

**TVA LAND POLICY
ASSESSMENT OF LAND FOR
ECONOMIC DEVELOPMENT
September 27, 2007**

Purpose

TVA's new Land Policy was approved by the TVA Board of Directors on November 30, 2006. This policy governs how land is planned, including whether it is disposed of or retained. When the Board approved the new policy they also directed staff to complete surveys of TVA-managed land located in existing industrial parks or designated for industrial development purposes to verify the suitability of the properties for this use. This report presents the results and conclusions of these surveys and assessments. The parcels of land verified as suitable for economic development in accordance with the land policy could be considered for sale, lease or other disposal method following a TVA environmental review process.

Review Process

The review of land designated under the current land use zone categories for industrial use was completed by two TVA organizations: Environmental Stewardship and Policy (ES&P) and Economic Development (ED). To determine land suitability and the need for additional development, a number of factors and criteria were considered including physical site characteristics; utilities; road, rail and water access; compatibility with adjacent land uses; partnership opportunities; development trends; projected needs; and existing commitments. Existing reservoir land management plans, National Environmental Policy Act (NEPA) documents, land records, staff reports, field visits, and staff knowledge were also used to make the most informed determinations possible for this assessment.

Any requests for future industrial use of TVA-managed land will still be required to go through the standard TVA application and review process. This process includes reviewing need, economic viability and environmental impacts.

Land Use Zones

TVA's current reservoir land planning process allocates land to seven land use allocation zones as follows:

- Zone 1 – Non-TVA Shoreland/Flowage Easement
- Zone 2 – TVA Project Operations
- Zone 3 – Sensitive Resource Management
- Zone 4 – Natural Resource Conservation
- Zone 5 – Industrial
- Zone 6 – Recreation
- Zone 7 – Shoreline Access (private water use facilities)

Currently, nine land management plans (covering 12 reservoirs) have been completed using the seven allocation zones. In addition, the planning process is underway for Watts Bar Reservoir and the nine Mountain Reservoirs (Apalachia, Blue Ridge, Chatuge, Fontana, Hiwassee, Nottely, Ocoee's #1, #2, #3). For reservoirs without plans under the land use allocation zones, TVA's Watershed Teams provided a preliminary allocation of land into the seven zones. These preliminary allocations were based on staff knowledge, without public input, and could be subject to revision under the formal lands planning process.

Economic Development

Thirteen reservoirs with recommended industrial (Zone 5) land were reviewed and a total of 107 tracts of land totaling 4,272 acres have been verified as suitable. The following table reflects the distribution of property among the 13 reservoirs with recommended industrial land. Of the 4,272 total acres, 1,337 acres (31%) are currently committed under existing land use agreements such as easements, licenses or leases.

Five mainstream reservoirs have the majority (83%) of industrial land and include Kentucky, Pickwick, Wheeler, Gunter'sville, and Watts Bar. Tellico Reservoir contains the most TVA-owned industrial land (312 acres) among the tributary reservoirs. However, 91% of this land is already committed in support of three major industrial parks owned by the Tellico Reservoir Development Agency (TRDA) and Monroe County, Tennessee.

Conclusion

A total of 107 parcels of TVA-managed land totaling 4,271.6 acres are recommended as suitable for industrial and economic development purposes. Of this total, 1,336.5 acres (31%) are currently committed under existing land use agreements such as easements, licenses or leases. The remaining 2,935.1 acres are appropriate for future consideration as industrial development needs occur.

Land use recommendations and acreage estimates are preliminary and subject to review processes. Before making land available, environmental reviews in compliance with NEPA would be required. Feasibility studies or other special studies may also be necessary to determine economic viability of land development proposals, or the extent of environmental impacts before a land request is given further consideration.

Applicants proposing to use these properties would be responsible for paying all environmental review and administrative costs necessary for TVA to comply with requirements under NEPA, along with any required special studies. Payment of appraised fair market value would be required for acquisition of industrial land or land rights. For additional information, call or email the Public Land Information Center 1-800-882-5263 or plic@tva.gov.

Industrial Land (Zone 5) Parcels

RESERVOIR	ZONE 6 PARCELS	TOTAL ACREAGE	NUMBER OF COMMITTED PARCELS	COMMITTED ACREAGE
Chickamauga	10	111.9	9	87
Fort Loudoun	5	36.2	5	36.2
Gunter'sville	20	247.5	14*	174
Kentucky	21	902.6	13	212.8
Little Bear Creek	1	13.7	0	0
Melton Hill	5	21.8	5	21.8
Nickajack	5	93.3	5	93.3
Pickwick	8	483.8	6*	178
South Holston	1	125.4	0	0
Tellico	8	312.4	6	282.9
Tims Ford	3	21.1	2	4.3
Watts Bar	10	1,253.0	1	3.2
Wheeler	10	648.9	5*	243
Totals	107	4,271.6	71	1,336.5

*Only portions of these parcels committed.