



Using Parks and Natural Resources for Rural Economic Impact

Tennessee Certified Economic Developer Capstone Project

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## **Background**

### **About Spring City**

The Town of Spring City was established in 1907 and adopted its charter in 1953. The rural town is located in Northern Rhea County, Tennessee with Walden's Ridge on its western border and the Tennessee River on its eastern border. Spring City is centrally located within 63 miles of Knoxville, Tennessee and within 54 miles of Chattanooga, Tennessee. Rhea County is designated as a distressed tier four (4) county (Tennessee Department of Economic and Community Development). As of the 2010 Census, the population was 1,981 residents with nearly a third being persons over the age of 60 and twenty percent being between the ages of 25-44 (Spring City Land Use Plan 2012). Spring City has two existing parks, Veteran's and Nature Park, and one park in the beginning stages of development that is adjacent to Veteran's Park.



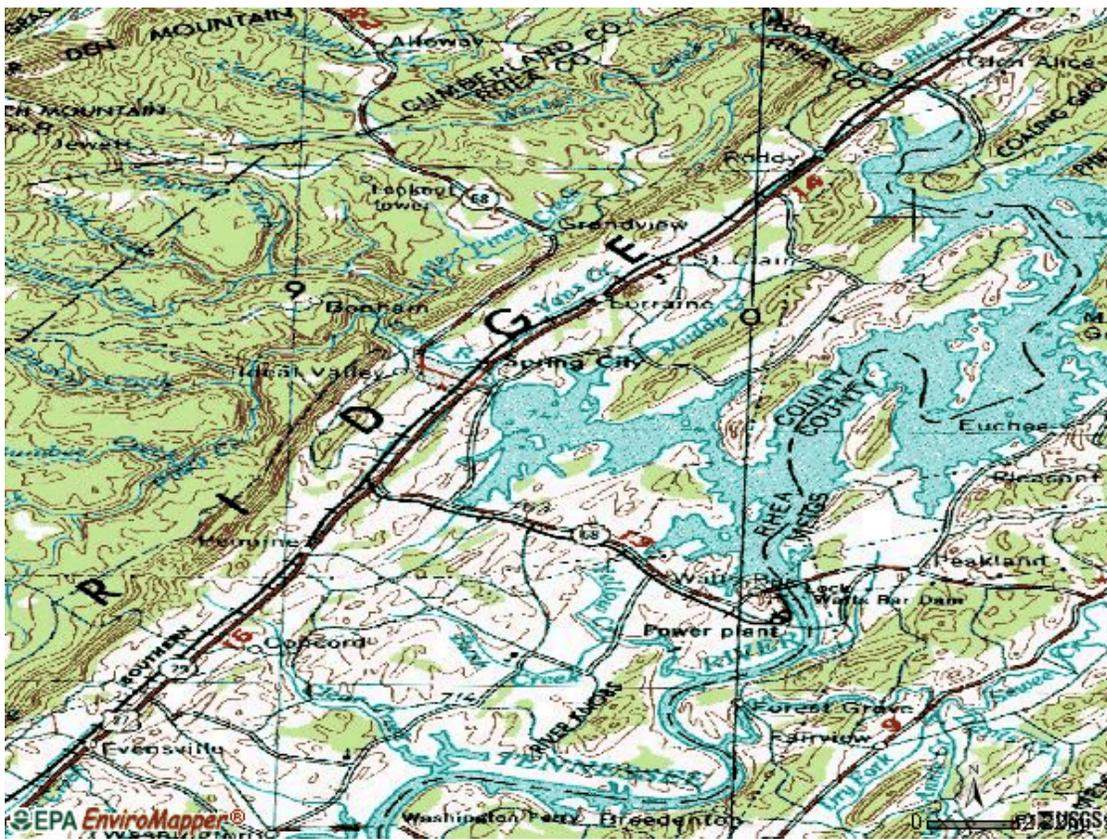
### **Natural Resources**

Walden's Ridge is located on the eastern edge of the Cumberland Plateau and sits on the western border of Spring City. Walden's Ridge is home to several hiking trails such as Stinging Fork Falls, Upper and Lower Piney Falls, Laurel-Snow Pocket Wilderness, and the Cumberland Trail as well as great kayaking opportunities along Piney River that has a ten mile section that is designated as Class III-IV. The State of Tennessee recently made a land conservation purchase along the Cumberland Trail that hikers can enjoy and, in 2016, Soak Creek was designated as a

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Class III Developed River Area, which river takeout point into Piney Creek lies just outside our city limits (TN.gov, n.d.) (paddletsra, n.d.).

Watts Bar Reservoir is located on the eastern border of Spring City and is part of the Tennessee River. The reservoir is managed by Tennessee Valley Authority (TVA) and has several marinas located along its shoreline. Popular outdoor activities include camping, fishing, boating, swimming, and other outdoor sports. (TVA, n.d.)



## **Goals and Objectives**

### **Goal Statement**

The Town of Spring City is focused on utilizing the area's natural resources as an economic development source for the town. Spring City plans to enhance existing park facilities as well as design and build new park areas to create tourism tax dollars. This includes generating community involvement of interested residents, civic organizations, area recreational leagues, and local business on the projects as well as obtaining funding opportunities.

### **SWOT Analysis**

#### **Strengths**

Spring City is surrounded by various natural resources that can be leveraged to help grow the town's economy. With these resources, the town can create a tourism economy that will generate revenue for additional services to its citizens as well as be able to grow existing and drive future business development within the town that will continue to build upon itself for years to come. This growth will lead to an increased population and generate both community pride and satisfaction within the town. And, in alignment with the Tennessee 2020 Vision for Parks, People, and Landscaping, Spring City can easily provide access to "recreational services and close-to-home opportunities to enjoy recreation, exercise, and interaction with nature."

(Tennessee 2020 Vision, n.d.)

In 2012, Spring City invested in building a Splash Pad located at Veteran's Park. It is free to the public and is used regularly throughout the summer months while school is out. It is also utilized for school field trips and other children and youth group activities.

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### Weaknesses

A focus on tourism can greatly benefit the Town of Spring City and its citizens, especially utilizing the surrounding natural resources. However, the town is a small rural community that has experienced decreasing population growth and modest business development over the years and doesn't have very many revenue sources. Therefore, funding for mid to large size projects, of any kind, can be quite challenging. And, due to the lack of growth, the town has experienced a lack of buy-in from both its citizens and the local businesses toward progressively developing projects to help drive local economic growth. The town has over forty (40) civic and non-profit community volunteer groups that have various initiatives and programs to help meet the needs of the community. However, the groups currently work individually from one another. These organizations, as well as the town itself, need to work together in order to accomplish any measurable economic growth. The town also needs to update its existing infrastructure to provide the needed services to accommodate such potential economic growth.

### Opportunities

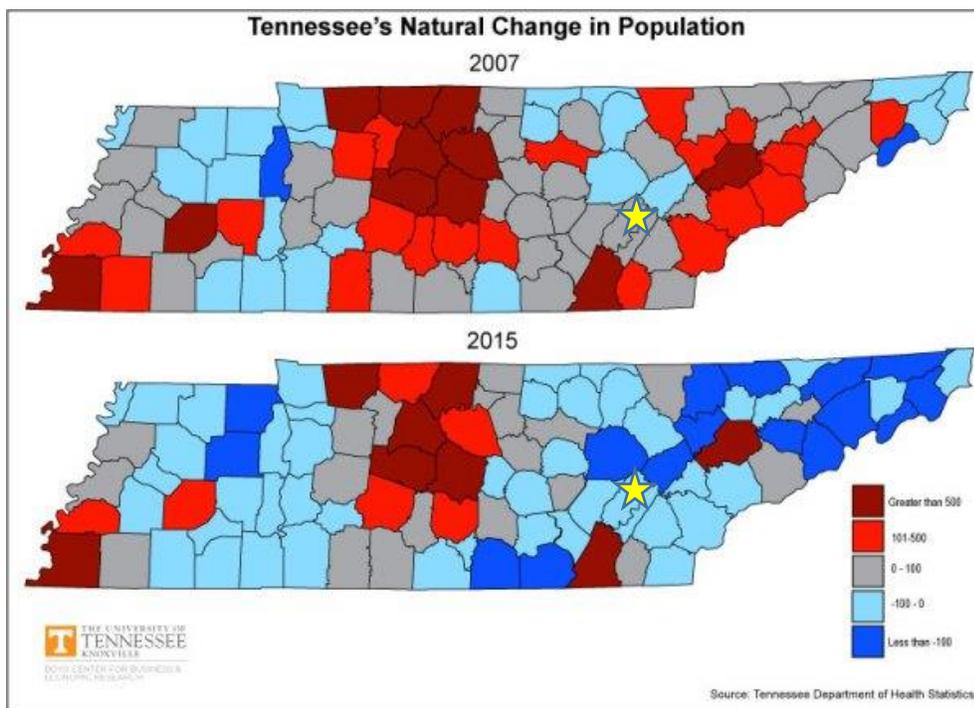
As stated, the Town of Spring City lacks the expendable monies to enhance our existing park and recreational facilities as well as to construct and build new parks for the town. However, being located in a distressed tier four (4) county provides the town opportunity for additional state funding that otherwise would not be available. In 2016, Governor Bill Haslam developed a Rural Task Force to help address his concerns regarding economic growth in Tennessee's rural communities (tn.gov, n.d.). One of its focuses was on Tourism and Conservation through programs such as the Rural Opportunity Act of Reinvestment (ROAR), Asset-Based Planning, and Retail Academy. The town would also benefit by being a part of the Tennessee Downtowns

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program. (Tennessee Main Street, n.d.) Another opportunity is to pursue grants such as the Local Parks and Recreation Fund Grant (LPRF). (Local Parks and Recreation Fund Grant, n.d.)

### Threats

The Town of Spring City needs to create a niche market for tourism in order to attract visitors and compete with neighboring cities and counties as they have similar, if not the same, natural resources. Also, community buy-in serves as both a weakness and a threat to economic growth through tourism development. Research by UT's Boyd Center for Business and Economic Research found that "many rural counties are expected to see decreases over the coming decades" due to "delayed family formation" and an increase of deaths in 86 of the 95 Tennessee counties from 2007-2015. Net migration also dropped by more than fifty percent in 90 counties during the 2000's. The study showed that from 2007-2015 Rhea County's natural change in population decreased. (UT Boyd Center for Business and Economic Research, n.d.)



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Spring City has seen a decreasing trend in population size since the year 2000. (Spring City Land Use Plan 2012) And, due to population size, the town has limited opportunities for business and industry growth. Therefore, building a tourism economy by utilizing the existing natural resources provides the town the best opportunity for economic growth.

### **Plan of Action**

The Town of Spring City recognizes the need for tourism tax dollars and will utilize its existing natural resources to achieve this goal. The town is currently working to enhance both existing park facilities as well as develop a new park to create additional recreational activities for the community to enjoy as well as attract new visitors to the town. In 1958, Tennessee Valley Authority deeded the Town of Spring City property along the Tennessee River to use for public municipal parks. Within that said property transfer was approximately thirty-seven (37) undeveloped acres adjacent to the town's existing Veteran's Park that was located just outside of the corporate city limits (EXHIBIT A). The property had been undeveloped for decades and was recognized by Rhea County District 2 County Commissioner Jim Reed as an opportunity for economic development. Meetings were then started with both city and county officials as well as Tennessee Valley Authority to develop a plan of use for the property. Dayton, the county seat located twenty miles to our South, had established Chickamauga Lake as a fishing destination and was attracting corporate fishing tournaments such as Fishing League Worldwide (FLW) and Bass Pro Shop tournaments to name a few. (Fish Dayton, n.d.) The City of Dayton has been able to increase sales tax collections as of November 2017 by twenty-eight percent (28%) since January 2013 with a large percent coming from sport fishing tourism (EXHIBIT B). However, the Town of Spring City cannot participate in the tournaments due to the lack of usable boat

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ramps, even though there is a demand for it. Therefore, one of the designated projects for the thirty-seven acre site would be a boat dock and ramp to be located on the north side of the property to accommodate parking for up to 300 truck/boat rigs and a 200 FT long dock along a 3 boat wide ramp.

In 2016, as part of a joint effort with Rhea County, the town applied for and was awarded an Appalachian Regional Commission (ARC) grant in the amount of \$226,912 to help construct the identified project items for the undeveloped property. In 2017, the town utilized a senior student civil engineering group from the University of Tennessee - Knoxville to help build a conceptual drawing for the remaining property where Piney River flows on the south side. Recreational projects included in the drawing was a kayak launch, paddle boarding, and canoeing. A pavilion, restroom facilities, and a greenway was also added to the conceptual drawing. As stated earlier, Soak Creek was designated as a Class III Developed River Area where kayaking and paddle boarding are very popular recreational activities that attracts tourists. (American Whitewater, n.d.) (River Facts, n.d.) (Times Free Press, n.d.) (Outdoor Knoxville, n.d.) The town's goal is to enhance visitors kayaking and paddle board experiences by offering additional recreational locations for these activities as well as complementing their experience with other water-related sports.

Also, Spring City is currently taking the necessary steps to apply for the 2018 Local Parks and Recreation Fund Grant (LPRF). As part of that process, Southeast Development District helped the town create a twelve (12) question survey for the community through SurveyMonkey. The town made the online survey available on its Facebook page and on its website for approximately 3-4 weeks. One hundred ninety seven people (197) responded to the survey. The

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survey found that the majority of respondents were between 25-54 years of age and 51% visit the town's parks on a weekly basis for such activities as walking/jogging (69.54%), using playgrounds (50.76%), hiking on trails (47.21%), picnicking (40.61%), wildlife viewing (35.53%), swimming (35.03%), and baseball (21.32%). One of the questions asked was what recreational activities would you like to see made available in Spring City. Some of the most frequent activities that were mentioned were having a pool, more baseball fields, community center activities, boat ramps, and river activities. The existing projects that were identified will address some of these requests. The town is scheduling public town meetings to gain additional input from the community on these projects as well as gain insight on projects not mentioned. The Town of Spring City Board of Commissioners have also had multiple workshops to discuss recreational needs for the community. These projects are identified below.

### Nature Park

Amphitheatre

Dog Park

Lights for the Spring City Softball Field

### Veterans Park

Walking track relocation

Maintenance on the parking area

Greenway between Veterans Park and Dixie Youth Baseball Fields

### Dixie Youth Baseball Fields

New Dock at Tennessee River access point

Additional lighting for parking area and dock.

### Misc.

More recreational development at undeveloped property

Recreation Center

### **Branding**

In addition to grant opportunities, the town will develop a community strategic planning initiative to bring local businesses, volunteer groups, civic organizations, recreational leagues, and the community at large together where all concerns can be identified, a plan developed to address the concerns, and create the necessary buy-in we need in order to move forward collectively to bring about a focused economic development plan for the town and its citizens.

In these sessions, an action plan will be created to help brand Spring City to include the vision of what the community, as well as town leaders, would like to have and establish goals to help achieve that vision. A tourism committee will then be organized to assist in creating a 5 year plan to progress the stated goals to become a reality.

With Spring City being a small community, it is also important to showcase the downtown district to help local business owners and to draw visitors to shop. The town is in the process of organizing the necessary items to apply for the Tennessee Mainstreet Downtowns program.

(Tennessee Downtowns, n.d.) The tourism committee mentioned earlier will serve as the steering committee that is required for the program and will help create additional buy-in that is needed for the community to help drive economic development needs. The town expects to be able to complete all requirements by February 2019. The town is also working with the Southeast Development District and Retail Strategies to help brand and market the town in order bring additional retail businesses to Spring City as well as more investment into the community.

(Retail Strategies, n.d.)

## Results

The Town of Spring City is committed to bringing about the much needed economic development for the community. The town's goal is to serve as a facilitator for the community to help bridge the ideas of local businesses, civic organizations, volunteer groups, non-profits, and area recreation leagues in order to create the vision and goals for the Town of Spring City. The measurable results for developing a tourism economy will be increased sales tax revenue, visible buy-in from the community at large, and existing business growth and the establishment of new businesses. In addition, the town will have volunteer groups, civic organizations, and recreational leagues working together to create a sense of community pride.

Another result the town should experience from enhancing park facilities is an increase in property values. In 2002, the American Planning Association published a report entitled "How Cities Use Parks for Economic Development." The report stated that, as part of a greater initiative to attract middle class residents back to the city, Chattanooga started developing additional parks and trails in the early 1980's. From 1988-1996, the city saw an increase in a combined city and county property tax of \$592,000 that can mostly be attributed to this initiative. Even though Spring City doesn't expect to have the same level of increase as Chattanooga experienced, the town's citizens should see some increase in property values from having a positive surrounding park environment. (American Planning Association, n.d.)

Having attractive parks and a variety of recreational activities enhances the town's ability to offer to a better quality of life for its citizens. Therefore, building a tourism economy will help increase the town's population and potentially grow the town's workforce by attracting families, sports enthusiasts, and retirees to the community to live. In the report from the American

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Planning Association, GRAMPIES (Growing Retired Active Monied People In Excellent Shape) ranked scenic beauty, recreational opportunities, and mild climate as their top three reasons to relocate to a new community. The town's location and natural resources lends to these wanted attributes and, as a result, should potentially attract affluent retirees to the community who have expendable income that they bring with them and, therefore, has a positive effect on increasing sales tax revenue. (American Planning Association, n.d.) In addition, industries are becoming more attracted to locating in areas that provide a quality of life for their employees. The town can position themselves for a growth in industry by offering a variety of recreational activities, enhancing the town's park system, and marketing the town's natural resources.

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**EXHIBIT A**

**EXHIBIT B**

**DAYTON CITY NET LOCAL OPTION SALES TAX COLLECTED**

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>JANUARY</b>	380,917	391,486	436,576	\$365,718	\$456,706
<b>FEBRUARY</b>	416,178	465,448	440,255	\$506,403	\$463,213
<b>MARCH</b>	460,649	478,045	496,439	\$528,386	\$586,368
<b>APRIL</b>	419,335	451,483	486,405	\$485,191	\$532,844
<b>MAY</b>	448,567	477,593	516,506	\$492,587	\$532,056
<b>JUNE</b>	477,136	481,921	543,087	\$556,188	\$524,921
<b>JULY</b>	429,582	455,352	483,553	\$485,531	\$497,756
<b>AUGUST</b>	443,558	466,398	460,440	\$481,981	\$514,170
<b>SEPTEMBER</b>	461,696	475,832	555,632	\$558,496	\$522,679
<b>OCTOBER</b>	469,235	478,395	575,582	\$482,519	\$511,413
<b>NOVEMBER</b>	446,739	449,712	476,140	\$504,966	\$530,356
<b>DECEMBER</b>	520,511	538,478	575,355	\$622,525	