

**20
17** **ARC Annual
Strategy Statement**

Introduction

In accordance with Chapter 5.3 of the Appalachian Regional Commission (ARC) Code, this document will serve as the Commonwealth of Virginia's Appalachian Regional Commission 2016 Annual Strategy Statement. The purpose of the Annual Strategy Statement is to establish our goals, objectives, and priorities for Virginia's ARC Region. The implementation of the 2016 Annual Strategy Statement will enable the Commonwealth of Virginia to meet the diverse and changing needs of our Appalachian Region. More specifically, the 2016 Annual Strategy will:

1. Discuss economic challenges and opportunities in the region, as well as new developments and resources, that are impacting Virginia's Appalachian region;
2. Provide an overview of targeted investment priorities for the 2016 Program Year;
3. Discuss specific strategies for the state's Distressed County;
4. Discuss the Virginia ARC program policies; and
5. Describe the methods used to review proposals to ensure an equitable distribution of state contributions for projects to its Appalachian area, and explain the derivation, rationale, and application of such methods.

Governor Terence R. McAuliffe has appointed William C. Shelton as the Director of the Virginia State Department of Housing and Community Development (DHCD), the agency responsible for ARC program administration. Mr. Shelton will serve as the Governor's Alternate to ARC. Tamarah Holmes, Ph.D, will serve as the ARC Program Manager and is responsible for the program's administration and project implementation. This organizational structure is the most efficient and effective structuring of ARC program administration for Virginia.

DHCD is a leader in the state for the development and implementation of strategies that improve the quality of life in Virginia communities through local and regional planning, community and economic development programs, the availability of affordable housing, and building local leadership capabilities. DHCD is also the administrator of the Small Cities Community Development Block Grant Program, which enables the agency to be in a unique position to coordinate these programs, as well as maintain the working relationships with other funding sources such as Rural Development, Virginia Department of Health (VDH), Economic Development Administration (EDA), the Virginia Tobacco Indemnification Commission (VTIC) and Virginia Resources Authority (VRA). Additionally, DHCD is located in the State Secretariat of Commerce and Trade and maintains a close working relationship with the Virginia Economic Development Partnership, the Virginia Tourism Corporation and the Department of Business Assistance.

Virginia’s Appalachian Region

The Virginian Appalachian Region encompasses twenty-five (25) counties and eight (8) independent cities (Table 1). For Program Year 2016, one county designated as a Distressed County: Lee County. This Region is an area of beauty and natural appeal with mountains of hardwood and coal, fertile valleys, plateaus and ridges for agricultural production. There is no shortage of statistics that show the Region is relatively distressed compared to the rest of Virginia: lower levels of educational attainment, higher unemployment rates, lower median family and household incomes, and shortage of four-lane highways that connect to Regional Highway Corridors are just some of the indicators. Therefore the State utilizes the ARC program objectives to help address the economic deficiencies that have existed in the region since the decline of the coal mining industry, the off-shoring of many jobs by employment sectors that were traditionally strongholds in this area, such as manufacturing and textiles, and the gradual move away from tobacco production.

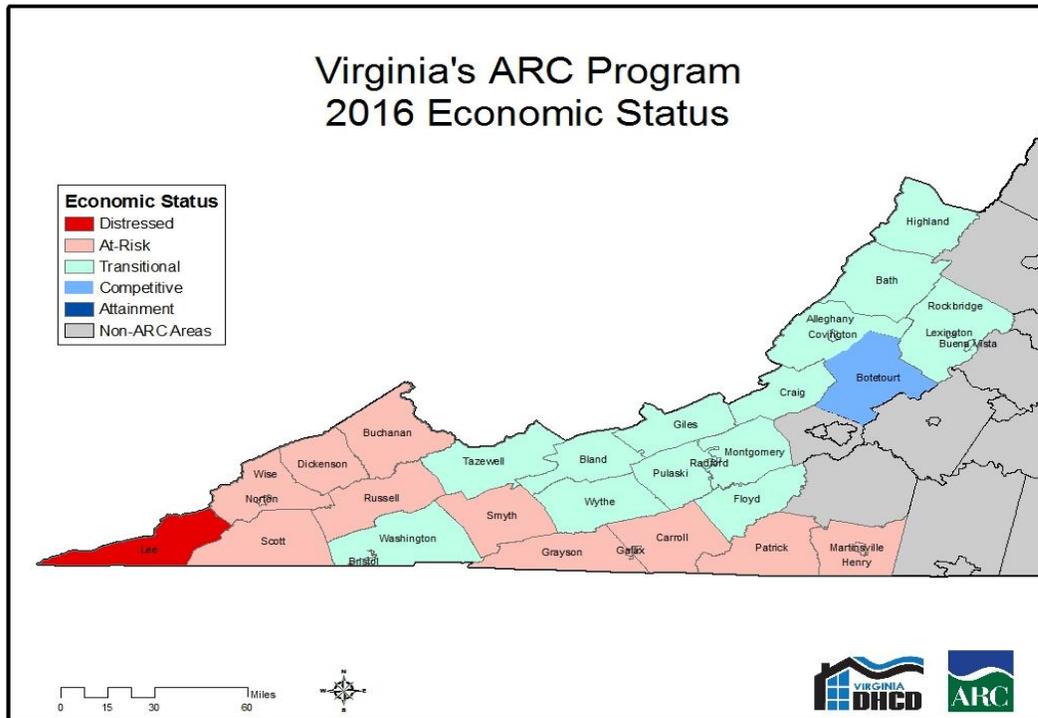
Table 1-Virginia Appalachian Localities

Counties			
Alleghany County	<i>Transitional</i>	Lee County	<i>Distressed</i>
Bath County	<i>Transitional</i>	Montgomery County	<i>Transitional</i>
Bland County	<i>Transitional</i>	Patrick County	<i>At Risk</i>
Botetourt County	<i>Competitive</i>	Pulaski County	<i>Transitional</i>
Buchanan County	<i>At Risk</i>	Rockbridge County	<i>Transitional</i>
Carroll County	<i>At Risk</i>	Russell County	<i>At Risk</i>
Craig County	<i>Transitional</i>	Scott County	<i>At Risk</i>
Dickenson County	<i>At Risk</i>	Smyth County	<i>At Risk</i>
Floyd County	<i>Transitional</i>	Tazewell County	<i>Transitional</i>
Giles County	<i>Transitional</i>	Washington County	<i>Transitional</i>
Grayson County	<i>At-Risk</i>	Wise County	<i>At Risk</i>
Henry County	<i>At Risk</i>	Wythe County	<i>Transitional</i>
Highland County	<i>Transitional</i>		
Cities			
City of Bristol	<i>Transitional</i>	City of Lexington	<i>Transitional</i>
City of Buena Vista	<i>Transitional</i>	City of Martinsville	<i>At Risk</i>
City of Covington	<i>Transitional</i>	City of Norton	<i>At Risk</i>
City of Galax	<i>At Risk</i>	City of Radford	<i>Transitional</i>

There are seven Planning District Commissions (PDCs) which serve Virginia’s thirty (33) Appalachian cities and counties. West Piedmont Planning District Commission is the latest member, resulting from the addition of two new counties and one city that were formerly outside of the Virginia ARC region. Local participation in the Virginia ARC program is provided directly through these PDCs, which have been designated as Local Development Districts (LDDs) for executing planning and economic development functions for the Appalachian communities. The LDDs serve as a focal point for citizen participation in the ARC program.

DHCD and the LDDs interface frequently to develop investment strategies and projects in the ARC program.

Figure 1-Map of Virginia ARC Economic Status



Virginia ARC's Economic Challenges and Opportunities

Economic Challenges

In June 2015, the Virginia ARC program held an input session with various regional stakeholders who identified the following as economic challenges in the region:

- Shortage of affordable capital;
- Improved coordination of business assistance including consolidation of business services at central locations, where possible, for more comprehensive service;
- Assistance with worker training technology adaptation/modernization and formation of new technology-based businesses;
- Support for manufacturing enterprises, which would process and add value to existing Virginia products, particularly wood products;
- Assistance for the area's entrepreneurial business efforts;
- Assistance in locating and accessing markets, particularly exporting assistance;
- Assistance in providing telecommunications infrastructure and access;
- Assistance in developing telemedicine infrastructure;

- Lack of local capacity to identify and develop viable economic development strategies to move their communities forward.
- Support for improved development, networking, and marketing of the state's tourism attractions;
- Lack of properly trained hospitality staff;
- Lack of quality social and cultural amenities that can be found in larger, metro areas; and
- Need to diversify the local economies and promote green and renewable energy options

Economic Opportunities

Inherently in nearly all the identified challenge are opportunities for renewal and continued economic growth in the Virginia ARC region. Since 1965, investments in the Virginia ARC region have resulted in great strides such as increasing income and education attainment and reducing poverty. However, there is more work to be done to continue moving the Virginia ARC region toward parity with the remainder of Virginia, as well the nation. The region's economic opportunities do not solely lie within utilizing traditional economic development strategies. Traditional strategies must be coupled with asset based economic development strategies for continued economic growth. It is through the continued development of their economic, natural, physical, heritage, recreational, cultural, and human assets that Virginia ARC communities will have sustainable economic growth.

The key to future economic growth in the Virginia Appalachian region lies in maintaining existing and developing new infrastructure, enhancing business and economic opportunities that will result in attracting new businesses and industry, the development of small and medium sized businesses, and strengthening the competitiveness of existing industry. Future economic growth is also dependent on the development of our assets, both human and physical.

Governor Terence R. McAuliffe took office in January 2014 and shortly thereafter, the Governor began to lay the foundation for his vision for the Commonwealth, known as The New Virginia Economy. The New Virginia Economy policy priorities are as follows:

- Increase accountability and transparency for taxpayer dollars spent on workforce development
- Promote more public-private partnerships in order to foster greater innovation in workforce training
- Streamline Virginia's workforce development system and better align it with the needs of our employers on a regional basis
- Increase investments in Virginia's workforce development system in the Governor's budget proposal
- Invest in the Governor's Opportunity Fund to keep Virginia competitive with other states
- Create an Energy Diversity Plan and establish the Virginia Solar Energy Development Authority to further diversify our energy mix
- Offer new energy economic development incentives to attract and retain businesses

- Reform the Tobacco Commission to maximize return on investment on Commission investments and create a long-term sustainable funding model
- Extend tax credits for green jobs and also tax exemptions for capital gains by technology start-ups set to expire in 2015
- Promote a Virginia Tourism Growth Incentive Fund to assist in tourism development projects

In addition, to continue the Commonwealth's long tradition of fostering a strong economic development environment and sustain a positive business climate, Governor McAuliffe issued Executive Order Twenty Six (E.O. 26) establishing the New Virginia Economic Strategic Plan and Steering Committee. The development of the plan included nine regional input sessions held across the Commonwealth engaging state agencies, local and regional economic development organizations, chambers of commerce, business leaders, sector innovators, etc. to solicit a wide-range of suggestions regarding future economic development directions. In addition, an online survey was distributed to gather input from those individuals who were unable to attend the input sessions, as well as provide comments. The strategic plan priorities are:

1. "Project Ready" Infrastructure – Virginia must ensure that our infrastructure assets and resources, such as healthcare, energy, housing, and broadband are ready to attract small, medium, and large scale projects throughout the Commonwealth and advance our competitive position locally, regionally, and globally.
2. Diversified High-Growth Industries – Virginia must devote vital resources to strengthen thriving industries, while diversifying targeted high-growth industry sectors and expanding trading partnerships.
3. Preeminent Business Climate – Virginia must ensure that tax, regulatory, and incentive policies sustain Virginia's position as the best state to start, grow, and locate a business.
4. Innovation and Entrepreneurs – Virginia must pursue policies and public-private partnerships that attract talent, promote business and social entrepreneurship, business development and investment, and encourage the creation and commercialization of new products and services.
5. "Credentials to Careers" Workforce – Virginia must align education system priorities with the needs of public and private sector employers in order to supply students, workers, and transitioning veterans with the skills they need to thrive in a diversified 21st century economy.

Governor McAuliffe issued Executive Order Twenty Three establishing the New Virginia Economy Workforce Initiative. This Executive Order requires Virginia's Workforce System to take the following immediate actions:

- a. Establish annual goals and identify opportunities to increase statewide attainment rates of credentials that align with employer needs.
- b. Create seamless transitions for Virginia's veterans by providing high quality education and workforce services that accelerate career opportunities.

- c. Diversify the economy by providing workers with skills to meet new private sector needs, encouraging innovation through entrepreneurship, retooling regions for economic advancement, and educating Virginia’s workforce for the future.
- d. Align workforce supply to current and anticipated employer demands by constructing career pathways and training solutions for the dislocated, underemployed, and future worker.

These policies provide a framework for the Virginia ARC program in evaluating proposals and targeting resources for strategic investments in the Region

New developments or resources impacting the State’s Appalachian Counties for PY Year 2016

The Virginia ARC program provides assistance and resources in the development and implementation of strategies that improve the Region’s quality of life through local and regional planning, community and economic development programs, the availability of affordable housing, and building local leadership capacity. ARC program resources are available to the region through the Asset Development program, designed to maximize the cultural, recreational, or heritage assets to promote economic development opportunities, and through the ARC Access Road Program providing financial resources to create infrastructure to promote large scale economic opportunities.

The following are a list of DHCD resources invested in the Virginia ARC region for Program Year 2016 and the localities or organization that received grant awards:

Community Development Block Grant Program (CDBG) provides funding to eligible units of local government for planning and implementing projects that address critical community development needs, including housing, infrastructure and economic development.

Grantees in the ARC region are Buchanan County Hurley Regional Water Project Phase IV; Town of Damascus-Downtown Revitalization; Dickenson County-Georges Fork Sewer; Town of Dungannon-Dungannon Economic Revitalization; Henry County-Smith Rivers Small Town Business District Revitalization; Wise County-Roda, Osaka and Stonega Sewer Phase II; Town of Wytheville Freedom Lane Housing Production; Town of Pulaski Kersey Bottom Neighborhood revitalization Project.

Virginia Telecommunication Planning Grant Initiative (VATPI) is working to ensure community sustainability and competitiveness in the global marketplace via comprehensive planning for broadband deployment thus creating a pillar of economic restructuring, the re-invention of a community’s economic base and the creation of an asset-based approach.

Grantees in the region are Bland County, Alleghany County, Botetourt County, Craig County, City of Covington, Town of Clifton Forge, Bath County, Highland County, and Pulaski County. These communities are undertaking broadband planning efforts.

Building Collaborative Communities (BCC) is an effort designed to assist regions in creating and sustaining new economic opportunities across Virginia. The program will promote regional economic collaborations in economically-distressed areas to stimulate job creation, economic development and build community capacity and leadership.

Grantees in the region are The New River Valley Regional Commission, the West Piedmont Planning District Commission, and the Roanoke Regional Partnership (County of Botetourt). These organizations are examining opportunities to strengthen regional collaborative efforts.

Community Business Launch (CBL) program starts with a community's unique vision for its future and then uses a local business competition to find and foster the entrepreneurs that connect with that vision. CBL provides the tools to effectively prepare multiple entrepreneurs to operate successful businesses in a downtown or neighborhood commercial district and allow them to compete for funding to launch their new endeavor.

The Towns of Pulaski and Marion and the City of Martinsville were each award \$60,000 in funding.

Virginia Telecommunications Planning Initiative (VATPI) is a comprehensive telecommunications planning effort that will allow communities to identify and develop elements necessary to develop a successful community broadband network. The goal of the program is to ensure community sustainability and competitiveness in the global marketplace via comprehensive planning for broadband deployment. VATPI community telecommunications plans include, at the least:

- Assessment of current broadband availability and usage;
- Address demand aggregation and future use;
- Address the relationship to regional planning and telecommunications networks;
- Address community development applications; and
- Design

The Town of Clifton Forge and the Counties of Bath and Highland were each awarded \$50,000 and \$30,000 in funding, respectively. Both of these grants are for regional planning grant.

Stronger Economies Together (SET) program is strengthening the capacity of communities in rural America to work together in developing and implementing an economic development blueprint that strategically builds on the current and emerging economic strengths of their region.

The Mount Rogers Planning District Commission and the localities within that district are currently participating in the SET process.

POWER (Partnerships for Opportunity and Workforce and Economic Revitalization)
DHCD is working closely with local governments, economic development organizations, planning district commissions, nonprofit organizations, and educational institutions in the region and state and federal partner agencies such United States Department of Agriculture -Rural Development, Virginia Department of Health (VDH), Economic Development Administration

(EDA), the Virginia Tobacco Indemnification Commission (VTIC) and Virginia Economic Development Partnership (VEDP), the Virginia Tourism Corporation (VTC) to develop a coordinate and focused approach, as well as align and leverage resources for POWER.

Virginia ARC Operating Policies

The Commonwealth of Virginia incorporates policies and principles into the implementation of its ARC Program. These policies and principles are as follows:

Project Funding Limits

- 1) VA ARC funding for a construction project is limited to a maximum of \$500,000. With support and guidance from ARC, a process has been implemented by which DHCD may implement construction projects funded through ARC. DHCD will assess the appropriateness of acting in this capacity in the project development and project review phases. At DHCD's discretion, non-profit applicants planning to submit a construction project may be required to partner with an eligible unit of local government to ensure the applicant has the capacity to successfully complete the project and to facilitate the environmental review process.
- 2) VA ARC funding for a non-construction project is limited to a maximum of \$100,000. In instances where there is a regional project that DHCD determines has a clear, specific, significant, and targeted economic development impact, VA ARC non-construction funding is limited to a maximum of \$250,000.
- 3) In instances where there is a regional project that has a clear, specific, significant, and targeted economic development impact, Virginia ARC non-construction funding is limited to a maximum of \$250,000.

Proposal Process

DHCD staff is available to provide pre-project development technical assistance year round. The Virginia ARC proposal process involves two phases: Phase I- submission of State ARC Proposal and Phase II- submission of Federal ARC application.

The Virginia ARC project development process is year round. The State ARC proposal is submitted in September 2016 and Federal ARC applications are submitted between February and May 2016.

A "How-to-Apply" workshop was held on July 21, 2015 to provide project development technical assistance for FY 2015 Area Development proposals.

The State ARC Office proposal review and evaluation process was conducted during the months of October and November.

Proposal Review and Evaluation Process

The following qualification and proposal evaluation criteria will be utilized in the project selection process for 2016 proposals.

1. Applicant and activity eligibility;
2. Demonstrated demand for the project;
3. Project description clarity;
4. Ability to meet the challenges and opportunities identified in the proposed service area;
5. Ability to fill a “gap” in currently offered services available locally or regionally.
6. Possession of clearly described performance targets (product-focused outputs) to be achieved throughout the project and the overall outcomes;
7. Capacity of applicant organization to implement the project and readiness to-go of project;
8. Leveraging of non-ARC resources;
9. Creativity of approach;
6. Establishment or significant enhancement of collaborative relationships among local and regional providers;
7. Sustainability or the ability to maintain the proposed effort into the future; and
8. Potential of project to meet current expectations and directives of the Federal Co-Chair’s office.

The above described proposal evaluation and selection process for the Virginia ARC program occurred during the months of October and November (except as noted).

2016 Virginia ARC Proposals

Under the 2016 ARC competitive funding round, Under the 2016 ARC competitive funding round, twenty three proposals requesting a total of \$7,554,736 were received, reviewed and evaluated for suitable funding under the ARC Area Development program. The thirteen highest rated projects, representing an investment of \$3,367,331 in ARC funds, were recommended to ARC for funding by Governor McAuliffe (See Appendix A for the recommended projects).

ARC Area Development Projects

The focus of the Virginia ARC program is economic development. Projects that have a greater and direct impact on this focus will receive more favorable consideration than those projects of lesser and indirect impact. To demonstrate direct impact, documentation of job creation or retention and private sector investments must be provided along with how the project will benefit the establishment, expansion, or modernization of firms.

- a. ARC assistance for equipment projects must be matched dollar-for-dollar with non-ARC funding.

- b. Demonstration, planning and technical assistance funds will be available to provide for such activities as more effective delivery of programs/services (multi-jurisdictional consolidations), business development research, technical assistance, community capacity building planning, developing civic entrepreneurship, and technical assistance designed especially for distressed counties.
- c. Funding for basic residential infrastructure projects are only for communities in ARC designated distressed counties except that such assistance may be provided in a transitional county upon a special showing of compelling need such as the location of the project in a distressed area of the county using census data or for disaster relief or to address a mandate of the Federal EPA or a state health or environmental agency.
- d. Preference will be given to projects that address identified regional needs and reflect cooperative efforts among local governments, nonprofits, the private sector, and/or educational institutions.
- e. Funding recaptured through closeout of older Virginia Appalachian Regional Commission projects may, from time to time, be committed to new projects that meet the policies and principles defined above. These projects may be unsolicited and do not have to be received under the competitive ARC programs administered by Virginia, however, they would need to demonstrate special merit and timeliness.
- f. All construction projects must have a project sign installed at the construction site within thirty (30) days of the execution of the ARC Grant Agreement. The sign must include the DHCD and ARC logos.

DHCD continues to work with partners to develop access roads in support of increased economic opportunities. The process by which funds will be allocated and projects will be developed is under revision as Virginia's Department of Transportation works to develop a new state Highway Plan. DHCD has seen a surge in interest and will be working closely with VDOT to ensure the Access Road program continues. With the change in federal regulations, all ARC Access Road projects are to be 100 percent federally-funded. The maximum amount available per project is \$500,000; however, DHCD reserves the right to exceed this per project cap in instances of significant job creation potential or in the development of a critical, regional asset. In these instances DHCD will consult with VDOT and ARC representatives.

DHCD tentatively has allocated \$1 million to the ARC Access Road program for FY2016; VA ARC participation costs for a project will be limited to 50 percent (50%) of total project costs, with the following exceptions:

- a. For community development projects that are located in ARC designated distressed counties and will provide basic services, the maximum ARC grant will be 80 percent (80%) of total project costs;
- b. For community development projects that are located in ARC designated at-risk counties and will provide basic services, the maximum ARC grant will be 70 percent (70%) of total project costs;

- c. For community or business development projects that are located in an ARC designated economically competitive county, the maximum ARC grant will be 30 percent (30%) of the project costs; and
- d. For the State's consolidated technical assistance program the maximum ARC grant will be 50 percent (50%) of total project costs.

For the State's local development access road projects, the maximum ARC grant will be up to 100 percent (100%) of total project costs.

In addition to meeting the requirements of the Appalachian Regional Development Act (ARDA) of 1965, each project must demonstrate that it will contribute to the achievement of one or more of the Commission's goal(s) and objective(s). Except that the State may request, in accordance with Section 303 of the ARDA, approval of a project or projects without such supporting demonstration to take advantage of special development opportunities or to respond to emergency economic distress.

Appendix A
2016 Virginia Appalachian Regional Commission
(ARC) Program
Grant Recommendations – Project Descriptions

PDC	Applicant / Project Title	Funding	Project Description										
3	<p align="center">City of Bristol <i>Passenger Rail Study</i></p>	<table border="0"> <tr> <td>\$ 100,000</td> <td>ARC</td> </tr> <tr> <td>250,000</td> <td>Tobacco Commission</td> </tr> <tr> <td>42,000</td> <td>Rural Development</td> </tr> <tr> <td><u>108,000</u></td> <td><u>Local</u></td> </tr> <tr> <td>\$ 500,000</td> <td>Total</td> </tr> </table>	\$ 100,000	ARC	250,000	Tobacco Commission	42,000	Rural Development	<u>108,000</u>	<u>Local</u>	\$ 500,000	Total	<p>The City will conduct a Passenger Rail Expansion to Bristol Study. The proposed economic development impact, ridership and feasibility study will assist the City of Bristol in assessing the potential effect, benefits and costs of Amtrak passenger rail expansion to Bristol from Roanoke, Virginia. This project will support regional economic development and revitalization opportunities of localities along the potential route.</p>
\$ 100,000	ARC												
250,000	Tobacco Commission												
42,000	Rural Development												
<u>108,000</u>	<u>Local</u>												
\$ 500,000	Total												
1	<p align="center">Big Stone Gap <i>Big Stone Gap Visitors Center</i></p>	<table border="0"> <tr> <td>\$ 85,931</td> <td>ARC</td> </tr> <tr> <td>51,294</td> <td>Prior ARC</td> </tr> <tr> <td>200,000</td> <td>Tobacco Commission</td> </tr> <tr> <td><u>50,000</u></td> <td><u>Local</u></td> </tr> <tr> <td>\$ 387,225</td> <td>Total</td> </tr> </table>	\$ 85,931	ARC	51,294	Prior ARC	200,000	Tobacco Commission	<u>50,000</u>	<u>Local</u>	\$ 387,225	Total	<p>ARC resources will be used to complete the Event and Program Staging area of the new visitors' center located in Downtown Big Stone Gap. A minimum of two (2) jobs will be created and as a result of the new facility, the Town will realize an increase of 6,000 tourists to the downtown area and a 10 percent increase in tourist spending.</p>
\$ 85,931	ARC												
51,294	Prior ARC												
200,000	Tobacco Commission												
<u>50,000</u>	<u>Local</u>												
\$ 387,225	Total												
4	<p align="center">Blue Ridge Center for Chinese Medicine <i>Appalachian Medicinal Herb Growers Consortium – Phase II: Processing Herbs & Adding More Farmers</i></p>	<table border="0"> <tr> <td>\$ 125,930</td> <td>ARC</td> </tr> <tr> <td>196,062</td> <td>Tobacco Commission</td> </tr> <tr> <td><u>100,000</u></td> <td><u>Private</u></td> </tr> <tr> <td>\$ 421,992</td> <td>Total</td> </tr> </table>	\$ 125,930	ARC	196,062	Tobacco Commission	<u>100,000</u>	<u>Private</u>	\$ 421,992	Total	<p>This project will purchase herb processing equipment for the Blue Ridge Center for Chinese Medicine. This equipment will allow the center to process and package herbs. This project will double the medicinal herb growing capacity adding the equivalent of 50 new farmers to the existing network. This project will create 2 jobs at the herb processing facility as well as create or retain 50 farming jobs.</p>		
\$ 125,930	ARC												
196,062	Tobacco Commission												
<u>100,000</u>	<u>Private</u>												
\$ 421,992	Total												

PDC	Applicant / Project Title	Funding	Project Description												
12	<p align="center">Henry County <i>Bassett Historic Train Depot Restoration Project</i></p>	<table border="0"> <tr> <td>\$</td> <td>500,000</td> <td>ARC</td> <td></td> </tr> <tr> <td></td> <td><u>225,000</u></td> <td>Private</td> <td></td> </tr> <tr> <td>\$</td> <td>725,000</td> <td>Total</td> <td></td> </tr> </table>	\$	500,000	ARC			<u>225,000</u>	Private		\$	725,000	Total		<p>Part of a larger downtown revitalization project, the major activity to be undertaken with this project will be the restoration of the Historic Bassett Train Depot located in the downtown business district of Bassett in Henry County. Restoration activities include exterior renovations and interior construction, trackside deck construction, and landscape improvements.</p>
\$	500,000	ARC													
	<u>225,000</u>	Private													
\$	725,000	Total													
1	<p align="center">Mountain Empire Community College <i>Healthcare Simulation Access</i></p>	<table border="0"> <tr> <td>\$</td> <td>100,000</td> <td>ARC</td> <td></td> </tr> <tr> <td></td> <td><u>66,214</u></td> <td>Private</td> <td></td> </tr> <tr> <td>\$</td> <td>166,214</td> <td>Total</td> <td></td> </tr> </table>	\$	100,000	ARC			<u>66,214</u>	Private		\$	166,214	Total		<p>Mountain Empire Community College will use ARC funds to purchase and install equipment and supplies for the College's healthcare simulation laboratory. Funding will purchase one adult simulation manikin, one baby simulation manikin, one newborn simulation manikin, a compressor, and other associated training materials. Approximately 130 students will receive clinical simulation training each semester through this healthcare simulation laboratory.</p>
\$	100,000	ARC													
	<u>66,214</u>	Private													
\$	166,214	Total													
3	<p align="center">The Wired Road Authority <i>Wired Road Connector Project</i></p>	<table border="0"> <tr> <td>\$</td> <td>300,000</td> <td>ARC</td> <td></td> </tr> <tr> <td></td> <td><u>300,000</u></td> <td>Tobacco Commission</td> <td></td> </tr> <tr> <td>\$</td> <td>600,000</td> <td>Total</td> <td></td> </tr> </table>	\$	300,000	ARC			<u>300,000</u>	Tobacco Commission		\$	600,000	Total		<p>The purpose of this project is to connect the existing Galax fiber infrastructure with the Carroll fiber infrastructure creating a regional network. This connection will remedy unreliable telecommunications in the area, provide broadband access to the wildwood industrial park, and provide 30 new business connections and 95 new residential connections.</p>
\$	300,000	ARC													
	<u>300,000</u>	Tobacco Commission													
\$	600,000	Total													

PDC	Applicant / Project Title	Funding	Project Description										
3	<p align="center">Town of Damascus <i>Damascus Downtown</i> <i>Waterfront Asset Development</i></p>	<table border="0"> <tr> <td>\$ 499,908</td> <td>ARC</td> </tr> <tr> <td>659,400</td> <td>CDBG</td> </tr> <tr> <td>114,673</td> <td>Local</td> </tr> <tr> <td>354,500</td> <td>Private</td> </tr> <tr> <td>\$ 1,628,481</td> <td>Total</td> </tr> </table>	\$ 499,908	ARC	659,400	CDBG	114,673	Local	354,500	Private	\$ 1,628,481	Total	<p>Part of a larger downtown revitalization project, ARC resources will increase connectivity and circulation between the downtown, the Virginia Creeper Trail, and the Town's waterfront assets by constructing a unique river walk, pedestrian walkways, and amphitheater at the confluence of the two creeks. The proposed improvements will establish a new destination in Damascus to host cultural heritage events, concerts, and theater productions that support local businesses within the downtown business district.</p>
\$ 499,908	ARC												
659,400	CDBG												
114,673	Local												
354,500	Private												
\$ 1,628,481	Total												
3	<p align="center">The Barter Foundation, Inc <i>Expanding the Production</i> <i>Capacity of Barter Theatre –</i> <i>Phase II</i></p>	<table border="0"> <tr> <td>\$ 500,000</td> <td>ARC</td> </tr> <tr> <td>505,782</td> <td>Tobacco Commission</td> </tr> <tr> <td>108,418</td> <td>Local</td> </tr> <tr> <td>\$ 1,114,200</td> <td>Total</td> </tr> </table>	\$ 500,000	ARC	505,782	Tobacco Commission	108,418	Local	\$ 1,114,200	Total	<p>This project will renovate a 100 year old facility into the Production Building. This renovation will create four rehearsal halls, educational facilities, office space, costume and prop production and storage, bathroom facilities, an elevator, and expanding the sound studio and voice studios. This project will create 8 new acting jobs and 2 new jobs with Barter's Education program.</p>		
\$ 500,000	ARC												
505,782	Tobacco Commission												
108,418	Local												
\$ 1,114,200	Total												
1	<p align="center">Lee County <i>Elydale water Line Replacement</i></p>	<table border="0"> <tr> <td>\$ 140,000</td> <td>ARC</td> </tr> <tr> <td>696,142</td> <td>CDBG</td> </tr> <tr> <td>836,142</td> <td>Total</td> </tr> </table>	\$ 140,000	ARC	696,142	CDBG	836,142	Total	<p>The Project will assist community water supply and will support private investment leading to job creation or retention by replacing over 12,000 linear feet of aging, dilapidated and failing galvanized water line that serves as the backbone for the Western Lee portion of the Public Service Authority's water distribution system. This project will serve 78 households.</p>				
\$ 140,000	ARC												
696,142	CDBG												
836,142	Total												

PDC	Applicant / Project Title	Funding	Project Description
1, 2, 3, 4, 5, 12	<p align="center">The Crooked Road <i>Expanding the Crooked Road Brand</i></p>	<p>\$ 250,000 ARC 90,000 National Endowment for the Arts 100,000 Virginia Tourism Corp 133,333 Tobacco Commission <u>546,717 Local</u> \$ 1,120,050 Total</p>	<p>This project will increase awareness of The Crooked Road brand and the cultural and other assets of Southwest Virginia by helping to solidify a new regional nine day festival (begun in 2015) in June 2017 and June 2018, upgrading 27 existing Crooked Road wayside exhibits, and installing five additional exhibits. This project will further the marketing for the Crooked Road and increase the tourism opportunities for communities in Southwestern Virginia.</p>
1	<p align="center">Scott County <i>Advanced Manufacturing Center of Excellence – Duffield Satellite</i></p>	<p>\$ 142,937 ARC 307,500 Tobacco Commission 100,000 Coalfield EDA <u>60,000 Private</u> \$ 610,437 Total</p>	<p>The Scott County EDA will upfit space to accommodate advanced manufacturing workforce training within its small business incubator facility in the regional industrial park at Duffield. This project will make necessary electrical upgrades to the Duffield facility and purchase equipment to accommodate a fabrication laboratory equipped for manufacturing capabilities, a welding program, and distance learning, including classwork and virtual labs. This facility will produce approximately 15 certified welders and 2 certified welding inspectors/educators per year.</p>
4	<p align="center">New River Valley Regional Commission <i>Old School Food Center at Prices Fork</i></p>	<p>\$ 500,000 ARC 190,000 Local <u>342,000 Private</u> \$ 1,032,000 Total</p>	<p>This project will transform a portion of the former Prices Fork Elementary School into a regional “food center”. This project will create a commercial dining space for a farm-to-table restaurant, a commercial incubator kitchen with high-capacity production equipment supporting local food entrepreneurs, and a retail commercial space marketing local products.</p>

PDC	Applicant / Project Title	Funding	Project Description
1, 2, 3, 4, 5, 6, 12	Virginia Department of Housing & Community Development <i>Planning Grants</i>	\$ <u>122,625</u> ARC \$ 122,265 Total	The Virginia Department of Housing and Community Development will provide planning grant resources to communities in the ARC region to support economic development and community development opportunities.