

**PDC # 1 ANNUAL REPORT**  
**July 1, 2008– June 30, 2009**

**Element #1: Strategic Planning:**

Document progress in developing and implementing strategic planning in the planning district.

**Strategic Plan Development Activities**

Please indicate the current status of your regional strategic planning activities. Provide information on the process used to produce the plan, persons and organizations, involved in producing the plan, and the key recommendations and activities that were identified. Discuss how priorities for action were established.

As in previous years, LENOWISCO has participated in various separate strategic planning initiatives. Since we are a member of the Virginia Coalfield Coalition, we chose to utilize the strategic planning the Virginia Coalfield Coalition completed as part of the re-qualification process for the Virginia Competitiveness Program. We have also participated with the Region 2020 process including the greater Tri-Cities region of Tennessee and Virginia. However, those activities, in spite of our attempts, have not been able to ensure quality participation from LENOWISCO area residents. Although we continue to participate in activities because of the important networking opportunities, as well as the fact that our regional economy is so intertwined with upper East Tennessee, we feel that this is still an important activity for the Commission. The Executive Summary of the Regional Vision can be accessed via the Region 2020 hyperlink.

The staff of the LENOWISCO PDC, in conjunction with the Board of Directors and local leaders, has identified economic development (including entrepreneurial development), water and sewer infrastructure, telecommunications services and infrastructure and transportation as important strategic issues for the commission.

In order to work towards improving the delivery of services and infrastructure these issues represent, there are a number of regional plans that have been completed. The Virginia Coalfields Regional Water Study was completed in 1998 has been the guiding vision for our water planning efforts over the last several years. We continue to make excellent strides in implementing this plan with nearly all of the projects either under construction or already completed.

LENOWISCO, in 2007, completed a Comprehensive Southwest Regional Sewer Study, which like the above mentioned water study, will be instrumental in the development of sewer projects throughout the Region. By completing this study, the PDC now has a “gameplan” that can be used to make informative decisions when it comes to sewer project priorities and funding.

LENOWISCO continues to assist the Mountain Empire Regional Business Incubator (MERBI), Inc. with the Pioneer Center for Business Opportunity, the regional entrepreneurial development program for the region. Additionally, we continue to work with the Virginia Coalfield Economic Development Authority to implement its priorities for economic development in the region.

Additionally, work is continually ongoing for the Regional Master Technology Plan which includes the following statement of beliefs:

The LENOWISCO region believes the following are important and critical issues that must be addressed to make the area competitive in the global Knowledge Economy, to keep it a great place to live, and to ensure that it is a great place to work.

- Affordable access to wired and wireless broadband services throughout the region for all residents, businesses, institutional and local government entities.
- Competitive choice for broadband access, content, and services equal to any other region in the world.
- A regional broadband infrastructure that provides redundant data paths to ensure that broadband users have reliable and robust access.
- Infrastructure, access, and services that support and encourage entrepreneurship and economic development initiatives throughout the region.

### **Strategic Plan Implementation Activities**

What is the current status of your plans implementation? What has been accomplished to date? What are the next projects or activities that will be undertaken? Who is involved with and responsible for the implementation of the plan?

- < To date, there have been \$81 million in fully funded water projects either under construction or completed that were proposed in the study. These projects represent nearly 4,200 homes or 8,200 persons served for the first time with public water. Additionally we have achieved regional water system interconnectivity between several systems with this effort.
- < Within the Economic Development activities, we continue to work with the Virginia Coalfield Economic Development Authority and support its marketing efforts. Although put in place the previous years, we continue to try to understand the needs of the local industries through the existing industry visitation program, and the seed capital program for entrepreneurs and a tourism funding program that capitalizes on the unique tourism venues we have. As in previous years, LENOWISCO has a staff person who works with all of the local economic development personnel to put together proposal packages and assists with the local economic development efforts.

- < During the course of this report, approximately 62 additional miles of a regional fiber-optic backbone has been put in place. This brings our total amount of completed line to over 200 miles that are operational and “lit.” We continue to seek opportunities to construct additional extensions and loops where practical. LENOWISCO is also pursuing funding to assist with household connections to the system.

**Element #2: Duties Performed:**

Provide a concise description of all activities accomplished under the duties assigned under the Regional Cooperation Act.

Duties:

- < Conduct studies with regional significance (initiated and/or completed).
  1. Completed Comprehensive Economic Development Strategy (CEDS) FY2009.
  2. As a complement to the regional cluster analysis completed and outlined in the previous report, we worked in cooperation with the local Workforce Investment Board for an internet enabled Community Audit with data updated routinely via various sources of data, including the Virginia Employment Commission and the Federal Bureau of Labor Statistics. Although a password protected site.
  3. Continue to be the regional lead agency in the Commonwealth Mandated Regional Drought and Water Supply Plan that will be completed in 2011.
  4. Completed the Regional Wastewater Study. This study will be the wastewater equivalent of the above mentioned water study. The study is already being used as the “playbook” for subsequent future wastewater projects throughout the Region.
  5. Assisted and developed Comprehensive Planning and Zoning Documents for three of our localities. We have also provided technical assistance to other localities in reference to their comprehensive plans and land use documents.

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- < Identify and study opportunities for local cost savings and staff efficiencies through coordinated local efforts.
  1. The Planning District is continuing to partner with PDC’s two and three, and the localities that comprise these Districts, to complete the Regional Water Quality Study that is being required by the Virginia Department of Environmental Quality at the request of the Governor and the General Assembly. By using this “partner” approach the PDC’s and in turn the localities that they are comprised of will be able to complete this Study at a much more economical price than if they did it individually.
  2. Regional GIS database maintenance services. Additionally, a significant number of overlays were shared with the Virginia Economic Development Partnership for its

prospect identification system.

3. Continued to provide project management for 22 major water and sewer projects totaling nearly \$30 million.
4. Discussed ways that the regional fiber optic network can continue to be used as an essential tool in the recruitment of telecommunication businesses into the area.

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< Identify mechanisms for coordinating local interests on a regional basis.

1. Dissemination of periodicals and other materials outlining best management or innovative strategies for particular problems being experienced in communities.
2. Regional managers' monthly meetings
3. Hosting of bi-monthly meetings of the LENOWISCO Board of Directors.
4. Hosting of bi-monthly meetings of LENOWISCO LLC.
5. Virginia Coalfield Coalition meetings.
6. Continuing to hold semiannual meetings with local PSA Directors and Town Water Operators
7. Maintenance of LENOWISCO website.
8. Hosting Semi-Annual Regional Transportation Committee meetings

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< Implement services upon request of local governments.

1. During the course of the fiscal year, provided project management assistance to local jurisdictions for 23 (22 Infrastructure and One Downtown Redevelopment) active projects. A complete project list can be found in the LENOWISCO Annual Work Program for FY10 included as a companion to this report.
2. Assist in packaging economic development incentive packages for the local units of government.
3. Assist in packaging water and wastewater projects where financially feasible for the district. A map showing the projects currently under development is attached.
4. Completion of the Town of the Lee County, Town of Big Stone Gap and St. Paul Comprehensive Plan updates.
5. Assisting with mapping for the Scott County Zoning Ordinance.
6. Continue to assist the Towns of Pound, Gate City, Wise and St. Paul with downtown renewal project effort (See Highlight Number 4 Below) and also implementing similar projects in Nickelsville, Big Stone Gap and Pennington Gap.

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< Provide technical assistance to local governments.

1. Assistance with three counties and one city in the development of a regional industrial park study to be used for economic development recruitment and development of such a park.
2. Completion of applications for DHCD funds for localities.
3. Continue to work on and advise localities on Comprehensive Planning Updates/Issues.
4. Project Management for projects outlined in the LENOWISCO work program attached and included in the work program.
5. Staff assistance to Virginia Coalfield Coalition
6. General technical assistance to three county and one city planning commissions.
7. General technical assistance to three county and one city industrial development authorities.
8. General technical assistance to three county public service authorities and municipal water and sewer providers.

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< Serve as liaison between local governments and state agencies as requested.

1. Continued to provide on request GIS overlay and attribute data to the Virginia Economic Development Partnership.
2. Provided CDBG management assistance to the localities of Wise County, Lee County, Scott County, Jonesville, Pound, Appalachia, Big Stone Gap, Wise, Gate City, St. Paul and Norton to comply with DHCD guidelines.
3. Provided management assistance to three (3) projects funded under the TEA-21 program operated by VDOT
4. Provided management assistance to water projects funded by the Virginia Department of Mines, Minerals and Energy's AML water program on behalf of Wise and Lee County.
5. Reviewed local government aid applications.
6. Development regional functional plans upon request.
7. Continued participation in statewide Geographic Information System.

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< Review local government aid applications.

1. Occontia Loop Water Project
2. Sticklelyville Water Project
3. Robbins Chapel Water Project
4. Possum Creek Water Project
5. Boozy Creek Phase II Water Project
6. Natural Tunnel Water Project
7. Town of Pound Downtown Revitalization Project
8. Town of Gate City Downtown Revitalization Project
9. Town of Pound Downtown Revitalization Project
10. Town of Wise Downtown Revitalization project
11. Lee County Rose Hill Sewer Project
12. Town of Coeburn Flatwoods Water Project
13. Constitutional Oakes Industrial Development Project
14. Regional Virtual Building Project
15. Wise County Country Cabin Project
16. City of Norton Storm Drainage Project
17. Town of Big Stone Gap Dam Replacement Project.
18. South Fork Water Project
19. North Fork Water Project
20. Big Cherry Dam Project
21. Big Stone Gap/ Norton Interconnect
22. Derby Water/Housing Project
23. Dunbar Water Project
24. Mabe/Stanleytown Water Project
25. Manville/Red Hill Water Project
26. North St. Charles Sewer Project
27. Smyth/Millers Chapel Water Project
28. Big Hill Water Project
29. Cave Springs Water Project
30. Robbins Chapel Water Project Phase III
31. Town of Dungannon Cassell's Chapel Sewer Project
32. Wise County Bold Cam Sewer Project
33. City of Norton Joesphine Sewer Project
34. Scott County Bishoptown Water Project
35. Scott County Ft. Blackmore more Water Project
36. Lee/Scott Blackwater Water Project
37. Wise County Williams Hollow Water Project

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< Develop regional functional plans upon request.

1. Virginia Coalfield Coalition Re-Qualification – Revised Strategic Economic Development Plan (Annually)
2. Continue to Develop our portion of the Statewide Drought Plan

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< Assist state agencies, upon request, in developing sub-state plans.

1. Support local government efforts to implement GIS.
2. Support the Virginia Coalfield Economic Development Authority with its database of sites, prospect presentations, marketing materials, and special studies that have a spatial analysis.
3. Assist the Virginia Economic Development Partnership with the Prospect Decision Support System.
4. Regional Competitiveness Program – Virginia Coalfield Coalition

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< Participate in statewide geographic information system.

1. Assist VEDP with its GIS system.
2. Broadband mapping.
3. Various requests by individuals for mapping.
4. Industrial Site plans.
5. Mapping of water and sewer projects under development, completed or under construction.
6. Mapping of possible future alternative transportation corridors

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< Serve as an affiliate of the State data center and collect and maintain demographic, economic, and related data for the region and member governments.

1. Respond to approximately 5,000 requests per year for demographic information and data, either by mail or via LENOWISCO's Web site.
2. Publish community profiles for most communities in the district.
3. Provide technical assistance as a "trainer" of how to navigate the Internet to those individuals seeking web related data. Most of our data requests can be completed through an Internet search.

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**Element #3: Highlight successes and achievements of special note with regional efforts in cooperation.**

**Highlight #1**

**Regional eCorridor Park**

With the initial phase of this project now completed, the planning/development of this project continues to move forward with the continued focus to a campus style design concept which includes the second building to be constructed adjacent to the recently completed phase I building which also houses the LENOWISCO office building. These buildings feature customizable space, an important feature to a multi-tenant facility such as this project. The building is owned and operated by the Scott County Economic Development Authority and tenants pay competitive lease rates for the use of the facility to cover operational costs and normal overhead—thus making it immediately sustainable as a facility. The completed facility could house approximately 65,000 square feet of multi-tenant space.

LENOWISCO's regional broadband network has proven to be one of the key elements in attracting Holston Medical Group (HMG) and its data record storage facility into the Park. Service in the park can provide world-class, redundant, high-speed broadband service. The facility is capable of hosting a Tier III data center – the highest level of redundancy and capability. This level of service for a data center is not commonly found in the private sector as such availability is typically only offered to the military and national defense clients.

A wide range of possibilities exists for this Park. This space is a prime attraction to higher-end technology firms. Also, local colleges have expressed interested in creating training and development space at this facility.

An accessory project for this, the Scott County EDA has been awarded a Virginia Department of Transportation Enhancement Grant to construct a walking trail around the eCorridor Park. This trail is currently in the design phase and upon completion it will offer employees of this Technology Center and adjacent properties access to a scenic walking trail around the park. A conceptual design of the trail is show on the site plan which is attached to this application.

## **Highlight #2**

### **Regional Industrial Park Site Study**

The LENOWISCO Planning District Commission – on behalf of its economic development partners and allies, the Industrial/Economic Development Authorities of Lee, Scott and Wise Counties and the City of Norton – is conducting a regional site study, designed to examine and identify potential large-scale sites, heavy industrial sites, rail-served sites, and prospective regional parks.

Recent years have seen a variety of successes in economic development efforts in the LENOWISCO district, ranging from industry attraction to site development and/or expansion. These successes, however, have also contributed to the depletion of properties appropriate to certain, critical types of uses.

The regional industrial park at Duffield has reached capacity. The Scott County EDA's recent expansion at Duffield, the eCorridor Park/Southwest, is now available to technology-based companies. Sites for heavy industry, long a staple of the Duffield park, are depleted. The Lonesome Pine Regional Business & Technology Park in Wise County is designed for technology-based companies as well, having been deemed impractical for heavy industrial usage. Other Wise County IDA properties that could accommodate such usage have little or no appreciable, functional acreage remaining. In Lee County, the IDA is currently developing the Constitutional Oaks Business Park, which seeks to host both heavy industry and technology-based companies, as appropriate. Other Lee County sites are depleted. No readily developable rail-served sites remain anywhere in the district.

Through site identification and analysis, the PDC looks to identify sites within the district that can serve as a new regional park (or parks), that can accommodate heavy industry, that can access and accommodate rail trackage, or some combination thereof.

## **Highlight #3**

### **LENOWISCO Broadband Infrastructure Project**

In December of 2001, the LENOWISCO Board of Directors gave permission to the staff to pursue planning and funding for a major infrastructure initiative for the district to install fiber-optic lines to support broadband communication between the communities of the District and beyond to the commodity Internet. This state of the art system is still being constructed and uses the Ethernet protocol developed for local area networks and will support gig-Ethernet speeds (1,000 MPBS).

During the report year, an additional 62 miles have been added to last years reported 30+ miles of complete line bringing the total of completed line to over 200 miles. When complete, this effort will drastically change the economic and community development opportunities for the region. In order to assist in this effort, LENOWISCO has embarked upon completion of a Master Technology Plan for the region. It is anticipated that an additional 60 miles will be installed within the LENWOSICO District by September of this year (2009). A large portion of this installation will be “Last mile” connections that will physically allow hookups to businesses and homes throughout the region.

#### **Highlight #4**

##### **Regional Downtown Initiative (Continuing Program)**

Through the cooperation of DHCD, the Planning District, over the last three years has taken the lead in establishing a Regional Downtown Initiative Team. Original members of this team include the Towns of Pound, Gate City and St. Paul. This past year, the Towns of Nickelsville, Jonesville, Wise and Big Stone Gap have joined in. Each of these localities, on their own, has begun the steps necessary for downtown renewal. The Regional group is made up of two members of each of these localities. The purpose of this group is to let each of the localities realize that working as a regional group, made up of each locality, can help more, than if each locality was on their own through the downtown renewal project process.

Three of the members have been successful in receiving funds to begin the construction phase of their downtown projects (Gate City, Town of Wise and Pound). The other members are in various stages of the planning process and hope to secure construction funds within the next two years.

LENOWISCO, by establishing the “Regional Downtown Initiative Team” has been very successful in educating each of these individual communities that a “Regional Partnership” effort will be much more successful than if each of the localities viewed the other as “competition”. This approach has allowed each of the localities to share their successes and failures and has helped to move the process along in an efficient and economical manner.

**Element #4: Submit a work program for the coming year that includes a budget and lists of member jurisdictions and commission members:**

Check the appropriate responses for items that are to be included in this report.

< Work Program: YES X NO \_\_\_\_\_

< Budget: YES X NO \_\_\_\_\_

< List of Commission members: YES X NO \_\_\_\_\_

**Also attached: Most recent LENOWISCO Project Status Report.**