
Executive Committee Meeting Agenda | October 16, 2024

1. **Call to Order | Randy Heady, Chairman**
 - a. Prayer
 - b. Pledge of Allegiance
2. **Roll Call | Sherry Thurman**
3. **Approval of Consent Agenda | Randy Heady, Chairman**
 - a. Executive Committee Meeting Minutes – August 21, 2024
4. **UCDD Financial Report | Ginger Stout, Finance Director**
5. **Mayor Curtis Hayes Presentation | Randy Heady, Chairman**
6. **UCDD Loans | Mindy Tramel, Loan Officer**
 - a. My Father's Mustache
 - b. Smithville Tire and Alignment
 - c. Totally Kids LLC
7. **Action Items | Randy Heady, Chairman**
 - a. 2024 Comprehensive Economic Development Strategy (CEDS) Update - Resolution 24-10-1
 - b. Legislator of the Year
8. **Executive Director Report | Mark Farley, Executive Director**
 - a. Solid Waste Assistance
 - b. Special Census
 - c. Grant Updates
 - d. Legislative Event
9. **Regional Partners | Randy Heady, Chairman**
10. **Old Business | Randy Heady, Chairman**
11. **New Business | Randy Heady, Chairman**
 - a. Nomination Committee
12. **Public Comments | Randy Heady, Chairman**
13. **Adjourn | Randy Heady, Chairman**

**Upper Cumberland Development District
Executive Committee Meeting**

DRAFT MINUTES		AUGUST 21, 2024	10:00 A.M.	COOKEVILLE, TN
MEETING CALLED BY	Vice Chairman Jeff Mason			
TYPE OF MEETING	UCDD Executive Committee Meeting			
FACILITATOR	Vice Chairman Jeff Mason			
NOTE TAKER	Sherry Thurman			
MEMBERS PRESENT	Greg Mitchell, Dale Reagan, Luke Collins, Allen Foster, Josh Miller, Lloyd Williams, Steve Jones, Steven Barlow, Stephen Bilbrey, Sam Gibson, Randy Porter, Laurin Wheaton, Jeff Mason, David Sullivan, Terry Bell, Jerry Lowery			
MEMBERS ABSENT	Andy Duggin, R.J. Crawford, Matt Adcock, Jimmy Johnson, Harvey Stowers, Randy Heady, Tony Day, Curtis Hayes, John Potts, Alisa Farmer, Ryle Chastain, Marvin Lusk, Denny Robinson, Representative Cameron Sexton, Senator Paul Bailey			
	CALL TO ORDER / PRAYER / PLEDGE OF ALLEGIANCE		VICE CHAIRMAN JEFF MASON	
CALL TO ORDER	Vice Chairman Jeff Mason called the meeting to order.			
PRAYER	Vice Chairman Jeff Mason asked County Mayor Greg Mitchell to open the meeting with prayer.			
PLEDGE OF ALLEGIANCE	The Pledge of Allegiance was cited. Vice Chairman Jeff Mason asked the board members to continue to remember Chairman Randy Heady in their prayers and gave an update on his health issues.			
	ROLL CALL			
ROLLCALL	Sherry Thurman called the roll and the attendance is recorded above. There was a quorum of the committee members present.			
	APPROVAL OF CONSENT AGENDA		VICE CHAIRMAN JEFF MASON	
DISCUSSION	Vice Chairman Jeff Mason advised that the consent agenda consist of the following: <ul style="list-style-type: none">• UCDD Executive Committee Meeting Minutes – June 18, 2024• Finance Manual A motion was made to approve the Consent Agenda.			
ACTION	<u>Motion to Approve</u> Motion made by: Luke Collins Motion seconded by: Greg Mitchell Vice Chairman Jeff Mason asked for discussion or comments on the motion. Motion carried unanimously.			
	UCDD FINANCIAL REPORT		GINGER STOUT, FINANCE DIRECTOR	
DISCUSSION	Ginger Stout presented the UCDD financial report for July 1, 2023 through June 30, 2024.			

DISCUSSION	A motion was made to approve the financial report.
ACTION	<p><u>Motion to Approve</u> Motion made by: Steve Jones Motion seconded by: Steven Barlow Vice Chairman Jeff Mason asked for discussion or comments on the motion.</p> <p>Motion carried unanimously.</p>
	<p>GUEST SPEAKER DR. JENNIFER TRIBBLE, POLICY DIRECTOR TENNESSEE DEPARTMENT OF ENVIRONMENT & CONSERVATION VICE CHAIRMAN JEFF MASON</p>
DISCUSSION	Vice Chairman Jeff Mason introduced Dr. Jennifer Tribble, Policy Director for the Tennessee Department of Environment and Conservation. Dr. Tribble provided an update on TDEC's ongoing initiative, the Tennessee Volunteer Emission Reduction Strategy.
	<p>UCDD LOAN MINDY TRAMEL, LOAN OFFICER</p>
DISCUSSION/ ACTION	<p>Mindy Tramel presented a loan request for Appalachian Performance Engineering LLC (APE Built) located in Cookeville. APE Built currently rents part of the building at 329 Newman Drive in Cookeville, shared with CWF Manufacturing. The owner of CWF is selling the building and his business to the borrower, APE Built and CWF will continue to operate as separate businesses while working toward growing the revenue of both.</p> <ul style="list-style-type: none"> • Total Project Amount: \$1,129,000 • UCDD Loan Amount: \$292,000 • Owner Contribution: \$55,000 • Pathway Lending: \$782,000 • Proposed Interest Rate: 8.5% • Proposed Terms: 10 years • Collateral: Second lien on the building located at 329 Newman Drive; first lien on equipment to be purchased from CWF; and equipment owned by APE Built. <p>A motion was made to approve the loan request.</p>
ACTION	<p><u>Motion to Approve</u> Motion made by: Steve Jones Motion seconded by: Dale Reagan Vice Chairman Jeff Mason asked for discussion or comments on the motion.</p> <p>Motion carried with a roll call vote. Sixteen board members voted yes.</p>
	<p>ACTION ITEMS VICE CHAIRMAN JEFF MASON</p> <p>a. Employee Handbook b. Statutory Bonds *Mark Farley, Executive Director *Ginger Stout, Finance Director</p>
DISCUSSION	<p>Executive Director Mark Farley provided an update on the action items.</p> <p>Employee Handbook: Over the past year, we have been reviewing the employee handbook to ensure that the policies are up-to-date, reflecting any changes in state or federal law and are relevant to our current work environment. A team of employees from both UCDD and UCHRA has collaborated on this effort, aiming to align the policies of both agencies</p>

DISCUSSION	<p>as closely as possible. However, since UCDD has its own retirement plan and UCHRA is under TCRS, no changes were made to the retirement policies. The handbook was reviewed by Attorney Danny Rader and his team. Their team made recommendations which were incorporated into the handbook.</p> <p>Executive Director Mark Farley highlighted some of the major policy changes:</p> <ul style="list-style-type: none"> • Grievance Policy – Removes the appeal to the Board of Directors, UCDD and UCHRA bylaws delegates all personal decisions to the Executive Director. • Compensatory Time – Caps the number of hours that can accumulate at 460 hours. If an employee is accumulating large amounts of compensatory time then management needs to look at staffing levels. • Flexible Work Policy – Clarifies who is eligible and how it will be managed. • Family Engagement Policy – Provides clear guidelines for the care of children in the workplace. • Leave with Pay – We will shift to a Paid Time Off (PTO) system and no longer tract annual and sick leave separately. This change will be effective September 1, 2024. • Dress Code – Has been modified to reflect current fashion trends. • Bereavement Leave – We have aligned both agencies under the same policy. • Appendices – We have developed three separate appendices so as to be able to make more frequent changes without affecting the personnel policy. <ul style="list-style-type: none"> a. Head Start – Establishes those requirements that are program specific to the funding agency. b. Supplemental Benefits – Due to changes in vendors and insurance policies this information may change more frequently. c. Agency Policies – From time to time the board creates policies that govern the operation of the agency. This appendix allows us to publish the actions of the governing body. <p>The Statutory Bonds for Executive Director Mark Farley and Finance Director Ginger Stout were presented.</p> <p>A motion was made to group the actions items and approve as presented.</p>
ACTION	<p><u>Motion to Approve</u> Motion made by: Stephen Barlow Motion seconded by: David Sullivan</p> <p>Vice Chairman Jeff Mason asked for discussion or comments on the motion.</p> <p>Motion carried with a roll call vote. Fifteen board members voted yes. One board member voted no.</p>
	<p>EXECUTIVE DIRECTORS REPORT MARK FARLEY, EXECUTIVE DIRECTOR</p>
DISCUSSION	<p>Executive Director Mark Farley reported that a group has shown interest in conducting Brownfield Assessments. We have identified a few potential sites in collaboration with regional partners. If you know of any sites within your city or county that might qualify for Brownfield programs, please contact Tommy Lee or Executive Director Mark Farley so we can determine if there are enough properties to apply for the grant.</p> <p>Additionally, Executive Director Mark Farley announced the conclusion of the Summer Strategy Sessions. One key outcome from the fourteen meetings was the need to focus on supporting our current employers, especially in light of the economic situation, by implementing a business outreach program. Angela Regitko, Jill Osborne, and others</p>

<p>DISCUSSION</p>	<p>have been actively working on this initiative.</p> <p>Angela Regitko provided an update on the importance of communities having a Business Retention and Expansion Plan. She shared a step-by-step template designed to assist communities without a plan in place. Angela emphasized that she, Jill Osborne, and regional partners are available to help communities ensure their existing industries benefit from available programs and maintain strong connections with key partners. She recommended that communities identify their top ten employers over the next year. If anyone is interested in a detailed walkthrough of this process, please reach out for assistance.</p> <p>Executive Director Mark Farley mentioned that the Park and Rec Master Plan was a topic of discussion in several strategy meetings. Tommy Lee reported that White, Fentress, Van Buren, Cumberland, and Jackson counties have already adopted a Parks and Rec Plan, while Clay and Putnam counties are in the process of doing so. However, seven counties still do not have a plan in place. Having a plan makes your county immediately eligible for local parks and recreation fund grants, which could range from \$500,000 to possibly \$1,000,000, requiring a 50/50 match. Additionally, a plan qualifies your county for the Recreational Trails Program, offering an 80/20 grant to improve trails. If your county does not have a plan, please contact Tommy, Marcie, or anyone from the Planning and Community Development.</p> <p>Executive Director Mark Farley shared that the Business Resource Collective — comprised of Tennessee Tech, the Small Business Development Center, and the Biz Foundry—is actively collaborating to support businesses. We are working on finding the best way to promote the services and programs we offer. One idea is to include a link on county and city websites that directs visitors to resources for starting a business in the region. The group may be reaching out to everyone soon to discuss this initiative.</p> <p>Executive Director Mark Farley noted that last year we hosted a legislative function during the general assembly, and several members have expressed interest in holding this event before the legislative session begins this year. To accommodate this, we are reserving November 22nd at the UCDD for the meeting. Mayor Heady has proposed convening the meeting again to discuss legislative issues and suggested forming a small working group consisting of a few county mayors and city mayors to develop the agenda and legislative action items. Vice Chairman Jeff Mason asked for volunteers to serve on the committee. The following individuals volunteered: Laurin Wheaton, Luke Collins, Jerry Lowery, Allen Foster, Steve Jones, and Jeff Mason.</p> <p>Executive Director Mark Farley announced that the UCDD/UCHRA annual meeting will take place in December. We would like to propose that each county mayor and the mayors of cities within their community select a volunteer, agency, or individual they would like to recognize for their contributions. At the annual meeting, we will honor these individuals and present them with a plaque.</p> <p>Executive Director Mark Farley encouraged board members to stay for the UCHRA meeting. He mentioned that UCDD/UCHRA has partnered with the Suicide Prevention Council, and there will be a photo opportunity to highlight the installation of the suicide hotline number on the UCDD agency vehicles and all of UCHRA's public transportation vehicles.</p>
--------------------------	---

	REGIONAL PARTNERS VICE CHAIRMAN JEFF MASON
DISCUSSION	<p>Vice Chairman Jeff Mason requested updates from the regional partners:</p> <ul style="list-style-type: none"> • Angela Regitko from the Tennessee Department of Economic & Community Development announced that the TNECD Governor's Conference will be held on October 17th and 18th in Knoxville. • Boyd Brown with the Tennessee Department of Agriculture shared that the state fair is currently in full swing and encouraged everyone to attend. He also mentioned that the application period for the Tennessee Agricultural Enhancement Program will be from October 1st to 7th. • Josh Wilkerson with USDA Rural Development reported that the current interest rate for water and waste loans is 3.25%, and the community facilities loan rate is 3.4%. He expects interest rates to decrease soon and encouraged anyone with upcoming projects to contact him as USDA's 2025 fiscal year begins in October. • Tyler Asher from the Tennessee Department of Labor and Workforce Development offered his assistance with visits to existing industries and encouraged members to reach out to him if needed. • Jenny Spurlock from Congressman John Rose's office, Shirley Pond and Amy Dennis from Congressman Scott DesJarlais' office, and Caleb Haslett from Senator Marsha Blackburn's office all had no new updates but reiterated that their staff are available to assist with any needs.
	OLD BUSINESS VICE CHAIRMAN JEFF MASON
DISCUSSION	Mayor Luke Collins asked if County Mayor Randy Heady would be able to receive cards or flowers while in the hospital. Vice Chairman Jeff Mason responded that they will work on obtaining Mayor Heady's address for anyone who wishes to send a card.
	NEW BUSINESS VICE CHAIRMAN JEFF MASON
DISCUSSION	No new business was presented for discussion.
	PUBLIC COMMENTS VICE CHAIRMAN JEFF MASON
DISCUSSION	There were no public comments presented for discussion.
	ADJOURN VICE CHAIRMAN JEFF MASON
ACTION	<p>Vice Chairman Jeff Mason advised that he would accept a motion to adjourn.</p> <p><u>Motion to Adjourn:</u> Motion made by: Greg Mitchell Motion seconded by: Steven Barlow</p> <p>The Executive Committee voted unanimously to adjourn the August 21, 2024 meeting.</p>
CONCLUSION 10:43 a.m.	

Randy Heady, Chairman

Jimmy Johnson, Secretary

Upper Cumberland Development District

Financial Report as of 07/31/2024

Total Agency Grant Related Expenditures

Revenues

Federal Grantor Revenue	\$	369,792
State Grantor Revenue	\$	149,060
Contract Revenues	\$	38,486
Program	\$	-
Other Revenue	\$	694
Inkind	\$	-
TOTAL REVENUE	\$	558,032

Program/Matching Revenues

CDBG Revenue	\$	21,096
CDBG Revenue - ARP	\$	-
State Match	\$	-
Dues	\$	-
Interest		362
Other	\$	2,343
	\$	23,801

Expenditures

Salaries and Wages	\$	123,498
Employee Benefits & Taxes	\$	39,779
Total Personnel Expenses	\$	163,277
Professional Fees	\$	5,559
Supplies	\$	4,482
Communication & Advertising	\$	7,331
Postage & Shipping	\$	-
Occupancy	\$	25,040
Equipment Rental & Maintenance	\$	-
Travel/Fuel	\$	9,913
Training	\$	-
Vehicle Maintenance	\$	-
Transportation Trips	\$	-
Insurance	\$	-
Assistance to Individuals	\$	34,637
Printing	\$	-
Contracted Services	\$	302,501
Food	\$	-
Miscellaneous	\$	-
RTAP-Training	\$	-
Job Access Trips	\$	-
Fundraising Costs	\$	-
Capital-Preventive Maintenance	\$	-
Capital-Mobility Management	\$	-
Reimbursable Capital Exp.	\$	-
In-kind / CPE	\$	-
Total Non-Personnel Expenses	\$	389,463
Total Direct Program Expenses	\$	552,741
Administrative Expenses	\$	31,105
TOTAL EXPENSES	\$	583,846

Non Grant Related Expenditures

Supplies	\$	504
Travel	\$	-
Other	\$	443
TOTAL EXPENSES	\$	947
Revenue Over (Under) Exp	\$	22,854
Match Requirement	\$	25,814
	\$	48,667

Program Match \$ (25,814)

My Father's Mustache UCDD/CAIC Loan Request

Company Summary: My Father's Mustache, established in 2016, is a full service salon owned and operated by sisters Brittany Elmore and Debbie Dalton in Cookeville. The business also operates as a teaching salon and has partnered with Workforce Connections for their apprenticeship program.

Project summary: My Father's Mustache is purchasing 595 E 10th St. in Cookeville with plans to move their salon from the current leased space. The borrower plans to add an additional 1480 square feet to the new building and build it out to meet their needs as a salon. First National Bank will act as the lead lender. The salon currently employees 17 people and will have the potential to increase their staff by over 40 people in the new space.

Project amount:

\$880,500

UCDD Loan request:

\$136,000 for 15 years at 7.5%

Other sources of funds:

First National Bank \$720,000

Borrower contribution \$24,500

The borrowers have also paid for the appraisal and will pay closing costs on both loans as well.

Uses of funds:

Purchase and buildout building to relocate salon, purchase new furniture, fixtures, and equipment for the new space

Collateral information:

2nd lien 595 E 10th St. Cookeville, TN: Appraised value \$970,000 as completed (as is value is \$605,000)

1st lien current furniture, fixtures, and equipment: Value \$30,712 (estimated used value)

1st lien new furniture, fixtures, and equipment: Value \$36,300 (quote from supplier)

Personal guarantees: Debbie Dalton, Brittany Elmore, Cody Elmore (spouse)

Total discounted collateral value: \$250,259

All documentation has been reviewed by the Loan Committee. To request a copy of the borrower's documents, please contact Mindy Tramel at mtramel@ucdd.org.

UCDD Loan to value (90% or lower preferred):

54%

Personal credit info:

Scores: Brittany: 787

Debbie: 647

Notes: Credit report provided by First National Bank. Monthly combined debts for the borrowers: \$4,448.32.

Personal Income:

In 2023, My Father's Mustache changed from a partnership to a S-Corp. The borrowers began receiving W2 income the second half of 2023.

Average monthly income:

Brittany: \$7,776

Debbie: \$6,056

Personal debt to income ratio (a lower value is more favorable):

Brittany: 27%

Debbie: 38%

UCDD estimated monthly payment:

\$1,260.74

Estimated monthly payment from other funding sources:

First National Bank \$5,582.17

Annualized payments:

UCDD: \$15,128.88

First National Bank: \$66,986.04

Total annualized payments: \$82,114.92

Debt Service Coverage (greater than 1.0 preferred):

1.13 (using numbers from 2023)

1.23 (annualized 2024 based off 2024 YTD as of 9/7/24)

Other info:

My Father's Mustache operates with two different shifts for their employees due to extended hours. They are open Monday through Saturday from 7:30 am-9:00 pm and Sunday from 11:00am-5:00pm

My Father's Mustache Salon Company has established itself as being an ever-growing, teaching, barber & beauty salon located here in beautiful Cookeville, TN. Co-Owners and sisters, Debbie and Brittany, opened the salon company in 2016 in memory of their father, Mister Wayne, a Master Barber himself for over 40 years. What started out as a team of 3, has grown to a team of over twenty. This growth continues to be exponential, and specifically this year of 2023-2024 the growth in our company has maxed us out in our current space which brings us to the much anticipated news that My Father's Mustache is planning on opening a brand new location!

Before we go into all the excitement that is our new location, let us give the backstory on our current salon location. At 848 North Jefferson Ave, our cozy brick building of 1050 square feet was originally built in the 1930's as a home. It was remodeled into a salon along the way and has been "My Father's Mustache" for the past decade. We have humble beginnings as owner's Debbie and Brittany had calculated that if they could just see 5 guests per day they could afford to keep the doors open. Flashforward to our 2024 team of 20+ stylists, barbers, nail technicians, aestheticians and permanent cosmetics tattoo artists- what we used to hope to make for the entire week, is what most stylists make in one shift behind the chair. With such growth, we are to the point we are having to ask walk-ins and new potential clients to come back later and turning them away with complimentary \$5 off coupons because we are so busy at high volume times, we are unable to accommodate them. Being fully booked is a dream come true, but turning away guests due to not having enough space for more stylists has been our greatest challenge.

That challenge of too little space and not enough service providers sparked the quest for a new location starting post-covid. Covid changed a lot of things for a lot of industries, but we

seem to have been reaping a lot of the positive benefits in the beauty industry. People realize now more than ever how vital the hairdresser's role and how important self care truly is. As mentioned previously, from 2020-2024 we have seen exponential growth in our salon company. Due to "social-distancing" and TN state mandates, after quarantine we could only be at half capacity for months. In order for us to allow our team to still have full time hours, we changed our business model from 8:00 AM-5:00 PM to 7:30AM-9PM, Monday-Saturday and started opening on Sundays from 11AM-5PM. With these extended hours, we were able to have "split-shifts", the first being 7:30AM-2:00PM and closing shift from 2:30PM-9PM. Even with our extended hours, we have such a demand for services that we do not have a big enough team/space to supply that demand.

After over a year of potential locations being checked out but nothing ever coming to pass, we landed our dream location! Not even a mile away from our current location, we are in the process of buying the former State Farm building and have big plans to remodel into a facility double the size. With so much more space, we'll be able to give the spa experience that is such a challenge to give in our current space. Where we are now, our retail area is practically on top of our styling stations. As we have begun to work on these plans, the excitement we have for our company's legacy to carry on for years to come feels a lot like a dream and hard work finally coming to fruition.

The plans have already been drawn up. We will have a large open floor design with 14 styling stations, 4 of those being full barber chairs able to extend all the way out for close straight-razor shaves and beard shape pluses. We will have three spa rooms for aesthetics, a designated tattoo room for permanent cosmetics, and even a full shower for exfoliant scrubs to prep for services such as body waxing and sunless tanning. We will even have a legitimate break

room and space for an actual office for owner's Debbie and Brittany. Currently, our laundry room/break room/office is all rolled into one small area by our back exit, so the entire team could not be more thrilled! On top of all the above wonderful changes that are taking place with additional space, we can't forget to mention our upcoming nail area updates. We will have full spa massaging pedicure chairs along with a kid sized pedicure chair! At My Father's Mustache, we serve a ton of kids and their families and take pride in being a full service salon, so being able to provide more accommodations for children such as a kid sized pedicure chair, is very exciting news for all the "Mustache Kid's Club" members here at our Salon Company. All these design plans are going to be enclosed in a beautiful barndominium style building with tall "shop" style garage doors that can actually open and close to see the stunning Tennessee sunsets on those warm summer evenings here in Cookeville, TN.

On the whole, BIG changes are coming for My Father's Mustache Salon Company. The challenges owner's Debbie and Brittany have faced over the last decade from opening a woman owned small business, to growing the salon into the award winning salon that it is today, all the way to the point our current salon size and location is no longer able to supply the demand that our community here in Cookeville, TN needs. Such challenges have made our successes, especially our latest and greatest success of building our dream salon, all the more sweet. Ribbon-cutting ceremony hopefully coming soon in 2025, see you there!

Smithville Tire and Alignment UCDD/CAIC Loan Request

Company Summary:

Smithville Tire and Alignment is a new business opening in Dekalb county, owned by Matthew Lawrence. With 15 years in the automotive industry, Matthew wanted to open his own full-service tire and repair shop in his hometown due to a need for more of these services. Smithville Tire and Alignment will provide tire sales and vehicle services including alignments, brakes, oil changes, preventative maintenance, tune-ups, front end repairs, and more.

Project summary:

The funds will be used to purchase the property and build out the existing shell building at 426 W. Broad St. creating a service area with a showroom and adding an office area. The request also includes funds to purchase machinery and equipment to set up and operate the business. UCDD will act as a match to TNRDF's State Small Business Credit Initiative funds from the State of Tennessee with UCDD funds passing through TNRDF who will lend the final amount to the borrower. TNRDF will be UCDD's borrower with UCDD holding a 1st lien position on all collateral.

Project amount:

\$933,350

UCDD Loan request:

\$446,675 at 7% for 18 years

Other sources of funds:

TNRDF: \$446,675

Owner contribution: \$40,000

The borrower has paid \$3,250 for the appraisal and will be paying closing costs.

Uses of funds:

Purchase and buildout of the property at 426 W. Broad St, purchase of machinery, equipment, furniture, and fixtures to set up and operate the business, working capital

Collateral information:

1st lien 426 W. Broad St., Smithville: Appraised value \$700,000 as completed, \$540,000 as is

1st lien machinery, equipment, furniture, and fixtures

Personal guarantee: Matthew Lawrence and Kallie Lawrence (spouse)

Assignment of Life Insurance- Matthew Lawrence

All documentation has been reviewed by the Loan Committee. To request a copy of the borrower's documents, please contact Mindy Tramel at mtramel@ucdd.org.

Total discounted collateral value: \$711,388

UCDD Loan to value (90% or lower preferred):

63%

Personal credit info:

Scores: 784, 782, 772

Notes: Total monthly payments per the credit report: \$1,459

Personal Income:

Current: \$8,963/average per month- borrower earns \$869 per week plus bonus

Proposed new salary to start: \$8,000/month

The borrower's spouse has additional income that has not been included.

Personal debt to income ratio (a lower value is more favorable):

With current income: 16%

With proposed new salary: 18%

UCDD estimated monthly payment:

\$3,643

Estimated monthly payment from other funding sources:

TNRDF: \$3,021

Annualized payment (total):

\$66,636

Debt Service Coverage (greater than 1.0 preferred):

5.40 based on projected income



BUSINESS MODEL

SMITHVILLE TIRE & ALIGNMENT

SMITHVILLE TIRE & ALIGNMENT

- ▶ Location: Smithville, Tennessee (DeKalb County)
- ▶ Owner: Matthew Lawrence
- ▶ Experience: Matthew has over 15 years experience in the automotive industry, specifically tailored to Automotive Tire, Alignment, and Preventative Maintenance

BUSINESS CONCEPT

SMITHVILLE TIRE & ALIGNMENT

Full-service tire shop and vehicle repair center dedicated to providing top-notch tire sales and comprehensive automotive services.

Our mission is to ensure the safety and reliability of our customers' vehicles while delivering exceptional customer service.

SERVICES OFFERED

SMITHVILLE TIRE & ALIGNMENT

- ▶ **Tire Sales:** High-quality tires for all vehicle types, representing 60% of our revenue.
- ▶ **Vehicle Services:** Including alignments, brakes, oil changes, front end repair, suspension repair, preventative maintenance, fluid exchanges, and A/C tune-ups, contributing 40% of our revenue.



MARKET OPPORTUNITY

SMITHVILLE TIRE & ALIGNMENT



Population

20,209



Households

8,084



Cars

~~16,167~~



Annual Tire Revenue

\$1,478,780



Annual Servicing Revenue

\$985,853

50% Market Capture = 8,084 Cars

Total Annual Tire & Service Opportunity at
50% Market Capture in DeKalb County

\$2,464,633

SMITHVILLE TIRE & ALIGNMENT

- ▶ Cars in Market = 16,167
- ▶ Tires Replaced Every 50,000 Miles
- ▶ Avg Mileage Driven per Year per Car = 15,000
 - ▶ Formula:
 - ▶ $50,000 \text{ mile replacement} / 15,000 \text{ miles per year driven}$
 - ▶ = Replacement needed every 3.333 years
- ▶ Cars in Market Needing Tire Replacement
 - ▶ Formula:
 - ▶ $16,167 \text{ Cars} / \text{Replacement Every } 3.333 \text{ Years}$
 - ▶ 4,929 cars will need a replacement yearly
- ▶ **Revenue Potential**
- ▶ **Tire Market:**
 - ▶ Cars needing new tires annually: 4,929
 - ▶ Average tire set cost: \$600
 - ▶ Annual tire sales revenue: \$2,957,378
- ▶ **Service Market (40% of Revenue):**
 - ▶ Estimated service revenue: \$1,971,585
- ▶ **Total Annual Revenue: \$4,928,963**

SMITHVILLE TIRE & ALIGNMENT

- ▶ Total Loan Request = \$1,100,000
- ▶ Interest Rate = 6.6%
- ▶ Loan Term = 20 Years
- ▶ Monthly Payment (estimated) = \$8,281.15
- ▶ Annual Loan Payment = \$99,373.80
- ▶ Annual Revenue = \$2,464,633
- ▶ Annual Gross Profit = \$1,256,963
- ▶ Annual Operating Expenses = \$292,000
- ▶ Annual Net Profit = \$964,963
- ▶ Net Income After Loan Payment = \$865,589





LOAN ALLOCATION

SMITHVILLE TIRE & ALIGNMENT

Capital Expenditure (CapEx)

- ▶ Property Costs: \$400,000
- ▶ Construction Costs: \$250,000
- ▶ Equipment Costs: \$150,000
- ▶ **TOTAL CapEx: \$800,000**

Operating Expenses

- ▶ Working Capital (6-Month Salaries): 200,000
- ▶ Utilities: \$36,000
- ▶ Insurance: \$20,000
- ▶ Shop Supplies: \$12,000
- ▶ Miscellaneous: \$24,000
- ▶ SGA Expenses Paid Out of Pocket
- ▶ **TOTAL Operating Expenses: \$292,000**

Total Loan Amount: **\$1,100,000**

SMITHVILLE TIRE & ALIGNMENT

Marketing Plan

- ▶ **Product:** High-quality, affordable tires and comprehensive vehicle repair services.
- ▶ **Price:** Competitive pricing with a focus on value and quality. Tires priced at \$150 each on average, with additional charges for installation, disposal, and warranty.
- ▶ **Place:** Prime location in DeKalb County, Smithville, TN, easily accessible to local residents and high traffic area for out of town drivers commuting through.
- ▶ **Promotion:**
 - ▶ Local advertising on billboards, radio, and local events.
 - ▶ Social media marketing on platforms like Facebook and Instagram.
 - ▶ Partnerships with local businesses for cross-promotion.
 - ▶ Customer referral programs and loyalty discounts.

OPERATIONS & LOCATION

SMITHVILLE TIRE & ALIGNMENT

Operations:

Business Hours: Monday to Saturday, 8 AM to 6 PM

Seasonality: Steady demand throughout the year.

Suppliers: Established relationships with major tire manufacturers and parts suppliers.

Location:

Property: 2 acres of land downtown Smithville, TN.

Facility: 5,000 sq. ft. building including service bays, customer waiting area, and inventory storage.

SMITHVILLE TIRE & ALIGNMENT

1. U.S. Census Bureau

- Website: census.gov

2. Bureau of Labor Statistics (BLS)

- Website: bls.gov

3. National Automobile Dealers Association (NADA)

- Website: nada.org

4. Automotive Aftermarket Suppliers Association (AASA)

- Website: aftermarket-suppliers.org

5. Statista

- Website: statista.com
- Website: moderntiredealer.com

6. Automotive News

- Website: autonews.com

▶ <https://datausa.io/profile/geo/dekalb-county-tn?propertyTaxesValue=propertyValue#economy>

▶ <https://datausa.io/profile/geo/smithville-tn>

7. IBISWorld

- Website: ibisworld.com

8. Market Research Reports from Firms like Mordor Intelligence and Grand View Research

- Websites: mordorintelligence.com, grandviewresearch.com

9. S&P Global (formerly IHS Markit)

- Website: spglobal.com

10. AAA (American Automobile Association)

- Website: aaa.com

11. State and Local Economic Development Agencies

- Websites vary by state and locality.

12. SBA (Small Business Administration)

- Website: sba.gov

13. Federal Reserve Economic Data (FRED)

- Website: fred.stlouisfed.org

14. Local Banks and Credit Unions

- Local financial institutions provide market insights and can offer specific loan terms and interest rates.

SMITHVILLE TIRE & ALIGNMENT

Appendix

- ▶ Business Overview
- ▶ Business Concept
- ▶ Services Offered
- ▶ Market Valuation
- ▶ Market Highlights
- ▶ Loan Allocation
- ▶ Marketing Plan
- ▶ Operations & Location
- ▶ Sources

This structured business plan should meet the SBA's guidelines and present a compelling case for securing the necessary funding for our tire shop and service repair business. If you need any additional details or modifications, please let us know. Thank you for your time and consideration, Smithville Tire & Alignment!

Totally Kidz UCDD/CAIC Loan Request

Company Summary:

Totally Kids will be a new child care business, owned by Danielle Hughes, opening up in an established child care location. The facility will accept children 12 months through 6 years in Phase I with after school and evening care options later in Phase II.

Project summary:

Totally Kids will be established in the current location of Making Memories, an existing child care facility in Putnam County (Baxter). Making Memories is currently for sale (the property and business) and this purchase will help prevent the loss of child care spaces in the region. UCDD will act as a match to TNRDF's State Small Business Credit Initiative funds from the State of Tennessee with UCDD funds passing through TNRDF who will lend the final amount to the borrower. TNRDF will be UCDD's borrower with UCDD holding a first lien position on all collateral.

Project amount:

\$600,000

UCDD Loan request:

\$292,500 at 4.5% for 20 years.

We are requesting a more favorable rate and maximum term due to the need to keep and increase child care slots in the Upper Cumberland region.

Other sources of funds:

TNRDF \$292,500

Owner contribution: \$15,000

The borrower will also pay closing costs

Uses of funds:

Purchase of the existing child care at 5144 Nashville Hwy, cosmetic repairs, working capital

Collateral information:

1st lien 5144 Nashville Hwy, Baxter. Appraised value \$555,000

1st lien current furniture, fixtures, and equipment being purchased from the existing child care: Value \$15,000 (per appraisal completed September 2024).

1st lien inventory being purchased from the existing child care: value \$2,000

Personal guarantee: Danielle Hughes

All documentation has been reviewed by the Loan Committee. To request a copy of the borrower's documents, please contact Mindy Tramel at mtramel@ucdd.org

Total discounted collateral value: \$456,450

UCDD Loan to value (90% or lower preferred):

64%

Personal credit info:

Scores: 622, 610, 563

Notes: Total monthly payments per the credit report is \$373. Borrower also pays \$850/month in rent.

Personal Income:

Current: \$3,447/month

Proposed salary with the new business: \$3,750/month

Personal debt to income ratio (a lower value is more favorable):

Current: 50%

Proposed: 33%

UCDD estimated monthly payment:

\$1,850.50

Estimated monthly payment from other funding sources:

TNRDF \$1,978.25

Annualized payment (total):

\$45,945

Debt Service Coverage (greater than 1.0 preferred):

Based on projected numbers for the new business: 3.06

Based on 2023 numbers provided by the current owner 2.31

Other info:

This project will help keep existing child care slots, and the associated jobs, available in Putnam County. The borrower also plans to increase enrollment as there is room to add additional slots in the current facility.

Totally Kids, LLC

Established 2024

Owner:

Danielle Hughes

We are a family-owned childcare company that will strive to serve and protect our children. Our mission is to help families in, Tennessee while providing each child with an education and skills to prosper within our community.

Confidentiality Agreement

The undersigned reader acknowledges that the information provided by
_____ Danielle Hughes _____ in the business plan is confidential; therefore, reader
agrees not to disclose it without the express written permission of
_____.

It is acknowledgeable by reader that information to be furnished in this business
plan is in all respects confidential in nature, other than information which is in the
public domain through other means and that any disclosure or use of same by
reader, may cause serious harm or damage to ____ Totally Kids, LLC ____.

Signature

Name (typed or printed)

Date

This is a business plan. It does not imply an offering or securities.

Table of Contents

1.0 Executive Summary

1.1 Objectives

1.2 Mission

1.3 Key to Success

2.0 Company Summary

2.1 Company Ownership

2.2 Start-up Summary

3.0 Services

3.1 Service Description

3.2 Learning Center

3.3 Security System

4.0 Market Analysis Summary

4.1 Market Segmentation

4.2 Target Segment Strategy

4.3 Location & Market Growth

4.4 Market Need

4.5 Market Trends

4.6 Service Business Analysis

4.7 Competition & Buying Patterns

4.8 Main Competitor

4.8 Strategy & Implementation Summary

4.9 Marketing Strategy

4.9.1 Promotion Strategy

4.9.2 Marketing Programs

4.9.3 Positioning Statement

4.9.4 Pricing Strategy

4.9.5 Sales Strategy

1.0 Executive Summary

Totally Kids is a full-service childcare facility that cares for toddlers from ages 12m to six years. Totally Kids will be concentrating on all children, especially the middle-class parents who need childcare the most in our community. These parents are ambitious and are typically eager to find a facility to meet their family's needs as they are in a workforce environment. They are willing to pay for their child's developmental stages as they work and want their child to be in the best facility to meet his/her needs in educational as well as developmental growth.

Through specialized training of the staff and innovative learning systems, Totally Kids is cutting-edge in terms of child development. This curriculum, coupled with a custom-designed facility and a low teacher; student ratio ensures a top-shelf service for children and their parents. Unlike our competitors, we offer advanced after-school tutoring, and activities such as arts, crafts, and learning all in one location.

The Customer

Totally Kids will be concentrating on two different target customer segments. The first full-time working couples. This group is forecasted to account for 90% of Totally Kids. The second group of customers are drop-in/ afterschool, customers who use Totally Kids sporadically, whenever the need arises.

Totally Kids is an exciting opportunity that provides safe and secure childcare to. Totally Kids will achieve sustainable profitability over the next three years and reach a sales profit by the fourth. Through a combination of well-priced service and a well-seasoned management team, Totally Kids will quickly gain market share and reputation as a premier childcare provider.

1.1 Objectives

- To develop a sustainable, profitable, start-up business
- To create a service-based operation whose primary goal is to exceed customers' expectations

1.2 Mission

Totally Kids mission is to provide top-level childcare and to always offer safe and secure childcare. Close personal attention to each child is essential to providing a quality experience for all children; therefore, adequate personnel will be hired to ensure the child has the proper supervision while in our care. The reason Totally Kids is different from most is the quality of care and education. We will offer the most efficient teachers and staff at our childcare facility. Offering competitive wages to our staff means more quality care for childcare and a much higher profit in services.

1.3 Key to Success

- Marketing
- Service Quality :(focus on needs of children and parents) / Quality Care:
- Reputation: maintaining a highly regarded reputation for the overall well-being of childcare.
- Affordable pricing
- Flexible hours
- After school
- Higher earnings

Company Summary

Totally Kids will offer childcare services for children between the ages of 12m- 6 years old. Totally Kids will offer these services from 6:30 am to 5:00 pm. Monday through Friday. The children will be exposed to a wide range of educational activities including arts, crafts, cooking, socialization, general learning, and group activities. Totally Kids will offer competitive pricing while providing quality childcare.

2.1 Company Ownership

Totally Kids is a multi-membered LLC registered with the state of Tennessee.

Our mission is to focus on quality childcare and the well-being of children. Totally Kids will assure teachers with educational backgrounds, experience, and

the love of children, that provide the needs of children. Totally Kids will strive to provide more efficient education for the parents regarding the services. Owner, Danielle Hughes, always had a vision for childcare and now watching Totally Kids, come to life motivates her even more. The quality care she can provide will not only be for the children but will benefit the staff as well. Danielle Hughes has always had a passion for helping children. Her experience will bring an understanding of the needs of parents and childcare.

By knowing what the needs are in Putnam County, it's important that we get Phase I started so we can start Phase II within the second year. Phase II will include an addition to the building. We have approximately 32 kids that operate currently, but can hold 52. Unfortunately, Putnam County has a waiting list at most all childcare offices. So now that you understand our vision and our goals you will see why someone would be eager to say Totally Kids is outstanding and that they are striving to meet the needs of our community. We would love to grow and expand.

Below is a chart that shows the necessary funding to make our vision complete. We have included but not limited to the conclusion of funds. The funds will help purchase the building located at 144 Nashville HWY, Baxter TN and will become the new home for Totally Kids.

2.2 Start-up Summary

Start-up Requirement	
Start-up Expense	

Purchase of Building	560,000
Repairs	25,000
First 3 months of payroll and etc	75,000.00

The purchase of the building is 660,000

Services

Totally Kids offers upscale childcare services for kids ages 12months to six years. Normal operating hours will be 6:30 am to 5:00 pm Monday through Friday with observance including all major holidays. Early drop-off services will be offered as needed to our parents.

Totally Kids strives to provide Premier childcare services that are aimed at enhancing tractional childcare methodologies and integrating extracurricular activities. This may include but is not limited to arts, crafts, music, skit play, and sports. Offering these services, it will separate us from the tractional childcare programs offered in our area. Our program will help educate and provide education and tutoring to our students. Totally Kids will provide a basic understanding and interaction to ensure a future educational endeavor.

As we continue to grow, we will start Phase II, which will include expanding out to add more after schools students, as that is in high need in our area. Putnam County needs childcare with more after school kids, we will benefit the community. These are the reasons we must strive to start Phase I of our service to make growth for Phase II.

3.1 Service Description

Totally Kids will offer three basic services in the Baxter, Putnam County with Phase I:

1. Full-Time Childcare
2. After School Care
3. Drop-In care

Prior to opening, we will plan a meet and greet, grand opening, and ribbon cutting.

3.2 Learning Center

Totally Kids is not only providing quality care for the children but also providing early education. We will also help educate parents to understand the importance of

healthy children. Totally Kids not only prepares children to become sociable children but prepares them on the path to Elementary School.

Totally Kids will also provide the opportunity for children to do their homework and provide tutoring throughout the school year.

3.3 Security System

For the safety of the children, Totally Kids will provide a very tight security system and camera system throughout the childcare facility.

Market Analysis Summary

Totally Kids business has become essential in today's fast-paced world. Today most families depend on two incomes, which has created the need for childcare centers. Indeed, it has. There are currently only five licensed childcare centers in Putnam County, that will provide similar services as Totally Kids ,each facility has children and some are full to capacity and other children are put on the long waiting list. There is no doubt that there is room to grow in this community for high-quality childcare. We have started to promote our facility and have twenty-plus children on our waiting list. When we start to work on phase two of our childcare center this will open up opportunities for more after school kids, since in today's society we need more after school help.

4.1 Market Segmentation

Totally Kids will focus on meeting the communities needs for child care within a 25-mile radius within Putnam County. Our children will be full-time unless after school.

Full-Time Working Couples

Totally Kids will establish a significantly large, full-time, regular students base in order to establish a healthy, consistent revenue base which will ensure the stability of the business. It is very important to obtain customer and community

relations, as it is important to keep parents pleased in order to their children in childcare. Totally Kids will strive to meet the needs of parents and their children.

After School Care

Totally Kids sees the importance of after-school care. This client base will provide a higher profit for each child. Offering tutoring and after school will increase the revenues. We also have to think about the Phase II which values more revenue since. By providing additional services we can give the state new data research to show how much 2nd shift childcare facilities are needed. Building a revenue of profit will be beneficial if Totally Kids wants to become a Corporation that companies will recommend and tell their employees to use to provide childcare for Baxter, and Putnam County

4.2 Target Market Segment Strategy

Totally Kids will target full-time working couples and most families that are middle-class. Referral marketing is the best marketing skill and will provide Totally Kids with the exceptional goal to provide more services to families. We want to utilize marketing skills that will bring more revenue to Totally Kids and using primary types of strategies it will help with research to show which families need more service than others. Maintaining and enhancing its reputation with families in the community.

4.3 Location & Market Growth

According to Census 2020 data, the population growth rate for Putnam County is approximately 13.9% per year, which reflected the market analysis summary. The community is growing in residential construction. This suggests that more families continue to move into Putnam County..

4.4 Market Needs

As inflation continues to rise each year, the typical middle-class families require dual and supplement income. This has caused and created a need for quality childcare and services. As the census shows growth, we do not foresee the future in childcare decreasing. Myself, being the owner, see the need of expansion in childcare as both parents have a role in creating income.

4.5 Market Trends

Currently, in Putnam County there are more factories than there are childcare centers, however, this is why the expansion of childcare needs is needed in Putnam County. We do not have enough quality childcare centers and there is limited space available with longer than expected wait time for childcare. Many childcare agencies are viewed as unreliable and considered to be more of a babysitter type of agency. So, this is why there is a high demand for new quality childcare centers to open in Putnam County.

4.6 Service Business Analysis

Totally Kids will be a childcare facility that will offer childcare in Putnam County

1. Licensed childcare
2. Specific based programs and academics
3. Church/ Mosque

4.7 Competition & Buying Patterns

As with all businesses the price, service, and reputation are critical factors and childcare facilities are no different. Totally Kids will compete in this market, but plans on generating more profit through high-quality of care and more trained educators. Our pricing will be competitive with our others but by not having such a higher turnaround rate of teachers and staff our customers will understand that we strive to do our best and only want the best for our center. By maintaining a higher standard of teachers and an excellent reputation with our parents and the community in which we will serve the more profits we can achieve and we can become one of the top competitors in Putnam County.

4.8 Main Competitor

1. Family childcare homes
2. Mosque/ Church Daycare Centers

As with both of these competitors, they will have strengths such as establishment and services. They will have weaknesses as well, may not appeal to customers, beliefs, only low-capacity levels, and nonprofessional educators. This is

why that Totally Kids will stand out above others. We will take pride in our teachers and their training and respect others' beliefs.

4.8 Strategy & Implementation Summary

We will focus on the new employees at our local Totally Kids location. They will be searching for new childcare as this business plans to expand and bring in new jobs. We also will be advertising in our local newspaper and social media because many of the new families that are beginning to reside in Putnam County have built new homes and are our new potential customers.

The largest customer that Totally Kids will target is still middle-class families who value the quality of education and childcare for their children ages six weeks to six years. Also, we will be accepting children on the state program, these parents also have great access to our facility which will be beneficial to their child's future and childcare.

4.9 Marketing Strategy

Marketing in childcare depends largely on reputation and referral. Totally Kids understands that reputation starts within our community. The strategy we will do is to be involved and committed to those we serve.

4.9.1 Promotion Strategy

Totally Kids will depend on client referrals the most, this type of referral is free and means good business strategy. As we open, we will communicate with the community by doing flyers at local businesses and newspaper columns. Another form we will use is social media and again this is a free advertisement that can be used and bring in potential clients as the need arises.

1. Advertising

As we develop plans to differentiate our message to the customer, we will let them know that as we grow, we learn through play, and as a community working together, we grow to be successful. Showing our customers how we will differentiate from other competition helps us all grow. We will be using all free advertisement that we can use to promote our business. Our logo is Totally Kids-Living Innovated. Meaning we will strive to make changes in the very best of our

abilities. Especially by introducing new methods, ideas, and products that can help further our children's education and grow individually.

2. Sales Brochure

As we look at our prospective clients the middle-class parents, we want to manage their focus on how we will create a curriculum to help his/her child be successful. We will show them how we will theme our classroom's progress each month and the importance our childcare center will have for their child to be successful.

3. Direct Mail

Direct mail is an objection we will use as needed. As our business grows and we start to expand we may decide to use mail, especially to let others know about our after school program we will offer within the next year or so.

As we see that they may be many options in promotion of our business, we feel that word of mouth by our clients is the best option. We understand the importance of maintaining and reaching new clients and we are eager to find the cheapest way so not much funding is spent on promotion. We do plan on doing an open house and announcement of our facility when it comes available to our community. We strive to find dependable resources in promotion as well as using social media impact. Our goal is to stand out above the rest and to strive to make childcare in our community the best of all times.

4.9.2 Marketing Programs

Our goal is to maintain and develop partnerships with our local businesses. We will be conducting meetings with big employers such as Bridgestone and Yorzo to see how we can help their employees meet his/her need for childcare. If we work together and give incentives to employees and staff, we can reach the workforce with a better understanding. Also, our goal will be to meet with hospital staff to see how we can be beneficial to their needs. By reaching out to businesses and maintaining partnerships we can cater to the needs of children and their parents.

4.9.3 Positioning Statement

Totally Kids offers a much wider newer style of childcare services, than that of a traditional childcare center. Our center will be more of a high-quality childcare center in value of educators and hold them to higher standards than your traditional

centers. If we offer a better quality of teachers the turnover rate will be less and the value our families have entrusted us with will be of importance through quality and care. We will also offer specific curriculums in each classroom to meet the standards of each child. This is why Totally Kids will uphold the highest in quality and educational background.

4.9.4 Pricing Strategy

As we look more in-depth at our childcare pricing and revenue, we have to think of cost, efficiency, teacher salaries, and more. Totally Kids must charge appropriately for the high quality of educational staff, and high-end care we will provide. We will balance our revenue so that services received will be services well paid for in the services we offer. Although, we will be paying our educators more it is more beneficial than traditional childcare in our area. We will not see the turnover rate of finding teachers because we will take care of those who take care of our business and our client's needs. Parents are willing to pay more for their child to be taken care of by high-quality educators than that of the tractional center based in Putnam County.

4.9.5 Sales Strategy

We believe that at Totally Kids the services we can offer will sell themselves. The main reasons are the quality of care and the experience our employees will have. Totally Kids will be a one-stop childcare service with so many advancements in learning and specialized programs. We will be active in our community and build a bond and solid reputation with our parents and caregivers. We want to build an upcoming year another building for a second Totally Kids building. We will be further into this as Totally Kids continues to grow and prosper.

4.9.6 Strategic Alliances

As mentioned earlier we will be taking afterschool children, and offer summer programs for children who attend school and need childcare. Our goal is to also open up a second program, as Putnam Count has several companies who have second shift but no childcare is available to those parents who need it the most in the workforce.

As you review our plans of opening our childcare these are visions in which we see and see what our community needs. We will focus on middle-class families as well as others to meet the needs of childcare in Putnam County. Our focus is to be more high quality highly trained individuals with goals and compassion for success. As Putnam County grows so does the need for centers such as Totally Kids. As you view our financial plans, we hope you see the passion we have and the dreams of opening our center in Putnam County.

Financial Plan

As the census showed in 2020 the growth in Putnam County grew and will continue to rise each year. Totally Kids can show growth and profit within the three-year plan and by the fourth year make significant growth. These statics can be seen not only in our dayshift program but also in our second shift program which we plan to open. Our prices will be competitive with others but we will see growth because of the service we can offer.

In the first year, we foresee 20 preschool children, 12 toddlers, 22 three-year-olds, and 8 drop-ins. In the chart below you will see the profit in revenue be consisted of these numbers.

In the second year, we assume our number will continue to be the same number of children as the first year. Although our numbers will be the same, we will see an increase in revenue due to the fact of the first-year expenses we should not see in year two. As you can see the profit numbers will be consisted in the chart below.

In year three our numbers will change, by adding our second shift. These numbers should increase by at least twenty or more children by year three. This will be a bigger profit this year than in years one and two. By adding the second shift to our program we will only have to pay one teacher because Crystal and Abbie plan on taking weeks about in helping the educator fulfill these basic needs of our center. If the need arises then we will add more staff as our second shift program begins to grow and our revenue will continue to grow as well to help pay our teachers' salaries.



TENNESSEE'S UPPER CUMBERLAND COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY

2024 Update

TABLE OF CONTENTS

INTRODUCTION & BACKGROUND 03

REGIONAL GOALS 04

GOAL 1 : UTILITY INFRASTRUCTURE 06

GOAL 2 : TOURISM 08

GOAL 3 : WORKFORCE DEVELOPMENT 10

GOAL 4 : INDUSTRIAL RECRUITMENT 12

**GOAL 5 : ENTREPRENEURIAL
DEVELOPMENT** 14

INTRODUCTION & BACKGROUND

Boasting astonishing scenic beauty, deep history, and a wide array of human talent, the Upper Cumberland region of Tennessee continues to be a hub of economic activity. The regional collaboration of community leaders through-out both the public and private sectors has and will continue to strengthen local economies and ultimately improve the quality of life of Tennesseans calling the region home. Discussions bringing together vital economic development partners and local leaders were held in each of the region's fourteen counties. In addition, a Comprehensive Economic Development Strategy committee, composed of various community leaders, was convened to regionally examine the state of the economy and identify primary goals for the next five years. As a result, the 2022-2027 comprehensive economic development strategy was designed as a blueprint for the continued creation of long-term success and resilience throughout the fourteen counties of Tennessee's Upper Cumberland.

The Upper Cumberland region contains Cannon, Clay, Cumberland, DeKalb, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith, Van Buren, Warren, and White counties in the northeastern portion of central Tennessee. This document highlights what makes these communities thrive along with some of the challenges they face. The CEDS is not intended to be static, but instead a course of action easily adaptable to the ever-changing needs of the region. The following pages provide an update on the progress made in advancing the region toward these goals over the past year.

REGIONAL GOALS



UTILITY INFRASTRUCTURE

CONNECTING THE REGION THROUGH AN IMPROVED INFRASTRUCTURE NETWORK

Objective 1: Develop local utility infrastructure plans guided by future growth projections

Objective 2: Utilize available State and Federal resources to provide maximum impact to the region's water, wastewater, electric and natural gas networks



TOURISM

LEVERAGING THE REGION'S NATURAL BEAUTY TO BOLSTER ECONOMIC DEVELOPMENT

Objective 1: Increase number of visitors by marketing communities in innovative ways

Objective 2: Renew downtown areas to a center of community activity

Objective 3: Capture additional revenue from tourism



WORKFORCE DEVELOPMENT

ALIGNING A SKILLED WORKFORCE WITH EMPLOYER NEEDS

Objective 1: Further develop a high-skilled educational pipeline for employers in the region

Objective 2: Increase workforce participation by removing barriers for region's eligible workforce

INDUSTRIAL RECRUITMENT

RECRUITING AND RETAINING INDUSTRIES THAT ENHANCE QUALITY OF LIFE

Objective 1: Increase inventory of industrial property to market to prospective and expanding businesses

Objective 2: Enhance marketing efforts of the region and existing properties

Objective 3: Strengthen support for industrial development in each county in the Upper Cumberland

ENTREPRENEURIAL DEVELOPMENT

FOSTERING AN ACCESSIBLE ENTREPRENEURIAL ECOSYSTEM

Objective 1: Increase awareness of resources available to entrepreneurs and small business owners

Objective 2: Strengthening access to capital for regional entrepreneurs



GOAL 1

UTILITY INFRASTRUCTURE

The American Rescue Plan Act (ARPA) funding has been a primary driver in the progress being made throughout the region to update and improve current infrastructure systems. Totalling over \$90 million dollars, the ARPA projects funded through the TN Department of Environment and Conservation will complete nearly 100 individual projects primarily in water and wastewater systems. The main focus remains increasing capacity, replacing lines, testing systems, and reducing inflow and infiltration.

TDEC encouraged the development of collaborative projects to broaden the intended use of funds. One example in the Upper Cumberland is a partnership between Putnam County and Jackson County who are working together to install new lines to an area of their communities that previously had no municipal water. Another example is the Baxter system which serves areas of DeKalb County using funding to provide rehabilitation to the DeKalb County customers.

The Community Development Block Grant program also continues to be a substantial resource to communities in this effort. Due to a variety of COVID-19 impacts the state was able to award an unprecedented amount of projects and 100 percent of projects in the Upper Cumberland. Many of these awards are providing leverage for the same projects addressed with ARPA funds to make a greater impact in the region.

Twelve Upper Cumberland Counties received Broadband Ready Community Grants to implement broadband adoption activities such as providing digital skills, training, education and workforce development, low-cost or free digital equipment, marketing and public outreach, public wi-fi projects, and more. This program is designed to help residents understand and adopt the quality broadband service available in our area.

CONNECTING THE REGION THROUGH AN IMPROVED INFRASTRUCTURE NETWORK

Objective 1: Develop local utility infrastructure plans guided by future growth projection

Action Item 1: Create local utility maps and inventory areas in which infrastructure is most needed

Action Item 2: Create a resilient, regional longterm plan to achieving infrastructure goals

Objective 2: Utilize available State and Federal resources to provide maximum impact to the region's water, wastewater, electric and natural gas networks.

Action Item 1: Identify and understand needs to prioritize completion of projects

Action Item 2: Explore grant opportunities



White County

GOAL 2

TOURISM

The Upper Cumberland area recently hosted its first regional short-term rental workshop, which saw the highest attendance of any session held across the state. The training was provided by the TN Department of Tourism Development in collaboration with the local Upper Cumberland Tourism Association and the Upper Cumberland Development District. The workshop aimed to connect new or prospective short-term rental owners with experienced hosts, offering insights on best practices, legal considerations, hosting tips, and information on property taxation and monitoring. Attendees provided excellent feedback and expressed a strong interest in future workshops.

A variety of unique short-term rentals are attracting a diverse group of visitors to the region. Notable examples include Folk Stays in Van Buren County, featuring several charming cottages nestled in the picturesque landscape, and the Hideout Hotel in Putnam County, where guests can enjoy the distinctive experience of staying in a luxury treehouse or cozy cottage. Additionally, the area offers a lofted dome among the trees, a historic country general store, farm stay experiences, tree tents, lakeside properties, an 1800s dogtrot-style cabin, downtown lofts, and even a home with a watermill. Supporting short-term rental owners to spur the creation of additional dwellings may increase the ability to capture additional guests, hotel/motel tax, and sales tax revenue they generate.

Forthcoming advancements to the recently developed Scott's Gulf Wilderness State Park in White County, TN, include enhanced hiking trails, improved visitor facilities, and increased promotional efforts to showcase the park's natural beauty and outdoor activities. The park will connect three significant state natural areas around Virgin Falls. Meanwhile, the State Archaeological Park at Cardwell Mountain in Warren County will soon be undergoing preservation work before being opened to the public providing better access to archaeological sites and attracting visitors interested in history and archaeology. Both sites are being positioned as key attractions to boost local tourism and community engagement.

There has also been a rise in music festivals across the region. Events like the Muddy Roots Music Festival, the Live in Livingston concert series, Mainstreet Live, and music venues like The Old Gray are popular attractions for those seeking musical entertainment.

Additionally, the Upper Cumberland Development District is currently producing the third season of the television series "Wish You Were Here," in collaboration with WCTE, the local PBS affiliate. Each episode features local correspondents exploring the places, events, activities, and adventures available to visitors in the Upper Cumberland.

Tourism revenue remains a key contributor to many of our smaller communities, and the region will keep investing in the amenities that attract visitors. The Upper Cumberland benefits from local and state leadership that emphasizes tourism development and is committed to further investment in this sector.

LEVERAGING THE REGION'S NATURAL BEAUTY TO BOLSTER ECONOMIC DEVELOPMENT

Objective 1: Increase number of visitors by marketing communities in innovative ways

Action Item 1: Develop promotional campaigns highlighting the natural beauty, state and local parks, and opportunities for outdoor recreation

Action Item 2: Institute a cohesive branding campaign for each county in the region

Action Item 3: Educate elected officials on the importance of a paid position devoted to tourism in each county typically staffed through the Chamber of Commerce

Action Item 4: Train local professionals on social media best practices for tourism

Objective 2: Renew downtown areas to a center of community activity

Action Item 1: Plan and execute downtown revitalization projects involving streetscaping and façade improvements focused on community priorities

Action Item 2: Strategically and aesthetically update utilities around downtown squares

Action Item 3: Support clean-up and sustainability efforts of local natural resources

Objective 3: Capture additional revenue from tourism

Action Item 1: Evaluate locally and regionally based scalable economic impact analysis of added tourism efforts

Action Item 2: Implement occupancy tax on short-term rentals, hotels, and Airbnbs in each of the 14 counties.



GOAL 3

WORKFORCE DEVELOPMENT

The Upper Cumberland region is making significant strides in workforce development through substantial investments in technical and vocational training facilities, youth employment initiatives, and enhanced access to transportation. Recent funding allocations for Tennessee College of Applied Technology (TCAT) campuses in Crossville, Livingston, and McMinnville are transforming educational infrastructure and creating more opportunities for skills training.

In Crossville, TCAT has been awarded \$14,750,000 for a new academic building and a state-of-the-art truck driving facility, while TCAT Livingston has received \$17,000,000 for a new academic and administrative building. Additionally, TCAT McMinnville will benefit from a \$46 million investment for a replacement campus, further strengthening the region's capacity to prepare students for high-demand careers. Fentress County was awarded funding to build a combined TCAT and Roane State Community College in Jamestown, TN and the Motlow McMinnville Campus has expanded the Automation and Robotics Training Center for an electric vehicle technology program.

Complementing these advancements in technical education, the Tennessee Youth Employment Program has been a notable success in the Upper Cumberland. Over 900 young people expressed interest, with 303 selected

to participate across industries such as construction, healthcare, and park services. This initiative provided hands-on experience and fostered personal and professional growth, leading to 28 participants being hired full-time by the end of the program. The program's success demonstrates the region's commitment to creating a strong pipeline of skilled workers while providing lasting employment opportunities for its youth.

In addition to educational and employment programs, the Upper Cumberland has also prioritized transportation access to support workforce participation. The Transportation Jobs Access program has been launched to drive people to and from work for up to nine months, removing a significant barrier to employment. As part of this initiative, the region's Go Routes serving Crossville, Algood, McMinnville, and Cookeville have gone fare-free, ensuring that workers can reliably commute without the burden of transportation costs. This service expands access to jobs, improves connectivity between communities, and supports economic growth by helping more residents reach employment opportunities.

These coordinated efforts in workforce development, youth employment, and transportation access are positioning the Upper Cumberland as a leader in addressing regional workforce needs. By expanding educational opportunities, creating pathways for youth employment, and providing critical transportation solutions, the region is effectively preparing its workforce to meet the challenges of a rapidly evolving job market.

ALIGNING A SKILLED WORKFORCE WITH EMPLOYER NEEDS

Objective 1: Further develop a high-skilled educational pipeline for employers in the region

Action Item 1: Increase participation in high school apprenticeships and internships

Action Item 2: Promote funding for expansions of academic offerings at local Technical postsecondary institutions

Action Item 3: Elevate school systems in the region to STEM certified systems

Objective 2: Increase workforce participation by removing barriers for eligible workforce

Action Item 1: Promote and support workforce programs within Empower UC

Action Item 2: Develop robust network of justiceinvolved job trainings

Action Item 3: Increase availability of affordable childcare

Action Item 4: Advocate for continued development of affordable housing near major employers



GOAL 4

INDUSTRIAL RECRUITMENT

The Upper Cumberland region has experienced significant job growth, driven by recent announcements from key industries. McNeilus Steel, a family-owned metal products manufacturer, is establishing operations in Morrison, creating 75 new jobs and strengthening the local manufacturing base. In Jackson County, a transformer company has unveiled plans to set up a new facility, further diversifying the area's industrial landscape. This growth builds on the momentum generated by Unitech's location last year in Morrison, where the company invested \$2.6 million to create 20 new jobs, demonstrating continued confidence in the region's workforce and economic potential. These new developments highlight the Upper Cumberland's ongoing success in attracting business investments and supporting local expansions, positioning the area for sustained economic development.

Economic development efforts in the Upper Cumberland region have been steady through infrastructure enhancements and targeted property development initiatives. The widening of Highway 127 will greatly improve connectivity between the Clarkrange Regional Business Park and I-40, making it easier for businesses to access major transportation routes. Similarly, the construction of a truck route in Celina will not only enhance safety in the downtown area but also provide better access to the Mitchell Street Industrial Park, boosting the appeal of the park for potential industrial investments.

The Highlands Business Park has two new speculative buildings under construction which have generated strong interest in the central county of the region and the speculative building located in Morrison has also seen an increase in interest throughout the year.

Overton, DeKalb, and Warren counties participated in the Property Evaluation Program this year, with White County applying for the upcoming round. This program helps communities identify properties for industrial development. Additionally, three Site Development Grants were awarded in the region: a 100,000 square foot speculative building in Crossville, funding for powerline relocation in Macon County to open up more developable land, and a grant for due diligence work at the Linden property in Warren County. Further investigation in the Mtn. View Industrial Park and grading at the Clarkrange Regional Business Park are also being pursued through additional grant applications.

Industrial interest continues to grow across Tennessee, and the Upper Cumberland region is positioning itself to capitalize on this trend. Local, state, and regional partners are actively supporting efforts to develop and market industrial properties, ensuring that the region remains competitive for future investments. By expanding its infrastructure, securing strategic sites, and preparing properties for development, the Upper Cumberland is setting the stage for sustained economic growth and job creation.

RECRUITING AND RETAINING INDUSTRIES THAT ENHANCE QUALITY OF LIFE

Objective 1: Increase inventory of industrial property to market to prospective projects

Action Item 1: Further develop publicly controlled sites through environmental testing, utility expansion, site preparation, etc.

Action Item 2: Utilize the Select Tennessee suite of programs including Property Evaluation Program, site development grants, and certification

Objective 2: Enhance marketing efforts of the region and existing properties

Action Item 1: Develop thorough marketing flyers and promotional videos for each available site in the Upper Cumberland

Action Item 2: Create generic marketing materials for each county in the region

Action Item 3: Proactively market industrial property through trade show attendance, regional promotional pieces, quarterly newsletters, and other external affairs efforts

Objective 3: Strengthen support for industrial development in each county in the Upper Cumberland

Action Item 1: Foster growth and proper structuring to achieve active and informed industrial development boards

Action Item 2: Educate local leadership on the economic impact of industrial retention and recruitment



GOAL 5

ENTREPRENEURIAL DEVELOPMENT

Small business development is a crucial driver of economic growth and community vitality, particularly in regions like the Upper Cumberland. Entrepreneurs and small businesses serve as the backbone of the local economy, creating jobs, fostering innovation, and contributing to the unique character of each community. To support these business owners, local agencies and organizations have come together to build a robust entrepreneurial ecosystem, providing a wide range of resources and collaborative efforts aimed at ensuring small business success.

One key initiative on the horizon is a small business conference, being coordinated for the spring of 2025. This event will bring together entrepreneurs, business leaders, and support agencies to share knowledge, network, and highlight the diverse resources available in the region. It will serve as a valuable platform for fostering connections, learning about funding opportunities, and discussing strategies for overcoming challenges unique to small businesses.

The Biz Foundry, the region's entrepreneurial center, has been a cornerstone of these development efforts, experiencing notable growth and expanding its services. As a leader in business incubation and startup support, The

Biz Foundry provides coworking spaces, mentorship, and educational workshops to help entrepreneurs turn their ideas into thriving businesses. Alongside The Biz Foundry, the Business Resource Collective—a collaboration among the Tennessee Small Business Development Center (TSBDC), Tennessee Tech University (TTU), and The Biz Foundry—is working to streamline support through shared client data systems and dashboards. This initiative will enable the partner organizations to better track client progress, identify areas of need, and coordinate services more effectively, ultimately providing a more seamless experience for small businesses seeking assistance.

The TSBDC has also strengthened its presence in the region with the addition of new staff members who are actively visiting local chambers of commerce and updating contact information to enhance engagement with the business community. By building stronger relationships with local stakeholders and providing up-to-date information, the TSBDC is ensuring that small business owners have easy access to the resources and support they need to thrive.

Together, these efforts demonstrate the region's commitment to nurturing entrepreneurship and small business development, creating a supportive environment where businesses of all sizes can succeed and contribute to the region's long-term economic prosperity.

FOSTERING AN ACCESSIBLE ENTREPRENEURIAL ECOSYSTEM

Objective 1: Increase awareness of resources available to entrepreneurs and small business owners

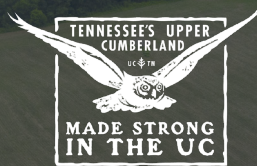
Action Item 1: Continue to invest time and energy in the development of the Business Resource Collective, a partnership between the Small Business Development Center (SBDC), The Biz Foundry, and Tennessee Tech's Center for Rural Innovation (TCRI)

Objective 2: Strengthening access to capital for regional entrepreneurs

Action Item 1: Develop robust Angel Investor network to expand funding opportunities

Action Item 2: Increase local bank participation in USDA/SBA guaranteed loan programs

Action Item 3: Perfect the regional microloan program to successfully identify the most promising startup businesses and adequately equip them to thrive with financial and technical support



PREPARED BY UPPER CUMBERLAND DEVELOPMENT DISTRICT
1104 ENGLAND DRIVE COOKEVILLE, TN 38501
P: (931) 432-4111 | www.ucdd.org
Cover photo by Chuck Sutherland

RESOLUTION NUMBER 24-10-1

DIRECTORS OF THE UPPER CUMBERLAND DEVELOPMENT DISTRICT

WHEREAS, the Upper Cumberland Development District receives economic development funds from the Economic Development Administration through the Partnership Planning Grant; and

WHEREAS, The Economic Development Administration (EDA) commissions the Upper Cumberland Development District to complete the Comprehensive Economic Development Strategy (CEDS) every 5 years with annual updates as a condition of the Partnership Planning Grant; and

WHEREAS, the Upper Cumberland Development District has completed the 2024 update after a series of strategy sessions with local stakeholders, regional partners, and stakeholders at large.

NOW, THEREFORE BE IT RESOLVED, by the Board of Directors that:

- a. The 2024 update of the Comprehensive Economic Development Strategy for the Upper Cumberland Region of Tennessee be approved.

DULY PASSED AND ADOPTED this 16th day of October, 2024.

Randy Heady, Chairman

Date

Jeff Mason, Vice Chairman

Date