



State of Mississippi

TATE REEVES
Governor

June 27, 2024

Mr. Brandon McBride
Executive Director
Appalachian Regional Commission
1666 Connecticut Avenue NW, Suite 700
Washington, D.C. 20009

Dear Mr. McBride,

The State of Mississippi respectfully submits Mississippi's Fiscal Year 2025 Appalachian Regional Commission Annual Strategy Statement and an updated 4-Year Development Plan for approval by the Commission.

The Mississippi Annual Strategy Statement and Development Plan address regional, county, and state strategies that my Appalachian Regional Office will focus on to continue meet the goals of the Commission.

With continued opportunity for growth and advancement in the Region, I am excited to continue our work together. Please address any questions about this investment document to my ARC Alternate Sam Andrews or ARC Program Manager Andrea Rose.

Sincerely,

A handwritten signature in blue ink that reads "Tate Reeves".

Tate Reeves
Governor



2024 – 2028 Appalachian Regional Commission Development Plan

State of Mississippi
Governor Tate Reeves

Prepared by
Mississippi Appalachian Regional Office
398 East Main Street
Suite 225
Tupelo, MS 38804
(662) 842-3891
Sam Andrews, Alternate to ARC
Andrea Rose, ARC Program Manager

Introduction

In accordance with Section 5.3 of the Appalachian Regional Commission Code, this document will serve as the Appalachian Development Plan for the State of Mississippi. This plan will outline the strategic agenda for Appalachia in Mississippi, based on economic needs, weaknesses and strengths of the 24-county Mississippi region. This plan will define how development projects will be prioritized based on available resources. The implementation of this plan will address needs and goals of the region by targeting resources and strategies supported by Governor Tate Reeves that meet the defined goals and objectives of the Appalachian Regional Commission.

As required by Section 5.3 of the Appalachian Regional Commission Code, this Development Plan:

- Reflects the Appalachian Regional Commission's strategic plan, goals and objectives, and guiding principles;
- Describes the relationship between economic development in the Appalachian region of Mississippi and the Appalachian Development Highway System Corridors V and X located there;
- Describes Mississippi's Appalachian development and planning organization and coordination process, including the roles of LDDs and citizens;
- Describes methods used to measure the relative financial resources of project applicants, ensure equitable allocation of state contributions for projects to its Appalachian area, and explain the rationale and application of such methods.

Background

Congress established the Appalachian Regional Commission (ARC) in 1965 to address the profound economic and quality of life disparity of the 13 Appalachian states to the rest of the nation. Congress issued a mandate for the Commission to close this socioeconomic gap through advocacy, regional planning, research, and grant-making.

The Commission is comprised of the Governors of the 13 Appalachian states and a Federal Co-Chair who is appointed by the President. The Federal Co-Chair has one vote and the 13 Governors, together, have one vote, requiring all matters to be decided by both the Federal Co-Chair and a majority of these Governors. This consensus model ensures close collaboration between the federal and state partners in carrying out the mission of ARC.

ARC is headquartered in Washington, D.C. and houses the Office of the Federal Co-Chairman, the ARC Commission (Executive Director and ARC staff), and the Office of the States' Washington Representative. Governor Tate Reeves is the State of Mississippi's representative to ARC. The responsibility for the administration of the ARC program within Appalachian Mississippi lies with the Appalachian Regional Office (ARO) in Tupelo, which operates as a bureau within the Mississippi Development Authority. Governor Reeves has appointed Sam Andrews as his Alternate to ARC.

In Fiscal Year 2024, 9 of the 24 Mississippi ARC counties are designated distressed, a concentration of distressed counties of 37.5%:

Alcorn, Benton, Calhoun, *Chickasaw, Choctaw, *Clay, Itawamba, *Kemper, Lee, Lowndes, Marshall, Monroe, *Montgomery, *Noxubee, *Oktibbeha, *Panola, Pontotoc, Prentiss, Tippah, Tishomingo, Union, Webster, *Winston, *Yalobusha.

*FY 2024 Distressed County. Current economic status data/maps can be found at [ARC.gov](https://arc.gov).

Economic Status

Since the creation of the Appalachian Regional Commission in 1965, the 24-county region of Appalachia in Mississippi has seen significant socioeconomic improvement. However, Mississippi's ARC region remains significantly behind the nation, and other Appalachian areas. Many counties not designated as Distressed retain Distressed Areas within their boundaries, and socioeconomic indicators show us where Mississippi needs to continue working.

Mississippi continues to work toward economic parity with the nation and region. Jobs, skills to transition into more advanced and technical economic opportunities, industrial site availability, and adequate infrastructure all contribute to the growth and sustainability of the region. Provision of reliable water and wastewater systems is essential for furthering economic development growth. The 24 counties in Appalachian Mississippi still have areas without adequate service.

Technology is key to future development and considered part of infrastructure. Lack of adequate high-speed internet service is a barrier to economic development and competitive educational opportunities. Ensuring access to technology and high-speed internet is key to advancing the educational level and ensuring economic opportunity.

The State of Mississippi plans to address these issues, and others facing Appalachian Mississippi through the Governor's priorities laid out in this plan.

Economic development investments remain crucial to the future of the people in the Appalachian Region of Mississippi and the nation. They are not, however, the end. Much remains to be done, particularly in the distressed counties and areas of our state. Mississippi is working to take advantage of opportunities by utilizing collaborative partnerships that strengthen not only the state, but the region. These efforts at federal, state, and local levels are helping Mississippi foster new opportunities in targeted industries like advanced manufacturing, automobile and parts manufacturing, aerospace and aviation, clean energy, metal fabrication and steel, and advanced materials manufacturing.

Governor Tate Reeves' priorities align with *Appalachian Envisioned: A New Era of Opportunity*, the current ARC Strategic Plan for FY 2022-2026. Each of these goals will be implemented by Mississippi through the objectives and strategies below. Governor Reeves has a goal of economic success for all counties in Mississippi, and he is committed to the betterment of the Appalachian region in Mississippi, and especially, the vision of socioeconomic parity with the region and the nation. Appalachian Regional Commission's mission to innovate, partner, and invest to build community capacity and strengthen economic growth in Appalachian Mississippi is reflected in Governor Reeve's priorities to achieve this success in Appalachian Mississippi:

1. Identifying and supporting private sector and high wage job creation, entrepreneurship, and small businesses;
2. Developing a globally competitive workforce through improvements in workforce training and readiness, education initiatives, healthy workforce initiatives, and increased educational achievement;
3. Investing in critical infrastructure including new technologies and improvement of existing resources and transportation;
4. Strengthening community and economic development by leveraging strategic natural, cultural, and local assets;
5. Investing in capacity and leadership of Appalachian Mississippi.

ARC Investment Goal 1: Building Appalachian Businesses

Strengthen and diversify the Region's economy through inclusive economic development strategies and investments in entrepreneurship and business development.

Mississippi Investment Priority 1: Identifying and supporting private sector and high wage job creation, entrepreneurship, and small businesses.

State Objective 1.1: Diversify and strengthen the economic base

For Appalachia to compete in the global job economy, the region must expand efforts to diversify its economic base to provide new employment opportunities; and strengthen its existing economic base to maintain and improve existing employment opportunities. Mississippi ARO will support sustainable initiatives to diversity and strengthen the economic base:

STATE STRATEGIES:

- 1.1.1:** Provide infrastructure or workforce supports to create private sector and high wage jobs.
- 1.1.2:** Connect communities and local developers with economic prospects, particularly in distressed counties.
- 1.1.3:** Develop critical workforce skills, particularly in distressed counties.
- 1.1.4:** Promote export trading initiatives and encourage foreign investment.
- 1.1.5:** Develop business and industrial development sites or public facilities to stimulate economic growth.
- 1.1.6:** Encourage formation of business networks and trade groups.
- 1.1.7:** Support local access road projects that create or retain jobs.
- 1.1.8:** Develop physical infrastructure along the Tennessee-Tombigbee Waterway for improved employment opportunities and income growth.
- 1.1.9:** Support improvements to airports related to job creation.

State Objective 1.2: Support small business and entrepreneurial growth

Small businesses create most new jobs in America. Locally owned businesses are vital to creating sustainable local economies and improve quality of life. The Mississippi ARO will support initiatives that will not require new and ongoing state funding:

STATE STRATEGIES:

- 1.2.1:** Nurture new and existing businesses by creating technical assistance networks through business incubators, business associations, and private-sector resources.
- 1.2.2:** Support development and growth of businesses in the Creative Economy.
- 1.2.3:** Improve access to investment capital.
- 1.2.4:** Educate current and future entrepreneurs at K-12 schools, community colleges, universities, and job training centers.

State Objective 1.3: Foster the development and use of innovative technology

Information technology, medical technology, nanotechnology, and emerging technologies hold promise for high wage job creation and growth. For Appalachia to participate, there must be access. Local communities should partner with research universities, technology

organizations, and federal agencies to help identify, attract, and retain innovative technology industries. The Mississippi ARO will support sustainable initiatives that will not require new or ongoing state funding:

STATE STRATEGIES:

- 1.3.1:** Create and expand telecommunications, computing, and data enterprises.
- 1.3.2:** Expand and create technology research initiatives at research universities that will lead to job creation in the region.
- 1.3.3:** Leverage support for science, technology, engineering, computer, and math programs from middle school through university.
- 1.3.4:** Leverage support for commercialization of new technologies developed by research universities, federal labs, and other sources that will lead to job creation in the region.

ARC Investment Goal 2: Building Appalachia’s Workforce Ecosystem

Expand and strengthen community systems (education, healthcare, housing, childcare, and others) that help Appalachians obtain a job, stay on the job, and advance along a financially sustaining career pathway.

Mississippi Investment Priority 2: Developing a globally competitive workforce through improvements in workforce training and readiness, education initiatives, healthy workforce initiatives, and increased educational achievement.

State Objective 2.1: Increase educational attainment and achievement

Most jobs require a High School Diploma or GED and many also require education and/or training beyond high school. Research shows that early education is related to later lifetime earnings. Research also shows that higher education levels are associated with better health, longer life expectancies, and higher salaries. Mississippi Appalachia still has significant educational attainment and achievement gaps. The Mississippi ARO will support sustainable initiatives that do not require new and ongoing state funding:

STATE STRATEGIES:

- 2.1.1:** To better prepare students, out-of-school youth, and adults for post-secondary level training and education, as well as the workplace.
- 2.1.2:** Support dual enrollment processes that allows students to enroll in a community college workforce training program.
- 2.1.3:** Support programs that improve teacher quality and retention.
- 2.1.4:** Improve classroom teaching, use technology as a teaching tool, and improve student achievement in STEM.
- 2.1.5:** Programs that increase college-going and completion rates, such as the Appalachian Higher Education Network.
- 2.1.6:** Support dropout prevention programs.
- 2.1.7:** Support programs aimed at improving early childhood learning.

State Objective 2.2: Strengthen workforce training

To achieve income parity, workers must continually build skills, knowledge, and experience. K-12, community college, and university systems, along with

WIN Centers and other publicly supported training programs are critical to the success of this goal. The Mississippi ARO will particularly support sustainable initiatives in the following areas:

STATE STRATEGIES:

- 2.2.1:** Support community and junior colleges that provide programs to develop critical workforce skills, both for existing business and industry and targeted new business and industry.
- 2.2.2:** Support integration of skills training and knowledge of workplace requirements across, and into, educational and training curricula.
- 2.2.3:** Support innovative ways to re-tool the skills of the region's workforce.
- 2.2.4:** Support the modernization and expansion of workforce training and occupational education programs.

State Objective 2.3: Increase workforce participation

Access to quality childcare and early childhood education enables their parents and guardians to take advantage of job opportunities. Healthy workforce programs directly impact workforce participation and productivity. The Mississippi ARO will support sustainable initiatives in the following areas:

STATE STRATEGIES:

- 2.3.1:** Support efforts to increase access to quality childcare.
- 2.3.2:** Support the development of a network of employment supports to encourage and assist workers to stay in the workforce.
- 2.3.3:** Support programs to train childcare and early childhood education staff.
- 2.3.4:** Provide limited start-up incentives to communities establishing sustainable healthy living programs that support increased workforce participation.
- 2.3.5:** Promote workforce health through nutrition education, healthy lifestyle, and early screening as means of reducing or eliminating the incidence of health problems, such as obesity, diabetes, cancer, and heart disease.
- 2.3.6:** Support local efforts to expand access to healthcare programs and recruit healthcare professionals through the J-1 Visa Waiver or other programs.
- 2.3.7:** Support educational institutions that identify healthcare needs and train professionals to help meet those needs.
- 2.3.8:** Provide gap support to viable primary care systems.
- 2.3.9:** Address workforce reentry after sobriety from substance use disorder.

ARC Investment Goal 3: Building Appalachia's Infrastructure

Ensure that the residents and businesses of Appalachia have access to reliable and affordable utilities and infrastructure in order to successfully live and work in the Region.

Mississippi Investment Priority 3: Investing in critical infrastructure including new technologies and improvement of existing resources and transportation.

State Objective 3.1: Build and improve infrastructure and transportation systems

Communities must have viable water, wastewater treatment, basic utility systems, adequate transportation systems, and decent and affordable housing to retain skilled workers. Many communities in Mississippi

Appalachia, particularly in distressed counties, struggle to maintain this basic infrastructure. Mississippi Appalachia also contains limited highway miles in the Appalachian Development Highway System. Increasing these miles, particularly in distressed and at-risk counties, will significantly aid development. The Mississippi ARO will support initiatives in communities able to show an ability to sustain basic infrastructure over time:

STATE STRATEGIES:

- 3.1.1:** Make strategic investments that leverage federal, state, local, and private capital for the development and improvement of water, wastewater, and basic utility systems.
- 3.1.2:** Support planning and construction of intermodal transportation networks.
- 3.1.3:** Increase Appalachian Development Highway System in Mississippi Appalachia for development, particularly in distressed and at-risk counties.
- 3.1.4:** Promote commerce along opened corridors along ADHS.
- 3.1.5:** Promote awareness of and use of ADHS to developers and civic leaders.
- 3.1.6:** Support local access road projects that create or retain jobs.
- 3.1.7:** Improvement of business and industrial development sites and public facilities to stimulate economic and community development.

State Objective 3.2: Increase access to technology infrastructure

Communities in Mississippi Appalachia, particularly in distressed counties, face serious challenges in taking advantage of new information technology, medical technology, nanotechnology, broadband, and other emerging technologies. Changing regulations have also resulted in access issues for rural communities. The Mississippi ARO will support initiatives in the following areas that do not require new and ongoing public funding:

STATE STRATEGIES:

- 3.2.1:** Strategic investments in new technology infrastructure.
- 3.2.2:** Telemedicine applications for communities.
- 3.2.3:** Access to and growth of broadband network.

ARC Investment Goal 4: Building Regional Culture and Tourism

Strengthen Appalachia's community and economic development potential by preserving and investing in the Region's local, cultural heritage, and natural assets.

Mississippi Investment Priority 4: Strengthening community and economic development by leveraging strategic natural, cultural, and local assets.

State Objective 4.1: Identify, develop, and invest in strategic assets for local economies

Communities and their economies can be strengthened through identification and development of local assets. These assets may be land-based (energy resources; forests, crops, and livestock; scenic and recreation sites for tourism; natural resource and water assets), transportation and utility based (highways, roads, air, rail, and waterways/ports; gas pipelines; transmission lines; water and wastewater services), workforce-based (skill sets, training capacities, work

attitudes), cultural and heritage-based (arts, crafts, music; historic assets; ethnic and cultural festivities; and tourist attractions), or any other assets seen as local strengths. The Mississippi ARO will support sustainable initiatives in the following areas that will not require new and ongoing state funding:

STATE STRATEGIES:

- 4.1.1:** Institutionalize the capacity to assist communities in identifying local and regional assets for development, including assets in the arts, music, history, and other Creative Economy sectors.
- 4.1.2:** Develop strategies for businesses to capitalize on local assets.
- 4.1.3:** Maximize the economic benefits of Mississippi Appalachian tourism, arts, and crafts industries.
- 4.1.4:** Development of vibrant downtowns and support Appalachian placemaking.

ARC Investment Goal 5: Building Community Leaders and Capacity

Invest in the capacity of local leaders, organizations, and communities to address local challenges by providing technical assistance and support to access resources, engage partners, identify strategies and tactics, and conduct effective planning and project execution.

Mississippi Investment Priority 5: Investing in capacity and leadership of Appalachian Mississippi.

State Objective 5.1: Foster civic entrepreneurship

Mississippi Appalachia must develop next-generation leaders, organizations, communities, and regions to compete in the economy. This challenge is particularly critical to our distressed counties. Capacity-building, leadership development, continuously improving the effectiveness of organizations, persistent strategic planning, and development of regional approaches to problem solving are all components of civic entrepreneurship. ARO will support initiatives that will not require new and ongoing state funding:

STATE STRATEGIES:

- 5.1.1:** Build capacity of community organizations and governments to effectively assess, manage, administer, and execute projects that support the Region.
- 5.1.2:** Enable local governments and other community development organizations become more productive and effective.
- 5.1.3:** Support regional approaches to problem solving.
- 5.1.4:** Engage citizens in assessing, improving, beautifying, and motivating their communities to increase economic development.

ADHS

The Appalachian Development Highway System (ADHS) has been an important tool in contributing to the economic growth of the Appalachian region of Mississippi. Many large economic investments in the area have been along the ADHS Corridor V. Corridor V and Corridor X have opened areas of new land to development. Access to 4-lane highway is crucial to manufacturers looking to expand and build, and for businesses to get their product to market for reasonable costs and time. ADHS has closed the gap for this area. Mississippi ARC continues to partner for improved transportation, building on the success of ADHS, particularly Corridor X and Corridor V.

Mississippi Appalachian Regional Commission Operations

The Mississippi ARC program is led by Governor Tate Reeves' office. Administrative responsibilities and day-to-day operations for the Mississippi ARC program have been assigned by Governor Reeves to the Director of the Appalachian Regional Office (ARO) and State Program Manager, Andrea Rose.

Mississippi ARC Program staff work with six planning and development districts in ARC project development, application preparation, and implementation. The Executive Director and staff of Mississippi's ARC PDDs work with their board members, elected officials, citizens, and economic developers to identify needs of local communities.

General Funding Timelines and Procedures

- Generally, Pre-Applications are due in August.
- Applications are reviewed and prioritized by Mississippi ARO staff according to ARC guidelines. Submissions are screened based on criteria below.
- Projects selected for further review go to the Governor who makes final recommendations for full project submissions.
- Proposals selected for funding will be invited to submit full applications; this generally occurs during the last quarter of the year.
- Full ARC project submissions are due within 60 days of being called for full application.
- Applicants are strongly encouraged to work with their local PDD for Technical Assistance with Pre-Application and/or Full Submission.

In addition to meeting the requirements of the ARDA of 1965, all projects must demonstrate a contribution to achievement of one or more of the Commission's strategic goals, except that the state may request, in accordance with Section 303 of 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.

The Mississippi ARO works with ARC to conduct workshops for applicants and grantees. Project applications must include measurable outputs and outcomes that are consistent with and can be measured in accordance with federal and state performance measurement requirements. All projects must track the actual outputs and outcomes for up to three years after project completion. This may be monitored by the Registered State Basic Agency – Mississippi Development Authority (MDA), ARO, ARC and/or the ARC Office of Inspector General, or other federal and state entities.

ARC does not fund general government services. This restriction will not, however, extend to programs operated by local government that provide direct service to residents of Appalachian Mississippi, such as education or health services.

Mississippi does not put a firm dollar cap on amount of funding a participant can request. Funding levels are limited by the ARC Code based on county classification and type of project. The Governor reserves the right to approve or reject the requested amount of ARC funding for the project and does not have to award funds at the maximum funding level.

Grants funding for operation is usually limited to an initial year and one year's continuation if deemed necessary. No project is guaranteed more than one year of support. Generally, ARC funds will be reduced if a second year of funding is approved. Proposals should include a plan for continuation of the program after ARC funds are expended.

ARC participation cost shall be limited to 50% of project costs with the following exceptions:

- Projects located in ARC designated distressed counties may receive a maximum of 80% of project costs, with a corresponding 20% match
- Projects located in ARC designated at-risk counties may receive a maximum of 70% of project costs, with a corresponding 30% match
- ARC assistance for multi-county projects in which at least half of the counties are distressed may be increased to as much as 80% of project costs.
- If at least one, but less than half of counties are distressed, ARC assistance is limited to the highest of 50% or the average percentage applicable to the counties in the project. Multi-county projects may be partly funded from distressed county funds and area development funds based on the number of distressed counties and non-distressed counties identified in the project.

The following criteria will be used to score and rank projects for recommendation to Governor Reeves for consideration:

- Alignment of project with Mississippi Governor Tate Reeves' Strategies as defined in this document and ARC Investment Goals
- Projects with other federal funding will be given higher priority
- Strength of overall financial plan for project
- Amount of ARC funds applicant has received to date
- Amount of time since most recent ARC funds received
- Past ARC project performance
- Private investment in the project
- Ratio of local match to ARC funds
- Severity and/or imminence of project need
- Jobs created and/or retained
- Project scope and cost effectiveness
- Proposed performance measures
- Benchmarks, Timelines, Action Plan completeness

Projects will be evaluated based on committed and expected financial resources. Projects with private investment will be scored highest. Projects with secured local or other federal funds will be given higher scores than those with expected or applied for funds. These projects should include letters of commitment from these sources.

Planning and Development Districts in the Appalachian Mississippi:

Northeast Mississippi Planning and Development District

Mrs. Sharon Gardner, Executive Director
200 East Chambers Drive, Post Office Box 600
Booneville, MS 38829
(662) 728-6248

ARC Counties served: **Alcorn, Benton, Marshall, Prentiss, Tippah, and Tishomingo**

Three Rivers Planning and Development District

Mr. Randy Kelley, Executive Director
75 South Main Street, Post Office Box 690
Pontotoc, MS 38863
(662) 489-2415

ARC Counties served: **Calhoun, Chickasaw, Itawamba, Lee, Monroe, Pontotoc, and Union**

Golden Triangle Planning and Development District

Mr. Rudy Johnson, Executive Director
106 Miley Road, Post Office Box 828
Starkville, MS 39760
(662) 324-7860

ARC Counties served: **Choctaw, Clay, Lowndes, Noxubee, Oktibbeha, Webster, and Winston**

East Central Planning and Development District

Ms. Kawana McCary, Executive Director
280 Commercial Drive, Post Office Box 499
Newton, MS 39325
(601) 683-2007

ARC County served: **Kemper**

North Central Planning and Development District

Mr. Chris Weathers, Executive Director
711B South Applegate
Winona, MS 38967
(662) 283-2675

ARC Counties served: **Montgomery and Yalobusha**

North Delta Planning and Development District

Mr. James Curcio, Executive Director
220 Power Drive, Post Office Box 1488
Batesville, MS 38606
(662) 561-4100

ARC County served: **Panola**