

TENNESSEE DEPARTMENT OF TRANSPORTATION

Aeronautics Economic Development Fund

Application and Information Packet



TENNESSEE DEPARTMENT OF TRANSPORTATION

2020 AERONAUTICS ECONOMIC DEVELOPMENT FUND:



OVERVIEW

The Tennessee Department of Transportation (TDOT) will be accepting applications for the Aeronautics Economic Development Fund. The development strategy is to impact job creation and investment opportunities in aerospace and its related programs and activities.

Tennessee's aerospace sector has a rich combination of research assets, capital investment opportunities, advanced manufacturing expertise, accessibility to educational resources, and workforce capacity. This environment provides an excellent opportunity for new or expanding aerospace programs and activities.

ELIGIBILITY AND APPLICATION REVIEW PROCESS

1. Applicant Eligibility

Applicants must be:

- local government or its funded economic development organization*
- airport authority or comparable entity/commission*
- a subdivision of state government*

*Partnerships, collaborative work, and leveraging of funds are encouraged

Program awards will be capped at \$1,000,000 per applicant.

2. Project Eligibility

Eligible

Proposed projects must be used to facilitate economic development endeavors related to the aerospace industry and job creation.

Two project categories are available for consideration:

- (1) Capital Improvement Projects
- (2) Non-Capital Improvement Program(s)/Activity Projects

The program requires a minimum 10% local participation of the total requested funds.

Ineligible

Proposed construction projects may not include airport terminals and/or T-hangars. A private industry that is closing existing facilities or moving locations within Tennessee is not eligible for consideration under this program.

3. Application Period

Application period closes November 15, 2019. Application packets should be emailed to Aero.Grants@tn.gov.

4. Guidelines for Funding

All eligible projects will undergo review using the evaluation factors below.

Evaluation Criteria

- Aerospace and related program(s)/activities
 - Impact on the aerospace sector
 - Project scope
 - Project cost
 - Project schedule
 - Performance measures and project goals
- Employment and capital investment
 - New capital investments
 - Net new full-time job creation
 - Median wage of net new full-time jobs in the county
 - Site development for future private industry recruitment
- Community need and support
 - Demonstration of community support
 - Percentage of local participation/local matching funds
 - Current economic status information for the county as applicable to the proposed project, such as unemployment rates, educational attainment data, etc.
 - Economic impacts to local community

5. Application Review

Applications will be reviewed and recommendations made to the Commissioner of Transportation for final approval. Note: TDOT reserves the right to refuse any application that does not reflect the goals of the Aeronautics Economic Development Fund.

6. Approval and Award

Award announcements will take place in January 2020.

7. Grant Information

This is a reimbursable grant program. A reimbursable grant means that the grantee will (1) spend dollars as agreed upon in the contract for eligible activities, (2) submit respective receipts and other documentation to TDOT, and then (3) receive reimbursement from TDOT for allowable expenditures. All expenditures must take place within the timeframe of the grant period as designated by the grant contract. Grants are not eligible for amendment in scope or dollar amount.

TDOT CONTACT INFORMATION

Direct application questions to the following:

TDOT Aeronautics Division
615-741-3208
Aero.Grants@tn.gov

**TENNESSEE DEPARTMENT OF TRANSPORTATION
AERONAUTICS ECONOMIC DEVELOPMENT FUND:**



APPLICATION

Project proposals must include all applicable information listed in the Application Requirements. Applications and all supporting documentation must be emailed to Aero.Grants@tn.gov by November 15, 2019 for consideration.

APPLICANT INFORMATION

Contact Information

Please provide the below information.

- Applicant Contact Information
 - Primary Contact Name
 - Primary Contact Phone
 - Primary Contact Email
 - Complete Physical Address, include county
- Airport Name (if applicable)
- Airport Sponsor (if applicable)

PROJECT: AEROSPACE AND RELATED ACTIVITIES

Overview

Concisely describe how your project will impact job creation and investment opportunities in aerospace and related programs and/or activities.

Project Description

Two project categories are available for consideration:

- (1) Capital Improvement Projects
- (2) Non-Capital Improvement Program(s)/Activity Projects.

Provide the information requested in the appropriate category below for your project request.

Note: If an application includes dollars that fall into both project categories, complete each project Scope, Cost/Budget and Construction Schedule/Timeline respectively, and provide a total overall project budget and grant dollar request with your application.

(1) Capital Improvement Projects

a. Scope

Describe the scope of proposed work to be accomplished for this request.

The scope should also include:

- Maps or drawings depicting the location of the proposed industry in relation to city or county submitting the application; and
- If applicable, include a drawing depicting the current and proposed changes to the airport property, including the private industry/corporate site, and any changes to the runway, taxiway, or apron.

b. Cost

Provide a planning estimate of project costs including detail for items such as design, environmental, land acquisition, and construction phases.

c. Construction Schedule

Provide a project schedule including the project start date, appropriate project milestones, and project completion date. What challenges or barriers do you anticipate related to the execution of this project? All projects have challenges/barriers.

(2) Non-Capital Improvement Program(s)/Activity Projects

a. Scope

Provide a detailed project description; clearly discuss each of the following:

- Program(s)/activity, need, and impact:
 - Why is this program(s)/activity important to aerospace?
 - How and why did you choose the program(s)/activity proposed?
 - Can you demonstrate existing demand for this type of program(s)/activity? How did you determine the gap and demand? Provide relevant data to support program(s)/activity, and include results from any comparable project(s).
- Stakeholders/Partners:
 - What are the roles and responsibilities of the team/individuals implementing the program and their qualifications to implement a successful program(s)? Who manages the program? What other facilitators or support staff are involved daily?
 - Who are the key partners and their roles in the project? Who from the business community will be involved and how? Who from the public sector (economic development representatives, schools and local government) will be involved and how?
- Will any additional funds be used to complete or increase the impact of this project?
- How will this project be sustained after the funding period? Can it be scaled?

b. Budget

Provide a budget narrative, including total project cost, grant funds requested, and the amount and other funding sources, and local matching dollars.

c. Timeline

Provide a clear timeline that includes the proposed project start date, program/activity milestones, and projected completion date.

Performance Measures

Applicants must provide performance measures that will be included in quarterly status updates to TDOT Aeronautics. Applicants must provide performance measures that apply directly to their proposed project. Consider the following:

- What does success look like for this project?
- What metrics, quantitative and qualitative, will you use to determine success?
- How will you track these metrics?
- What challenges or barriers do you anticipate related to the execution of the proposed Capital Improvement and/or Non-Capital Improvement Program(s)/Activity Project(s)? All projects have challenges/barriers.

PRIVATE INDUSTRY COMMITMENT TO CREATING NEW JOBS /CAPITAL INVESTMENT

Private Industry/Corporate Commitment

If applicable, provide a letter of commitment, letter of interest, or lease agreement from the prospective private industry. A qualifying industry must be new to or expanding its operations within the State of Tennessee.

Note: A private industry closing its facilities or moving locations within Tennessee is not eligible for consideration under this program.

Provide private industry/corporate contact information, including:

- Private Industry/Corporate Name
- Current Private Industry/Corporate Address (Mailing and Physical)
- Primary Contact Information:
 - Name
 - Phone
 - Email

Additional Private Industry/Corporate Information Requested:

- Has the company received incentives or grants from Tennessee (e.g., job creation or capital investment)? If yes, which and when?
- Is the business entity in good standing under the laws of the jurisdiction(s) in which the entity is organized or authorized to conduct business and not delinquent in taxes owed to any taxing entity?
- Do any of the following persons have a direct or indirect ownership interest of greater than 2% in the applicant, act as a member of the applicant's board of directors or serve as senior management of the applicant?
 - Employee of the Tennessee Department of Transportation or any other state agency/commission (or his or her immediate family)
 - Current member of the TN General Assembly (or his or her immediate family)
 - Senior state official (or his or her immediate family)

If yes to any of the above, please provide the name and position of those individuals.

Employment Impact

Applicants with private industry commitment should provide the below information:

- Anticipated date facility will be operational
- Initial employment number
- Full employment number
- Anticipated date of full employment
- Net new full-time jobs
- Median wage of net new jobs

Note: All positions filled prior to execution of a grant contract resulting from this application may not be counted towards the above figures.

COMMUNITY BENEFIT

Objectives and Need for Assistance

Demonstrate how this grant program will address a need or solve a problem. Include current economic status information for the county as applicable to the proposed Capital Improvement and/or Non-Capital Improvement Program(s)/Activity Projects, such as unemployment rates, educational attainment data, etc. Use the data at tnecd.com/county-profiles to address the specific county economic items.

Please discuss economic impacts to the local community once the project is complete. This should include potential impacts on annual earnings, net job growth, the recruitment of new industry, and any economic data that supports investment in this project.

Revenue Generated

If applicable, provide estimates of annual revenue or taxes generated to the local government and/or the airport once the project is complete.

Community Support

Include at least two and no more than five letters of support that clearly outline how that entity/organization will contribute to the project. The letters should be concise and submitted on the letterhead of the entity/organization; emails are acceptable with the respective signature blocks intact.

Local Matching Funds

A minimum match of 10% of the total requested funds is required. Provide a breakdown of all funding sources that will be utilized for this project. The match may come from public or private sources.

Shared Funding Responsibility among Local Governments

If multiple local government agencies are sharing any portion of the funding responsibility, a written agreement between local government agencies should also be submitted with the application.

COMPLIANCE

By submitting an application for the Aeronautics Economic Development Fund the applicant affirms the following:

- ☐ **Authorization and Certification of Applicant**
As an authorized representative of my organization, I understand the eligibility requirements and affirm that, if accepted, the organization is prepared to meet all financial and time expectations in order to participate. On behalf of the organization, I affirm that the information provided in this application and any ancillary documents is true and accurate; Further, on behalf of the organization, I affirm that the organization is eligible to receive funds, is in good standing with the state of Tennessee, will serve as a conduit for the associated grant, and has the financial resources required for the proposed project.
- ☐ On behalf of the organization, I acknowledge and understand that TDOT will not reimburse any costs incurred prior to the execution and approval of a contract. TDOT will notify the recipient if and when the contract is approved.

APPLICATION CHECKLIST

Your application must include all applicable items in each section below:

- | | |
|--|---|
| <input type="checkbox"/> Applicant Information | <input type="checkbox"/> Private Industry Commitment to Creating New Jobs/New Capital Investments |
| <input type="checkbox"/> Project: Aerospace and Related Activities | <input type="checkbox"/> Community Benefit |
| | <input type="checkbox"/> Compliance – Authorization |

ADDITIONAL RESOURCES

Additional information can be found at <https://www.tn.gov/tdot/aeronautics/aero-eco-dev-fund.html>

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