



Finding Money for Public Works Projects

Dear Reader:

The following document was created from the MTAS website ([mtas.tennessee.edu](http://www.mtas.tennessee.edu)). This website is maintained daily by MTAS staff and seeks to represent the most current information regarding issues relative to Tennessee municipal government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with municipal government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other MTAS website material.

Sincerely,

The University of Tennessee
Municipal Technical Advisory Service
1610 University Avenue
Knoxville, TN 37921-6741
865-974-0411 phone
865-974-0423 fax
www.mtas.tennessee.edu

Table of Contents

Finding Money for Public Works Projects	3
---	---

Finding Money for Public Works Projects

Reference Number: MTAS-645

The following section points you to various financing programs available to Tennessee's local governments for water, wastewater, solid waste, and other project needs.

Federal Emergency Management Agency

The Federal Emergency Management Agency (FEMA) provides disaster assistance to states, communities, businesses, and individuals. FEMA helps with disaster response, recovery, mitigation, prevention and preparedness. View www.fema.gov [1] to learn more about FEMA programs.

Municipal Bonds

Private financial institutions are a traditional source of funding for municipal public works.

Tennessee Department of Economic and Community Development

The State Department of Economic and Community Development Grants and Loans Division offers many resources for community leaders looking to improve their infrastructure, foster economic growth in their area and encourage sound environmental practices. The division administers state and federal government grant and loan funds. View contacts and information on Appalachian Regional Commission Grants, Delta Regional Authority, fast-track Infrastructure and Community Development Block Grants at www.tn.gov/ecd [2].

Tennessee Department of Transportation

The State Department of Transportation oversees the annual distribution of millions of dollars in grant funds awarded to both state and local transportation-related projects. Local Programs Grants may include interchange lighting, surface transportation and local interstate connector projects. Other grants involve safety, air quality improvement, multi-modal and bridge projects. View contacts and information at www.tn.gov/tdot [3]

Tennessee Department of Environment and Conservation

The State Department of Environment and Conservation offers financial assistance to help communities comply with state and federal environmental laws and regulations. Grants are available for clean energy, watershed initiatives, green development, recycling, tire cleanup, used oil, recreation initiatives, and brownfield remediation, etc. Loans are available for water and wastewater infrastructure. View contact and program information at www.tn.gov/environment [4] and search 'grants'.

Tennessee Local Development Authority Loan Program

In 1978, state lawmakers established the Tennessee Local Development Authority (TLDA) Loan Program primarily to make loans to local governments for water, wastewater, and solid waste projects. Loans also can be secured for purposes such as airports, capital projects, and rural firefighting equipment. In 1990, the law was amended to let TLDA issue bonds and make the proceeds available for loans to local governments for other capital projects. View contact and program information at <https://comptroller.tn.gov/boards/tennessee-local-development-authority/tlda-information/loan-programs.html> [5]

Tennessee Municipal Bond Fund

The Tennessee Municipal League (TML) is the organization of Tennessee cities and towns. Created in 1985, the Tennessee Municipal Bond Fund (TMBF) is an entity within TML that creates and administers loan programs for the benefit of cities and counties. View contact and program information at www.tml1.org/bond-fund [6]

Tennessee Valley Authority (TVA)

The Tennessee Valley Authority (TVA) provides economic development programs and services throughout its service area. Programs provide funds for industrial development and expansion and community development. View www.tvaed.com [7] to learn more.

U.S. Department of Commerce Economic Development Administration

The U.S. Department of Commerce Economic Development Administration (EDA) provides assistance to areas experiencing high unemployment, low income, or other severe economic distress. A program

of particular interest to Tennessee local governments is EDA's Public Works Program. The Public Works Program provides funds for water and sewer facilities, industrial access roads, rail spurs, skill training facilities, and technology-related infrastructure. View www.eda.gov [8] to learn more about the Public Works Program and other EDA programs.

U.S. Department of Agriculture (USDA) Rural Development

Rural development is committed to the future of rural communities in Tennessee, investing financial and technical assistance through community, business and rural housing development programs. The agency has loan and grant programs for water and waste disposal, solid waste management and emergency community water projects to assist rural electric cooperatives, and for deployment of telecommunications infrastructure used for distance learning, telemedicine and other broadband-based services. The agency's community programs provide technical and financial resources for the essential community infrastructure key to health, safety and business development. They ensure that rural areas enjoy the same basic quality of life community services enjoyed by people across the U.S. including water and waste disposal systems, and for community public-use facilities like schools, libraries, childcare, hospitals, clinics, assisted living facilities, fire and rescue facilities, police stations, community centers and transportation assets. View information on grant and loan assistance programs at <https://www.rd.usda.gov/tn> [9]

Utility Relocation Loan Program

The Utility Relocation Loan Program provides loans for cities and utility districts that must relocate utilities due to Tennessee Department of Transportation (TDOT) road projects. View <https://www.tn.gov/content/dam/tn/tdot/right-of-way-division/1200-22-08.pdf> [10]

Links:

- [1] <http://www.fema.gov/>
- [2] <http://www.tn.gov/ecd>
- [3] <http://www.mtas.tennessee.edu/www.tn.gov/tdot>
- [4] <http://www.tn.gov/environment>
- [5] <https://comptroller.tn.gov/boards/tennessee-local-development-authority/tlda-information/loan-programs.html>
- [6] <http://www.mtas.tennessee.edu/www.tml1.org/bond-fund>
- [7] <http://www.tvaed.com/>
- [8] <http://www.eda.gov/>
- [9] <https://www.rd.usda.gov/tn>
- [10] <https://www.tn.gov/content/dam/tn/tdot/right-of-way-division/1200-22-08.pdf>

DISCLAIMER: The letters and publications written by the MTAS consultants were written based upon the law at the time and/or a specific sets of facts. The laws referenced in the letters and publications may have changed and/or the technical advice provided may not be applicable to your city or circumstances. Always consult with your city attorney or an MTAS consultant before taking any action based on information contained in this website.

Source URL (retrieved on 07/09/2020 - 4:38am): <http://www.mtas.tennessee.edu/reference/finding-money-public-works-projects>



Municipal Technical Advisory Service
INSTITUTE for PUBLIC SERVICE