VCEDA Awards $1 Million Grant for Broadband Development

From staff reports

In the December 2005 issue of "Broadband Properties," an article penned by three MIT professors and a professor from Carnegie Mellon University stated that "broadband access does enhance economic growth and performance, and . . . the assumed (and oft-touted) economic impacts of broadband are real and measurable."

Local officials are hoping to capitalize on additional expansion in broadband development in the region and their dream to push the regional economy into IT has received a major bonus.

On Monday afternoon,

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VCEDA Executive Director Jonathan Belcher (center) presents a large-sized check in a large-sized amount of $1 million to representatives of LENOWISCO Inc. I. Bob Adkins, (left) treasurer of LENOWISCO and chair of the Wise County Board of Supervisors is joined by LENOWISCO Chair Mark Carter, who also serves as chair of the Lee County Board of Supervisors.

VCEDA

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representatives of the Virginia Coalfield Economic Development Authority held a closing ceremony for a $1 million grant to LENOWISCO, Inc. I to promote broadband expansion in the region.

Approved at its Aug. 21, 2008 meeting, the VCEDA board announced the $1 million grant to LENOWISCO, Inc. I, a non-profit non-stock corporation of the LENOWISCO Planning District Commission. The grant will be used for continued development of high-speed fiber optic broadband lines in the coalfield region of Virginia.

"These grants will enable broadband networks to continue to develop throughout the seven-county, one city region that VCEDA is marketing as Virginia's e-Region," said Jonathan Belcher, VCEDA executive director.

The VCEDA board also approved a similar $1 million grant to Cumberland Plateau Co., Inc., also a non-profit, non-stock corporation of the Cumberland Plateau Planning District Commission. The planning districts have been involved for several years in the development of broadband infrastructure in the region.

"We are continuing to market Virginia's e-Region, with a focus on electronic information technology, energy, education and emerging technologies, as a trendsetter in broadband access in rural America," said Belcher.

VCEDA Chairman Jay Rife said the grants are to assist with the deployment of high-speed broadband access, job growth and retention of jobs throughout the region.

"It's all about planning and growth for our region," said Rife, "and we have existing businesses telling us that the installation of broadband to their company sites has transformed their business."

The VCEDA funding will be used for electronic upgrades and last-mile connections, and it will be up to the planning districts on how to apportion the grants over their service areas, said Belcher.

Scott County officials have used the LENOWISCO broadband project to their advantage in the Duffield Industrial Park. Scott County's technology building (The Crooked Road Technology Center) is currently under construction in Scott County Regional Business and Technology Park in Duffield and One Partner ATAC, a back-up storage facility, opened in August 2008. Most projects are due to the development of high speed Internet.

Holston Medical Group is also currently constructing the J. Bryston Winegar Medical Center adjacent to One Partner.

According to the Benton Foundation, "the positive direction of broadband's impacts was found to be robust across the different models tested at the zip code level, including models of economically distressed areas such as the Appalachian region. Our findings thus support the conclusion that broadband positively affects economic activity in ways that are consistent with the qualitative stories told by broadband advocates. Economic development practitioners who have been spending their time or money promoting broadband have indeed been engaged in a worthwhile pursuit.... Broadband is clearly related to economic well-being and is thus a critical component of our national communications infrastructure.

"Broadband usage and employment are strongly linked. A 2007 Brookings Institution report found that "for every one percentage point increase in broadband penetration in a state, employment is projected to increase by 0.2 to 0.3 percent per year. For the entire U.S. private non-farm economy, this suggests an increase of about 300,000 jobs, assuming the economy is not already at 'full employment.'"

The Benton Foundation works to ensure that media and telecommunications serve the public interest and enhance democracy and they are encouraging local residents to make sure President-Elect Barack Obama's transition team support a technology agenda.