

**FastTrack: \$25,340,500**

**Community Development:  
\$32,796,800**



**Administration: \$6,986,200**

**Business Development and  
Services: \$15,936,600**

- Aid existing businesses in their efforts to expand, create, and retain jobs through grants and workforce training
- Promote the location and expansion of new business and industry
- Assist communities through revitalization projects, site identification and certification, and education

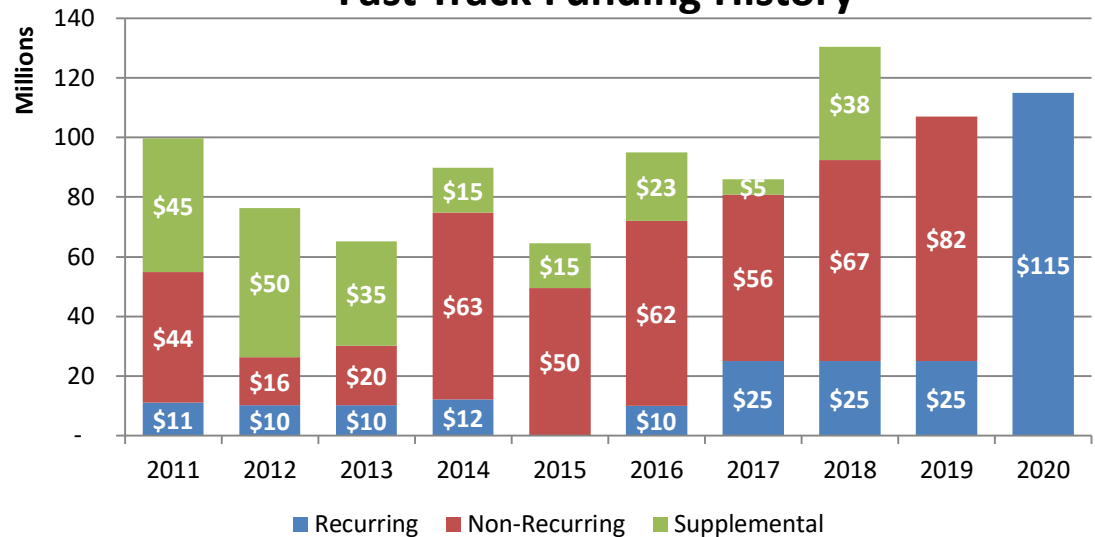
# FastTrack

FastTrack Goal: To provide infrastructure, training, and economic development grants to local governments and businesses for job creation

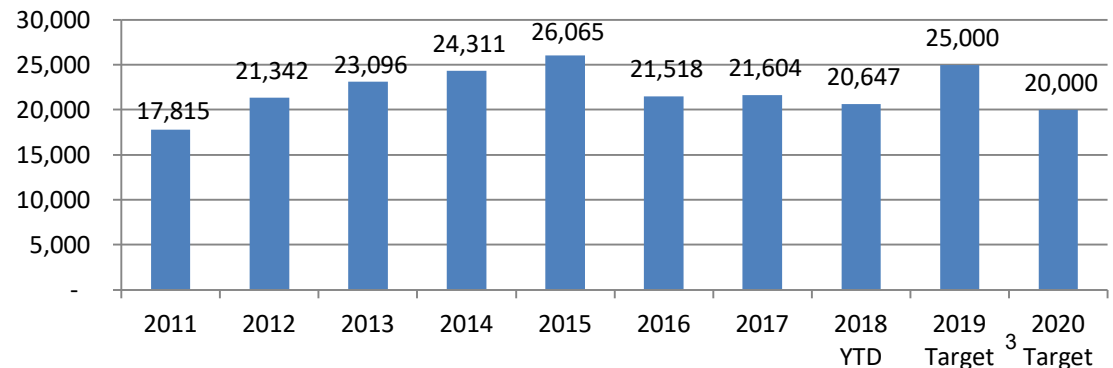
- Total Request: \$90,000,000 (State Appropriations)
- Requested funding for FastTrack Job Development to reach a target job creation of 20,000
  - Focus on jobs with salaries at or above the median wage in the county with a focus on rural communities

- Recurring Base of \$25M
- Carryforward Balance: \$320,731,885.45

## Fast Track Funding History



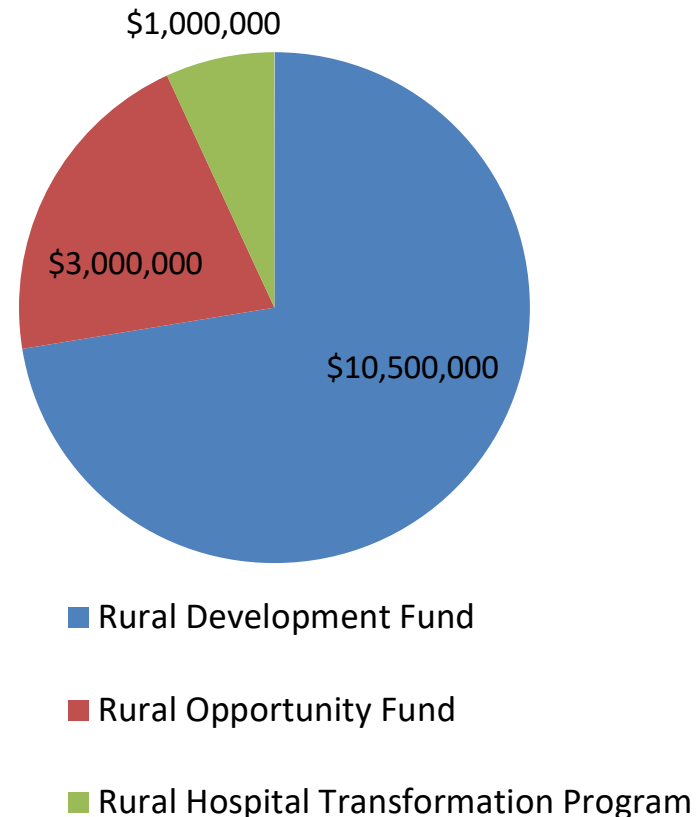
## Fast Track Job Announcement History (calendar year)



YTD Target<sup>3</sup> Target

# Rural Development Initiatives

- Rural Development Fund Total Request: \$10,500,000
  - Created in fiscal year 2018 as a partnership between the Department of Economic and Community Development, the Department of Tourist Development, and the Department of Agriculture, it addresses deficiencies in rural areas and tries to improve the economy
- Rural Opportunity Fund Total Request: \$3,000,000
  - Created in fiscal year 2017 the Rural Opportunity Fund provides loans to small, minority, and woman-owned businesses in rural areas of the state
- Rural Hospital Transformation Total Request: \$1,000,000
  - Created in fiscal year 2019 to support rural hospitals in assessing viability and identifying strategic partnerships and operational changes to enable the continuation of healthcare services in rural communities

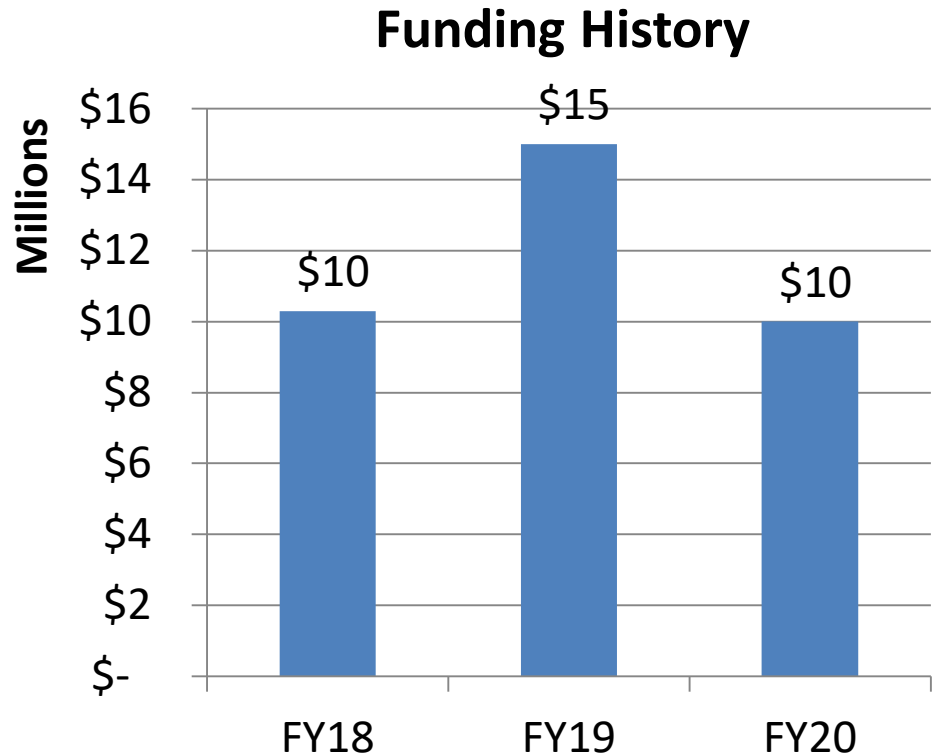


# Tennessee Entertainment Commission

- Total Request: \$6,080,000
- Requested funding for film grants, CreateHere, and interactive digital media
  - Funding will help continue to promote and facilitate economic development of the film/music/entertainment community by recruiting of business to Tennessee
- Base budget: \$2,048,600
  - The majority of Tennessee Film, Entertainment, and Music Commission's projects are funded on a non-recurring basis
- Three main projects: "Pickler and Ben", "Old Story", and "Real Country"

# Broadband Program

- Total Request: \$10,000,000
- Broadband Accessibility Act grant program provided \$30 million over three years to broadband providers to encourage deployment to unserved homes and businesses
- In calendar year 2017 there were 71 applications submitted to be considered requesting more than \$66 million
- 9 grants were given out in calendar year 2017



# Cost Increases

		Total	State	Federal	Other	Positions
1.	FastTrack Job Development Program	\$90,000,000	\$90,000,000	\$0	\$0	0
2.	Workforce Solutions Initiative	750,000	750,000	0	0	2
3.	Rural Development Fund Grants	10,500,000	10,500,000	0	0	0
4.	Broadband Program Year 3 of 3	10,000,000	10,000,000	0	0	0
5.	Rural Opportunity Fund Grants	3,000,000	3,000,000	0	0	0
6.	Tennessee Entertainment Commission Grants and Position	6,080,000	6,080,000	0	0	1

# Cost Increases

		Total	State	Federal	Other	Positions
7.	SBIR Matching Fund	\$1,500,000	\$1,500,000	\$0	\$0	0
8.	Rural Hospital Transformation Program NR	1,000,000	1,000,000	0	0	0
9.	Institute for Advance Composite Manufacturing Innovation Grant NR	3,000,000	3,000,000	0	0	0
10.	Development Districts Grant	20,000	20,000	0	0	0
11.	LaunchTN Base Budget Increase	400,000	400,000	0	0	0
	<b>Total Cost Increases</b>	<b>\$126,250,000</b>	<b>\$126,250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>3</b>



# Savings Plan

		Total	State	Federal	Other	Positions
1.	International Export Base Budget	(\$250,000)	(\$250,000)	\$0	\$0	0
2.	LaunchTN Base Budget	(76,000)	(76,000)	0	0	0
3.	TN Entertainment Commission Fund	(48,700)	(48,700)	0	0	0
4.	Marketing in Community and Rural Development	(24,400)	(24,400)	0	0	0
5.	Business Development Sponsorships and Communications	(60,000)	(60,000)	0	0	0
6.	Three Star Grant Program	(8,500)	(8,500)	0	0	0
7.	MainStreet TN Downtown Program	(55,000)	(55,000)	0	0	0
	<b>Total Savings Plan</b>	<b>(\$522,600)</b>	<b>(\$522,600)</b>	<b>\$0</b>	<b>\$0</b>	<b>0</b>