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Nashville Region's

# VitalSigns<sup>®</sup>

2021

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Sumner  
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GREATER NASHVILLE  
REGIONAL COUNCIL

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*This project is funded (in part) under an agreement with the State of Tennessee, Department of Transportation.*

# About Vital Signs

The Nashville Area Chamber of Commerce’s 2021 Vital Signs Middle Tennessee Resident Survey was conducted online and by targeted panels among a regionally representative group of respondents. Data was weighted to ensure accurate representation from all respondents.

Over 3,100 residents of the Clarksville and Nashville MSAs responded to the survey in September and October of 2021.

FOR NEARLY A DECADE, THE VITAL SIGNS REPORT has illuminated issues impacting Middle Tennessee’s economic well-being and quality of life, serving as a resource for elected and appointed officials and business and community leaders. Vital Signs utilizes data from the Census and other reputable, public sources, but Vital Signs’ “value added” is the findings of the annual Vital Signs survey of Middle Tennessee residents. Pairing quantitative data with Middle Tennesseans’ understanding of the issues facing the region creates a rich understanding of the region – its economy, quality of life, and its people.

Vital Signs is created by the Nashville Area Chamber of Commerce utilizing the Chamber’s Research Center for data collection and analysis. The Greater Nashville Regional Council (GNRC) is the Chamber’s partner in the creation of Vital Signs. The concept of a Vital Signs report originated with the Community Foundations of Canada in 2001, as a broad, agenda setting mechanism focused on outcomes and solutions to key community issues. Nashville Area Chamber leaders brought the Vital Signs program to Nashville after learning about Vital Signs on the Chamber’s Leadership Study Mission to Toronto in 2011. The Vital Signs trademark is used with permission from Community Foundations of Canada.

Vital Signs 2021 focuses on the primary challenge facing Middle Tennessee, and the nation, as the economy recovers from COVID – the lack of available, qualified workforce and the barriers that Middle Tennesseans face in joining the labor force and finding work. Understanding the issues around workforce, based on quantitative data and Middle Tennesseans’ opinions on challenges and solutions, is the work of Vital Signs 2021.

# Executive Summary

AT THE CLOSE OF 2021, MIDDLE TENNESSEE, like much of the nation, found itself at an interesting point in recovery from COVID and the pandemic-induced recession.

As of December 31, 2021, Tennessee had experienced 1,438,321 COVID-19 cases and 20,881 deaths.<sup>1</sup> As of January 10, 2022, 58.3% of people statewide had received at least one dose of vaccine and 51.5% of people statewide were fully vaccinated.<sup>2</sup> In Middle Tennessee, new cases were rising. While the Delta variant was still prominent, the new Omicron variant had been identified in Nashville-Davidson County.

Juxtapose this increase in cases with the fact that Middle Tennessee's economy had, on many measures, returned to pre-COVID levels. The unemployment rate in October 2021 was 2.8% in the Nashville MSA and 3.8% in the Clarksville MSA. This was down from a high in April 2020 of 15.8% and 16.9% in the respective MSAs and a pre-COVID rate of 2.6% and 4.2% in the Nashville and Clarksville MSAs recorded in October 2019.

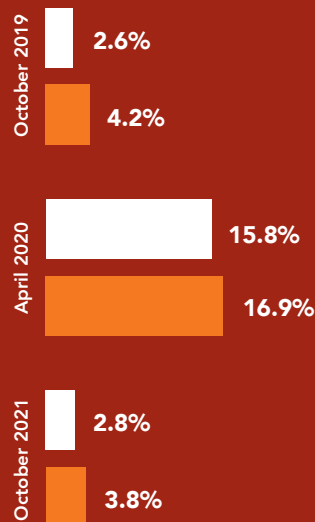
In a startling turn of events from the layoffs and furloughs that marked 2020, the greatest challenge facing many Middle Tennessee businesses in 2021 was finding qualified workforce for the jobs available. Middle Tennessee labor force participation rates were down slightly from pre-pandemic levels, yet the reduction in available workforce didn't appear to be the primary driver behind businesses struggling to find qualified workers.

Vital Signs 2021 focuses on the key challenge facing Middle Tennessee, and the nation, as the economy recovers from COVID – the lack of available, qualified workforce and the obstacles Middle Tennesseans face in joining the labor force and finding work.

Vital Signs 2021 will discuss some of the largest barriers Middle Tennesseans face to joining the labor force and finding work – barriers that elected officials, business leaders and community leaders are committed to addressing for the sake of Middle Tennessee residents and Middle Tennessee's economy.

## MSA Unemployment Rate

● Nashville MSA  
● Clarksville MSA



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, 2019-2021, Not Seasonally Adjusted

## Workforce



*Aiding Middle Tennesseans in securing needed training, education or certification to compete and thrive in the evolving workforce.*

Although Middle Tennessee's unemployment rate is low and new jobs have replaced those lost during the pandemic, many industries still struggle to find and retain qualified workforce. This reflects structural changes – retiring Baby Boomers and births occurring at a rate that is less than population replacement level. The lack of workforce also reflects changing worker preferences – during COVID more employees took up gig work, re-thought work/life balance, and/or are now only seeking remote work. Finally, the lack of qualified workforce reveals that many Middle Tennesseans need more and different skills in an ever-evolving economy.

Vital Signs 2021's assessment of occupation gaps shows that in the coming ten years, Middle Tennessee will have an over-supply of employees for many of the lowest wage jobs in retail and service – jobs that are more likely to be automated in the future. Meanwhile, Middle Tennessee is projected to have a shortage of workers qualified for good-paying jobs in IT, healthcare and business.

The need for more skilled workers means Middle Tennessee must continue to attract new workers to move to the region. It also means aiding current Middle Tennesseans in skills development – gaining the new skills, certifications and/or degrees they need to expand their job opportunities. The 2021 Vital Signs Middle Tennessee Resident survey (Vital Signs survey) reveals that many Middle Tennessee workers understand they need additional skills training to succeed in the current and

future work environment – 30% of survey respondents stated that they intend on pursuing additional formal education within the next two years.

## Childcare



*Providing childcare that is high quality, affordable, and accessible for Middle Tennesseans.*

The availability of high quality, affordable, accessible childcare has a direct impact on the Middle Tennessee economy, allowing more parents to join the workforce. The Vital Signs survey signaled that this problem is very real for Middle Tennesseans – 41% of respondents who reported having children in their household indicated that childcare impacted their ability to work.

The childcare industry struggled pre-COVID with a model that has significant barriers to entry, stringent regulations, and a slim profit margin, if a profit margin exists at all. COVID pummeled the childcare industry, causing temporary and permanent closures, smaller class sizes and reduced hours of operation, all of which harmed the workforce that depends on childcare, and drove some parents to leave the workforce to care for their children.

Public and private stakeholders must work together on innovative solutions to support parents' ability to participate and thrive in Middle Tennessee's workforce. Ensuring there are enough quality, affordable childcare slots throughout the region and maximizing state and federal childcare funding streams so more low-income working families have access to quality childcare serve as some of the first-step solutions for Middle Tennessee working families.

## Housing



**Addressing housing affordability – creating housing that is affordable across incomes and proximate to work.**

While the threat of a wave of evictions and foreclosures due to COVID and the recession continued to dominate the headlines in 2021, many Middle Tennesseans struggled in the region's hot housing market simply because the housing supply is short, and prices have climbed dramatically. In November 2021, the Greater Nashville REALTORS® reported that the median sales price for a residential single-family home was \$425,000 and the median price for a condominium was \$298,050. This compares with November 2020's median residential and condominium prices of \$350,000 and \$244,900, which equates to 21.4% and 21.7% increases respectively.

The result of COVID appears to be a one-two punch for many Middle Tennesseans – a struggle to retain their housing during the pandemic due to furloughs or job loss, while the market around them grew less affordable. The Vital Signs survey revealed that 41.9% of respondents are cost-burdened by housing, meaning they spend over 30% of take-home pay on mortgage or rent.

The region's economy is diverse, as are the jobs that comprise the economy. Creating different housing types and price points near job centers is critical for employers to find and retain workers and for residents to make the most of the region's growth. The region must add significant housing stock and work to retain housing that currently exists at affordable prices. An additional solution is mixed income housing in proximity to employment

centers, which allows residents at various price points to live close to work, education, and amenities. These concepts and others are discussed in greater detail in the Housing section of Vital Signs 2021.

## Transportation & Infrastructure



**Tackling transportation challenges including onerous commutes given Middle Tennessee's limited transit options.**

Although the pandemic impacted Middle Tennesseans' travel behaviors, the fundamental challenges facing Middle Tennessee's transportation network remain unchanged. Since June of 2021, Middle Tennessee has seen a resurgence of traffic and congestion, and the region must again focus on investing in its transportation system in ways that promote safety, equity, and resiliency.

With the passage of the new, federal Infrastructure Investment and Jobs Act (IIJA), also known as the "Bipartisan Infrastructure Law," and the significant opportunity presented for investment through COVID recovery-related programs, the region is positioned to potentially speed up the delivery of some long-awaited and necessary projects. Middle Tennessee remains, however, heavily dependent on Federal funding sources, one of very few major metropolitan regions without dedicated funding for transportation and transit investment. The region needs to continue to push forward to develop dedicated transportation revenue to be more competitive for new grant programs requiring matching funds and to make significant investments in the transit system.

Our entire region benefits when meaningful investment is made in transportation and transit with employers

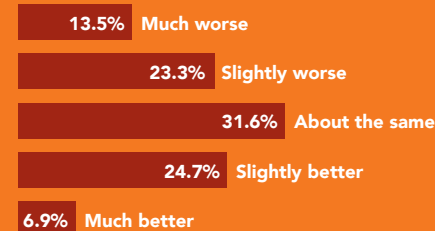
gaining access to workers, and residents having the opportunities to access those jobs along with education opportunities and amenities. According to the Vital Signs survey, almost 70% of the respondents signaled that it is very or extremely important for regional leaders to offer a plan to fund transportation improvements.

Middle Tennessee's growth, the pandemic, and numerous severe weather events

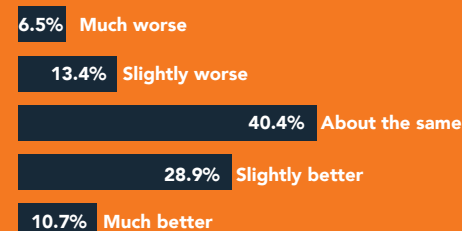
have all stressed the region's outdated infrastructure and put a spotlight on the critical investments needed across cities and counties in Middle Tennessee. The region has many opportunities ahead to invest in infrastructure, especially with one-time funding from the federal government, in ways that improve Middle Tennesseans' quality of life and also preserve the region's quality of place.

# 2021 Survey Highlights

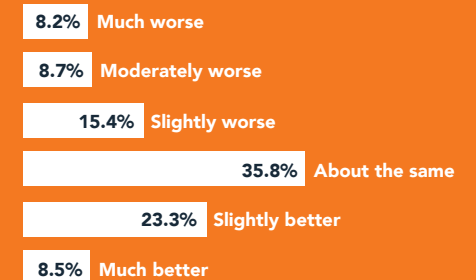
How do you think the economy will be a year from now?



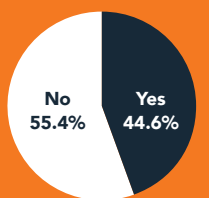
How do you think your personal financial status will be a year from now?



Currently, I am \_\_\_\_\_ financially than I was a year ago.



Have you had to tap into your savings or investment account due to the economic downturn caused by COVID-19?

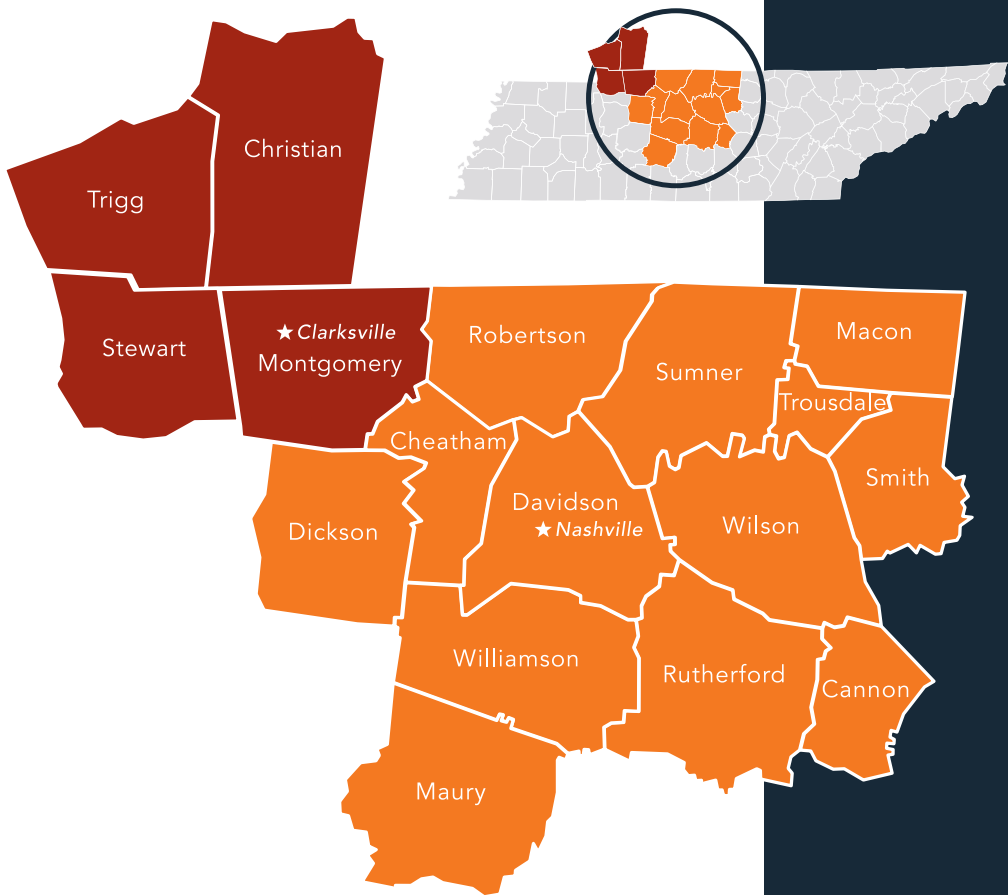


When do you think life is likely to return to "normal"?



# Middle Tennessee Region

As in past years, Vital Signs 2021 considers issues impacting the Nashville/Davidson--Murfreesboro--Franklin, TN MSA and the Clarksville, TN-KY MSA. Vital Signs includes both MSAs because they are interactive and interdependent in terms of the economy and the labor force. In Vital Signs, these two MSAs are referred to as Middle Tennessee or the Middle Tennessee region.



Metropolitan Statistical Areas (MSAs) are geographic entities delineated by the U.S. Office of Management and Budget (OMB) that have at least one urbanized area with a minimum population of 50,000 and are revised with the Decennial Census. Unless otherwise noted, data presented throughout this edition of Vital Signs represents the combined Nashville and Clarksville MSAs.

# Overview

	United States	Nashville MSA	Clarksville MSA
Population <sup>[1]</sup>	329,484,123	1,961,232	314,364
Median Age <sup>[2]</sup>	38.5	36.7	31.6
Median Household Income <sup>[2]</sup>	\$65,712	\$70,262	\$53,547
Educational Attainment High School Diploma or Above <sup>[2]</sup>	88.6%	90.5%	91.5%
Educational Attainment Bachelor's or Above <sup>[2]</sup>	33.1%	38.5%	26.4%
Educational Attainment Certificate/Credential Certificate < 1 Yr <sup>[3]</sup>	518,508	1,902	795
Educational Attainment Certificate/Credential Certificate 1+ but < 2 Yr <sup>[3]</sup>	429,176	1,698	255
Educational Attainment Certificate/Credential Certificate 2+ but < 4 Yr <sup>[3]</sup>	23,106	626	14
Unemployment Rate (October 2021) <sup>[4]</sup>	4.3%	2.8%	3.8%
Cost Burdened by Housing <sup>[5]</sup>	Data is not available for this geography	30.6%	26.7%
Children in Household Under 5 <sup>[2]</sup>	19,404,835	119,791	26,372
Children in Household Under 5 <sup>[2]</sup>	5.9%	6.1%	8.4%

Sources:  
[1] US Census Bureau, American Community Survey, 2019 1-Year Estimates  
[2] US Census Bureau, Population Estimates Program, 2020 Annual Estimate  
[3] JobsEQ® Awards  
[4] Tennessee Department of Labor and Workforce Development, WIRED Labor Force Estimates, October 2021 (not seasonally adjusted)  
[5] Center for Neighborhood Technology, H+T Index





# Workforce

While Middle Tennessee is close to recovering from COVID-related job losses and unemployment, and the region has not seen its labor force significantly decline, the region still struggles to find enough workers. This reflects structural changes in the region's workforce and changing worker preferences. At its core, however, Middle Tennessee must meet the challenge of aiding current residents in getting the training and education they need to fill the jobs of the future and fully share in the region's growth and prosperity.



2021 VITAL SIGNS SURVEY

**80%**

of respondents feel their personal financial status will be as good or better than it had been, pre-COVID, within the next year.



OVER THE PAST TWO YEARS, COVID-19'S IMPACT on Middle Tennessee's workforce has produced devastating lows, an impressive recovery, and has revealed structural issues in the region's current and future workforce that deserve attention and action.

During COVID, Middle Tennessee experienced significant loss of jobs and resulting high unemployment. From February of 2020 through April of 2020, the Middle Tennessee region experienced a loss of almost 155,000 jobs. In April of 2020, unemployment hit peaks of 15.8% and 16.9% in the Nashville MSA and Clarksville MSA, respectively.

The region has, however, experienced a remarkable rebound in job growth and a dramatic decline in the unemployment rate, making Middle Tennessee among the most favorable markets for economic recovery. As of October 2021, over 140,000 jobs have been recovered in the Middle Tennessee region.

From July 2020 – July 2021 alone, the Nashville MSA ranked eighth in the United States in job growth for large metros, which represented a net jobs gain of 70,000. Unemployment has also declined significantly, however, as the accompanying graphic shows, unemployment levels remain persistently higher for minority Middle Tennesseans.

During 2020, the Nashville Area Chamber's Research Center modeled the economic impact of COVID-19 on the economy of the Middle Tennessee region. The model predicted that the Nashville MSA would experience staggered returns to pre-COVID activity for most job sectors and expected a full return to pre-COVID economic activity by quarter two of 2021. A similar recovery was predicted for the Clarksville MSA, with full recovery by quarter three of 2021. The model did reflect that the hospitality and leisure sectors would lag in recovery.

140,000+

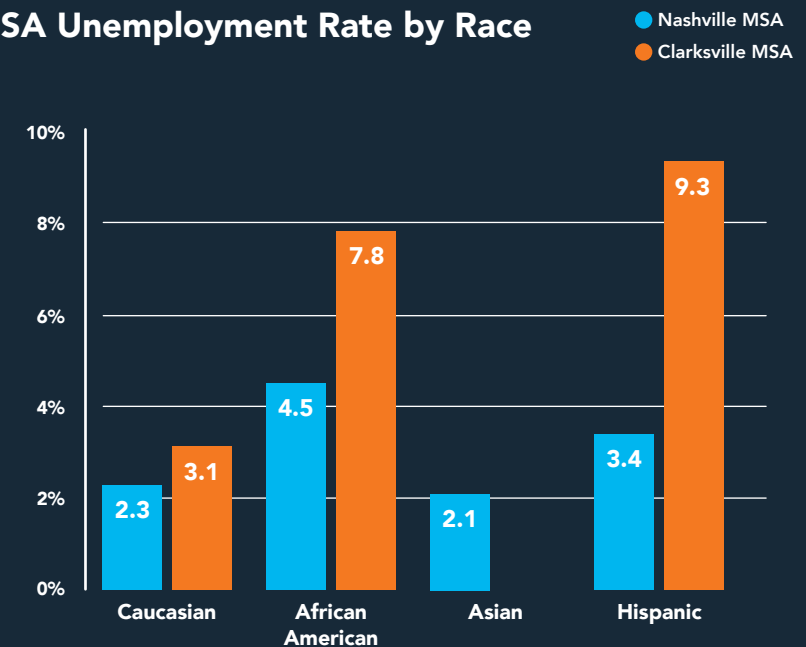
Middle Tennessee  
region jobs  
recovered as of  
October 2021

8<sup>TH</sup>

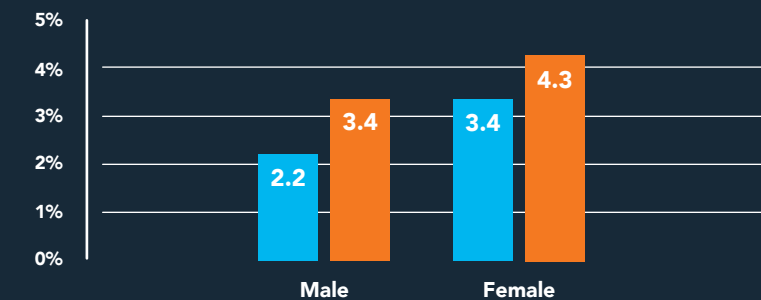
Nashville MSA  
ranking in U.S.  
job growth for  
large metros

Source: BLS QCEW  
Employment Data, 2021

## MSA Unemployment Rate by Race



## MSA Unemployment Rate by Gender



Source: Tennessee Department of Labor, October 2021



At the close of 2021, economic recovery measured by employment had returned to pre-pandemic levels earlier than the economic impact model predicted. By the close of quarter three of 2021, employment levels for both the Nashville and Clarksville MSAs had surpassed 2019 average employment levels.

While data on jobs lost and gained and unemployment rates paint a positive picture of economic recovery, the 2021 Vital Signs Middle Tennessee Resident survey (Vital Signs survey) shows more guarded optimism among Middle Tennesseans regarding the overall economy and for their personal financial situation.

Consumer confidence is down compared to pre-pandemic levels yet remains strong.

## 2019

Over **75%** of Vital Signs survey respondents expected the region's future economy to be as good or better than it had been the previous year.

## 2020

**68%** of respondents expected the region's future economy to be as good or better than it had been the previous year.

## 2021

The positive response declined to **63%**, however almost **80%** of respondents feel *their personal* financial status will be as good or better within the next year.

### The Unanticipated Result of the Pandemic – Workforce Shortage

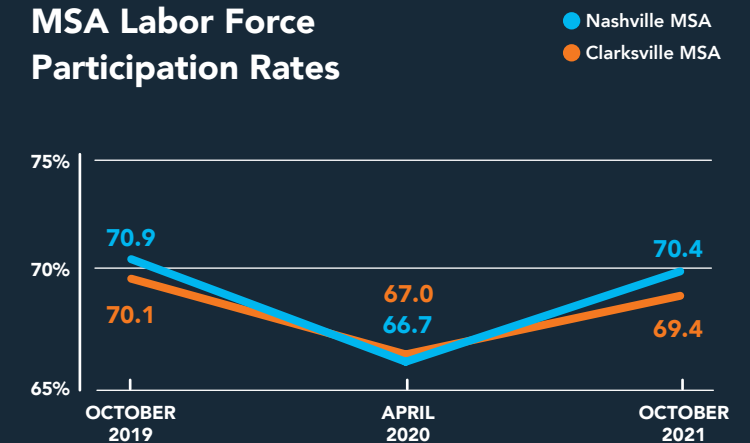
No one expected the level of workforce scarcity that Middle Tennessee, and the nation, are experiencing coming out of COVID-19.



The region's unemployment rate is low and employers across many industries are struggling to secure and retain qualified workforce. This is driven, in part, because *labor force participation is down*, albeit only slightly in Middle Tennessee. Labor force participation is the number of people 16 or over who are working, or actively seeking work, compared to the total number of adults who are civilians and are not institutionalized (the total number of people who *could* be working or looking for work).

The Nashville MSA's labor force participation rate was 70.4% in October 2021, which is slightly lower than the labor force participation rate in October 2019 (70.9%), but well above the low of 66.7% in April 2020. In the Clarksville MSA, the labor force participation rate was 69.4% in October 2021 after hitting a low of 67% in April 2020. Prior to the pandemic, the Clarksville MSA labor force participation rate was, in October 2019, 70.1%. There are many factors at play in the decline of labor force participation – some of which are structural and will be challenges for some time, and others that can be addressed in the near term.

### MSA Labor Force Participation Rates



Labor force participation was calculated by taking labor force figures from the Bureau of Labor Statistics and dividing it by population data from the Census Bureau.

Source: BLS Labor Force Statistics - Local Area Unemployment Statistics



Demographic Changes Accelerated by COVID

Pre-COVID, thought leaders in workforce development noted the aging of the Baby Boomer generation and a coming "tsunami" of retirements, which would diminish the ranks of the nation's workforce. Preliminary data seems to suggest that COVID has accelerated the pace of Baby Boomer retirements.

"3.4 million of the people who left the labor force — meaning they're not working or aren't actively looking for work — are over 55. Roughly 1.5 million of them were early retirements, and 1 million were normal retirements."<sup>3</sup>

GOLDMAN SACHS STUDY, NOVEMBER 2021

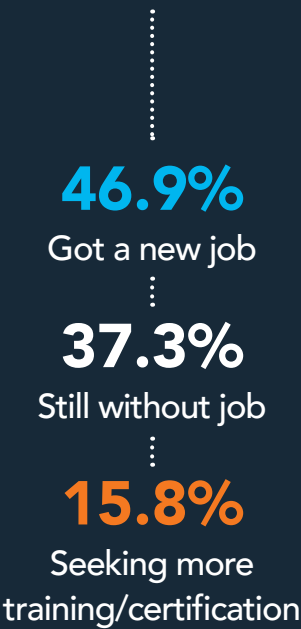
Population Growth

Overall population growth will undoubtedly have a significant impact on available workforce. Even with continued growth, the declining birth rates will have trouble keeping pace with workforce needs as workers exit the workplace. Birth rates are declining in Middle Tennessee but at a much slower rate than they are nationally, indicating that the growth Middle Tennessee is experiencing is keeping this issue at bay for the foreseeable future.

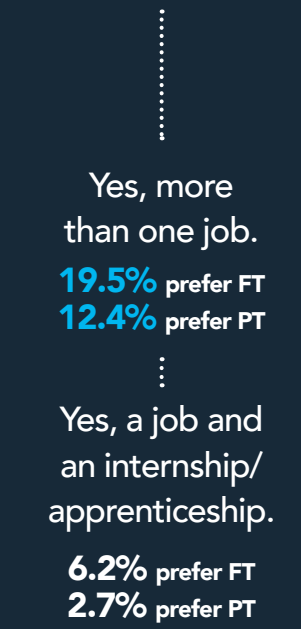
Changing Work Preferences Impact What Jobs Are Attractive

In addition to the structural challenges facing Middle Tennessee's labor force, COVID has also prompted changes in work preferences that are impacting the number of residents seeking work and what type of work or work environment interests them.

You indicated that you lost your job due to COVID-19, what describes your current employment status?



Do you hold more than one job? Would you prefer to be working full-time (FT) or part-time (PT)?



The Vital Signs survey revealed that among those residents whose employment was impacted by COVID, over 30% are still unemployed. However, of those that were impacted, it is interesting to see how those residents have responded, by either finding new employment or using this moment to seek additional training.

Restaurant and retail workers were among those likely to leave their industries during COVID. In the Nashville MSA, the retail industry is estimated to have lost 7,000 workers and hospitality is estimated to have lost 10,200 workers during COVID. The Clarksville MSA did not experience significant losses because the Clarksville MSA was not as heavily reliant on hospitality and retail as the Nashville MSA, and most of the jobs lost in the early stages of the pandemic during the most severe shutdowns were regained quickly a few months later.<sup>4</sup> The recovery for service and hospitality industries has been hampered by the challenges in hiring staff, which can be particularly problematic in Nashville-Davidson County, since it is a hub of travel and leisure. It remains unclear if workers who left service and hospitality during COVID will return in the future.

COVID also increased the number and types of jobs available in "gig work," creating more opportunities for individuals to combine multiple jobs to meet their needs, but also potentially keeping employees from traditional full-time work. The Vital Signs survey did point to the fact that a segment of respondents would prefer full-time work, but are left with working multiple jobs in this moment.

Post-COVID, many employees are seeking the opportunity to work entirely or partially remotely, which proves challenging for some employers and some occupations. The Vital Signs survey revealed that over 54% of respondents engaged in remote/teleworking since March of 2020 and of those, over 52% are still working remotely out of the office. This shift in employees' work environment expectations is a change that employers must consider when competing for the skilled workforce.

The lack of available workforce will, in the near term, push employers to think and act differently to secure and retain employees. Among other strategies, employers may seek candidates from new pools including younger workers, workers re-entering the workforce from the criminal justice system, immigrants, and employees with different abilities. Employers are also re-evaluating job requirements or credentials and considering more on-the-job training, versus requiring the training or credential upon hiring. Employers are also expanding and refining remote work policies to attract employees and broaden the available pool of workforce.

These strategies will be necessary now and in the future to address the labor force shortage. In the long term, however, much more work must be done to aid Middle Tennesseans in improving and expanding their skills, credentials and educational attainment to meet the needs of employers and secure jobs with wages and benefits that can sustain the employee and their family.

## Challenges to Workforce Development

While some Middle Tennesseans face barriers to finding a job, such as childcare or transportation needs, a significant portion of residents do not possess the skills needed to secure good paying jobs or they lack the skills needed to move to a better job in an evolving workforce.

The Vital Signs survey reveals that many Middle Tennessee workers understand they need additional skills training to succeed in the current and future work environment.

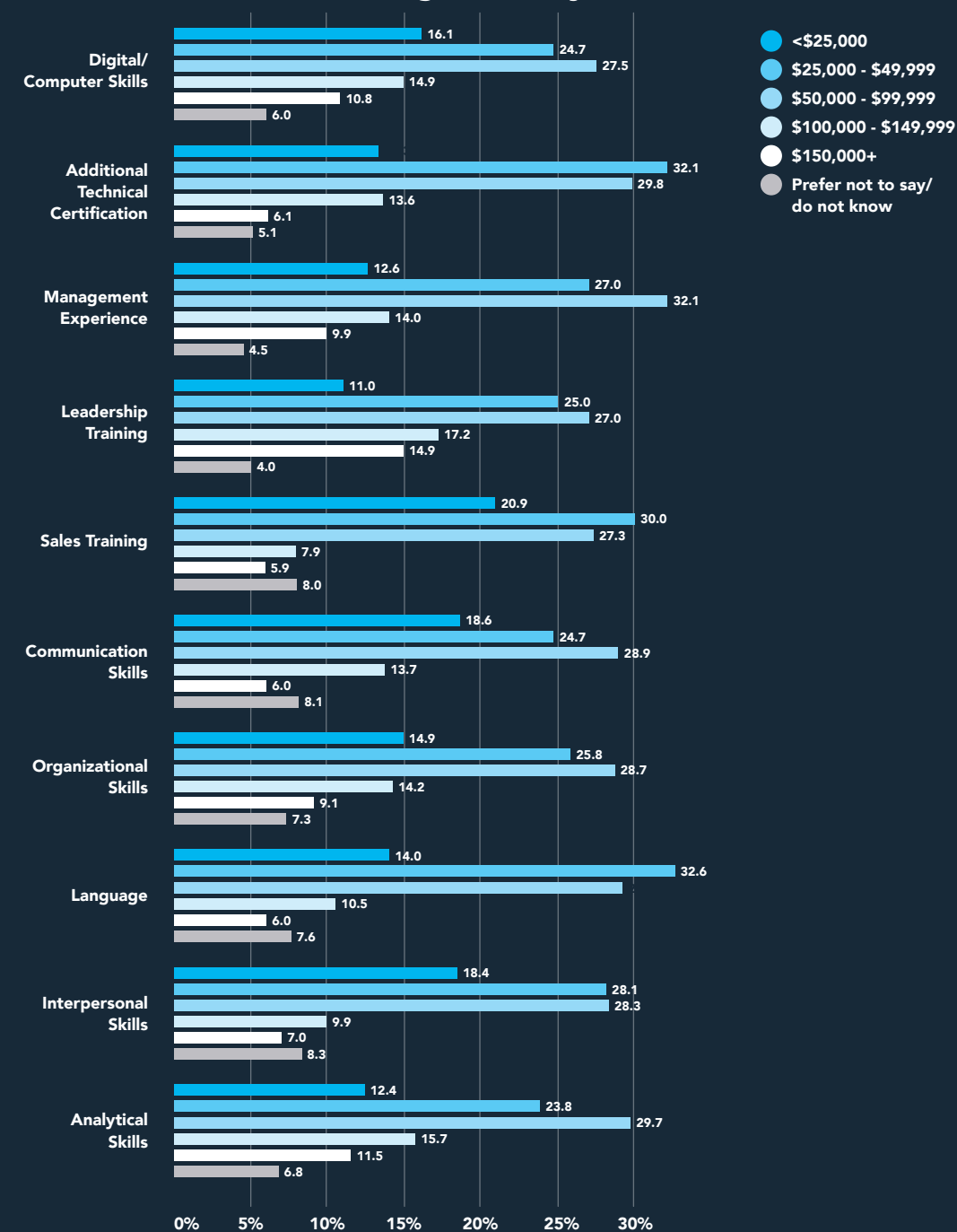
- 22% are currently enrolled in a training or education program
- 30% intend to pursue additional formal education within the next two years
- 37% intend to pursue on the job training within the next two years

## BENEFITS CLIFFS

are a barrier for individuals looking to make a higher wage and advance in their career. Benefits cliffs occur when even a small increase in wages moves an individual with a low-income into an income level that disqualifies him or her for a variety of public assistance programs, which could include food, housing, childcare, and health insurance. The loss in public assistance may be a larger financial loss than the gain in income, leading to a situation where the individual and their family are worse-off financially than they were before. This gap impedes the individual's opportunity for financial independence and career advancement.

## Do you feel you need more education or training in order to advance your career?

### MSA Education and Training Needs by Income



Source: 2021 Vital Signs Survey

These workers understand that the occupations in the Middle Tennessee economy are changing, and the skills needed to fill these occupations are also evolving. In the coming years, the Nashville MSA will continue to experience a shortage of skilled workers in healthcare, business operations, technology and finance while facing a surplus of lower skilled workers who will be most impacted by automation (see Occupation Gap graphics below). Aiding workers in securing additional certifications or post-secondary education is critical for Middle Tennessee’s labor force to meet the needs of the employers and for Middle Tennesseans to secure good paying jobs with a secure path forward in a changing employment landscape.

Traditionally, when the nation experiences a recession and the economy is struggling, enrollment in post-secondary options –

community colleges, four-year colleges, training programs – increases. During COVID, however, there seems to have been a bifurcation in enrollment in post-secondary options. Enrollment at most Middle Tennessee four-year colleges, such as Belmont University, Middle Tennessee State University, and Vanderbilt University, has increased since 2019 and throughout 2020. Meanwhile, enrollment at Nashville State Community College declined, experiencing a 16% decrease in enrollment from the fall semester of 2019 to the fall semester of 2021.<sup>5</sup>

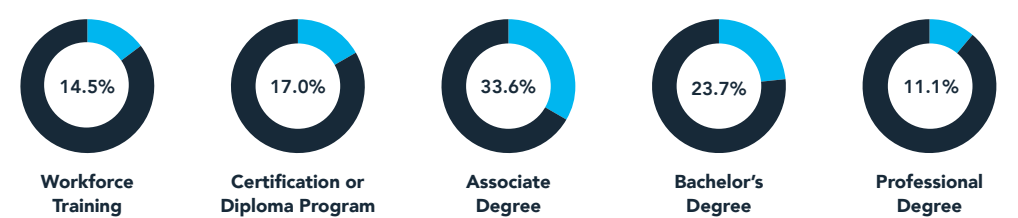
The decline in students enrolling in NSCC during COVID has troubling ramifications for the overall workforce in Middle Tennessee, especially when considering NSCC’s student body and the role NSCC plays in educating minority and lower-income students to thrive in the Middle Tennessee workforce. NSCC is the most

frequent destination for Metro Nashville Public Schools (MNPS) graduates; 20% of MNPS graduates who go to post-secondary attend NSCC.<sup>6</sup>

Anecdotally, it appears that the public health and financial challenges created by COVID made it difficult for students to enroll. Students and their families may have lost jobs, making school unaffordable.

Students may have lost childcare for their children or may have been asked to provide childcare for younger siblings. Students may have taken on new jobs, including gig work, to aid their families during the financially challenging time. Regardless of the reason, losing part of the educational cohort for a year or more is a challenge for those students and for Middle Tennessee’s labor force overall.

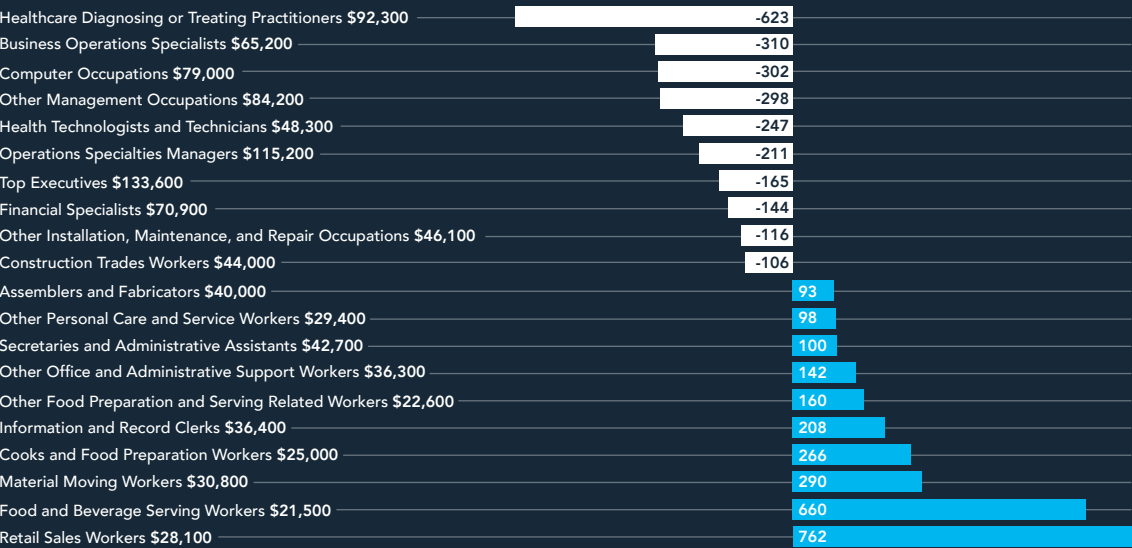
You indicated you are currently in ..... training, what type?



Source: 2021 Vital Signs Survey

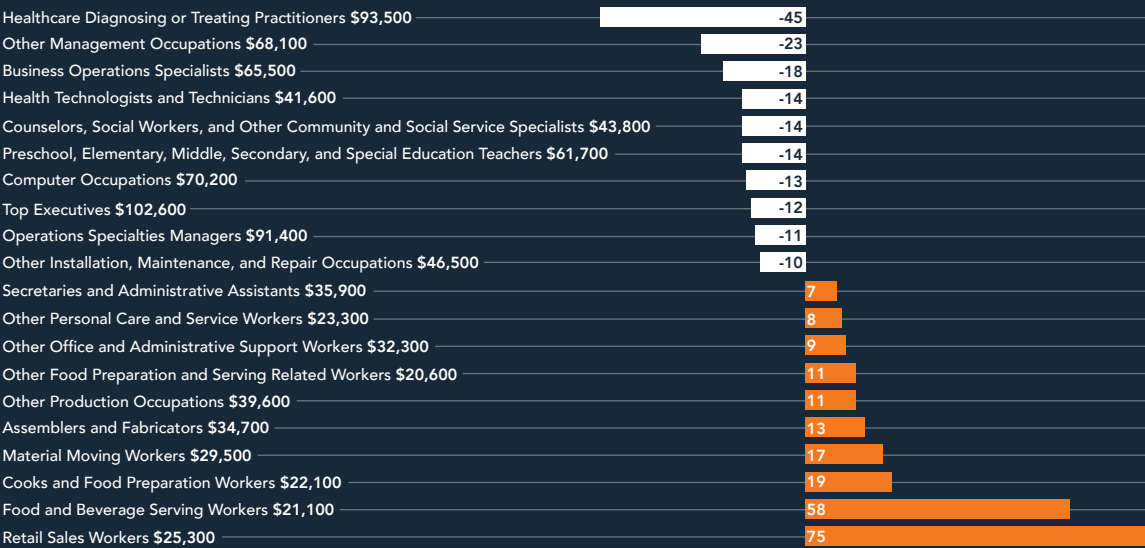
Occupation Gaps - Nashville MSA

This graphic shows the potential average annual occupation gaps and surpluses in the Nashville MSA and the average salary for each occupation. Over time, there will be too many workers qualified for some jobs and not enough qualified workers to fill other occupations.



Occupation Gaps - Clarksville MSA

This graphic shows the potential average annual occupation gaps and surpluses in the Clarksville MSA and the average salary for each occupation. Over time, there will be too many workers qualified for some jobs and not enough qualified workers to fill other occupations.



Source: JobsEQ®



## What's Next?

### Supporting Middle Tennesseans through Skills Development

Effective talent development requires a multi-faceted approach beginning with preK-12, creating a pipeline from education to career. The Nashville Area Chamber of Commerce collaborates with many regional nonprofits, education providers, workforce development boards, employers, and other partners to assist Middle Tennesseans in navigating the training and education they need to thrive in today's economy. Supports include adult education, upskilling and reskilling the current workforce, and facilitating connections to industry-recognized credentials and degrees.

Several significant investments in Middle Tennessee have helped accelerate efforts to prepare our homegrown population to meet immediate and long-term needs of employers. This includes a \$7M, 5-year investment from JPMorgan Chase to fund **New Skills Ready**, creating high-quality and distinct pathways from high school to postsecondary to career while closing equity gaps for underrepresented students. Additionally, **Nashville Reconnect** (part of Tennessee Reconnect) is an initiative to help adults return to higher education to gain new skills, advance in the workplace, and fulfill lifelong dreams of completing a degree or credential. Nashville Reconnect currently serves 1,500 adults in the Nashville Promise Zone and adjacent zip codes. Finally, the **Nashville Talent Hub**, designated by the Lumina Foundation in 2017, brings together community-based organizations, churches, employers, and government agencies to increase

college enrollment, persistence, and success. Businesses are key partners in strengthening our long-term talent pipeline and addressing skills gaps. For businesses, engaging with preK-12 and postsecondary education providers is part of their long-term talent pipeline strategy – a business and economic imperative for our region.

### Supporting Middle Tennessee Workforce Needs

A number of local nonprofit organizations have created programming specifically to expand the labor force, to draw more Middle Tennesseans into the labor force and to aid Middle Tennesseans to progress along their career paths.

#### PROJECT RETURN [projectreturninc.org](http://projectreturninc.org)

Founded in 1979, Project Return is an expansive, employment-focused agency with support services that assist hundreds of men and women leaving prison and returning to the community. Through PRO Employment, Project Return's first social enterprise, the organization hires individuals coming out of incarceration to provide them with real-world work experience and income prior to transitioning as successful employees of Middle Tennessee companies. With nearly 1,500 job placements to date, Project Return helps bridge the gap between incarceration and regular employment, providing a second chance for hundreds of men and women while addressing a critical workforce need for employers in the region.



#### URBAN LEAGUE OF MIDDLE TENNESSEE [ulmt.org](http://ulmt.org)

The Urban League of Middle Tennessee is a historic civil rights organization founded in 1968 with a focus on economic empowerment, equality, and social justice. Among its programs to elevate standards of living for historically underserved groups, the Urban League's TechConnect Job Program is an accelerated technology training program exclusively designed for unemployed adults. The customizable virtual program provides job readiness and resilience workshops. Candidates choose from three educational tracks: technician, cybersecurity, or developer. The program helps bridge the digital divide, providing participants with training and educational opportunities that lead to industry-recognized credentials and rapid employment in the IT sector.

#### UPRISE NASHVILLE [uprisenashville.org](http://uprisenashville.org)

UpRise Nashville was created in 2017 to alleviate poverty through education and the power of relationships. A career development program for unemployed and underemployed individuals, UpRise provides participants, called Leaders, a six-week training program focused on soft skills, computer literacy, effective communication, life skills, and overcoming barriers. Leaders have an opportunity for coaching and career assessment and a choice of participating in a funded certification program such as Certified Medical Assistant, Informational Technology, Medical Billing and Coding, Commercial Driver's License, and Electrical Apprenticeships. Once they have completed a certification, Leaders receive support finding a job earning at least \$14 per hour with upward mobility.





# Childcare

Lack of high quality, affordable, accessible childcare keeps Middle Tennessee workers out of the labor force or struggling to keep their job and care for their family, yet very few employers offer childcare benefits. Meanwhile, the childcare industry faced significant challenges before COVID and with COVID closures, reduced hours and class sizes, more families have been left without childcare. Improvements must be made in establishing high standards for childcare, rebuilding the pool of high-quality teachers, and creating more childcare slots while making them affordable.



2021 VITAL SIGNS SURVEY

**2.7%**

of respondents who are currently working have access to childcare benefits provided by their employer.



THE AVAILABILITY OF HIGH QUALITY, affordable, accessible childcare has a direct impact on the Middle Tennessee economy, allowing more parents to join the workforce. With more than 146,000 households with children under the age of 5 in the region, childcare is a must for the viability of region's working parents and the workforce overall.<sup>7</sup>

The 2021 Vital Signs Middle Tennessee Resident survey (Vital Signs survey) found that finding childcare when children are sick and finding affordable/quality childcare were the second and third most commonly cited challenges among residents seeking a job, only behind possessing an affordable and reliable vehicle. Yet the Vital Signs survey also found that only 2.7% of respondents currently working noted that their employers offered childcare benefits.

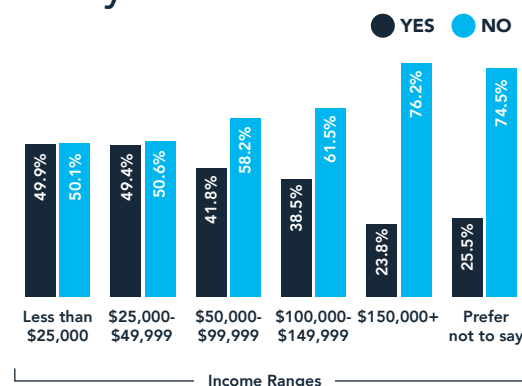
As COVID forced childcare centers to close temporarily or permanently, or reduce class size or hours of operation, many parents left the workforce to care for their children. Throughout 2020 approximately 1,100 of the 2,300 licensed childcare centers closed across the state of Tennessee.<sup>8</sup>

Even pre-COVID, the childcare industry struggled with a nearly unworkable business model. Childcare facilities face many operational challenges including regulations such as square footage requirements, child to staff ratios, zoning restrictions, disaster preparedness plans, fire safety codes, CPR certifications, nutritional guidelines, rules about parking and outdoor space, liability insurance, and the like.<sup>9</sup> Add to the challenges the

cost of staffing, with upward of 60%<sup>10</sup> of all childcare center costs going to wages and benefits. It is no surprise that childcare facilities encountered difficulties throughout the pandemic.

According to Tennesseans for Quality Early Education (TQEE), 98% of Tennessee parents of children aged five or younger say inadequate childcare services have hurt their work productivity and/or limited career opportunities. The Vital Signs survey found a similar experience in Middle Tennessee. In the Vital Signs survey, respondents with children under 18 in the household were asked if childcare issues impacted the parent's ability to work; 41% of respondents indicated that childcare did impact parent's ability to work (note that that figure is lower than the TQEE figure, because TQEE was surveying *only* parents with children aged five or younger, while the Vital Signs survey reflected parents with children 18 and younger).

## Does childcare impact your ability to work?



Source: 2021 Vital Signs Survey

Studies have also shown that issues around childcare institution closures have had a disproportionate impact on women in the workforce. A study by the Federal Reserve Bank of Atlanta revealed that women with children under age 6, who made up 10% of the pre-pandemic workforce, account for almost a quarter of the unanticipated labor force loss related to COVID-19; these women have left the labor force and it is unclear if and when they will return and look for work.<sup>11</sup>

According to the Vital Signs survey, over 27% of respondents indicated that they do not have reliable childcare when they need it, with affordability being the most difficult barrier.

The link between reliable and affordable childcare and an available and educated workforce is clear. Public and private stakeholders must work together on innovative solutions to support parent's ability to participate and thrive in Middle Tennessee's workforce.

## Do you have reliable childcare when you need it? If no, why not?

### My local childcare center does not have enough slots available for my child/children



### I can't afford the cost of childcare



### I don't know where to find childcare



### My local childcare center closed



Source: 2021 Vital Signs Survey





## What's Next?

### TENNESSEANS FOR QUALITY EARLY EDUCATION [tqee.org](http://tqee.org)

TQEE recommends a full examination and restructuring of Tennessee's childcare system to provide more high quality, affordable and accessible options for Tennessee's working families.

#### Considerations include:

- Establishing high standards for quality teaching and learning, with a focus on learning outcomes;
- Improving strategies for training/education, recruitment, retention and professional development of high quality teachers;
- Adjusting state reimbursement rates so they adequately cover the costs of quality;
- Ensuring there are enough quality, affordable childcare slots in all regions; and
- Maximizing state and federal childcare funding streams so more low-income working families can send their children to high quality childcare.

#### View the TQEE Childcare Study here:

2019 Child Care Study - Tennesseans for Quality  
Early Education  
([tqee.org/child-care-study/](http://tqee.org/child-care-study/))







# Housing

COVID and the slowdown of Middle Tennessee's economy placed many households in jeopardy of losing their housing, even as the region's housing market grew hotter and more expensive. The 2021 Vital Signs survey found that 42% of respondents were "housing cost burdened," spending over 30% of their income on housing. More housing supply is clearly needed and, in the future, communities that understand the need for different housing types in proximity to work and transit will attract residents and the economic development that follows. Interesting work is occurring in Middle Tennessee on preserving existing affordable housing and creating new affordability through mixed income neighborhoods.



## VITAL SIGNS 2021 SURVEY

Do you spend more than 30% of your household's take home pay on your rent or mortgage?

**YES** 41.9%

**NO** 58.1%



PROVIDING HOUSING THAT MEETS THE NEEDS of Middle Tennessee's diverse workforce has been a challenge for many years. In 2019, the Vital Signs Middle Tennessee Resident survey found 39% of respondents were "housing cost burdened," meaning that they spent more than 30% of their income on housing. That figure was 37% in the 2020 Vital Signs survey and jumped to 42% in the 2021 Vital Signs survey. The percentage of housing cost burdened households is even higher for minority households and households with lower incomes. Households often must cut back on other expenses to pay rent or mortgage. Of those that are considered housing cost burdened in the 2021 Vital Signs survey, nearly 43% find it necessary to cut back on household food costs to help ease the burden.

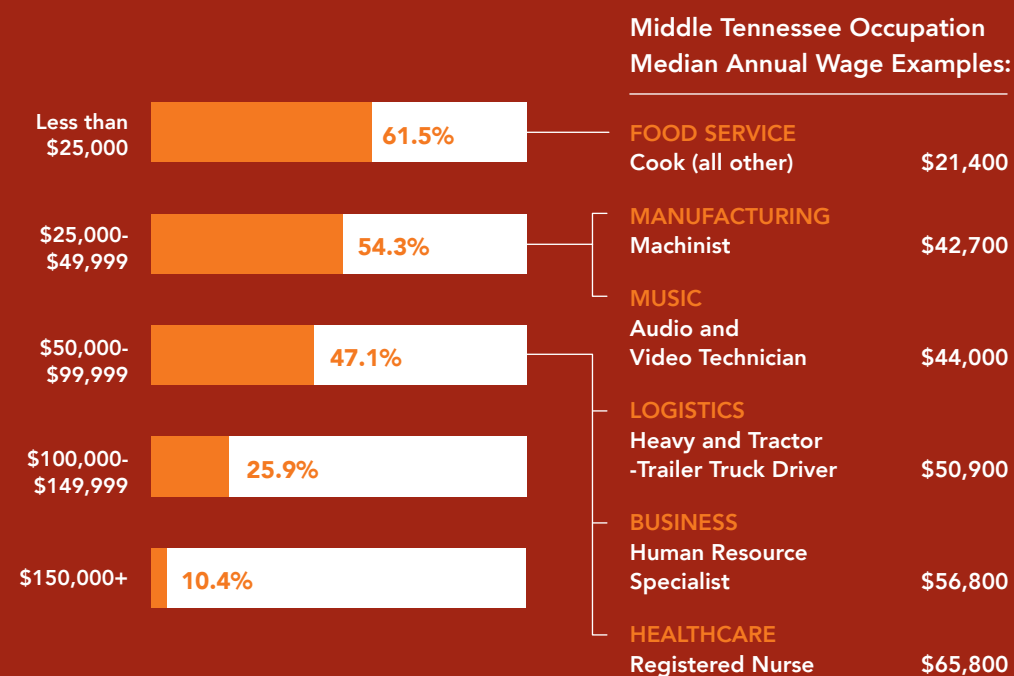
At the onset of COVID and the resulting recession, policymakers feared a tsunami of evictions and foreclosures as unemployment climbed. Mass evictions and foreclosures were largely delayed due to federal funds to aid renters and mortgage holders. The 2021 Vital Signs survey found that 10.8% of respondents had been forced to move by their landlord or legally evicted during COVID. For context, data from the Princeton Eviction Lab,<sup>12</sup> which includes eviction data per county from 2000 to 2016, finds that in Montgomery County, the eviction rate has never risen above 5% since 2000. In Nashville-Davidson County, the eviction rate rose above 5% (but never above 6%) from 2003 to 2006 and again in 2012.

If the threat of a wave of evictions and foreclosures was anticipated, the fact that Middle Tennessee's housing prices would continue to surge during the pandemic was more surprising. Throughout 2021, home prices have far outpaced those of 2020.

Through the federally funded COVID-19 Rent Relief Act, Tennessee received about \$458 million in federal funding to support renters who are or have struggled to pay rent, utilities, or other home energy costs due to pandemic-related loss of income. The Tennessee Housing Development Agency (THDA) administered \$383 million covering counties with less than 200,000 residents, which opened the application portal on March 1, 2021. Davidson, Knox, Rutherford, Shelby counties and Memphis will split and administer the remaining \$75 million.<sup>13</sup>

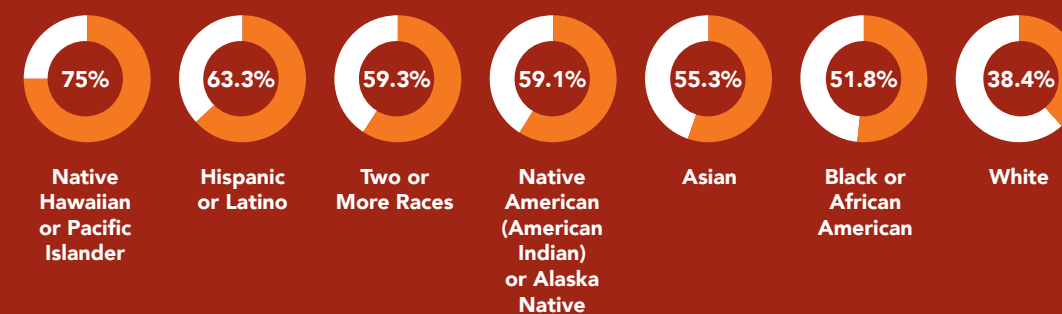
## Do you spend more than 1/3 (30%) of your household's take home pay on your rent or mortgage?

### MSA Housing Cost Burdened by Income ● YES ● NO



Source: Bureau of Labor Statistics, Occupation Employment Statistics program (OES) 2020

### MSA Housing Cost Burdened by Race/Ethnicity ● YES ● NO



Source: 2021 Vital Signs Survey



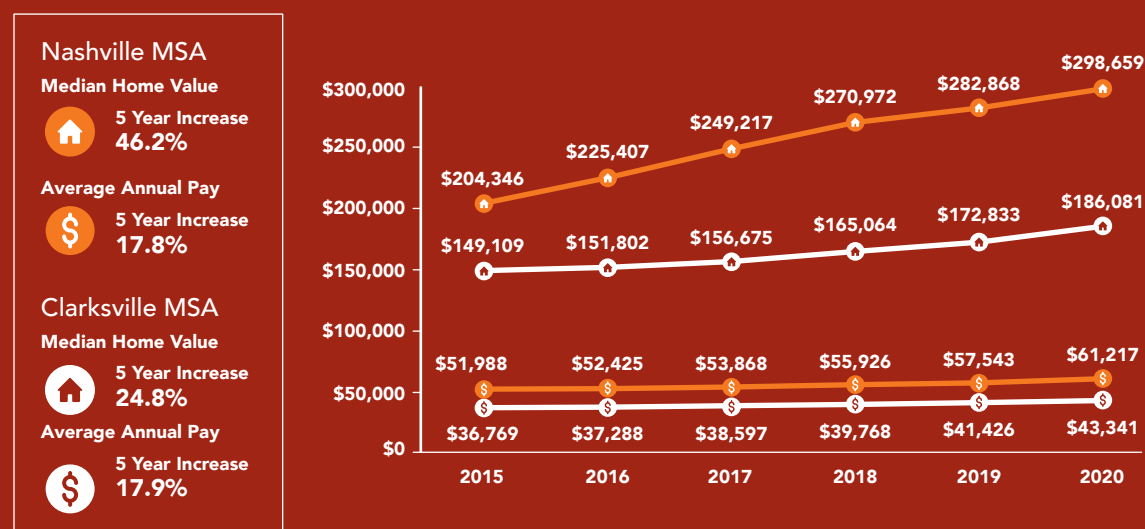
In November 2021, the Greater Nashville REALTORS® reported that the median price for a residential single-family home was \$425,000, and \$298,050 for a condominium. This compares with November 2020's median residential and condominium prices of \$350,000 and \$244,900, which equates to 21.4% and 21.7% increases, respectively.<sup>14</sup> Renters across the region have experienced similar impacts with median rent prices increasing during the same period. U.S. Department of Housing and Urban Development reported that the 2021 average median rent price for 1-3 bedroom apartments was \$1,192, and \$1,255, which equates to a 5% increase.

As in past years, increasing housing costs are outpacing median household income.

The result of COVID appears to be a one-two punch for many Middle Tennesseans – a struggle to retain their housing during the pandemic even as the market around them grew less affordable. The findings of the Vital Signs survey reflect this: among renters responding to the survey, 44.2% are fearful about their ability to pay rent in the next six months. Meanwhile, 21.6% of mortgage holders are concerned about their ability to make mortgage payments in the next six months.

When pressed on this concern, 61.1% of renters said their fear was COVID-related, meaning that nearly 40% of renters fearful of missing a rent payment are struggling with lack of affordability for other reasons. Among mortgage holders, 73.9% said their fear of missing a mortgage payment was related to COVID.

## Average Household Income Increase Paired with Median Home Value Increase



Sources: 1. Zillow Research, Zillow Home Value Index, 2015-2020 Annual Averages  
 2. Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Average Annual Pay (2015-2020)

The Middle Tennessee region is expected to add

**148,000+**  
PEOPLE<sup>15</sup>  
and

**88,000**  
NEW JOBS<sup>16</sup>  
in the next 5 years.

Finally, when respondents were asked if they anticipate moving within the next 12 months, 29.8% of respondents said "yes." When asked why, 1.6% of respondents said they were facing foreclosure, 4.8% said they were facing eviction, but the most common, named response was that the "cost of my housing is becoming unaffordable;" 14.5% of respondents chose this answer.

Unless the supply of housing in Middle Tennessee is significantly increased, the issue of housing costs outpacing median household income could be exacerbated by Middle Tennessee's future growth. The Middle Tennessee region is expected to add over 148,000<sup>15</sup> people and 88,000<sup>16</sup> new jobs in the next five-year period. With the combined current and future influx of Middle Tennessee residents there will be heavy pressure on construction delivery, which has been impacted by national supply chain challenges, labor shortages and unrelenting demand. Meanwhile, new residents, especially those entering the market with higher incomes, exert "downward pressure" on the housing market. Because there is an overall lack of housing supply, then housing that could be affordable to households with lower incomes is rented or purchased by those with more means, unless the housing is legally income restricted.

As noted above, increased housing costs throughout the Middle Tennessee region has a direct impact on the workforce needs of the region. If the trajectory of home costs continues to rise at the same clip, employers will experience workforce challenges with employees unable to afford housing in proximity to employment.

Clearly more housing supply is needed. Cities and counties that want to stay competitive in attracting and retaining workforce will need to consider their current housing stock and what is needed in the future and favor building housing in proximity to transit and jobs. The Greater Nashville Regional Council continued its work in 2021 to create an inventory of what housing exists in Middle Tennessee, what housing is needed in the future, and what tools can incentivize the creation of more housing supply.



While there are no silver bullets, two important strategies are the preservation of existing affordable housing and the creation of mixed-income neighborhoods.

Metro Nashville Davidson County is creating a “Catalyst Fund” that would pair public sector funding (\$20 million has been allocated to date) with private sector funding to create a pool of resources that could be quickly utilized to invest in properties that have been affordable but whose subsidies are expiring, placing the affordable housing at risk if it enters the market at market-rate prices. Creating a new tool to preserve existing affordable housing, which is lost every day when its affordability requirements expire, is critical to maintaining a stock of affordable housing.

Another potential solution is the intentional creation of mixed income neighborhoods in proximity to transit and jobs, which would house more diverse workers within reasonable commutes of Middle Tennessee’s job centers. Metro Nashville is currently creating a mixed income neighborhood at the Cayce Place development in East Nashville, which now includes five mixed

income developments, a combination of market rate housing and housing available specifically to households that make less than the median income of the area.

This model has already been successful in the Rolling Mill Hill development in southeast downtown Nashville, which includes Nance Place and Ryman Lofts – both affordable housing – amongst subsequently-developed market rate housing. Laurel House Lofts in the Gulch is another example. It was the first residential development in the Gulch in the early 2000s. With the use of tax credits, it created 200 units available to households making 60% or less of the Area Median Income (AMI). Since Laurel House Lofts were built in the Gulch and since Nance Place and Ryman Lofts were built in Rolling Mill Hill, hundreds of market rate units have been successfully added to these neighborhoods, proving that mixed income housing can work. The value of these developments is that, with a mixture of price points, they permit employees to live in proximity to work, as well as to educational opportunities and other amenities.



## What’s Next?

### **Metro Nashville Affordable Housing Task Force Report**

In January 2021, Nashville-Davidson County Mayor John Cooper appointed a task force of Nashville housing leaders and advocates to study and find solutions to Nashville’s urgent need for workforce and low-income housing. This group was comprised of affordable housing developers, Metro government officials, financing specialists, affordable housing advocates, the Tennessee Housing and Development Agency, and the Greater Nashville Regional Council.

Their report laid the foundation of Nashville’s housing challenges around two main metrics. First, there is a deficit of affordable rental options from 0% to 80% area median income (AMI), and second, the cost of paying too much for housing is putting extreme burden on households. Among the report’s numerous proposed recommendations, there has been early action and investment in the following:

### ***Strengthen the Barnes Fund***

In the approved FY22 Operating Budget, Metro put \$12.5 million to the Barnes Fund.

### ***Seed a catalyst fund for investment***

Metro Council appropriated \$20 million in American Rescue Plan Act funds for a Catalyst Fund to allow affordable housing developers to compete against market rate developers in speed and offer structure to preserve affordable housing.

### ***Invest in Envision and Improve Impact of Vouchers***

Through the Capital Spending Plan, \$5 million was put towards financing affordable housing developments.

### ***Investment in a Department and data***

There is currently support from Metro Council members to create an Office of Housing and Homelessness within Metro.

### **Find the report at:**

Affordable-Housing-Task-Force  
Report-2021.pdf  
(nashville.gov)





# Transportation & Infrastructure

Middle Tennessee transportation systems and infrastructure continue to be strained by growth across the region, even during the pandemic. Continued regional growth means that significant investment must be made in the maintenance of existing infrastructure as well as needed expansion projects. Signaling the importance of investing in regional transportation infrastructure, the 2021 Vital Signs survey found that nearly 70% of respondents said problems with transportation in the region are a moderate or significant threat to our local economy. Without a dedicated funding source for regional transportation projects, it will become increasingly difficult for transportation infrastructure improvements to keep pace with growth throughout the Middle Tennessee region.

2021 VITAL SIGNS SURVEY

**70%**  
of respondents  
said problems with  
transportation  
in the region are  
a moderate or  
significant threat to  
our local economy.







THE PANDEMIC IMPACTED TRAVEL BEHAVIORS across the region in 2020 and 2021, yet the fundamental challenges facing Middle Tennessee’s transportation system remain. Since June of 2021, Middle Tennessee has seen traffic and congestion return, even if travel patterns have altered slightly. According to technical assessment of the region’s transportation system and the opinions of residents, the region must continue to invest in its transportation system in ways that promote safety, equity, and resiliency.

Meanwhile, the Middle Tennessee region continued to grow throughout the pandemic, increasing the strain on the region’s infrastructure beyond the transportation system. Ongoing growth means that the region must invest in maintenance for existing infrastructure while simultaneously adding new infrastructure whether that be roads, schools, water and sewer or any infrastructure.

### COVID’s Impact on Transportation Systems

Not only did COVID create a shift in destinations, vehicle travel also spread throughout the day as people made more trips outside of the typical morning and evening commutes. Even as employees return to workplaces and trips have increased, the trend of seeing trips at different times of day has continued. Despite this, the Middle Tennessee region is returning to pre-COVID levels of commuter congestion.

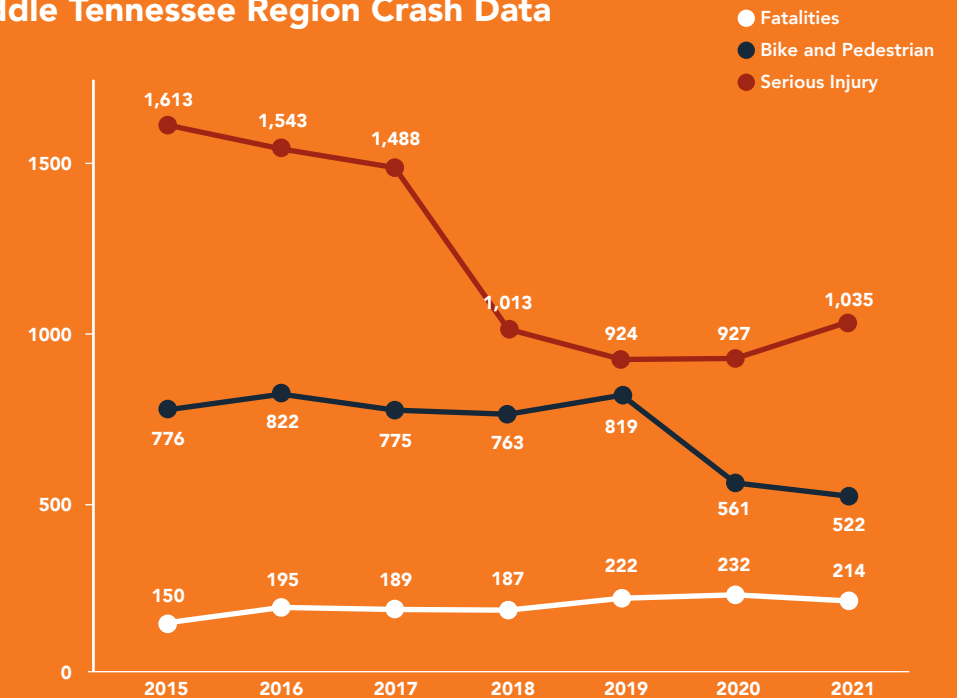
A more troubling travel trend emerged during COVID. Throughout the “Stay at Home” orders, when fewer people were traveling Middle Tennessee roadways, the speed of those on the road increased 5.5% on area Interstates. The increase in speed has not declined as more people are driving again. And, compared to pre-COVID timeframes, while crashes across the region have decreased, the severity of injuries in motorized and non-motorized crashes has increased.

### Funding for the Region’s Transportation System

Middle Tennessee is poised to benefit from federal funding related to COVID and to the passage of the new Infrastructure Investment and Jobs Act (IIJA), also known as the “Bipartisan Infrastructure Law.” With these funding sources, the region is positioned to accelerate the delivery of some long-awaited, necessary projects. It is important to note, however, that most of the federal dollars available for infrastructure investment are one-time funding – state and local funding will be needed for continued maintenance and operations.

Furthermore, without increasing the availability of local funding, the region will not be as competitive for new grant programs requiring matching funds. And if transportation funding must compete in city budgets against funding for public safety and schools, there will never be enough resources to make transformational investments in transportation or transit.

## Middle Tennessee Region Crash Data



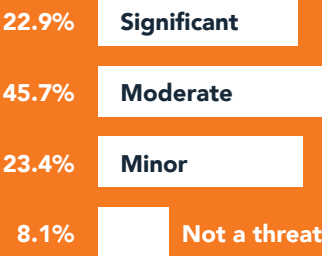
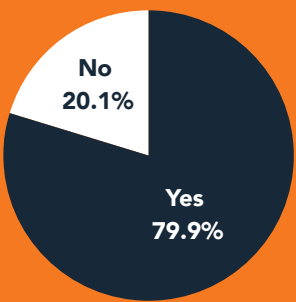
Source: Greater Nashville Regional Council, 2021

In the 2021 Vital Signs Middle Tennessee Resident survey (Vital Signs survey), nearly 70% of respondents said problems with transportation in the region are a moderate to significant threat to our local economy and nearly 70% thought it was very or extremely important for public officials to offer a plan to fund transportation improvements. In February 2021, the Mayors and transportation officials who are members of the Nashville Area Metropolitan Planning Organization (Nashville Area MPO) adopted an update to the Regional Transportation Plan (RTP). The update allocates more than \$10.5 billion in anticipated federal grants and matching funds to Middle Tennessee transportation

projects between 2021 and 2045. Public comments were gathered during the development of the RTP, and Middle Tennessee residents confirmed the need for dedicated funding for transformational projects, transit solutions and a desire for an increase in multimodal investment.

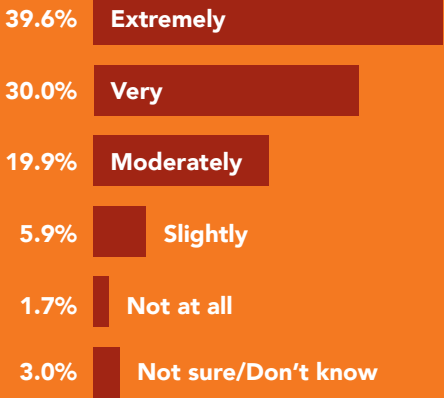
While funding raised through the IMPROVE Act’s increase in gas tax rates has provided revenue for transportation projects, the projected funding is not keeping pace with the number of projects that need to be funded. Recall that IMPROVE Act funds cannot be spent on transit projects; the funds are intended only for non-transit projects.

Regarding public transit, do you support building dedicated lanes for transit vehicles so they do not have to sit in traffic congestion? This could include buses, streetcars, or trains.



To what extent are problems with transportation a threat to the continued success of our local economy?

How important do you think it is for public officials to offer a plan to fund transportation improvements?



Source: 2021 Vital Signs Survey

Peer Region Transportation Funding Comparison

Peer Region	Agency Name	Planning Area	Service Population	Funding (Billions)	Annual Average Funding / Capita	Compared to Nashville (2045 Plan)
DENVER	Denver Regional Council of Governments	8 Counties	3,139,500	\$106.00	\$1,607.78	547%
ATLANTA	Atlanta Regional Commission	20 Counties	5,591,600	\$107.00	\$911.23	267%
AUSTIN	Capital Area Metropolitan Planning Organization	6 Counties	1,759,024	\$35.11	\$798.28	221%
KANSAS CITY	Mid-America Regional Council	9 Counties	1,895,595	\$33.00	\$696.35	180%
COLUMBUS	Mid-Ohio Regional Planning Commission	5 Counties	1,450,000	\$19.60	\$563.22	127%
JACKSONVILLE	North Florida Transportation Planning Organization	6 Counties	1,419,332	\$20.70	\$560.91	126%
PITTSBURGH	Southwestern Pennsylvania Commission	10 Counties	2,600,000	\$31.71	\$468.93	89%
OKLAHOMA CITY	Association of Central Oklahoma Governments	6 Counties	1,142,407	\$10.42	\$380.17	53%
INDIANAPOLIS	Indianapolis MPO	9 Counties	1,970,000	\$20.44	\$370.65	49%
LOUISVILLE	Kentuckiana Regional Planning and Development Agency	6 Counties	1,069,677	\$7.10	\$331.88	33%
CINCINNATI	OKI Regional Council of Governments	8 Counties	1,999,474	\$15.67	\$326.59	31%
ORLANDO	MetroPlan Orlando	3 Counties	2,065,321	\$15.07	\$304.06	22%
MEMPHIS	Memphis MPO	4 Counties	1,382,091	\$12.11	\$282.63	14%
BIRMINGHAM	Regional Planning Commission of Greater Birmingham	6 Counties	1,121,223	\$8.20	\$281.29	13%
CHARLOTTE	Charlotte Regional Transportation Planning Organization	3 Counties	1,394,800	\$8.50	\$225.71	-9%
NASHVILLE (2040 PLAN)	Greater Nashville Regional Council (GNRC)	7 Counties	1,686,745	\$8.80	\$217.39	-13%
NASHVILLE (2045 PLAN)	Greater Nashville Regional Council (GNRC)	7 Counties	1,748,141	\$10.43	\$248.60	0%

Source: Greater Nashville Regional Council, 2021

After a review of the transportation plans of 15 regions that are peers or competitors with Middle Tennessee, GNRC found that all of the other regions put more funding per capita to transportation than the Nashville area did, and half the peer regions put more than two times the Nashville area's funding to transportation. These other regions are able to make this level of investment because most other regions throughout the country have significant levels of funding dedicated to transportation from local, regional, or state revenue. The lack of dedicated funding for transportation needs sets the Middle Tennessee region apart from and behind peer regions across the country.

The lack of dedicated funding for transit severely limits the region's ability to receive state and federal funding, which often requires a local match. Impacts of the Infrastructure Investment and Jobs

Act could be transformational for transit and mobility needs across the country, and those cities and regions that benefit most will be at the ready with project funds available from a dedicated source.

### COVID Related Relief Funding

Due to COVID, the region has already/ or is expected to receive an influx of funding to support investments in Middle Tennessee's transportation system. Most of this funding requires no local match, which is not typical of Federal programs. Most Federal grant programs require a local contribution of 10-20% of the grant amount. While this is a significant opportunity for the region, this one-time funding must meet eligibility requirements, be expended in a short timeframe, and will require ongoing funding for operations and maintenance.

## CARES ACT

**Coronavirus Aid,  
Relief and Economic  
Security Act**

### SUPPORT FOR PUBLIC TRANSIT

- FTA is allocating \$25 billion to recipients of urbanized area and rural area formula funds
- Funding will be provided at a 100% federal share, with no local match required
- Available to support capital, operating, and other expenses generally eligible under those programs to prevent, prepare for, and respond to COVID-19

### FUNDING TO REGION

- Nashville UZA - \$75.7 million
- Murfreesboro UZA - \$6.5 million

## HIP-CRRSAA

**Highway Infrastructure  
Program Coronavirus  
Response and  
Relief Supplemental  
Appropriations Act, 2021**

Provides funding to address COVID-19 impacts related to Highway Infrastructure Program.

- National Total – \$9.8 billion
- Tennessee Total - \$210 million
- Large TN Metro Allocation - \$22.4 million
- Nashville MSA Allocation - \$7.9 Million

## Which of the following transportation strategies do you think Middle Tennessee leaders should prioritize?

(Respondents selected their top 3 choices)



Source: 2021 Vital Signs Survey

## IIJA

**Infrastructure  
Investment and  
Jobs Act**

The IIJA is the largest long-term investment in infrastructure and the economy in the nation's history. It provides a partial continuation of funding programs from the FAST Act and funding over fiscal years 2022 through 2026 in new Federal investment in infrastructure, including in roads, bridges, and mass transit, water infrastructure, resilience, and broadband.

- Provides \$1.2 trillion over the next 5 years, including \$567.5 billion dedicated for transportation
- Of the transportation funding, \$293.5 billion is a continuation of the FAST Act and \$274 billion is newly available funding
- Promotes investments in safety, equity, and resiliency
- New formula-based programs and discretionary grants



## Infrastructure

In addition to the impacts of the pandemic and the continuing increase in population, over the last year natural disasters have put a spotlight on the critical investments needed in infrastructure across cities and counties in Middle Tennessee.

To identify and track infrastructure needs throughout the state, the State of Tennessee compiles an annual inventory of public infrastructure needs, called the Public Infrastructure Needs Inventory or PINI. The PINI describes the extent and type of capital investment needed in each county across a breadth of infrastructure categories: transportation and utilities (including broadband), public buildings, water and wastewater infrastructure, law enforcement and public health related facilities and vehicles, fire protection, housing, industrial development, education related facilities and systems, and recreation or community facilities.

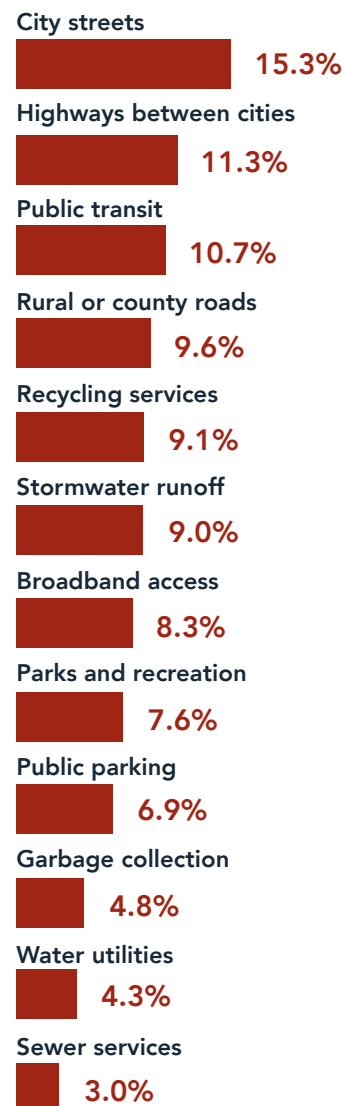
### American Rescue Plan

The Middle Tennessee region has the opportunity to use once in a generation federal funding designated through the American Rescue plan to invest in community infrastructure needs. Signed into law on March 11, 2021, The American Rescue Plan Act of 2021 ("ARP") provides \$350 billion in funding for state and local governments, including \$195.3 billion divided equally among States, \$65.1 billion for Counties, and \$65.1 billion is divided between municipalities.

To serve community infrastructure needs, these funds can be used for investment in improving access to clean drinking water and invest in wastewater and stormwater infrastructure, or making necessary investments in accessible broadband infrastructure.

Resulting from this funding, the State of Tennessee will receive \$3.91 billion, with an additional \$2.28 billion going to local governments - \$1.326 billion to Counties, \$516 million to Metro Cities, and \$438 million to Non-Metro Cities.

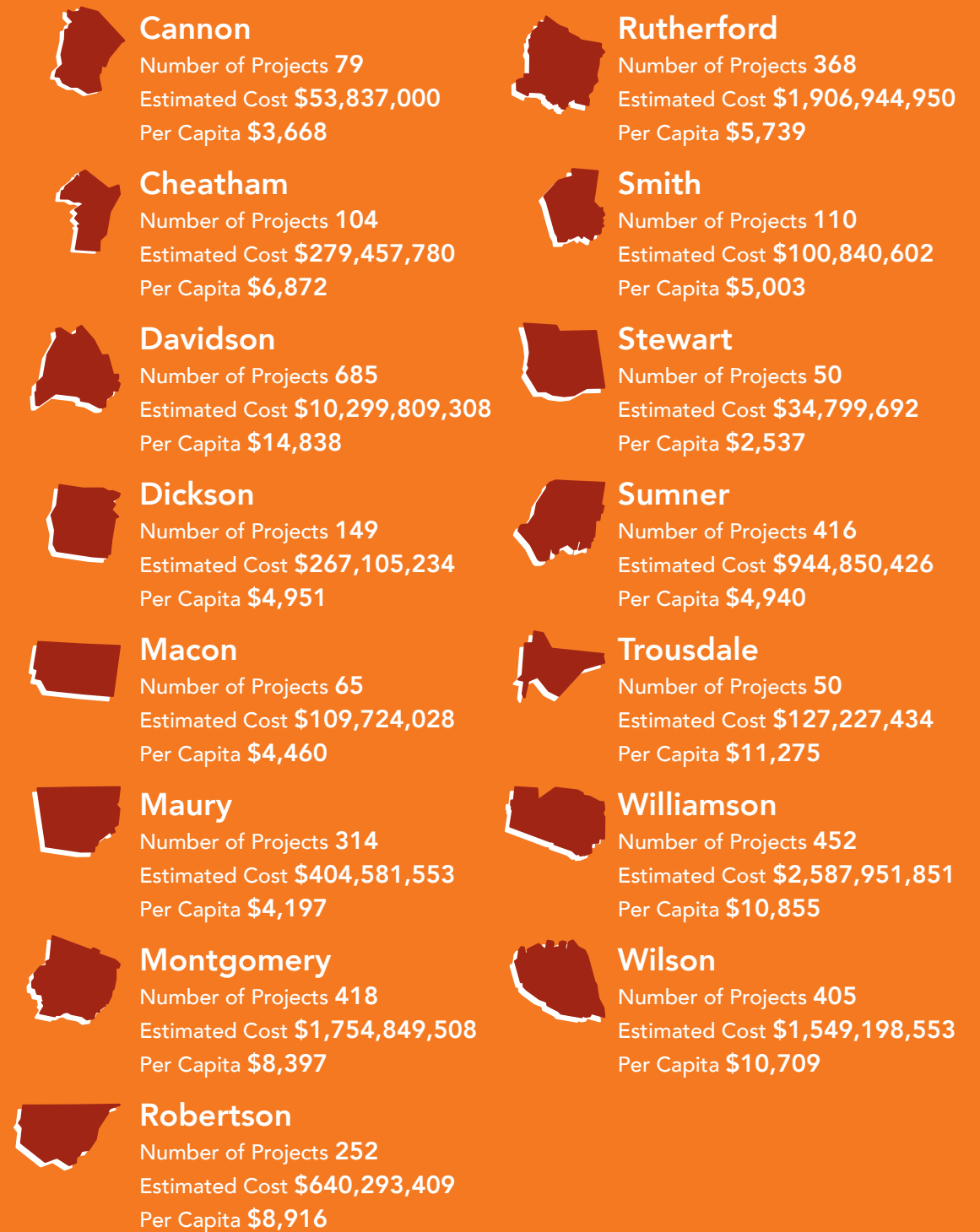
Which three items below do you think should receive the most attention from community leaders over the next year? (Please check only three)



Source: 2021 Vital Signs Survey

## Public Infrastructure Needs Inventory (PINI) by County

Five-year Period July 2019 - June 2024



Source: Tennessee Advisory Commission on Intergovernmental Relations, 2021



## What's Next?

### GREATER NASHVILLE REGIONAL COUNCIL

On February 17, 2021, mayors and transportation officials from across Middle Tennessee adopted an update to the region's transportation plan. The RTP allocates more than \$10.5 billion in anticipated federal grants and matching funds to improve transportation throughout a seven-county planning area that includes Nashville and the surrounding counties of Maury, Robertson, Sumner, Rutherford, Williamson, and Wilson.

The 2021-2045 Update to the Regional Transportation Plan intends to help ensure coordination among existing transportation planning efforts of TDOT, transit agencies, and area cities and counties.

Visit <https://www.gnrc.org/194/Regional-Transportation-Plan>

### MOVING FORWARD [movingforwardmidtn.com](https://movingforwardmidtn.com)

Transportation continues to be an issue of concern for business and community stakeholders. Business and community leaders have come together, bringing expertise and influence to generate transportation solutions across the Nashville region through Moving Forward, a group dedicated to creating regional transportation solutions that work for Middle Tennesseans. Moving Forward brings the community together by empowering business, community, and transit thought leaders to engage with the critical transportation issues facing Middle Tennessee.

### TRANSIT ALLIANCE OF MIDDLE TENNESSEE [thetransitalliance.org](https://thetransitalliance.org)

The Transit Alliance of Middle Tennessee works with contributors, community officials and regional leaders to build support for funding regional transit across Middle Tennessee. The Transit Alliance builds support for regional transit solutions by **Educating** constituencies about the need for funding a regional multi-modal transportation system, **Empowering** community and organizational leaders with tools to be champions for a transportation system with dedicated funding, and **Mobilizing** individuals and regional networks to support legislative action related to dedicated funding for transportation.





## End Notes

- 1 <https://covid19.tn.gov/data/>. Click on “data” at the top right and then choose the COVID-19 Statewide Dashboard
- 2 <https://covid19.tn.gov/data/>. Click on “data” at the top right and then choose the Vaccine Dashboard
- 3 [Labor Shortage: 2.5 Million People Retired During Pandemic \(businessinsider.com\)](https://www.businessinsider.com/labor-shortage-millions-retired-early-pandemic-not-going-back-2021-11), <https://www.businessinsider.com/labor-shortage-millions-retired-early-pandemic-not-going-back-2021-11>
- 4 Jobs EQ, 2021
- 5 <https://www.nscce.edu/>
- 6 <https://nashvillepef.org/wp-content/uploads/2021/05/Bridge-to-Completion-2021.pdf>, Page 16
- 7 [Policy Blueprint - Tennesseans for Quality Early Education \(tqee.org\)](https://tqee.org/policy-blueprint/#highquality), <https://tqee.org/policy-blueprint/#highquality>
- 8 [Parents Scramble as Child Care Teeters on Brink of Collapse - Tennesseans for Quality Early Education \(tqee.org\)](https://tqee.org/policy-blueprint/#highquality), TQEE, 2020
- 9, 10 [Biden’s Build Back Better Wants to Save America’s Child Care Business - Bloomberg](https://www.bloomberg.com/news/features/2021-11-18/biden-s-build-back-better-wants-to-save-america-s-child-care-business), <https://www.bloomberg.com/news/features/2021-11-18/biden-s-build-back-better-wants-to-save-america-s-child-care-business>
- 11 <https://www.atlantafed.org/-/media/documents/research/publications/policy-hub/2021/09/01/10--where-are-they-now--workers-with-young-children-during-covid-19.pdf>
- 12 [The Eviction Lab](https://evictionlab.org/), <https://evictionlab.org/>
- 13 <https://www.tennessean.com/story/news/politics/2021/02/03/tennessee-housing-authority-provide-rental-relief-tenants/4354049001/>
- 14 [Greater Nashville REALTORS | REALTOR Association - Greater Nashville REALTORS®](https://www.greaternashvillerealtors.org/), <https://www.greaternashvillerealtors.org/>
- 15 Tennessee State Data Center Population Projections: Boyd Center for Business & Economic Research, 2021
- 16 EMSI Employment Projections, 2021





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