



NOTICE OF DETERMINATION

Economic/Social Necessity for Degradation of Exceptional Tennessee Waters

Aquatic Resource Alteration Permit application NRS23.315

ARCO/Murray National Nashville, LLC

DRG Middle Tennessee Industrial Center

Pursuant to *The Tennessee Water Quality Control Act of 1977*, and Tenn. Comp. R. & Regs. 0400-40-03-.06(4)(d), this notice sets out the Tennessee Department of Environment and Conservation's (the "Department's") determination that the degradation resulting from the new habitat alteration proposed in the § 401 Water Quality Certification and Aquatic Resource Alteration Permit application NRS23.315 is necessary to accommodate important economic or social development in the area.

Background

ARCO/Murray National Nashville, LLC applied for a § 401 Water Quality Certification and Aquatic Resource Alteration Permit for stream impacts associated with culvert encapsulation and wetland fill for the development of the site into a commercial warehouse facility known as the DRG Middle Tennessee Industrial Center. Additional information on the project proposal and supporting documents are available for review on the internet at the Division's Water Resources Permits Data viewer (<https://www.tn.gov/environment/about-tdec/tdec-dataviewers.html>) by entering the permit file number listed in the title of this Notice of Determination.

Lytle Creek, located within the project boundary, was determined to be an Exceptional Tennessee Water (ETW). Lytle Creek is designated as an ETW due to the presence of the state endangered Streamside Salamander.

The road crossings are proposed to provide points of access throughout the site. The proposed culverts are bottomless to reduce impacts to aquatic features. Social and Economic justifications for the project include the following:

- **Direct Impact**

Direct impact includes total payroll and income paid out to employees hired to operate and/or maintain the complex, as well as all payroll paid out to temporary construction workers and contractors who assist with the construction of the proposed complex. The proposed project will provide many job opportunities.

- **Fiscal Impact**

Fiscal impact refers to all federal, state, and local taxes that will be collected because of the implementation of the complex and its operations. Tax revenues include all sales taxes collected in association with the proposed complex, as well as all payroll related taxes collected from full-time and/or part-time employees who will assist with operating and maintaining the complex, and temporary construction workers and contractors who assist with constructing the proposed complex. The local government will also collect new property taxes from the complex and will also collect revenues through utility services.

- **Indirect Impact**

In addition to local government and the owners/employees of the proposed complex, contractors and suppliers will also benefit. Indirect impact includes all jobs and income generated by businesses that supply goods and services. Examples of businesses that will indirectly benefit from the complex include various construction material suppliers, telecommunication vendors (internet, cable, etc.), and utility companies.

- Induced Impact

Induced impact refers to economic effects generated when employees (full-time and temporary) re-spend their wages on local consumer purchases. For example, an employee may purchase gas for their car on their way to and from work.

Determinations

After taking into consideration the information received in support of the permit application and the comments received through public participation, the Department has determined that:

1. The proposed alterations will result in greater than de minimis degradation to habitat of a stream segment designated as an Exceptional Tennessee Water.
2. The degradation is necessary to accommodate important economic or social development in the area because the crossings will aid in the development of a commercial development to support the growing economy in Rutherford County.

Petition for Declaratory Order/Permit Issuance

Pursuant to the Antidegradation Statement, Tenn. Comp. R. & Regs. 0400-40-03-.06(4)(d), the Department's determination that degradation above a de minimis level of the ETWs is necessary to accommodate important economic or social development in the area is subject to review by the Board of Water Quality, Oil and Gas. Within 30 days after the date of this notification, any affected intergovernmental coordination agency or affected third person may petition the Board for a declaratory order under Tenn. Code Ann. § 4-5-223, and the Board shall convene a contested case. If a petition for declaratory order is timely filed, it will be processed in accordance with Tenn. Comp. R. & Regs. 0400-40-03-.06(4)(d) and rules governing contested case hearings. If no such petition is filed within 30 days after this notification, then the Department will proceed to its final determination of whether to issue the permit. A petition may be filed by electronic mail at TDEC.Appeals@tn.gov or by mail to Jenny Howard, TDEC General Counsel, 312 Rosa L. Parks Ave., Nashville, TN 37243.