

# RECREATION PHASED APPROACH REVIEW PROCESS

## Background

The recreation phased approach is a review process established in 2006 for implementation of the TVA Land Policy. A two-phased review is applied to new requests and deed modifications for land to support commercial recreation and public recreation uses. This process also applies to requests for deed modifications to convert existing land uses to other purposes.

The intent of the phased approach review is to place responsibility on the applicant to ensure adequate infrastructure and general stakeholder acceptance when a proposal is submitted. The applicant has a plan reviewed and supported by the local community and elected officials prior to the formal land use application process. The applicant would be required to provide the following items as needed to receive further TVA consideration.

## PHASE 0

### INITIAL CONSIDERATION

In this step, TVA determines if TVA will consider the request/proposal based upon the interest of TVA. This involves confirmation that the requested property is suitable for recreation use and a continued need exists for such use.

TVA can also determine not to consider a request for various reasons (expected controversy, available labor resources and availability of other recreation opportunities nearby, and other reasons at TVA's sole and absolute discretion).

The inquirer shall provide the following:

1. Conceptual plans for the proposed project (including specific numbers of slips/campsites, facilities proposed, etc).
2. A location map showing the property of interest.
3. Documentation of ownership of adjacent private property.
4. Other supporting documentation of need for new development or expansion of existing development, if available.

**Upon completion of this Phase 0, TVA will provide written response as whether TVA will continue the process for consideration in subsequent phases. As this phase may impact future phases, inquirers should await TVA's response before proceeding further.**

**PHASE ONE**  
PRE-APPLICATION  
REQUEST FOR RECREATION LAND-USE AGREEMENT

All applicants requesting land to support commercial and public recreation must provide the following information before TVA will accept or initiate review of the request. For additional information, call or email the Public Land Information Center 1-800-882-5263 or [plic@tva.gov](mailto:plic@tva.gov).

**1. Financial ability to implement the proposed development.**

- A complete credit application with favorable credit review (see Attachment A, Credit Evaluation Guidelines)
- If applicant is a corporation, the legal name, address and state of incorporation should be provided.

**2. Documentation of local government support.**

- Adopted resolution from local government supporting the project and confirmation/documentation that the project is consistent with existing land-use and zoning regulations (see Attachment B, Example Resolution)
- City and/or County concurrence--depending on the specific situation, concurrence from multiple counties and authorities may be required

**3. Documentation of general stakeholder acceptance.**

- Demonstrate that the general public is in favor of this project. Examples: public meeting minutes, copies of letters, newspaper articles, petitions, etc.
- Additional stakeholder review may also be directed as part of the application process.

**4. Documentation from local and state governments that potential infrastructure and traffic safety issues have been addressed.**

- Letter from state or local highway department that road/street system can support projected traffic. Letters from utility authorities (water, sewer and power) verifying systems and capacities can support projected use/demand. Depending on the specific situation, concurrence from multiple counties and authorities may be required.

**5. Financial feasibility study and/or market study to demonstrate the economic viability of the commercial recreation development.**

- Five-year Business Plan projecting cash flows, revenues and operating costs with investment capital
- Business Plan should include “Market Study” reflecting occupancy rates at existing campgrounds, marinas and/or resorts and projected occupancy rates for proposed development through first five-years (see Attachment C, Guidelines for Business Plan Information and follow items at [www.businessplans.org/guide.html](http://www.businessplans.org/guide.html)).

**6. General concept plan and scope of land impact.**

- Provide conceptual site plan and drawing(s), including the expected impact to the land.

7. **The applicant must complete and provide special studies, if deemed applicable by TVA. Examples might include: T&E species report, cultural resources surveys, wetlands reviews, 401 certification, navigation assessments, recreational boating density studies, etc.**
  - For marinas and boat ramps, a Boating Density Analysis may be required.
  - Letter of no objection from State Boating Law Administrator concerning anticipated impact from projected numbers of additional recreational boats.

**ATTACHMENT A**  
**CREDIT EVALUATION GUIDELINES**

**Initial Credit Evaluation**

Each party will be subject to a complete credit evaluation in order for TVA to determine creditworthiness. In completing the initial credit evaluation, TVA will consider many factors including, but not limited to:

1. Financial Statements:
  - a) Audited financial statements for the last three (3) preceding fiscal years that include balance sheets, income statements, statements of cash flows and notes to the financial statements.
  - b) Interim financial statements for the most recent fiscal quarter.
  - c) If publicly traded:
    - i) Annual report on Form 10-K for the last three (3) preceding fiscal years
    - ii) Form 10-Q for the most recent fiscal period.
2. Rating Agency Reports (S&P, Moody's and Fitch), if available.
3. Bank Information (name, address, phone number and officer contact).
4. Credit References (from three (3) sources that include name, address, phone number and contact).
5. Legal name and the state of incorporation.
6. Shareholder ownership schedule (if applicable).
7. Company brochure.
8. Complete disclosure of any material litigation, commitments or contingencies, etc.

**ATTACHMENT B**  
**EXAMPLE RESOLUTION**

ABC COUNTY COMMISSION RESOLUTION

WHEREAS ABC County Commission encourages and supports recreational opportunities within its borders; and

WHEREAS the United States of America, by and through its agent the Tennessee Valley Authority (TVA), owns and operates public lands within ABC County; and

WHEREAS TVA owns a parcel of land in ABC County identified as Tract No. XBWR-1234 that is allocated for developed recreation in the Big Water Reservoir Land Management Plan; and

WHEREAS TVA requires local government support under its phased approach for its development of recreation sites before it can accept an application to develop such properties; and

WHEREAS, XYZ Recreation Group has requested to use the subject TVA land for developing a 100 campsite campground and a marina with a harbor limit covering approximately 5 acres together with associated roads, utilities, and associated facilities; and

WHEREAS ABC County Commission supports TVA's recreation efforts in its County and believes the development of recreational opportunities will benefit all its citizens within the County; and

BE IT RESOLVED, that the ABC County Commission, as representatives of the residents and citizens of ABC County, Tennessee, acknowledges its support of the subject request.

APPROVED: \_\_\_\_\_

ATTEST: \_\_\_\_\_

**ATTACHMENT C**  
GUIDELINES FOR BUSINESS PLAN INFORMATION

Cover Sheet

Executive Summary of Proposal

Table of Contents

Company Analysis

- Name, History, Legal Structure, Product/Service Description
- Organization Plan: Owner/Shareholder Information, Location/Facilities, Scope/Size of business, Impact to Local Economy
- Operational Plan: Employees, Management
- Plans for Growth, Exit Strategy

Marketing Analysis

- Industry Description, Overall Market Discussion and Study, Competition Analysis
- Target Market, SWOT Analysis, Pricing, Promotional Techniques, Supply Chain & Agreements with Suppliers, Projected Sales, Current and Potential Customers List

Financial Analysis

- Startup Costs, Financing of Costs, Accounting System, Loan Applications, Inventory System, Break Even Analysis, Financial Ratios, Assets, Growth Projections
- Income Statement (5 Years)
- Balance Sheet (5 Years)
- Annual Cash Flow Projections/Budget (5 Years, Year 1 by month)

Supporting Documents

- Agreements/Contracts, Resumes, Licenses, Quotes, Maps, Tax Returns

**PHASE TWO**  
APPLICATION  
REQUEST FOR RECREATION LAND-USE AGREEMENT

If the applicant has completed and submitted the “Pre-Application” criteria, TVA will initiate the land-use review process. The applicant is responsible for completing and submitting the following information:

1. TVA’s standard application.
2. Final and detailed development plans and drawings for all proposed facilities, structures and infrastructure.

Applicant should address recommendations or deficiencies identified in Phase 0/Phase 1. Provide detail site plan to scale of minimum 1 inch = 200 feet showing locations of proposed road(s), parking lots, utilities, building(s), boat ramp, docks, piers, wet slip(s), campsite detail and show proposed design, dimensions, construction materials and color schemes for all facilities to be installed on conceptual drawings, showing American’s with Disabilities Act (ADA) accessibility feature details as required. For buildings provide floor plans, elevations, dimensions and design of each individual type, properly referenced on the drawing(s), including construction materials and color schemes.

3. Description of the project, including potential impacts and public recreation benefits.

Upon receiving the above information, TVA will initiate a programmatic and environmental review. These reviews may require the completion of special studies for Threatened and Endangered Species, Cultural Resources, wetlands or 401 water quality certification.

All new recreation development proposals will require a public meeting (typically held during the Phase 1 review) to gauge public support for the proposal. In addition, during the formal application process, requests will be subject to TVA requirements for public involvement, (public notice, etc.) and which may also arise from increased interest in the project.

All proposals will require boundary surveys and appraisals.