



March 10, 2025

Three-Star Program

Dear Reader:

The following document was created from the CTAS website (ctas.tennessee.edu). This website is maintained by CTAS staff and seeks to represent the most current information regarding issues relative to Tennessee county government.

We hope this information will be useful to you; reference to it will assist you with many of the questions that will arise in your tenure with county government. However, the *Tennessee Code Annotated* and other relevant laws or regulations should always be consulted before any action is taken based upon the contents of this document.

Please feel free to contact us if you have questions or comments regarding this information or any other CTAS website material.

Sincerely,

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Three-Star Program

Reference Number: CTAS-2156

Developed in 1980, the Three-Star Program is designed to help communities take full advantage of economic development opportunities. The goals are to preserve existing employment, create new employment opportunities, increase Tennessee family income, improve quality of life, and create a strong leadership base. Participating communities are guided through a comprehensive plan of essential criteria developed by local economic development professionals and a cooperative collaboration of various state and regional agencies.

Participation in the Three-Star Program is based on an annual evaluation and activity plan. Local community leaders and Joint Economic and Community Development Boards are encouraged to implement activities that will impact the community's competitiveness in a global economy. Participating counties (and cities in these counties) will be eligible for a four percent discount (for eligible projects) on both the business development and community development ability-to-pay calculations (CDBG and Fast Track) each year the county fulfills the requirements of the Three-Star Program. Additionally, only cities located in a county that is an active participant in the Three-Star Program will be eligible to participate in the Tennessee Downtowns program. Finally, there is an annual grant for Tier 2 and Tier 3 counties to serve as seed money for activities (not to offset general operating expenses) focused on improving at least one of the measured areas of the program: health and welfare, public safety, and education and workforce development.

Each year, ECD will provide participating counties with a scorecard that documents progress indicators in the five focus areas. The scorecard and activity plan is designed to assess and reward each county on its unique progress in the three scored areas identified in their Three-Star Activity Plan.

Fiscal Strength and Efficient Government

1. Annual budget adopted on time and filed with the Comptroller's Office by October 15.
2. Create and maintain an audit committee. [Click here to download How to Create and Maintain an Audit Committee.](#)
3. Review and sign the Fiscal Strength & Efficient Government Annual Confirmation letter. [Click here to download the Annual Confirmation letter.](#)
 - County commission and county mayor annual review of the debt management policy.
 - Annual acknowledgement by county mayor and county commission that an annual cash flow forecast must be prepared and submitted to the Comptroller prior to issuance of debt.

Source URL: <https://www.ctas.tennessee.edu/eli/three-star-program-0>