STATE OF WEST VIRGINIA

FY 2018

STATE APPALACHIAN DEVELOPMENT PLAN AND ANNUAL STRATEGY STATEMENT

for the

APPALACHIAN REGIONAL COMMISSION

Jim Justice, Governor

Prepared by the

West Virginia Development Office

Mary Jo Thompson, ARC State Alternate

Introduction

The State of West Virginia submits this four-year state development plan in compliance with the requirements set forth in Section 5 of the Appalachian Regional Commission (ARC) Code. West Virginia's state development plan provides an overview of the state's economy, documents needs and challenges for economic and community development, identifies opportunities that can spur economic growth, and outlines the Governor's goals and priorities for the West Virginia ARC program. A focus is provided in the state development plan and strategy statement for addressing the economic and community development needs of ARC-designated distressed counties, as required by Section 7.4 of the ARC Code.

West Virginia's state development plan and annual strategy statement are correlated with ARC's overall strategic plan, Investing in Appalachia's Future 2016-2020. Needs, opportunities, and goals outlined in the state development plan relate to all 5 of ARC's strategic investment goals:

- Strategic Goal 1: Economic Opportunities
 Invest in entrepreneurial and business development strategies that strengthen Appalachia's economy.
- Strategic Goal 2: Ready Workforce Increase the education, knowledge, skills, and health of residents to work and succeed in Appalachia.
- Strategic Goal 3: Critical Infrastructure
 Invest in critical infrastructure—especially broadband; transportation, including the Appalachian Development Highway System; and water/wastewater systems.
- Strategic Goal 4: Natural and Cultural Assets
 Strengthen Appalachia's community and economic development potential by leveraging the Region's natural and cultural heritage assets.
- Strategic Goal 5: Leadership and Community Capacity
 Build the capacity and skills of current and next-generation leaders and organizations to innovate, collaborate, and advance community and economic development.

West Virginia's four-year State Development Plan includes:

- Overview of state economy
- Economic and community development challenges
- Emerging economic and community development opportunities
- Governor's goals and priorities
- Recent economic and community development initiatives such as the ARC POWER Initiative
- Annual ARC state strategy statement that describes the West Virginia ARC program, state strategies, and specific strategies, gaps, and initiatives for ARC-designated distressed counties in the state.

Federal-State-Local Partnership

The Appalachian Regional Commission (ARC) program is a partnership between the federal government and the 13 states that make up the Appalachian Region. This partnership includes local participation provided through multi-county local development districts (LDDs), which in West Virginia are referred to as Regional Planning and Development Councils.

West Virginia has 11 Regional Planning and Development Councils that cover all 55 counties in the state. The regional councils offer a wide range of services to support community and economic development, including regional planning, project development, intergovernmental cooperation, grant writing, and project administration.

The regional councils are instrumental in developing the Comprehensive Economic Development Strategy (CEDS) for their regions and updating it annually, implementing a regional planning process that includes local citizen input and participation. The regional councils and the CEDS play a key role in the development of the priorities of the West Virginia ARC program and in its implementation.

In addition to partnering with the state's LDDs, the West Virginia ARC program also collaborates regularly with other federal, state, and nonprofit sector partners. These partnerships allow for a greater leverage of limited ARC funds in the state and promote greater cooperation and alignment of agency funding. The West Virginia ARC program partners include:

- United States Department of Agriculture
- Federal Economic Development Administration
- Department of Housing and Urban Development
- Claude Worthington Benedum Foundation
- West Virginia Department of Transportation
- West Virginia Department of Commerce
- West Virginia Department of Environmental Protection
- West Virginia Commission on National and Community Service
- West Virginia Infrastructure and Jobs Development Council
- West Virginia Department of Health and Human Resources
- West Virginia Broadband Enhancement Council
- West Virginia Community Development Hub
- National Main Street Program
- West Virginia University Land Use Law Clinic

These partnerships affirm that the West Virginia ARC program strives to not only provide funding for community and economic improvement but also to actively foster and facilitate collaboration, coordination, and information-sharing across public, private, and nonprofit agencies.

Overview of West Virginia Economic and Demographic Data

General Economic Characteristics:

The following economic data comes from the West Virginia Economic Outlook 2017-2021, produced by the West Virginia University Bureau of Business and Economic Research.

- After consistent and healthy job growth between 2010 and early-2012, the state has seen
 employment decline for much of the last four years, with a cumulative loss of around
 17,000 jobs.
- A significant portion of the State's job losses can be traced to the downturn in the coal industry, although weak levels of construction activity and weakness in natural gas employment over the last year have contributed. Over this period, job gains have been recorded in several of the state's largest service-providing industries, but these gains fail to offset the losses in coal.
- The state's unemployment rate has been volatile over recent years. Currently West Virginia's jobless rate is higher than around 45 other states.
- Only 53% of West Virginia's adult population is either working or looking for work. This is the lowest rate of labor force participation among all 50 states.
- Per capita personal income in West Virginia grew in 2015. However, growth has failed to match that at the national level for each of the past four years. Overall, per capita personal income in West Virginia stands at 77 percent of the national average.

Demographics

- West Virginia's population declined in 2016 and has seen a cumulative loss of more than 25,000 residents over the past 4 years. This marks the first 4-year stretch of population declines since the late 1990s and has put the state's total number of residents at its lowest point since 2008. According to the U.S. Census Bureau, the State experienced an outflow of nearly 11,500 residents on net since the mid-point of 2013.
- 47 of the state's 55 counties lost residents between 2015 and 2016. Kanawha County saw
 the largest absolute decline in population (loss of 1,966 residents). Berkeley, Monongalia
 and Jefferson Counties once again registered both the largest absolute and percentage
 gains in population, with these three counties accounting for most of the population
 growth the state experienced during the 2000s.

- West Virginia is projected to go through a sustained population loss at least through 2030, losing nearly 19,500 residents in that period (West Virginia University, Bureau of Business and Economic Research, Population Trends in West Virginia through 2030).
- West Virginia's overall poverty rate is 18%, higher than the national average of 14.7%. West Virginia has 20 counties with poverty rates over 20% (US Census Bureau).
- West Virginia's percentage of population 65 and older is 18.8%, higher than the national average of 15.2%. West Virginia has the third highest percentage of elderly population in the nation, behind only Florida and Maine (US Census Bureau and World Atlas, 2016). This trend is projected to continue, and by 2030 22.9% of the state's population will be 65 or older, as compared to 20.3% nationally (West Virginia University, Bureau of Business and Economic Research, Population Trends in West Virginia through 2030). The aging population of the state will increase demand and need for public services and spending, including health care, in-home and community-based services, and transportation.

Overview of Economic and Community Development Challenges in West Virginia

General:

West Virginia is ranked 37th in the nation and the District of Columbia in terms of population (US Census Bureau, 2010 Census). The largest city in terms of population is the state capital of Charleston with a little over 49,000 people as of 2016. The sparse and dispersed population reflects the rural nature of the state, which in turn impacts community and economic development efforts in significant ways:

- Rural economies are often focused around one industry, usually an extractive industry
 based upon abundant natural resources. Such economies are very vulnerable to sudden
 or even gradual economic shocks or transitions that adversely impact a specific industry.
 The lack of economic diversification means a lack of resilience to economic change, which
 can lead communities on a path of severe and long-term economic collapse.
- In terms of funding, rural communities are frequently overlooked by federal, state, and foundation funders because their sparse populations lack the scale or numbers that funders like to see in projects that they fund. A sort of bias exists among many funders that quantity matters, that larger impact is to be gained only where there are larger populations of people. All too often this leads to rural communities being overlooked or simply outmatched by urban centers.

- Rural communities possess smaller tax bases and fewer local funders that can provide
 matching funds for projects. This produces a vicious cycle where larger populated areas
 with larger tax bases—and local funders that can contribute matching funds—continue
 to receive a larger share of dollars from funders, whether public or private.
- Another common characteristic of rural residents is that many live in unincorporated areas and therefore lack a central local government that can act as a vehicle to manage local public spaces, provide local services, and apply for and manage funds for further development. For unincorporated areas, the absence of organization frequently leads to having no voice, no focus of effort, and no means to sustain improvement efforts.

Specific needs and challenges in the state:

Infrastructure:

- The cost of providing public water service to currently unserved customers in the state is
 estimated to be \$2.2 billion. The cost of providing public wastewater service to unserved
 customers in the state is estimated to be \$10.1 billion (West Virginia Infrastructure and
 Jobs Development Council, Infrastructure Needs Assessment, 2014).
- West Virginia's geography and geology mandate relatively higher costs for underground infrastructure, such as water and sewer projects. This impact exists not only for new construction, but for replacement and rehabilitation projects as well. Typically, existing systems will expand service to more accessible areas first. As time progresses, the remaining unserved areas will tend to be in more remote, rugged, and less densely populated areas. This tends to result in higher costs, both on a per-customer and per-mile basis (West Virginia Infrastructure and Jobs Development Council, Infrastructure Needs Assessment, 2014).

Geography:

 West Virginia's mountainous terrain hinders the development of large-scale industry, which normally requires large tracts of flat land. Because of the steep and mountainous terrain, building an industrial or commercial facility requires substantial up-front investment in moving earth just to prepare the site for development. This added cost handicaps efforts to attract or develop industry, and pushes local communities out of competition for development since firms are much more likely to locate where development costs are lower.

Business Development:

 According to the Kaufmann Index for Business Start-Ups, West Virginia ranks 25 out of the 25 states with the smallest population nationally for business start-ups (Kaufmann Index, 2016). Developing and creating small businesses is a critical component of diversifying economies, creating communities that are more resilient and self-sustaining because they are identifying and taking advantage of local and regional assets and building local wealth.
 West Virginia needs to not only create more homegrown businesses but also needs to create a more robust culture of entrepreneurship and economic self-reliance, particularly in youth.

Broadband:

- According to the Federal Communications Commission (FCC), West Virginia ranks 48th in the nation in access to broadband services that meet FCC standards, ahead of only Mississippi and Montana (FCC, 2016 Broadband Progress Report).
- Lack of adequate broadband not only hinders economic growth but also hinders residents
 from receiving critical health care and medical services, affects education because rural
 schools cannot provide efficient online curricula, research, and testing, and limits access
 to critical government services such as social security, student loans, and benefits, many
 of which are now transitioning to online platforms.

Education:

• Less than 12% of the state's residents 25 or older possess a bachelor's degree or higher, a rate that is the lowest in the nation (US Census Bureau). Both this statistic and the health data cited below indicate a workforce that is not attractive for recruiting industries and businesses or expanding homegrown businesses.

Health:

- West Virginia has the highest adult overweight/obesity rate in the nation (Henry J. Kaiser Family Foundation, 2015).
- West Virginia is ranked highest in the nation in opioid overdoes death rate and in all drug overdose death rate (Henry J. Kaiser Family Foundation, 2015).
- West Virginia is ranked second in the nation in percentage of adults diagnosed with diabetes (Henry J. Kaiser Family Foundation, 2014).
- Poor health is an issue that affects many other issues, including workforce development, quality of life, education, and economic growth. A healthy community, with a physical and social environment that supports healthy and active lifestyles, is also one that tends to attract and support economic growth and social activity, all of which contribute to a better quality of life for residents.

Abandoned and Dilapidated Buildings:

- An estimated 16.2% of the housing units in West Virginia are vacant, as compared to 12.3% nationally (US Census Bureau, 2015).
- Abandoned and dilapidated buildings have a negative impact on community attractiveness and image, deplete municipal resources (such as crime and fire prevention), and decrease local property values and the tax base. Particularly for small rural towns, maintaining a vibrant downtown core is vital as an anchor for any revitalization efforts. Such efforts are undermined by the presence and prevalence of vacant and dilapidated properties.

Comprehensive Community Planning:

 Only 3 counties in West Virginia (out of 55) have county-wide comprehensive plans in place, with only a handful in the process of developing a plan. Comprehensive planning requires communities to analyze flood-prone areas and encourage development efforts outside those areas, provide a roadmap of economic and community development strengths and weaknesses in communities and regions, and increase the competitiveness of communities for grant funding as it demonstrates strategic thinking and analysis to support requests for funding.

Volunteerism:

 West Virginia ranks 44th out of the 50 states and the District of Columbia for residents who volunteer (Corporation for National and Community Service, 2015). Low volunteer rates lead to a lack of local community leaders who can galvanize local improvement efforts, provide a voice for community needs, and maintain vital community services and programs.

Overview of Emerging Opportunities in West Virginia

Tourism:

According to the Outdoor Industry Association, outdoor recreation in West Virginia generates:

- \$7.6 billion in consumer spending
- \$2.0 billion in wages and salaries
- 82,000 direct jobs
- \$523 million in state and local revenue

West Virginia possesses excellent outdoor recreation destinations and assets, including the New River Gorge area, Monongahela National Forest, 34 state parks, and the Hatfield-McCoy Trail System. Trout fishing is another potential attraction: Chris Wood, President and CEO of Trout Unlimited, has said that "West Virginia might have highest potential in the east for wild-trout fishing. It has the elevation and it has great habitat." (Charleston Gazette- Mail, Trout Unlimited's national president touts WV's trout potential, March 4, 2017).

The state park system recently conducted an economic impact study which found that:

- In FY15, West Virginia State Parks and Forests attracted 7.1 million visitors who spent\$226.5 million throughout the state during these trips. Approximately, 46 percent [\$103.6 million] of this spending was by out-of-state visitors.
- The total economic significance of West Virginia State Parks and Forests during FY15 was between \$213.4 million and \$248.7 million. Economic significance is a measure of all economic activity attributed to park visitors.
- In FY15, for every \$1 of general tax revenue provided to State Parks, \$13.15 on average was generated in fresh money that wouldn't be there if not for the operation of State Parks and Forests.

These outdoor recreation assets and attractions will be developed further as a means to diversify the state economy.

Surface Mine Sites:

Due to the state's geography and terrain, the availability of flat developable land in West Virginia is scarce, particularly in the southern part of the state. One approach to addressing this problem is the reuse of surface mined lands. West Virginia has 31 counties with surface mine properties, most which are in southern West Virginia. Mined sites are currently being used for many uses including commercial and industrial developments, school construction, community facilities, federal prisons, and renewable energy applications, further evidence of their key role in industrial, commercial, and community development in the state.

Forestry:

According to the West Virginia Forestry Association, West Virginia is the third most forested state in the nation, behind only Maine and New Hampshire. The association also notes that in West Virginia:

- forestry and related industries employ over 30,000 people
- forestry contributes over \$3 billion annually to the state economy

Although hampered by the recent recession, West Virginia's "wood products and furniture [industry] will continue to enjoy solid growth over the next several years as the US housing market's recovery stays on course, bolstering demand for framing lumber, flooring, cabinetry and other homebuilding materials." (WVU, Bureau of Business and Economic Research, West Virginia Economic Outlook 2017-2021).

West Virginia also has abundant biomass resources. The state produces approximately 2.4 million dry tons of wood residues per year and there are opportunities to procure additional woody biomass feedstock through increased management of the state's forest resource. As new markets develop around woody biomass, landowners will have more access to markets that will help them properly manage their resource. This will also help to strengthen and ensure the long-term sustainability of the forest products sector.

It should also be kept in mind that in addition to the wood products industry and woody biomass, West Virginia's forests provide other benefits including wildlife habitat and recreation opportunities that also feed directly into outdoor recreation tourism.

Heartland Intermodal Gateway:

Located in Prichard, The Heartland Intermodal Gateway is a 100-acre truck-to-rail cargo transfer facility. The facility improves access to ports and distribution centers and will increase the ability of manufacturers and companies to efficiently ship products west to Chicago or east to the Port of Virginia in Norfolk, opening markets across the country and even globally. The facility will decrease shipping and vehicle maintenance costs of companies and serve as a magnet attracting distribution and warehousing businesses.

Historic Preservation:

Historic preservation is commonly overlooked as an economic sector, but it should not be. West Virginia has more than 1,000 properties and historic districts listed on the National Register of Historic Places, and a recent economic impact study by the West Virginia University Bureau of Business and Economic Research in 2015 found that:

- \$192 million in economic impact was generated from economic rehabilitation projects supported by the state's historic incentive programs
- Nearly 800 direct jobs, and almost 1,400 total jobs once secondary impacts are included, were supported by historic rehabilitation projects during the time of construction
- Every dollar spent by the state in tax incentives or grants supported \$11.45 of output in the state economy.

Furthermore, unlike manufacturing jobs that can move from area to area or state to state, historic properties do not move, and therefore the construction and maintenance jobs required for rehabilitation do not move away either.

Other benefits of historic preservation include:

- Historic preservation retains the uniqueness of a community, adding character instead of all communities looking the same—this also promotes community attachment and identification by residents and promotes tourism
- A rehabilitated historic building or neighborhood can become the focus of revitalization efforts in a community, spurring further momentum and development around the historic property
- Historic preservation conserves resources, reduces waste, and saves money by repairing and reusing existing buildings instead of tearing them down and building new ones.

West Virginia ARC County Designations and Distressed Counties

ARC uses an index-based county economic classification system to identify and monitor the economic status of Appalachian counties. The system compares each county's averages for three economic indicators—three-year average unemployment rate, per capita market income, and poverty rate—with national averages. The resulting values are summed and averaged to create a composite index value for each county. Each county in the nation is then ranked, based on its composite index value. Counties are designated as distressed, at-risk, transitional, competitive, or attainment, based on their ranking in the index. Designations are revised annually using the most current data available.

For FY 2018, West Virginia will have 12 distressed counties (most economically depressed counties); 13 at-risk counties (counties at-risk of becoming economically distressed); 29 transitional counties (those counties transitioning between strong and weak economies); and 1 competitive county (counties that are able to compete in the national economy). West Virginia has no attainment counties (counties that are economically the strongest).

As compared to FY 2017, West Virginia has seen an increase from 8 distressed counties to 12 distressed counties. The number of at-risk counties has dropped from 15 in FY 2017 to 13 in FY 2018. The number of transitional counties has remained comparatively steady. This sudden increase in distressed counties for FY 2018 runs counter against a relatively steady trend of counties moving out of distressed status in West Virginia. For example, in 2005, West Virginia had 19 distressed counties, followed by 11 distressed counties in FY 2010 and 8 distressed counties in FY 2015.

For FY 2018, the ARC-designated distressed counties in West Virginia are: Boone, Braxton, Calhoun, Clay, Gilmer, Lincoln, Logan, McDowell, Mingo, Roane, Webster, and Wyoming. Combined, these 12 counties have an average poverty rate of 24.6%, well above the state average of 18% and the national average of 15.5%. In addition, ARC also tracks persistent high-poverty counties—those counties with poverty rates at least 1.5 times the national average. West Virginia has 5 persistent high-poverty counties: McDowell, Lincoln, Clay, Roane, and Gilmer.

These 5 counties have always shown poverty rates of at least 1.5 times the national average since 1960, hence the designation of <u>persistent</u> high-poverty.

Section 7.5 of the ARC Code, Distressed Counties Program, states that:

The Commission recognizes that there are counties within Appalachia with persistent, long-term problems that have resulted in extraordinary levels of economic and human distress. The Commission is committed to providing special assistance to these distressed counties, so that their residents are better able to address problems, realize opportunities, and effectively participate in setting the course of their future development. The West Virginia ARC Program is committed to prioritizing the ARC-designated distressed counties in its area development program and developing partnerships to target resources for projects and initiatives in distressed counties.

ARC POWER Initiative and Distressed Counties

As of June, 2017, ARC has invested over \$92 million specifically to diversify the economy in the Region's coal-impacted communities through the POWER (Partnerships for Opportunity and Workforce and Economic Revitalization) Initiative. The ARC POWER Initiative is a multiagency, congressionally funded initiative that targets federal resources to help communities and regions that have been affected by job losses in coal mining, coal power plant operations, and coal-related supply chain industries due to the changing economics of America's energy production.

Many of the POWER projects funded in West Virginia directly impact ARC distressed counties. These projects include:

\$1,870,000 ARC grant to the Coalfield Development Corporation in Wayne, WV, for the Appalachian Social Entrepreneurship Investment Strategy. ARC funds will be used to incubate job-creating social enterprises; scale-up Coalfield Development Corporation's innovate 33-6-3 on-the-job training/education/life skills workforce development model; and expand Coalfield Development Corporation's service territory to other coal-impacted areas in Southern West Virginia. The award will be supported by funding from the Claude Worthington Benedum Foundation.

\$1,500,000 ARC grant to the Marshall University Research Corporation in Huntington, WV, for the Appalachian Hatchery project. The program, operated through the Robert C. Byrd Institute, will assist specific businesses affected by the decline in coal production return to profitability through the adoption and deployment of emerging advanced manufacturing technologies. In addition, the program will provide other business assistance services, including shared equipment options, modern workforce development strategies, and the establishment of better linkages between large and small manufacturers. Additional funding is being provided by the Claude Worthington Benedum Foundation.

\$1,372,275 ARC grant to the Hatfield McCoy Regional Recreation Authority in Man, WV, for the Southern Coalfields Sustainable Tourism & Entrepreneurship Program. ARC funds will develop and implement a comprehensive program to expand tourism-related employment and businesses in southern West Virginia, and will foster Hatfield McCoy Trail expansion in Kentucky and Virginia. In addition, the award provides for the deployment of a coordinated marketing effort, which will increase the region-wide economic impact of the Trails by \$13,000,000 per year. The project will be supported by funding from the Claude Worthington Benedum Foundation.

\$1,073,304 ARC grant to the West Virginia Regional Technology Park Corporation in South Charleston, WV, for the Green Mining Model Business Program. The project brings 17 public and private partners together to operate a system of linked activities designed to use reclaimed soils on inactive surface mining land to grow value-added crops; extract high-value products from these crops and market/sell them; and leverage land reclamation, crop cultivation, and chemical extraction and processing activities to provide displaced coal and energy industry workers across 13 West Virginia counties with training, employment, and entrepreneurial opportunities. Additional funding for will be provided by the Claude Worthington Benedum Foundation.

\$899,791 ARC grant to PRIDE Community Services in Logan, WV, for the BuildJobs Initiative project. To develop a pool of construction trade professionals for the region, the BuildJobs Initiative will provide training programs with career pathways and re-employment opportunities in construction trades for displaced coal economy workers. It will also provide entrepreneurial support for participants who wish to create new businesses in the construction sector. PRIDE will implement the project in partnership with EnAct Community Action, MountainHeart Community Services, Southern Community Action Council, Coalfield Community Action Partnership, and Southern West Virginia Technical College. The BuildJobs Initiative will focus on five ARC counties in southern West Virginia that have been adversely affected by the decline in the coal industry sector: Boone, Lincoln, Logan, Mingo, and Wyoming.

\$1,747,806 ARC grant to the Center for Rural Entrepreneurship in Chapel Hill, NC, for the Building Entrepreneurial Communities: The Foundation of an Economic Transition for Appalachia project. The project will build and strengthen the entrepreneurial ecosystem in an 18-county region covering southeastern Ohio, southern West Virginia, and southeastern Kentucky. Project activities include establishing a support system that can identify and develop new entrepreneurs; assisting new and expanding businesses with skill development; and connecting entrepreneurs with existing capacity-building resources in the region.

The West Virginia ARC program will place a priority on tracking the above POWER projects and others that have an impact in ARC distressed counties, working with partners to increase the sustainability of projects and activities once POWER funding ends and to strengthen the long-term economic and community development capacity of distressed counties.

Governor's Goals and Priorities for the West Virginia ARC Program

The Governors of the 13 Appalachian states and ARC's Federal Co-Chair approved the Appalachian Regional Commission's 2016-2020 Strategic Plan, Investing in Appalachia's Future, in 2015. This plan identifies the mission and vison of the Commission and provides guidance and strategies to capitalize on the economic development opportunities of the Appalachian region.

Governor Justice took office in January, 2017 and his administration is fully committed to advancing a more competitive business climate in the state, diversifying the economy, and creating job opportunities that lead to a more prosperous future for West Virginia. The following are Governor Justice's guiding principles and goals as they relate to the ARC program and to the ARC strategic plan, Investing in Appalachia's Future 2016-2020.

Guiding Principles:

Recognize regional approaches and strengths: the strengths of West Virginia lie not in communities competing with each other for limited resources but in communities working together in a regional manner to identify and develop common strengths and opportunities. Particularly in rural states like West Virginia, economic resources and assets must be fully maximized and developed, which can only happen when collaboration and regional thinking take the place of haphazard and isolated economic development efforts and initiatives.

Asset-Based Development: asset-based development is an economic development approach that looks to the strengths and opportunities of a community or region for economic development instead of focusing on the needs or problems of a community or region. It recognizes that long-term economic growth is based more upon what you have, not what you lack. The task is to strategically identify economic assets and strengths and develop them to their fullest potential and benefit.

Job Retention is as Important as Job Creation: While recruiting businesses and creating new jobs are essential, equally important is retaining the businesses and jobs that you do have, ensuring that they remain competitive in the national and global economy. Job retention is crucial as a foundation upon which economic diversification can take place.

Strategic Investment: Investment of limited public resources and funding for economic growth should be based upon sound analysis and planning, not on gut feelings or a hunch. Funding programs should not be "siloed" or isolated but complement and link with each other as much as possible. Finally, investment of limited funds should be based upon performance measures that can accurately gauge the progress and return on investment of projects.

These guiding principles are in alignment with the guiding principles of ARC as outlined in the Commission's strategic plan. These principles include investments that:

- Are strategic and encourage alignment of projects with the goals of community and regional plans
- Encourage and reward collaborative efforts to achieve common ends, with specific focus on connecting economically distressed counties and areas to Region-wide economic opportunities
- Achieve the greatest impact possible, leveraging ARC's limited resources to bring more resources into the Region
- Hold ARC, its partners, and its grantees accountable for achieving performance targets and helping Appalachia prosper.

Governor's Goals:

The following outlines the goals of Governor Justice for ARC funding and how his priorities relate to ARC's strategic investment goals.

1. Goal: Provide basic water and wastewater infrastructure for communities (ARC Strategic Investment Goal 3)

Provision of reliable water and wastewater systems is essential for furthering economic development and growth. Infrastructure systems:

- influence the decisions of businesses to locate in a community or region
- facilitate economic diversification by making it easier for a mix of businesses to develop or locate in an area
- mitigate pollution in streams which also fosters outdoor recreation tourism
- promote better public health and quality of life through the provision of clean water.

2. Goal: Focus on workforce development and training (ARC Strategic Investment Goal 2)

Invest in workforce training that prepares the workforce for the present and future needs of employers, removes barriers to employment, and increases the competitiveness of businesses in West Virginia.

3. Goal: Strengthen educational attainment (ARC Strategic Investment Goal 2)

Invest in literacy, dropout prevention, and education attainment initiatives that prepare youth and students for postsecondary education and employment.

4. Goal: Improve industrial and commercial sites (ARC Startegic Investment Goal 3)

Invest in planning, assessment, and construction activities that develop sites for industrial and commercial development.

5. Goal: Improve broadband (ARC Startegic Investment Goal 3)

Invest in broadband projects that increase deployment of needed broadband infrastructure, deliver training to increase use of technology by businesses and residents, and support technology education to increase the adoption of broadband by businesses and residents.

6. Goal: Support small business development (ARC Strategic Investment Goal 1, Economic Opportunities)

Invest in technical assistance activities for small businesses, promote downtown revitalization, expand access to entrepreneurial education for youth, and increase access to capital for small businesses and entrepreneurs.

7. Goal: Expand access to health care and promote healthy communities (ARC Strategic Investment Goal 2, Ready Workforce)

Invest in activities that increase the health of the workforce, expand access to high-quality health care, and promote healthy and livable communities that support active lifestyles.

8. Goal: Increase economic diversification and community quality of life (ARC Strategic Investment Goal 4, Natural and Cultural Assets)

Invest in efforts that capitalize on the natural, cultural, and structural assets of West Virginia and improve the appearance, attractiveness, and quality of life in communities.

9. Goal: Strengthen economic development cooperation and capacity (ARC Strategic Investment Goal 5, Leadership and Community Capacity)

Invest in community and regional initiatives that will build local and regional leadership and promote collaboration to better align economic and community development efforts.

The Governor reserves the right to recommend projects for ARC final approval that are outside the above list of goals but within the ARC Strategic Plan and the ARC Code. Following Section 7.5 of the ARC Code, highest consideration will be given to projects requesting ARC assistance that are located in ARC-designated distressed counties.

ADHS System Corridors

All ADHS corridors in West Virginia have been completed except for Corridor H, which will run from I-79 at Weston to the Virginia state line near Wardensville. The total length of the corridor is 133.6 miles, of which approximately 101 miles (76%) has been completed and opened to traffic.

The advantages of completing Corridor H include:

- enable exported goods from West Virginia to be shipped around the world by providing a direct route to the Virginia Inland Port in Front Royal, Virginia
- increase tourism in the state by providing a direct route for people from eastern states such as Virginia, Maryland, and Delaware to travel to West Virginia
- provide a more accessible connection to Interstate Route 79, a major highway in the state that will open exports from the south-central part of West Virginia

The West Virginia ARC program is committed to supporting economic development along the ADHS corridors in the state, including through site development, provision of basic infrastructure for economic growth, and supporting initiatives that work with communities to draw traffic off the corridors and into towns and communities situated along corridors.

FY 2018 West Virginia Strategy Statement

Introduction

The ARC Annual Strategy Statement is a one-year implementation plan for working towards the goals and principles outlined in the four-year State Development Plan. It includes information on the state's targeted investments for ARC funds, specific strategies for ARC-designated distressed counties, information on the state ARC program (funding guidelines, ineligible projects, solicitation and review process), and overall state strategies that are aligned with the ARC strategic plan.

Targeted Investment Priorities for FY 2018

Targeted investment priorities for the FY 2018 West Virginia ARC program include:

- provision of basic infrastructure such as water and wastewater (highest priority)
- industrial and commercial site development
- development of forest resources for economic growth
- workforce development
- technology projects that expand access to broadband
- providing support for community-based health projects
- increasing capital and technical assistance to start-up and expanding businesses
- developing community capacity to implement community and economic development initiatives

Community and economic development projects in ARC-designated distressed counties, particularly infrastructure projects, will receive the highest priority for ARC funding.

Special Objectives and Strategies for Distressed Counties

For FY 2018, West Virginia has 12 distressed counties. Those counties are: Boone, Braxton, Calhoun, Clay, Gilmer, Lincoln, Logan, McDowell, Mingo, Roane, Webster, and Wyoming. The core economic and community development objectives and strategies in these distressed counties include the following:

Core Economic Development Objectives:

Objective: Provide basic infrastructure necessary for economic development:

- Work with Local Development Districts (LDDs) and other partners to support planning, prioritization, and development of infrastructure projects (water and wastewater) that promote community revitalization and economic diversification
- Make strategic investments that leverage federal, state, and local support for the construction or improvement of basic public infrastructure

Objective: Promote the creation of comprehensive entrepreneurial support systems for current and future entrepreneurs, including education, technical assistance, and access to capital:

- Work with organizations such as the Ohio-West Virginia Youth Leadership Association and the Consortium for Entrepreneurship Education to create educational opportunities for K-12 students in entrepreneurship
- Partner with organizations such as the Natural Capital Investment Fund to develop business education, coaching, and technical assistance services to entrepreneurs

Objective: Support the development of industrial and commercial sites:

 Work with the West Virginia Office of Coalfield Development to identify, assess and prioritize post-mine land sites for industrial and commercial development

Objective: Strengthen workforce development efforts:

- Support the creation and expansion of workforce training and education programs such as Youth Build and the Coalfield Development Corporation's Quality Jobs Initiative
- Partner with Workforce Investment Boards, post-secondary institutions, and LDDs to develop initiatives that increase training and educational opportunities for displaced workers

Objective: Promote downtown revitalization:

- Work with the West Virginia Brownfields Assistance Centers to increase the ability of communities to assess and plan for the reuse of dilapidated and abandoned buildings
- Support efforts by communities to apply and become West Virginia ON TRAC communities, a program sponsored by the West Virginia Main Street program, to promote downtown revitalization
- Assist communities to improve their downtowns through support of planning, assessment, and market analysis
- Promote initiatives such as community gardens, public markets, greenways, historic preservation and neighborhood beautification that strengthen a sense of place, increase community pride, and spur local efforts for community improvement

Objective: Increase access and adoption of broadband:

- Support e-commerce initiatives that educate businesses about the benefits of broadband
- Target identified business and industrial parks, commercial centers, and other growth areas for high quality broadband service and expansion
- Promote awareness of broadband benefits for individuals and families through education and outreach
- Increase access of broadband for individuals by creating or enhancing existing community computer and digital learning centers

Core Community Development Objectives:

Objective: Build community and regional capacity to plan and implement economic and community development initiatives:

- Assist communities to develop local leadership, organizations, and initiatives for community improvement
- Work with LDDs to identify and prioritize business and industrial parks, commercial centers, and other growth areas for economic development
- Encourage partnerships and promote regional efforts in economic development
- Link communities to outside resources for training and skill development

The Governor reserves the right to recommend projects for final approval that are not included in the above list of objectives and strategies but are consistent with the goals and strategies outlined in West Virginia's 4-Year Development Plan and ARC's Strategic Plan.

West Virginia Distressed Counties and ARC Partner Initiatives

ARC actively creates partnerships with other federal agencies as well as nonprofit sector organizations to bring additional resources into the Appalachian region. Several of these initiatives have involved ARC distressed counties from West Virginia. These ARC partner initiatives are outlined below:

Gateway Communities Program:

ARC has partnered with the National Endowment for the Arts and the Conservation Fund to offer training to gateway communities—communities that are entry points to Appalachia's national and state parks and forests. The training centers on how communities can capitalize on opportunities related to sustainable drivers for local economic development, cultural heritage and natural resource tourism, public arts promotion, and preservation and stewardship of community character.

In 2017, community teams from McDowell County and Logan County participated in the training.

Local Foods, Local Places:

Local Foods, Local Places supports locally led, community-driven efforts to protect air and water quality, preserve open space and farmland, boost economic opportunities for local farmers and businesses, improve access to healthy local food, and promote childhood wellness. It consists of a partnership between the U.S. Department of Agriculture (USDA), EPA, the Centers for Disease Control and Prevention (CDC), the U.S. Department of Transportation (DOT), the U.S. Department of Housing and Urban Development (HUD), the Appalachian Regional Commission (ARC), and the Delta Regional Authority (DRA).

In 2017, the community of Whitesville in Boone County participated in the program.

Cool and Connected:

Cool & Connected is a planning assistance program that helps community members develop strategies and an action plan for using broadband to create walkable, connected, economically vibrant main streets and small-town neighborhoods that improve human health and the environment. Cool & Connected is sponsored by the U.S. Department of Agriculture Rural Utilities Service, EPA's Office of Sustainable Communities, and the Appalachian Regional Commission.

In 2017, the community of Williamson in Mingo County participated in the program.

Appalachian Diabetes Control and Translation Project (ADCTP):

The purpose of the ADCTP is to prevent and control diabetes by developing community-based coalitions in rural distressed counties in the Appalachian region. The coalitions, composed of local volunteers, community leaders, and health care stakeholders, plan, implement, and evaluate community programs designed to help people with diabetes control their disease and prevent the disease in people at-risk.

Currently, there are active diabetes coalitions in the following West Virginia ARC distressed counties: Calhoun, Clay, Gilmer, Lincoln, Logan, McDowell, Mingo, Roane, Webster, and Wyoming.

The West Virginia ARC program is committed to providing follow-up support to the distressed counties and communities that participate in these initiatives, including providing technical assistance and other resources as they are available. Principal support will be offered through the West Virginia Flex-E-Grant program as well as technical assistance support provided through the ARC State Program Manager.

Project Solicitation, Review, and Selection Process

Application Process:

The Community Advancement and Development Division of the West Virginia Development Office (WVDO) manages the ARC program. Technical assistance for the ARC program is available from staff during normal business hours. Additionally, our office holds an on-site annual application workshop where interested citizens can receive first-hand technical assistance. Notice of the technical assistance workshop is sent directly to all of the Local Development Districts in the state, which is forwarded to the LDD's member units of local government. In addition, previous applicants to the program and any interested parties that have contacted our office regarding the ARC program are also notified about the technical assistance workshop. Finally, the WVDO maintains a website where notices of application workshops and deadlines are posted.

Application Process Timeline for FY2018 (tentative):

ARC Application Workshop: November, 2017

Application Deadline: January, 2018

Governor's Award Announcements: May, 2018

Submission of Applications to ARC Headquarters: May/June, 2018

General Information on West Virginia ARC Program:

Applications that request West Virginia ARC funds for municipal or state building improvements, construction or renovation of schools, libraries or correctional facilities are not eligible. Applications requesting funds for criminal justice, police departments, or any other functions customarily provided by municipal governments or state government are also not eligible for ARC funding.

Eligible applicants include public entities, non-profit organizations, and non-profit educational and medical facilities. Individuals and for-profit businesses are not eligible for ARC assistance.

All applications for construction projects must include a preliminary engineering report, feasibility study, or equivalent professional document that provides firm and reliable construction cost estimates.

Review and Selection Process:

In reviewing and recommending projects for funding, the State of West Virginia will consider the status of the county or counties that makeup the project area of an application. Projects that are located in ARC-designated distressed counties will receive higher priority in the review process.

West Virginia uses a two-tiered system for evaluating and recommending projects for ARC assistance. These are described below:

Tier 1 Technical Review:

All applications are initially screened to determine if they are eligible for funding consideration. The screening process determines the following:

- a) ARC Eligibility: All projects recommended to the Commission for final approval must demonstrate that they will contribute to the achievement of one of the Commission's strategic goals and that the project relates to one or more of the goals, objectives, and strategies set forth in the state's development plan and strategy statement.
- b) <u>Project Readiness</u>: All projects recommended to the Commission for final approval must provide reasonable assurance of the availability of matching funds for the project scope of work.
- c) <u>Project Approach</u>: All projects recommended to the Commission for final approval must demonstrate a scope of work that is realistic and viable.
- d) <u>Project Effectiveness</u>: All projects recommended to the Commission for final approval must demonstrate the ability of the applicant to manage the project effectively and contain detailed outcome measurements by which grant expenditures may be evaluated.

Applications determined to be eligible, complete, and feasible, and evidence a reasonable assurance that matching funds are or will be secured, proceed to Tier 2 evaluation.

Tier 2 Competitive Review:

Projects will be competitively reviewed and all recommendations will be packaged together and submitted to the Governor for approval. Projects will be evaluated based on the following key strategic criteria:

- a. <u>Project Type</u>: Infrastructure projects (water, wastewater, commercial/industrial site development, broadband, etc.) will receive higher priority over other projects.
- b. <u>Degree of Need:</u> Projects in ARC-designated distressed counties and distressed areas will receive higher priority. Projects that include ARC-designated distressed counties or distressed areas within multi-county projects will also receive high priority.
- c. <u>Investment Impact</u>: Projects that demonstrate strong economic development impacts, provide long-term capital improvements for economic development, or enhance already existing economic and community development efforts will receive higher priority. Strategic characteristics of a project that increase investment impact include the following:

Infrastructure projects that:

- Facilitate economic development (such as by serving commercial customers, providing needed infrastructure for commercial and industrial sites, or leveraging private sector investment)
- Serve critical community facilities such as schools, community health facilities, community centers, 4-H Camps, etc.
- Target existing population centers and downtown areas (infill strategy)
- Are located along an ARC highway corridor
- Increase the capacity of a water or wastewater system to serve more customers in the future
- Incorporate energy-efficiency features
- Provide wastewater facilities that protect environmental resources tied to economic development

Non-infrastructure projects that:

- Increase local collaboration or regional partnerships
- Strengthen the ability of local communities to undertake economic and community development activities through planning, technical assistance, and other activities
- Identify and mobilize community or regional assets for economic development
- Create economic development that is sustainable at the local or regional level
- d. <u>Investment Linkage:</u> Projects that demonstrate how they complement existing and ongoing community and economic development efforts and strategies in the project area will receive higher priority.

Projects that incorporate more of the key strategic criteria identified above will more likely be recommended for funding, based upon the amount of funds available. Recommendations are then sent to the Governor for approval. Projects that are recommended

by the Governor are then sent on to ARC headquarters for final review and approval by the Commission.

State Matching Requirements and Assistance Limits

ARC participation costs will be limited to 50 percent of project costs, with the following exceptions:

- Projects located in designated Distressed Counties or Local Access Road Projects (except in Competitive Counties) may be funded up to 80 percent of the eligible project costs.
- Projects located in designated At-Risk Counties may be funded up to 70 percent of the eligible project costs.
- Statewide projects may be funded up to 56 percent of the eligible project cost.
- ARC assistance is limited to 30 percent of eligible costs for projects located in a designated Competitive County.

Multi-county projects (not statewide) may be funded as follows:

- If there is a distressed county in a project:
 - and at least half the counties are distressed, the project may be funded at up to 80% of project costs;
 - and at least half the counties are in some combination of distressed and at-risk,
 ARC assistance can be the higher of 70% of project costs or the average percentage applicable to the various counties in the project; and
 - but fewer than half the counties are distressed, ARC assistance can be the higher of 50% of project costs or the average percentage applicable to the various counties in the project.
- If there is no competitive county or attainment county in a project, and at least half the counties are at-risk, the project may be funded at up to 70% of project costs.

All other projects shall be funded at the average percentage applicable to the various counties in the project; except that the portion of a project, which is attributable to an attainment county in a project not including a distressed county, shall be considered ineligible for ARC assistance and may not be considered for matching purposes.

In addition to meeting the requirements of the ARDA of 1965 as amended, all projects for which approval is requested under the Area Development Program must be supported by a demonstration that they will contribute to the achievement of one or more of the Commission's strategic goals, 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.

West Virginia does not place a firm limitation on the amount of funds an applicant can request. However, the Governor reserves the right to approve or reject the requested amount of ARC funds in a project and does not have to award funds at the maximum level or at the requested amount.

System for Monitoring and Evaluating Progress:

All ARC projects are monitored by staff to assess progress in meeting scheduled milestones and identify and resolve any problems that may have arisen in project performance. On-site inspections may be done at the midpoint and at project completion to assure compliance with the approved project design/scope. Reports submitted by non-construction project grantees are reviewed by staff and retained in project files.

West Virginia ARC State Strategies

West Virginia's ARC state strategies are listed below. Each strategy is collated with the goals and objectives of the ARC Startegic Plan, Investing in Appalachia's Future 2016-2020. All projects requesting assistance from the West Virginia ARC program must match one of the state strategies listed below in order to receive consideration for funding.

ARC Goal 1: Invest in entrepreneurial and business development strategies that strengthen Appalachia's economy.

ARC Objective 1.1: Strengthen entrepreneurial ecosystems and support for existing businesses.

State Strategy 1.1.1: Support programs and initiatives that provide training, assistance, and other resources to entrepreneurs for the creation and expansion of local businesses.

State Strategy 1.1.2: Support programs that encourage youth entrepreneurship.

State Strategy 1.1.3: Increase access to capital for entrepreneurs and businesses.

State Strategy 1.1.4: Support planning, analysis and construction activities that lead to the development or enhancement of business incubator facilities and programs.

State Strategy 1.1.5: Nurture local businesses through support of activities such as buy local campaigns and business retention and expansion programs.

ARC Objective 1.2: Support the start-up and growth of businesses, particularly in targeted sectors.

State Strategy 1.2.1: Support planning and analysis activities such as feasibility studies that identify and capitalize upon emerging economic opportunities and sectors.

State Strategy 1.2.2: Support the development of identified emerging economic opportunities and sectors such as local food systems, tourism, energy, health care, exports, and technology.

ARC Objective 1.3: Enhance the competitiveness of the Region's manufacturers.

State Strategy 1.3.1: Provide training opportunities for small- and medium-sized businesses for competitive improvement.

ARC Objective 1.4: Promote export strategies to connect start-up and established businesses with external and global markets.

State Strategy 1.4.1: Assist small- and medium-sized businesses to locate and access markets for their products, with emphasis on export training and assistance that will enable them to participate in the international marketplace.

ARC Goal 2: Increase the education, knowledge, skills, and health of residents to work and succeed in Appalachia.

ARC Objective 2.1: Develop and support educational programs and institutions to prepare students for postsecondary education and the workforce.

State Strategy 2.1.1: Support planning, analysis, and implementation activities that improve workforce readiness for current and future employment needs.

State Strategy 2.1.2: Assist innovative approaches that aid dislocated workers and communities that are experiencing significant economic transformation.

State Strategy 2.1.3: Encourage youth and student opportunities for work and community service experiences, including internships, mentorships, leadership development, and job shadowing.

State Strategy 2.1.4: Support the creation and expansion of innovative workforce training and education programs such as Youth Build.

ARC Objective 2.2: Support programs that provide basic and soft-skills training to prepare workers for employment.

State Strategy 2.2.1: Support local and regional efforts to increase access to early childhood education programs.

State Strategy 2.2.2: Support literacy, lifelong learning, and dropout prevention initiatives.

State Strategy 2.2.3: Assist efforts that strengthen post-secondary education and employment training programs.

ARC Objective 2.3: Increase local residents access to STEAM and other skills training on state-of-the-art technology and processes across all educational levels.

State Strategy 2.3.1: Promote education and training in the fields of science, technology, engineering, arts, and math (STEAM) for future employment.

ARC Objective 2.4: Improve access to affordable, high-quality health care for workers and their families.

State Strategy 2.4.1: Expand the state's supply of quality health-care professionals by attracting new practitioners and offering training and education for members of the health-care workforce.

State Strategy 2.4.2: Improve facilities and infrastructure to support the provision of high-quality clinical care in underserved areas.

ARC Objective 2.5: Develop and support sustainable programs that remove barriers to participating in the workforce.

State Strategy 2.5.1: Build community-based partnerships to encourage local health initiatives addressing diabetes, obesity, oral health, infant mortality, substance abuse, or other conditions that constitute barriers to workforce participation and community quality of life.

State Strategy 2.5.2: Promote efforts that increase access to quality child care to support workforce recruitment and retention.

ARC Goal 3: Invest in critical infrastructure—especially broadband; transportation, including the Appalachian Development Highway System; and water/wastewater systems.

ARC Objective 3.1: Promote the productive and strategic use of broadband and other telecommunications infrastructure throughout the Region to increase connectivity and strengthen economic competitiveness.

State Strategy 3.1.1: Make strategic investments in high-speed telecommunications infrastructure to increase local and regional connectivity and access.

State Strategy 3.1.2: Encourage the use of telecommunications applications in education, health care, business, government, and infrastructure initiatives.

State Strategy 3.1.3: Assist planning, analysis, and training activities that increase broadband adoption rates in the state.

ARC Objective 3.2: Ensure that communities have adequate basic infrastructure to implement their community and economic development objectives.

State Strategy 3.2.1: Provide support for expansion or rehabilitation of basic infrastructure to improve community quality of life and facilitate economic development.

State Strategy 3.2.2: Work with localities and regional organizations to support the planning, assessment, and prioritization of infrastructure projects to ensure greater efficiency and coordination of infrastructure investments.

State Strategy 3.2.3: Provide assistance for planning and deployment of alternative approaches to basic infrastructure in more isolated and hard-to-reach communities.

State Strategy 3.2.4: Provide training, consultation, and financial support for local leaders and organizations to build their capacity to address infrastructure challenges.

State Strategy 3.2.5: Strengthen critical civic institutions and anchors such as community centers through assistance with facility improvements, program expansion, and organizational development.

State Strategy 3.2.6: Assist local and regional energy efficiency efforts to enhance their economic competitiveness and sustainability.

State Strategy 3.2.7: Support efforts to provide affordable housing.

ARC Objective 3.3: Support the construction and adaptive reuse of business-development sites and public facilities to generate economic growth and revitalize local economies.

State Strategy 3.3.1: Provide support for the development and improvement of industrial sites, commercial and industrial parks, and shell buildings that will spur economic development.

State Strategy 3.3.2: Support planning, assessment, and redevelopment efforts that target vacant and dilapidated buildings for adaptive reuse.

State Strategy 3.3.3: Leverage support for the reclamation and redevelopment of brownfields and mine-impacted sites to convert them to productive economic and community uses.

ARC Objective 3.4: Complete the Appalachian Development Highway System (ADHS) and construct local access roads to strengthen links between transportation networks and economic development.

State Strategy 3.4.1: Assist federal and state departments of transportation in solving design problems and moving ADHS sections to the construction phase.

State Strategy 3.4.2: Support local access road projects that result in economic development, provision of essential services, or community revitalization.

State Strategy 3.4.3: Encourage initiatives that increase the ability of communities to capitalize on economic development opportunities presented by ARC highway corridors, including downtown revitalization, gateway enhancements, and corridor development.

State Strategy 3.4.4: Assist efforts to create and develop ARC highway corridor regional development authorities.

State Strategy 3.4.5: Promote the development of complete streets that support multiple modes of travel—transit, biking, walking, and automobile.

ARC Objective 3.5: Invest in intermodal transportation planning and infrastructure that builds upon the ADHS and maximizes the Region's access to domestic and international markets.

State Strategy 3.5.1: Support initiatives that improve rail service for economic development such as the installation of rail spurs.

State Strategy 3.5.2: Support the planning and development of infrastructure that enhances economic development opportunities presented by intermodal transportation.

State Strategy 3.5.3: Support improvements to transportation facilities such as airports that promote economic development.

ARC Goal 4: Strengthen Appalachia's community and economic development potential by leveraging the Region's natural and cultural heritage assets.

ARC Objective 4.1: Preserve and strengthen existing natural assets in support of economic opportunities that generate local and regional benefits.

State Strategy 4.1.1: Promote activities and initiatives that effectively use walking, cycling, and other outdoor recreation trails for local economic benefit and community quality of life.

State Strategy 4.1.2: Support planning, assessment, and implementation initiatives that promote economic development and good stewardship of the state's natural resources.

State Strategy 4.1.3: Encourage initiatives such as farmers markets, urban agriculture, and community-supported agriculture that strengthen local and regional food systems and increase access to healthy food.

State Strategy 4.1.4: Support local hazard mitigation efforts that strengthen economic development and protect natural, structural, and cultural assets.

ARC Objective 4.2: Support strategic investments in natural and cultural heritage resources to advance local economic growth.

State Strategy 4.2.1: Support efforts to identify, assess, and mobilize regional assets, including natural, cultural, and structural assets and resources that can be utilized for economic growth and diversification.

ARC Objective 4.3: Support preservation and stewardship of community character to advance local economic growth.

State Strategy 4.3.1: Promote a sense of place and community stewardship by assisting local efforts in community beautification, wayfinding, and other activities that strengthen community identity and improvement.

State Strategy 4.3.2: Support the strategic development of tourism by investing in gateway communities, historic districts and preservation, and other unique local community features.

State Strategy 4.3.3: Support programs to improve local or regional waste management, including planning, public education initiatives, and recycling programs.

State Strategy 4.3.4: Promote downtown revitalization through planning, assessment, market analysis, and other planning and analysis activities.

State Strategy 4.3.5: Provide technical assistance, training, and support for West Virginia Main Street/ON-TRAC communities.

State Strategy 4.3.6: Leverage support for downtown façade and streetscape improvements to enhance community appearance and advance economic development.

ARC Goal 5: Build the capacity and skills of current and next generation leaders and organizations to innovate, collaborate, and advance community and economic development.

ARC Objective 5.1: Develop and support robust inclusive leadership that can champion and mobilize forward-thinking community improvement.

State Strategy 5.1.1: Encourage and support strategies that increase local leadership, community engagement, and volunteer opportunities for community residents.

ARC Objective 5.2: Empower and support next-generation leaders and encourage authentic engagement in local and regional economic and community development.

State Strategy 5.2.1: Support greater involvement of young people in community activities such as forming youth councils, serving on advisory boards, and youth-based civic education.

ARC Objective 5.3: Strengthen the capacity of community organizations and institutions to articulate and implement a vision for sustainable, transformative community change.

State Strategy 5.3.1: Provide training and financial support to local governments and nonprofit organizations engaged in community development to build their capacity to address community and economic challenges.

ARC Objective 5.4: Support visioning, strategic planning and implementation, and residentengagement approaches to foster increased community resilience and generate positive economic impacts.

State Strategy 5.4.1: Support planning, analysis, and technical assistance activities for local and regional organizations and units of government to capitalize on economic development opportunities and assets, address critical needs, or improve community quality of life.

State Strategy 5.4.2: Enhance the ability of the state's philanthropic sector to retain philanthropic resources to increase regional and local self-sufficiency.

ARC Objective 5.5: Develop and support networks, partnerships, and other models of collaboration that catalyze public, private, and nonprofit action for community impact.

State Strategy 5.5.1: Encourage efforts to link communities to technical assistance, training, and skill development resources.

State Strategy 5.5.2: Encourage partnerships and promote regional efforts in economic and community development.