

Community Reuse Organizations: History and Influence



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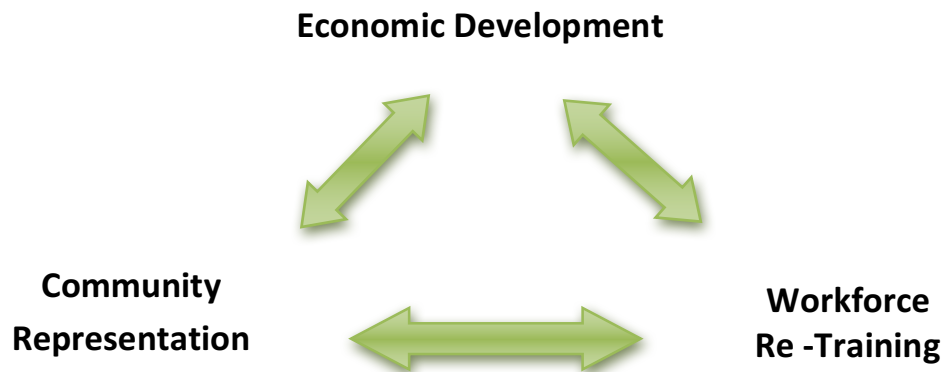
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What is a Community Reuse Organization?

On September 27th, 1991 President George H.W. Bush signed the first unilateral nuclear weapons reduction agreement, signaling the end of the cold war. This decision would have major impacts on communities like Oak Ridge, Tennessee where the majority of the community relied on jobs and industry related to national nuclear production efforts. The Department of Energy (DOE) recognized the impact this national transition would have on communities like Oak Ridge, and through section 3161 of the Defense Authorization Act of 1993 established a “community transition program” to provide grant funding to limit the economic impacts of the inevitable workforce restructuring. These grant funds could be used to establish “Community Reuse Organizations”, whose primary function was to act as the sole community voice and liaison to the DOE for economic development issues.



Community Reuse Organizations are DOE recognized organizations who serve three foundational functions;

- Collaboratively represent affected communities surrounding DOE sites
- Promote opportunity for workforce re-training and restructuring
- Support and work towards the economic development of affected communities

Pertinent Legislation

Section 3161, National Defense Authorization Act 1993

“DOE Defense Nuclear Facilities Work Force Restructuring Plan”

- Enabling legislation
- Established Community Reuse Organizations to minimize social impacts, economic impacts, and layoffs
- Ensured opportunities for employees to retrain for work in environmental restoration and waste management
- Provided “Impact Assistance” to affected communities – Grant funding for the establishment of a Community Reuse Organization

Title 10 Code of Federal Regulation Part 770

“Transfer of Property at Defense Nuclear Facilities for Economic Development”

- Stipulates that the Department of Energy can sell or lease government owned property to a Community Reuse Organization for the purpose of economic development
- DOE may transfer by lease only any improvements to nuclear facilities for the purpose of reuse and economic development
- Property transfers are subject to National Environmental Policy Act (NEPA) review

Interim Planning Guidance for Contractor Work Force Restructuring

- Provides significant guidelines and regulations for the operation and role of a Community Reuse Organization
- Describes types of assistance available, allowable programs, the scope of funding available, and recommended activities of Community Reuse Organization
- Determines that funding for a Community Reuse Organization is only available for 5 years from the first award, indicating that if a Community Reuse Organization wishes to continue to operate after that time, they must restructure their organization to operate as a business

Existing Community Reuse Organizations

- **Tri-City Development Council (TRIDEC) – Hanford site**
- **Regional Development Corporation – Los Alamos Site**
- **MMCIC – Mound Site**
- **Community Reuse Organization of East Tennessee – Oak Ridge Site**
- **Paducah Area Community Reuse Organization – Paducah Site**
- **Southern Ohio Diversification – Portsmouth Site**
- **SRS Community Reuse Organization – Savannah River Site**

CROET – History and Growth

1973 - Roane Anderson Economic Council (R-AEC)

R-AEC was established to meet a growing need at the original Manhattan Project site. Local leaders from both communities hoped to work through R-AEC to coordinate with federal officials and prioritize programs while simultaneously promoting regional development

Early 1990's – East Tennessee Economic Council (ETEC)

In the early 1990's R-AEC underwent a change of leadership, and expanded to include 5 total East Tennessee counties, changing their name to properly reflect the new counties represented. During this time, ETEC served as the community reuse organization of East Tennessee, focusing on the reuse and reindustrialization of the K-25 Manhattan Project site. Today, ETEC is an independent, regional, non-profit membership organization

1996 – Community Reuse Organization of East Tennessee (CROET)

As the true role of Community Reuse Organizations became clear and grant funding became available for the establishment of independent organizations, ETEC stepped back from its position as the Community Reuse Organization, and an independent not for profit organization known as the Community Reuse Organization of East Tennessee (CROET) was established. CROET operated as a grant funded organization until 2001 when it then transitioned to operate as a Limited Liability Company (LLC).

CROET – Achievements

- Transitioned **63 million dollars in DOE federal grant funding** to East Tennessee communities
 - Provided development and planning grants to Roane County
 - Donated funds to Pellissippi State Community College in Roane County
- Developed the 60 acre **CenterPoint Business Park** on Pellissippi Parkway
- Successfully developed and transferred the 1000 acre **Horizon Center Industrial Park** which now houses several carbon fiber industry leaders
- Owns and operates the **8 property Heritage Center** located on the East Tennessee Technology Park (ETTP) property site- including 9-10 currently operating buildings
- Has successfully been granted over **700 acres of the 2200** acre ETTP site, with close to **400 additional acres** pending transfer
- Leased or sold property to over **28 different companies and organizations** on the ETTP property site alone
- Regionally relocated **56 lease holders** from the ETTP in order to keep industry and development growing in the surrounding counties

CROET – The Future

The Community Reuse Organization of East Tennessee has been a premier example of Community Reuse Organizations around the nation, accomplishing vast success in transferring and repurposing land for the economic development of the East Tennessee Region. CROET's success has garnered them many partnerships and opportunities, as well as a bright future as a staple organization in the redevelopment of the East Tennessee Technological Park. Since they have operated as an independent non-profit and LLC since 2001, CROET is no longer governed under the regulations of a grant-funded community reuse organization, meaning that any changes in the federal budget to the Community Reuse Organization program under the annual National Defense Authorization Act will have no effect on their identity or future as an organization.

- CROET will continue to operate in its primary role as land transfer organization until
 - 100 percent of available property has been transferred to CROET by the DOE
 - 80 percent of that property has then been transferred, leased, or sold by CROET to other organization and businesses, or otherwise developed

Once these milestones have been completed, CROET may reevaluate their primary role and transition to operating in a new way:

- CROET may then serve as the industrial park wide site manager due to its unique understanding of the site infrastructure, complexities, and intimate relationships with organizations and businesses on site
- May transition to an Industrial Development Board “like” organization to further recruit and transition new organizations to the newly developed ETP industrial park and continue to promote economic development in the East Tennessee Region

Regardless of the future transition of CROET, there are still many years of work to be done in the redevelopment and reindustrialization of ETP, and CROET has significant justification to continue to operate as a 501c3 non-profit throughout that time.