



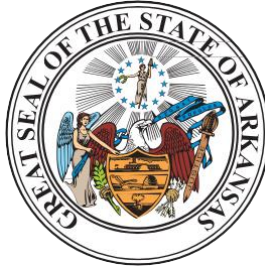
# Arkansas's Five-Year **Delta Development Plan**

for the Delta Regional Authority



Asa Hutchinson, Governor  
Amy Fecher, Designee and Alternate  
December 2015





***Special Thanks to the Members of  
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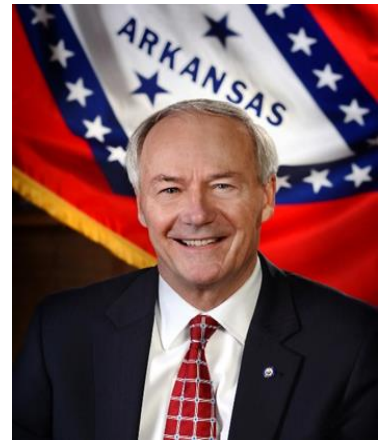
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STATE OF ARKANSAS  
ASA HUTCHINSON  
GOVERNOR

February 16, 2016

Dear Economic Developer:

Rural Arkansas and the Delta, in particular, are experiencing fundamental economic changes. The region has suffered for decades from extreme poverty, population migration and an eroding economic base. Federal programs tend to be inflexible, and local communities are often unable to meet the requirements these programs entail. We are looking at deeply rooted problems that require high-level answers. We must all put aside historical differences to ensure that a strategic plan for economic and social change will allow the Delta to become more competitive in the twenty-first-century global economy.

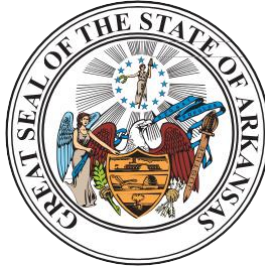
Therefore, it is with pleasure that I present Arkansas's Five-Year Delta Development Plan, which serves as a state-level companion to the Delta Regional Authority's Regional Development Plan III. It should be thought of as a guide for local communities, economic developers, elected officials and planning and development districts throughout the Arkansas Delta seeking Delta Regional Authority Grant funding.

Arkansas's Five-Year Delta Development Plan sets funding criteria that allows flexibility and provides leverage for other dollars. Priority projects will be reviewed based on their relationship to a current economic and business development opportunity to create or retain jobs, provide regional impact, leverage collaborative public-private investment and meet critical needs of a local area.

Raising prosperity levels in the Arkansas Delta has to start with partnerships at the regional level. Developed through group efforts to exchange information about the needs and priorities of stakeholders, this plan represents input from planning and development districts, congressional offices, the Arkansas Economic Development Commission, representatives from higher education, and my office. It is with great pleasure that I present Arkansas's Five-Year Delta Development Plan for the DRA in accordance with the Delta Regional Authority Act of 2000, as amended. I appreciate your continued dedication to improving the Delta for all people.

Sincerely,

Asa Hutchinson



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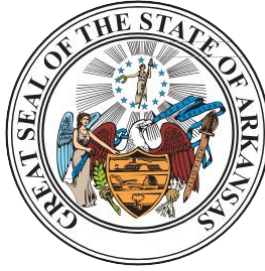
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FAX: (501) 676-5020  
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Executive Director: Rodney Larsen  
4 DRA Counties Served: Lonoke, Monroe, Prairie and Pulaski  
Website: <http://www.capdd.org>

### **Northwest Arkansas Economic Development District**

P.O. Box 190  
818 Highway 62-65-412 North  
Harrison, AR 72602  
Phone: (870) 741-5404  
FAX: (870) 741-1905  
Email: [jwillis@nwaedd.org](mailto:jwillis@nwaedd.org)  
Executive Director: Joe Willis  
3 DRA Counties Served: Baxter, Marion and Searcy  
Website: <http://www.nwaedd.org>

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101 Business Park Drive  
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Executive Director: Renee Dycus  
4 DRA Counties Served: Calhoun, Dallas, Ouachita and Union  
Website: <http://www.swapdd.com>

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P.O. Box 1403  
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Phone: (870) 932-3957  
FAX: (870) 932-0135  
Email: [mrivers@eapdd.com](mailto:mrivers@eapdd.com)  
Executive Director: Melissa Rivers  
12 DRA Counties Served: Clay, Craighead, Crittenden, Cross, Greene, Lawrence, Lee, Mississippi, Phillips, Poinsett, Randolph and St. Francis  
Website: <http://www.eapdd.com>

### **Southeast Arkansas Economic Development District**

P.O. Box 6806  
721 Walnut Street  
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Phone: (870) 536-1971  
FAX: (870) 536-7718  
Email: [glennbell@cablelynx.com](mailto:glennbell@cablelynx.com)  
Executive Director: Glenn Bell  
10 DRA Counties Served: Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson and Lincoln

### **White River Planning and Development District**

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FAX: (870) 793-4035  
Email: [thomas@wrpdd.org](mailto:thomas@wrpdd.org)  
Executive Director: Van Thomas  
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Website: <http://www.wrpdd.org>

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Arkansas's Five-Year **Delta Development Plan**  
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## A. Executive Summary

## A. Executive Summary

### 1. About the Delta Regional Authority

Established by Congress in 2000, the Delta Regional Authority (DRA) works to improve regional economic opportunity through strategic investments to create jobs, build communities and improve the lives of the 10 million people who reside in the 252 counties and parishes of the eight-state Delta region.

The DRA supports job creation and economic development through innovative approaches to growing local and regional leadership, increasing access to quality healthcare and boosting opportunities for entrepreneurs to obtain affordable capital.

Through the **States' Economic Development Assistance Program (SEDAP)**, DRA investments help to improve transportation and basic public infrastructure and to strengthen workforce development systems and local business environments by providing direct funding into community-based and regional projects that address the DRA's congressionally-mandated funding priorities. Under Federal law, at least 75 percent of DRA funds must be invested in economically-distressed counties and parishes. Half of these funds are targeted to transportation and basic infrastructure improvements. The remaining funds are directed to DRA's other funding priorities of workforce development and business development with a focus on entrepreneurship.

Recognizing that economic development is defined by long-term prosperity and growth, the DRA sought, in developing its goals for its third five-year strategic plan (RDP III), to build upon the success of existing programs yet also widen the range of current activities with new initiatives to enhance the region's infrastructure and workforce and community competitiveness. This, coupled with DRA's dual imperative of innovation and resiliency - innovation and resiliency in program delivery in collaboration and in new approaches toward job creation - have produced these three strategic goals.

**Figure 1: DRA Strategic Goals<sup>1</sup>**



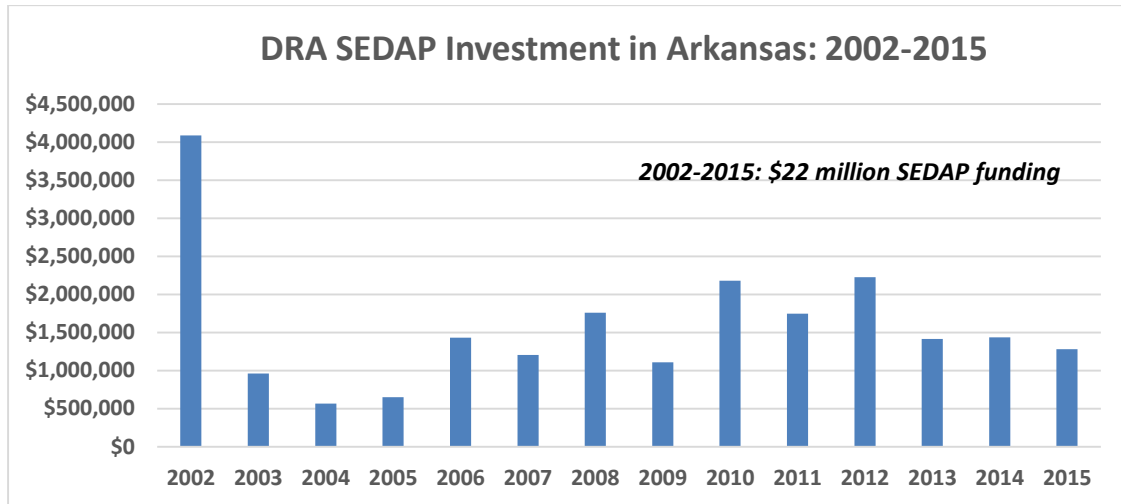
<sup>1</sup> RDP III Delta Regional Development Plan III, Delta Regional Authority, pp. 7-9. Online at <http://dra.gov/funding-programs/strategic-economic-development-plans-by-state/>



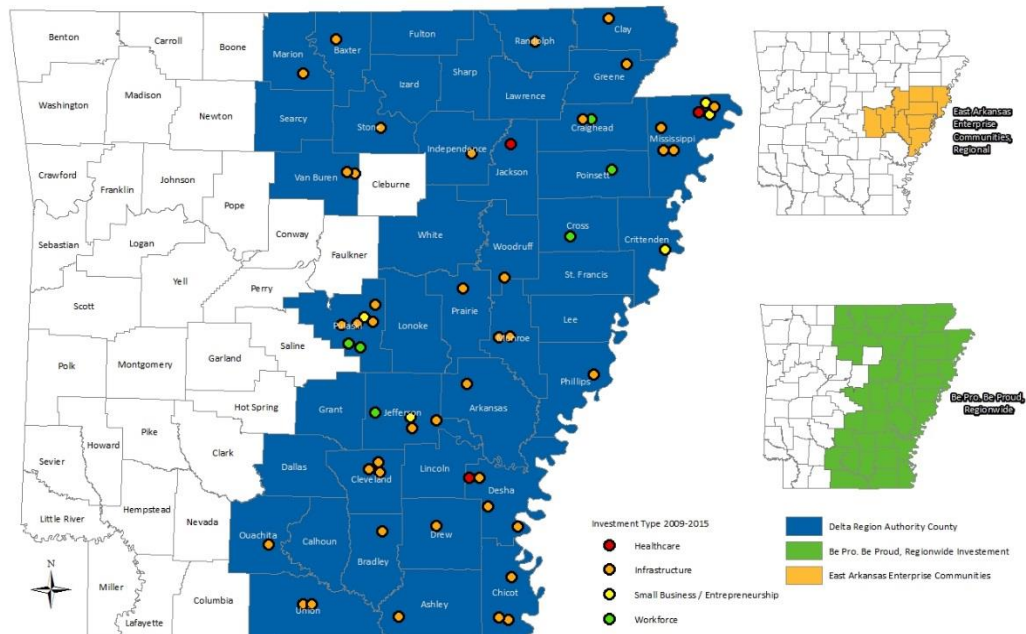
## 2. Delta Regional Authority Funding in Arkansas

Since inception of funding in 2002, the DRA has provided \$22,055,018 in SEDAP funding for 113 projects in Arkansas's 42-county Delta Region. This has leveraged more than \$535 million in public and private investment (See Appendix A).<sup>2</sup>

**Chart 1: DRA SEDAP Investment in Arkansas**



**Figure 2: FY 2009-2015 SEDAP Projects in Arkansas**



<sup>2</sup> Delta Regional Authority, Investments in the Delta, <http://dra.gov/funding-programs/dra-investments-throughout-the-delta-1-1/>, DRA Press Release, NEWS: Delta Regional Authority, state and local partners invest \$108 million into the Arkansas Delta economy, September 23, 2015, accessed 16 Nov 2015.

### 3. A New Day in Arkansas

On January 13, 2015, Governor Asa Hutchinson was inaugurated as Arkansas's 46<sup>th</sup> elected Governor. In his inaugural address, Governor Hutchinson proclaimed **A New Day in Arkansas**:

*"We are especially privileged to be Arkansans, and to live in a state with so much natural beauty and so many wonderful people—a state with a rich history and unbounded promise. And while I am from the Ozark hills, I know the beauty of a Delta sunrise and the vast timberland of the South... Our challenge in the years ahead will be to adapt our agriculture, our government services, our health-care system and our industry to our changing world without forsaking our values. Let's embrace the energy of change and all the opportunity it brings without forsaking our foundation. And when we come to work tomorrow in this magnificent building behind me, our charge will be the same: to build a new foundation for job creation and economic growth. My top priority is to grow the economy of this state, to create jobs, and for Arkansas to enter a time of sustained economic power and influence. As governor, I want people to work; and when they work, they should be better off; and when they work hard enough, they should move up the economic ladder. Our homegrown businesses, like Walmart, Murphy Oil, Dillard's and Tyson, clothe and feed the world. Our world-class academic institutions, like UAMS not far from here, educate the world. Our arts, from the one-of-a-kind exhibits at Crystal Bridges in Bentonville to the talented artisans of the Delta such as Miller's Mud in Dumas, are among the joys of the world. Our writers and musicians entertain and inspire...And we're just getting started because it is a New Day in Arkansas."*<sup>3</sup>

In outlining his vision for Arkansas, Governor Hutchinson developed a set of economic principles that formed the foundation by which current economic development initiatives have been and will continue to be implemented. These principles are as follows:

1. The foundation of economic growth is built upon responsible fiscal policies that reduce tax and regulatory burdens which stifle entrepreneurial initiative, capital investment and job creation.
2. Economic development requires multifaceted job creation, attraction, retention and expansion initiatives that transcend all of the state's regions, industries and cultures.
3. Arkansas must prioritize development of critical human, physical and fiscal infrastructure assets to remain competitive in today's global economy.
4. Protecting Arkansas's quality of life is how we make Arkansas the best state to live, work and raise a family. This must be done by building community capacity and competitiveness by strengthening families, improving school performance, reducing crime and building community assets which retain residents, attract workers and welcome visitors.
5. Arkansas must develop a world-class, technology-based workforce that provides improved job-skills training at all age and skill levels. Intensive computer science curriculum, in particular providing computer coding in every high school, are a key component of this desire.

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<sup>3</sup> Governor Asa Hutchinson, Inaugural Address, January 13, 2015. Online at <http://governor.arkansas.gov/speeches/detail/governor-asa-hutchinson-inaugural-address>

#### **4. Planning Synergies**

Governor Hutchinson's economic principles not only provide the blueprint for Arkansas's economic development mission, but also align symbiotically with DRA's goals and the multiple initiatives of local, regional and statewide entities effectuating community and economic development growth and development throughout the Arkansas Delta. Each of these initiatives, implemented collectively under the canopy of DRA's goals and Governor Hutchinson's economic principles, will provide the basis for which DRA funding will be utilized to leverage maximum public-private investment throughout the five-year (2015-2019) planning period.

#### **5. Plan Development Overview**

##### **Planning Objectives**

- Build on Past Successes (RDP I and II and Arkansas's Five-Year Delta Development Plan: 2009-2014; State Economic Development Initiatives; State, regional and local plans)
- Operationalize Governor Hutchinson's Strategy to Effectuate DRA Goals (November 2015)
- Develop New Synergies and Leverage Potential throughout the Delta (Ongoing: 2015-2019)

##### **Planning Development Process**

- Review Existing Plans, Initiatives and Accomplishments (September-November 2015)
- Resource Identification and Stakeholder Engagement (See Appendix B)
  - Pine Bluff Listening Session (June 30, 2015)
  - Little Rock Stakeholder Engagement (November 13, 2015)
- Goal Setting (November-December 2015)
  - Workforce Competitiveness
  - Infrastructure
  - Community Competitiveness/Capacity Building
- Identification/Prioritization of Actions and Programs for Achieving Goals (November - December 2015)
- Submit Draft Strategic Plan to DRA (December 18, 2015)
- Submit Final Draft Strategic Plan to DRA (February 16, 2016)
- Implement Strategies (Action Items) (Ongoing: 2015-2019)



Arkansas's Five-Year **Delta Development Plan**  
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## B. Challenges and Opportunities: The State of the State

## B. Challenges and Opportunities: The State of the State

### 1. Geography

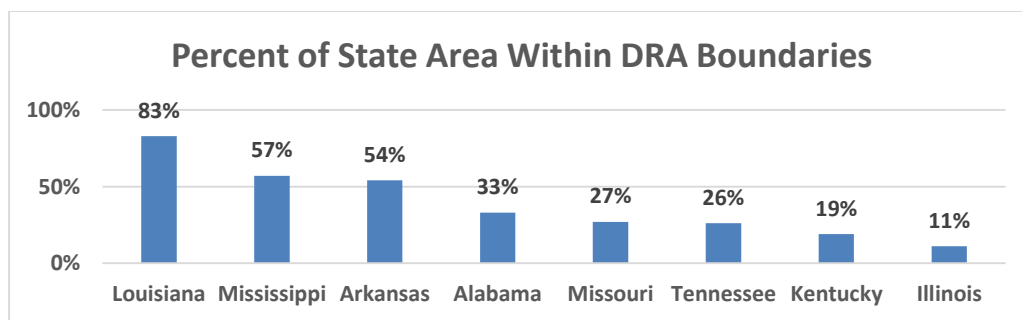
The Arkansas Delta is a vast geographic area encompassing the entire eastern half of Arkansas. The number of Arkansas Delta Counties - 42 - ranks third among DRA states, behind only Louisiana's 56 parishes and Mississippi's 46 counties.

**Figure 3: Delta Regional Authority States<sup>4</sup>**



More than half – 27,945 square miles – of Arkansas's total land area lies within DRA boundaries. Only Louisiana and Mississippi boast more.

**Chart 2: DRA Land Area<sup>5</sup>**



Further, almost half of all Arkansans call the Delta home.<sup>6</sup>

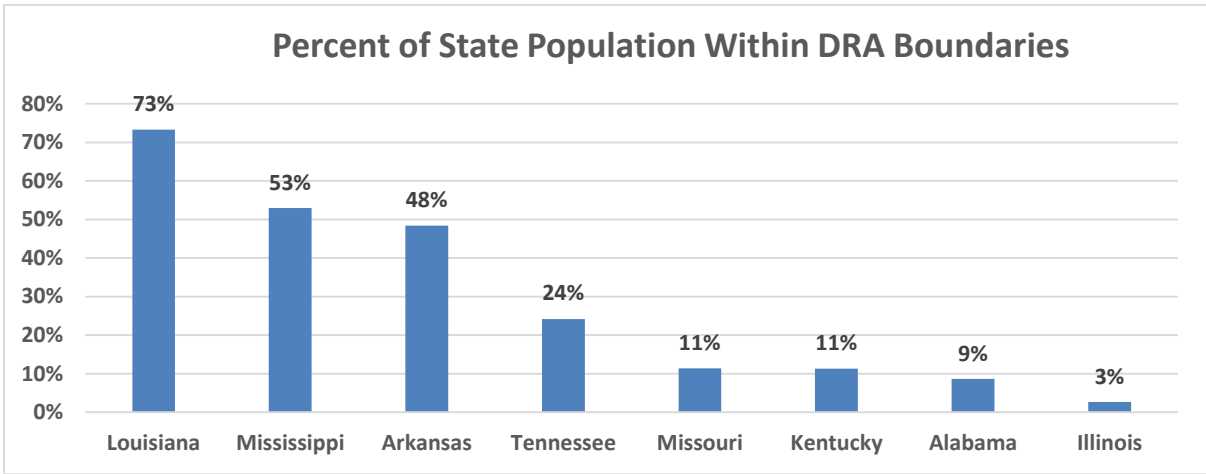
<sup>4</sup> Delta Regional Authority, DRA States, Online at <http://dra.gov/about-dra/dra-states/>

<sup>5</sup> Calculated from Land Area in Square Miles (2010) Department of Commerce, Bureau of the Census, State and County Quick Facts. Online at <http://quickfacts.census.gov/qfd/states/05000.html>, accessed 16 Nov 2015.

<sup>6</sup> Delta Regional Authority, Today's Delta. Online at <http://dra.gov/resources/todays-delta-research-database/>, accessed 16 Nov 2015.



Chart 3: DRA Population



**2. Economy**

Predominantly rural, a majority of the Arkansas Delta is comprised of sparsely populated counties influenced by “county seat” cities that serve as centers of government, manufacturing, commerce, transportation, education and medical services. Generally, the hinterland of each county seat supports natural resource-based businesses such as farming, forestry, light manufacturing, etc. Recreational, historical, heritage and arts and crafts tourism is quickly becoming one of the Delta’s major economic drivers with significant potential to grow.

**Figure 4: Delta Heritage Trail**

*“During my visit to Arkansas City, I learned more about the Delta Heritage Trail State Park. This project converts an abandoned Missouri Pacific rail line and part of the levee road into a biking and walking trail. When completed, the 84-mile trail will follow the Mississippi River from Helena to Arkansas City. Along the route is the site of the Elaine Race Riot, the White River National Wildlife Refuge, the Rohwer Japanese Internment Camp, and historic Arkansas City. Nearby are historic Downtown Helena, the Arkansas Post National Historic Monument, the Louisiana Purchase State Park and Lakeport Plantation. The Trail pieces these small sites together to tell a larger story: the story of our Delta, the story of our heritage. In addition, the project will have a positive economic impact in the poorest corner of our state.” - Governor Asa Hutchinson*

Agriculture-based businesses, relying on crop, catfish, hardwood and softwood timber production, dominate the economies of southern and eastern Arkansas Delta counties. Crop farming is most prevalent in eastern counties along the Mississippi River, timber production is widespread throughout all southern counties, and catfish production is concentrated in southeastern counties. Fertile Arkansas Delta soil produces more rice than any other state and significant amounts of cotton (5<sup>th</sup> nationally) and soybeans (10<sup>th</sup> nationally).<sup>7</sup> Biomass production from agricultural wastes is a potential economic growth area.

Animal production, tourism/recreation, retiree relocation, light manufacturing and health care are the principal economic activities of northwest Arkansas Delta counties. In addition to forest product production, southwest Arkansas Delta counties produce a variety of products including chemicals, defense products and fuels. Northeastern Arkansas’s economy is supported by agriculture, poultry production, manufacturing, transportation and services. Principle manufacturing industries include metals, transportation equipment, food and kindred products, and industrial equipment.

West central Arkansas Delta counties (including Jefferson, Lonoke, Pulaski and White) are decidedly urban (50,000 or more population) and support diverse economies that influence a significant portion of central Arkansas.<sup>8</sup>

Arkansas’s Delta is also a paradise for hunters and anglers worldwide. Arkansas’s waterways and rice fields provide a natural duck habitat while immense forests nurture deer, turkey and other animals. Sport fishing on Arkansas’s rivers, lakes, streams, and ox-bow lakes draws sports enthusiasts from throughout the United States. Such recreational amenities bolster tourism as a major component of the

<sup>7</sup> USDA, National Agricultural Statistics Service, (Arkansas) Crop Production (August 2015).

<sup>8</sup> For listings of major employers in these counties see: *Major Employers by County*, Online at <http://www.arkansasedc.com/data/reports>

Delta economy. Additionally, the retail and service economies of many Delta communities are supported by an influx of consumer spending from intermediate travelers whose ultimate destinations transcend Arkansas boundaries.

### **3. Infrastructure**

Despite the Delta's sparse population and relative isolation, several of its major cities have worked diligently to improve infrastructure capacity. As a result, many of the region's major cities have main line rail service or links to Class I railroads through a comprehensive network of short line railroads. The state's premier multimodal transportation facility, Union Pacific's \$70 million, 600-acre facility near Marion in Crittenden County, provides enhanced opportunities for industrial recruitment.

The Delta also has exceptional port potential. Ports at Helena, Little Rock, Pine Bluff, West Memphis, and Yellow Bend (near McGehee) provide services that can support many types of industry.

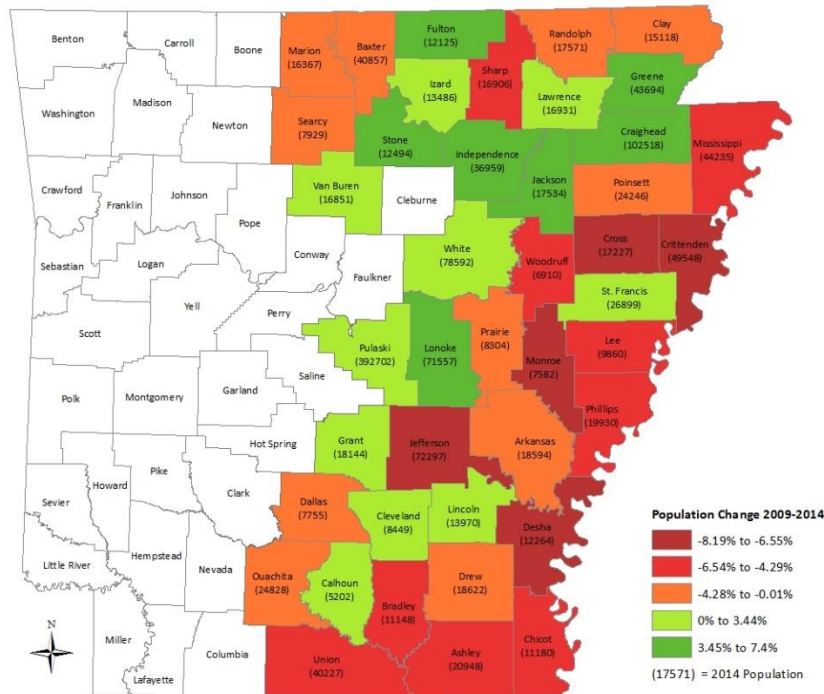
Highway improvements continue throughout the Delta. Prospective highway projects, such as I-69, prioritized in the Arkansas Highway and Transportation Department's State Transportation Improvement Plan and the DRA's Delta Development Highway System provide hope for future development. Stakeholders also indicated a need to continue work on US 67/167 and designation of I-57 linking Arkansas with Missouri and Tennessee.

### **4. Socio-Economic Indicators**

Despite pockets of prosperity, many Arkansas Delta counties are economically distressed. From 2009 to 2014, 25 of Arkansas's 42 Delta counties lost population.<sup>9</sup>

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<sup>9</sup> Department of Commerce, Bureau of the Census, *Population Estimates*. Online at <http://www.census.gov/popest/>, accessed 15 Nov 2015.

**Figure 5: Arkansas Delta County Population Change: 2009-2014**

Population loss is exceptionally devastating to economic development due to its direct relationship to:

- Local tax bases to pay for infrastructure and services
- Labor force quantity and quality for new and existing businesses
- School enrollment
- Housing stock
- Cultural contributions

Many of Arkansas's Delta counties are also plagued by high unemployment and poverty rates; however, average per capita personal income (pcpi) is on par with Arkansas's. This can be attributed to Pulaski and Union Counties' above-average incomes.

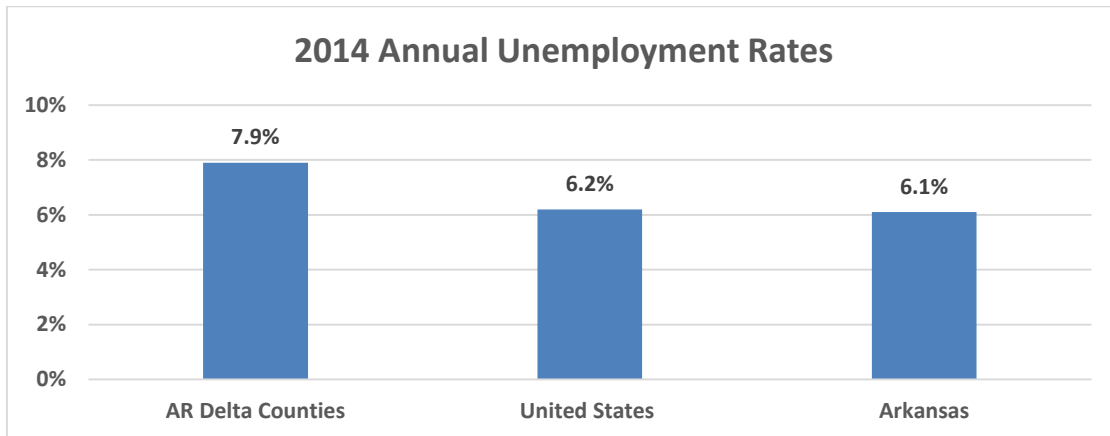
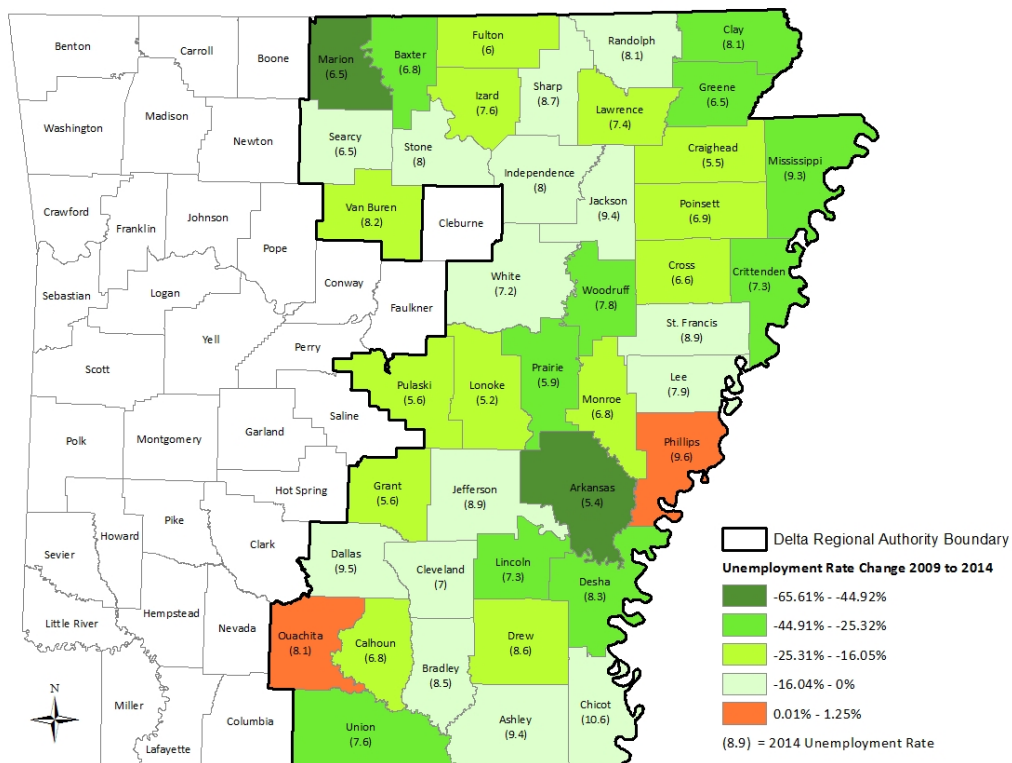
Chart 4: Unemployment Rates <sup>10</sup>

Figure 6: Arkansas Unemployment Rate Change: 2009-2014

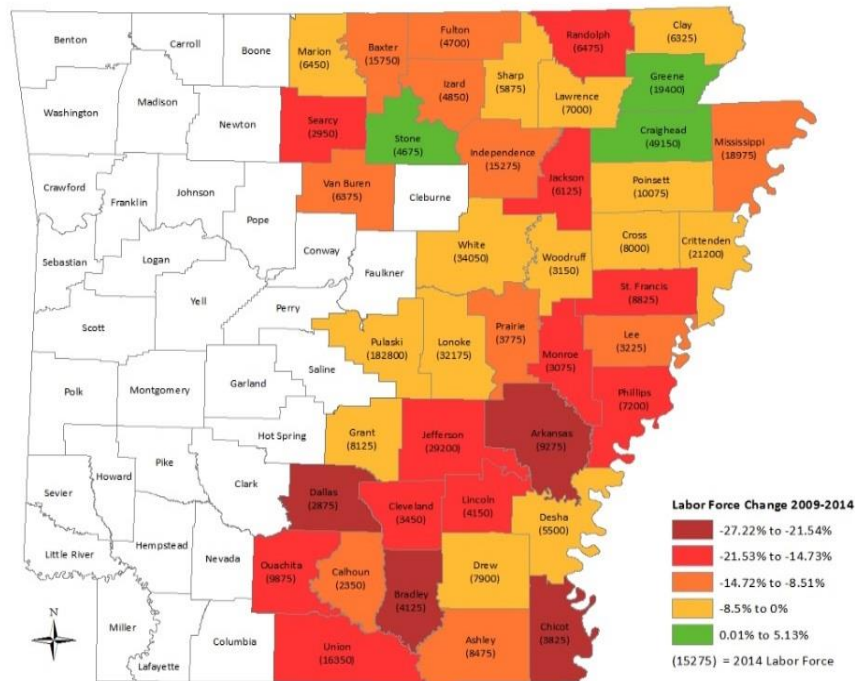
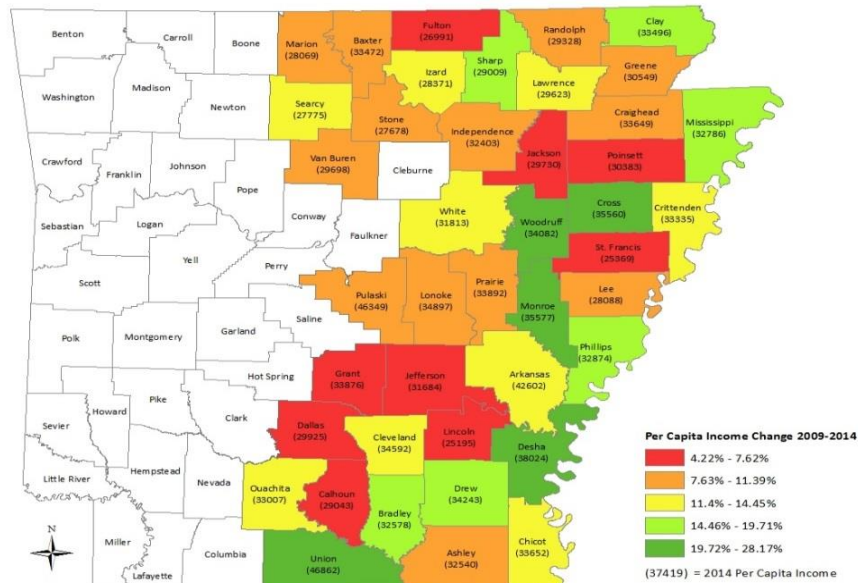


Further, the effects of the last recession are still being felt throughout the Arkansas Delta as all but three Delta counties show continued labor force losses since 2009.<sup>11</sup>

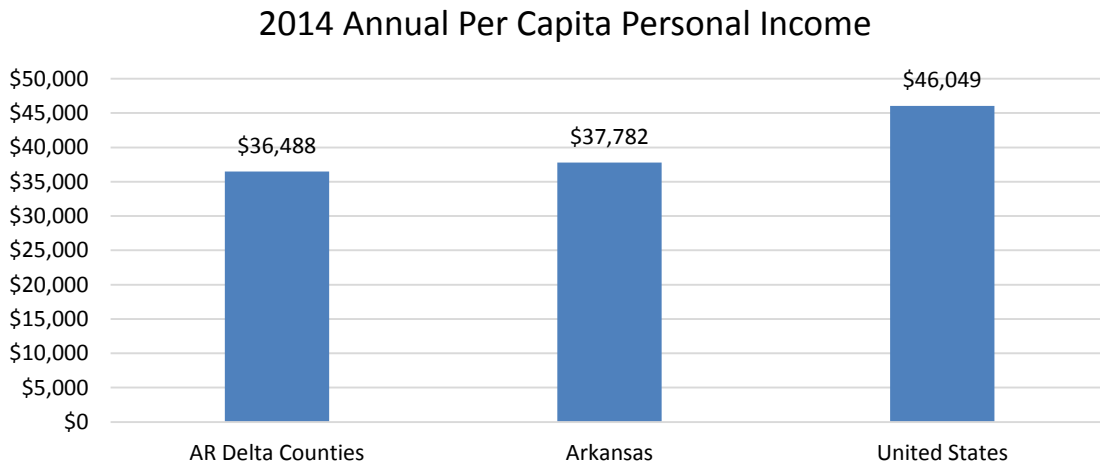
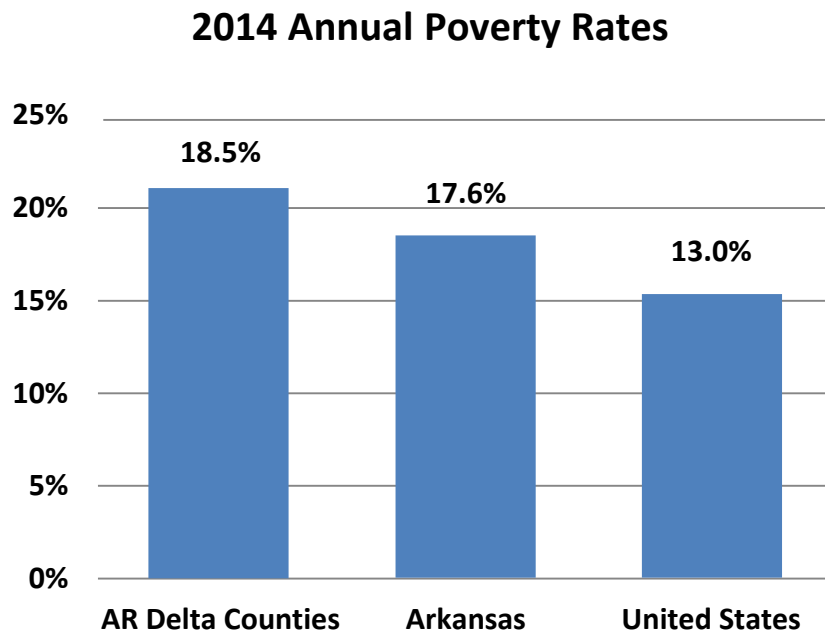
<sup>10</sup> Arkansas Department of Workforce Services, *Unemployment Rates and Labor Force Statistics*. Online at <http://www.discoverarkansas.net/cgi/dataanalysis/AreaSelection.asp?tableName=Labforce>, accessed 15 Nov 2015.

<sup>11</sup> Arkansas Department of Workforce Services, *Unemployment Rates and Labor Force Statistics Annual Labor Force Data for 2009 and 2014*. Online at <http://www.discoverarkansas.net/cgi/dataanalysis/AreaSelection.asp?tableName=Labforce>, accessed 13 Nov 2015.



**Figure 7: Arkansas Labor Force Change: 2009-2014****Figure 8: Arkansas Per Capita Personal Income Change: 2009-2014<sup>12</sup>**

<sup>12</sup> Department of Commerce, Bureau of Economic Analysis, *Per Capita Personal Income*. Online at <http://www.bea.gov/regional/index.htm>, accessed 16 Nov 2015.

**Chart 5: Per Capita Personal Income****Chart 6: Poverty Rates<sup>13</sup>**

<sup>13</sup> Department of Commerce, Bureau of the Census, *Poverty*, online; accessed 18 Dec. 2015, available from <http://www.census.gov/hhes/www/poverty/poverty.html>



Arkansas's Five-Year **Delta Development Plan**  
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## C. Governor's and State's Goals, Priorities and Programs

## C. Governor's and State's Goals, Priorities and Programs

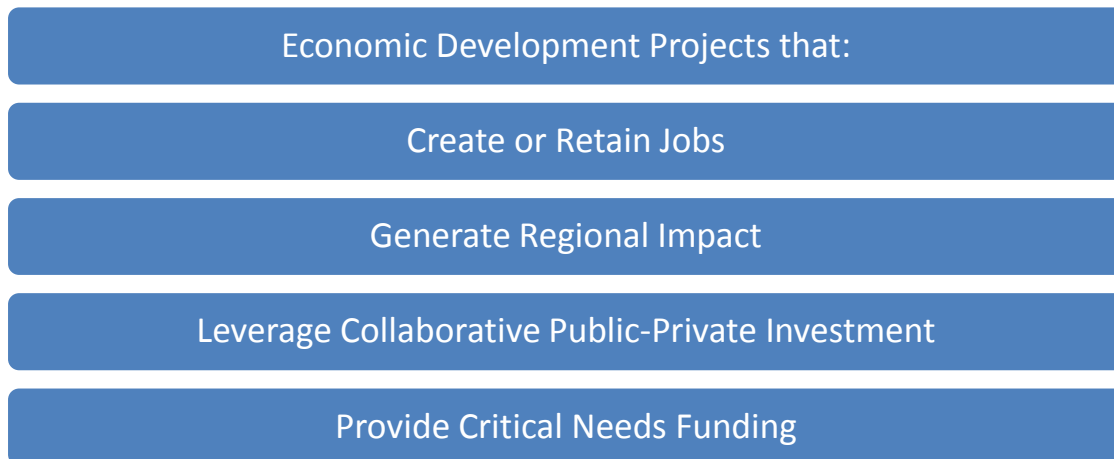
### 1. Governor Hutchinson's Priorities for DRA Funding

DRA funding emphasizes not only traditional “bricks and mortar” infrastructure projects that have been the cornerstone of traditional economic development, but also programs that have stimulated entrepreneurship and development of a highly skilled/educated workforce. DRA priorities include<sup>14</sup>:

- Basic public infrastructure in distressed counties.<sup>15</sup> Under Federal law, at least 75 percent of DRA funds must be invested in economically distressed counties and parishes.
- Transportation infrastructure for the purpose of facilitating economic development. Federal law also requires that half of DRA funds be earmarked for transportation and basic infrastructure projects.
- Business development with an emphasis on entrepreneurship.
- Job training with an emphasis on using existing public education institutions.

Given the long-range nature of both the DRA plan and Governor Hutchinson's economic strategy, it would be most advantageous to prioritize projects based on broad, flexible parameters that maximize cost-effectiveness, leveraging of resources, and economic impact. As a result, Governor Hutchinson established the following categories as priorities for DRA funding:

**Figure 9: Governor Hutchinson's Priorities for DRA Funding**



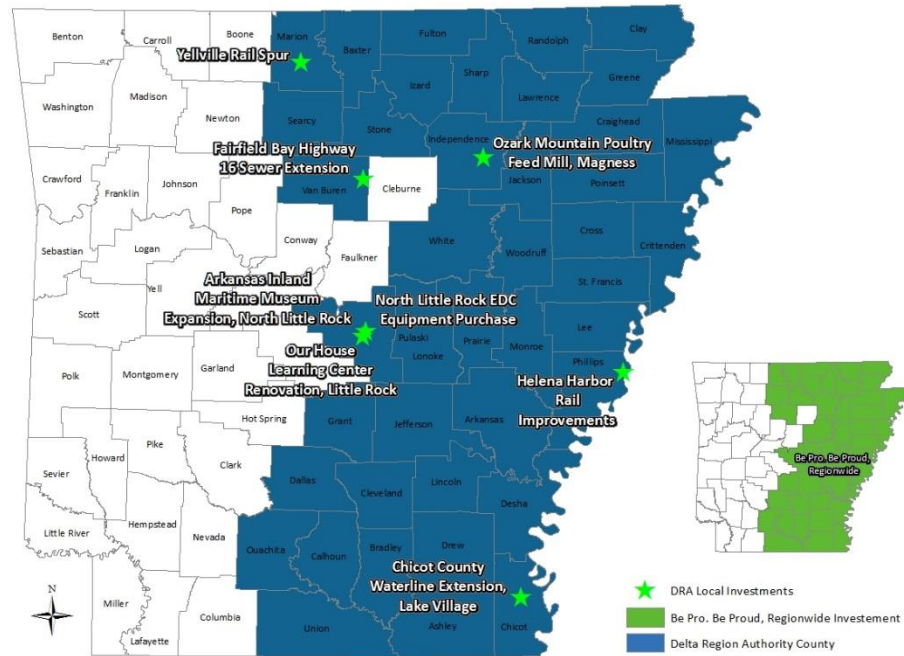
Each applicant for DRA funds must demonstrate that their project is consistent with the goals and objectives of both the DRA III plan and Governor Hutchinson's priorities for DRA funding, and that their project has received Congressional input and support.

<sup>14</sup> See Delta Regional Authority, Investing in the Delta. Online at <http://dra.gov/funding-programs/investing-in-the-delta/>

<sup>15</sup> See Delta Regional Authority, Distressed Counties and Parishes. Online at <http://dra.gov/funding-programs/states-economic-development-assistance-program/distressed-counties-and-parishes/>

These priorities were evidenced in Arkansas's announced Fiscal Year 2015 SEDAP projects.

**Figure 10: Arkansas DRA SEDAP Projects FY 2015**



The actions outlined within this plan will result in collaborative, regional projects that will better utilize scarce resources to stimulate human and capital investment. Governor Hutchinson will continue to work closely with officials throughout the Delta region, especially planning and economic development districts, and the Federal Congressional delegation, to ensure that critical regional projects are funded through the SEDAP Program.

## 2. Governor Hutchinson's Goals, Priorities and Programs

Acknowledging his desire to see the private sector grow more rapidly than the public sector, and with the goals of creating a business-friendly climate with lower tax rates, a skilled workforce and fewer government regulations, Governor Hutchinson proclaimed in his inaugural speech:

*"In my judgment, the first order of business for the state of Arkansas is economic growth and job creation. We all have different priorities. We all want to improve education. We all want to build more highways. We all want to improve our criminal justice system. We all want to increase pre-K opportunities. But to do all that we need to do in this state, we have to grow our economy. And as we grow our economy, we will be able to do more in every category. That is our top priority."*<sup>16</sup>

<sup>16</sup> Governor Asa Hutchinson, Inaugural Address, January 13, 2015. Online at <http://governor.arkansas.gov/speeches/detail/governor-asa-hutchinson-inaugural-address>



A key component of Governor Hutchinson’s vision for Arkansas is the implementation of a common-sense economic development jobs plan<sup>17</sup> that emphasizes economic growth through broad-based job creation, regulatory and tax reform and educational excellence. In developing this plan, Governor Hutchinson outlined a *New Direction for Arkansas’s Future*, proclaiming that:

*“Arkansas can lead our region in job creation and economic growth. We can take the lead nationally in technology education...Arkansas must compete with our surrounding states and globally to create jobs for Arkansas’s future. The six priorities of this plan will benefit every part of the diverse economy of Arkansas including agriculture, tourism, retail, technology and manufacturing.”<sup>18</sup>*

The plan’s six priorities are as follows:

1. Tax Competitiveness
2. Develop an Effective and Efficient Workforce Education System
3. Health Care Reform
4. High Expectations and Choice in Education
5. Teach Computer Science in Every High School
6. Regulatory Reform

From these six priorities, Governor Hutchinson and Arkansas Economic Development Commission (AEDC) Executive Director Michael Preston have developed a new mission statement for AEDC and have developed five economic principles to accentuate this new philosophy.

#### **AEDC Mission Statement**

To create economic opportunity by attracting higher paying jobs, expanding and diversifying our state and local economies, increasing incomes and investment, and generating positive growth throughout Arkansas.

#### **Arkansas Economic Development Principles**

1. The foundation of economic growth is built upon responsible fiscal policies that reduce tax and regulatory burdens which stifle capital investment and discourage job creation.
2. Economic development requires multifaceted job creation, attraction, retention and expansion initiatives that transcend all of the state’s regions, industries and cultures.

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<sup>17</sup> Asa Hutchinson, Making Arkansas Competitive: A New Jobs Plan for 2015 & Beyond. Online at <http://www.archivoelectoral.org/archivo/doc/AsaPlanAsaHutchinsonGOPGobernadorArkansasEEUU2014.pdf>

<sup>18</sup> *Ibid*, page 1.

3. Arkansas must prioritize development of critical human, physical and fiscal infrastructure assets to remain competitive in today's global economy.
4. Protecting Arkansas's quality of life is how we make Arkansas the best state to live, work and raise a family. This must be done by building community capacity and competitiveness by strengthening families, improving school performance, reducing crime and building community assets which retain residents, attract workers and welcome visitors.
5. Arkansas must develop a world-class, technology-based workforce that provides improved job-skills training at all age- and skill-levels. Intensive computer science curriculum, in particular providing computer coding in every high school, are a key component of this desire.

These principles not only form the pillars of Arkansas's economic development plan, but also provide the blue print from which each of DRA's three goals can be implemented.



Arkansas's Five-Year **Delta Development Plan**  
for the Delta Regional Authority



## D. Alignment of State Priorities with DRA Priorities and Implementation Plan

**D. Alignment of State Priorities with DRA Priorities and Implementation Plan**

**1. Goal Alignment**

Each of Governor Hutchinson’s five economic development principles are supported implicitly in DRA’s mission and explicitly within the context of DRA’s three strategic goals. Section D of this plan provides a summary of how each DRA goal supports the economic development priorities of Governor Hutchinson. Projects that meet DRA Priority/Eligibility, Regional Planning Goals and Governor State Priorities will receive priority consideration for funding (see Figure 12).

**Figure 11: DRA Strategic Goals**



**Figure 12:  
DRA Project Funding Process**



**Goal 1: Workforce*****DRA Goal 1: WORKFORCE COMPETITIVENESS***

*Advance the productivity and economic competitiveness of the Delta workforce.*

**DRA Strategies and Actions**

- Build on the momentum of the Re-Imagining the Delta Workforce initiative to create a strong pipeline of talent to support current and future employers in the Delta region.
- Improve the workforce readiness of the region's K-12 students and adult population by increasing the number of internships, work co-op programs, and other initiatives, with a focus on soft skills and employability.
- Create awareness of opportunities in Delta communities to attract talent from outside of the region.
- Continue initiatives to improve the health and wellness of the Delta workforce to elevate the productivity and competitiveness of the region's employers.
- Pursue strategic initiatives to better leverage and connect the Delta region's higher education institutions for workforce development and economic development.



*“Almost 57 percent of Arkansans hold a high-school diploma or less. That’s about 850,000 of us in a state of fewer than 3 million folks. Based upon projected workforce needs, 236,000 adult Arkansans will lack the proper education credentials to be employed by 2020.”<sup>19</sup>*

*- Governor Asa Hutchinson*

### **Governor Hutchinson’s Economic Development Priorities**

Arkansas must develop a world-class, technology-based workforce that provides improved job-skills training at all age- and skill-levels. Intensive computer science curriculum, in particular providing computer coding in every high school, are a key component of this desire.

### **Overview**

The quality and success of Arkansas’s public school system is foundational for our economic growth, quality of life and civic participation. A successful educational system is built with high standards, accountability and choice with the support of families and the community.

Arkansas has an opportunity to create a competitive edge in recruiting industry. We are competing for jobs in the global marketplace and the jobs will flow to those states with the skilled workers and with an educational system that matches the training to the technology of the workplace.

By encouraging computer science and technology as a meaningful career path, Arkansas will produce more graduates prepared for the information-based economy that represents a wide-open job market for young Arkansans. Arkansas will also educate entrepreneurs who create and grow new technology businesses. All Arkansans will benefit from a growth of our technology-fueled economy. Computer science will no longer be neglected in the State of Arkansas but rather it will be embraced.

### **Governor Hutchinson Action Items and Results**

- Governor Hutchinson signed Act 892 of 2015 (April 2015) to create a **comprehensive statewide workforce development system and Office of Skills Development**. Members of the

<sup>19</sup> Governor Hutchinson’s Radio Address, We Can’t Stop Learning, September 4, 2015. Online at <http://governor.arkansas.gov/radio/detail/we-cant-stop-learning>

## **STATE WORKFORCE INITIATIVES**

- Signed Act 892 of 2015, to create a comprehensive statewide workforce development system and Office of Skills Development.
- Signed Act 187 of 2015 to require each public high school and public charter school to offer a course in computer science and to establish a task force to review and recommend computer science courses, standards and pathways for students.
- Completion of “Closing the Gap 2020: A Master Plan for Arkansas Higher Education.”
- Proactive support of Workforce Innovation and Opportunity Act (WIOA) legislation.
- Continued support of Career Readiness Certification program.
- Enhancement of STEM courses.
- Support of College and Career Coaches Program.
- Support of Jobs for Arkansas Graduates.

Career Education and Workforce Development Board, comprised of representatives appointed by Governor Hutchinson from industry sectors and state agencies, will create a comprehensive statewide program for career education and workforce development under the auspices of the newly-created Office of Skills Development.

**Results:** Coordinate all State and Federal career education and workforce development programs (and funding) under one Office of Skills Development; reduce duplication of programming; ensure that every Arkansan who seeks occupational, technical, and industrial training will find an appropriate education program; bring consistency and efficiency to the State's career education and workforce development efforts; and alert industry to the commitment of the State of Arkansas to economic development through career education and workforce education. Specifically, Act 892 of 2015 will allow regional business and industry to guide the training programs; develop and encourage partnerships between two-year colleges, technical colleges, businesses and high schools to improve job-skill training; ensure that funding follows these priorities; and require State government agencies to be organized around these principles.

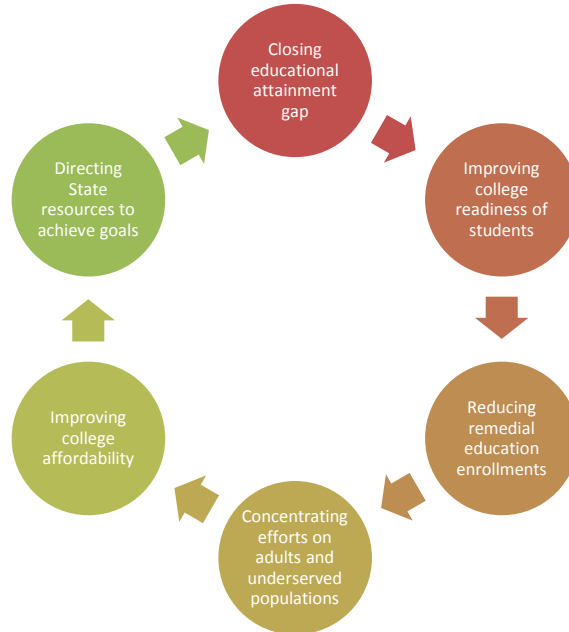
- Governor Hutchinson signed Act 187 of 2015 (February 2015) requiring **all public high schools and public charter high schools to offer computer science classes**, including computer coding, as a math or science credit class. Classes include Advanced Placement Computer Science, International Baccalaureate Computer Science, Essentials of Computer Programming and Computer Science and Mathematics. The Act also called for the establishment of a Computer Science and Technology in Public School Task Force. The purpose of the Task Force will be to: research and recommend computer science and technology courses and standards; study the computer science and technology needs of the state; and, recommend strategies to meet the anticipated computer science and technology workforce needs of Arkansas. Governor Hutchinson also set aside \$5 million to help implement this initiative by funding teacher training and providing stipends to schools that have high performance and enrollment rates in these courses.  
**Results:** Members of the Computer Science and Technology in Public School Task Force were appointed by Governor Hutchinson in April 2015. As of November 2015, Arkansas has more than doubled the number of students enrolled in high school computer science classes. Currently, more than 4,500 students are taking one or more of 14 coding courses - an increase of 260 percent over a year ago and an increase of 472 percent over the previous school year - more than two-thirds of the way to Governor Hutchinson's ongoing four-year goal.
- On September 1, 2015, Governor Hutchinson presented "**Closing the Gap 2020: A Master Plan for Arkansas Higher Education.**"<sup>20</sup> The 2015-2020 five-year planning cycle adopted in this plan is a critical component in the long-term objective of reaching the State's 2025 goal of a 60% post-secondary attainment rate in Arkansas (up from the current estimate of 43.4 percent). By 2020, Arkansas proposes to reduce the educational attainment gap by increasing the number of postsecondary credentials by 50% over the 2013-2014 academic year levels - increasing the number of certificates awarded to 19,200, associate's degrees to 12,700, and bachelor's degrees to 19,900.

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<sup>20</sup> "Closing the Gap 2020: A Master Plan for Arkansas Higher Education," Arkansas Department of Higher Education. Online at [https://static.ark.org/eeuploads/adhe/Closing\\_the\\_Gap\\_2020\\_2.pdf](https://static.ark.org/eeuploads/adhe/Closing_the_Gap_2020_2.pdf)

Closing the Gap 2020 focuses on six key points and four main goals:

**Figure 13: Closing the Gap 2020 Key Points**



**Figure 14: Closing the Gap 2020 Goals**

Goal 1: Raise completion and graduation rates of colleges and universities by 10%

Goal 2: By Fall 2018, increase enrollment of adult students, age 25 to 54 by 50%

Goal 3: Raise the attainment rates of underserved student groups by 10%

Goal 4: Improve college affordability through effective resource allocation

**Results:** The Arkansas Higher Education Coordinating Board (AHECB) adopted **Closing the Gap 2020: A Master Plan for Arkansas Higher Education** on October 30, 2015. Funding initiatives are currently ongoing with results to be reported throughout the five-year planning period.

- Governor Hutchinson will continue to proactively support the initiatives of the **Workforce Innovation and Opportunity Act (WIOA) legislation**.

**Results:** Governor Hutchinson signed Executive Order 15-20 on August 3, 2015<sup>21</sup>, to designate local workforce development areas and to certify local workforce development boards to implement the Workforce Innovation and Opportunity Act of 2014. Objectives specified in the Executive Order include: creating a talent pipeline; increasing employment, increasing retention and earnings of customers; enhancing occupational skill attainment; improving quality of workforce; reducing welfare dependency; and, increasing the productivity and competitiveness of Arkansas.

- Governor Hutchinson has pledged continued support of the **Arkansas Career Readiness Certification Program**.<sup>22</sup> An Arkansas Career Readiness Certificate (CRC) is a portable credential based upon the WorkKeys® assessments that demonstrates to employers that an individual possesses the basic workplace skills required for 21<sup>st</sup>-century jobs. The CRC verifies to employers that the certificate holder can handle tasks such as reading instructions and directions, working with figures, and finding information - tasks common in today's workplace.  
**Results:** Through November 2015, 64,815 certificates have been awarded to Arkansans.
- Continue efforts of the Arkansas Department of Career Education (ADCE) and the Arkansas Department of Education to enhance **STEM courses** at middle schools, high schools and secondary career centers will continue during the planning period.  
**Results:** The number of STEM bachelor's degree graduates in Arkansas increased 58.4 percent in the past four years.
- Support for the **College and Career Coaches Program**, a pilot project designed to motivate and support Arkansas students from 21 Arkansas counties in which unemployment and poverty are high and the college-going rate is low, will also be continued. Students in the 8<sup>th</sup> through 12<sup>th</sup> grades are served by coaches assigned to middle and high schools in those counties. Coaches provide information and assistance in areas such as academic tutoring, career counseling, mentoring, financial guidance, and other support necessary for career educational access and retention. Career coaches (including one for Hispanic populations and one for adult populations) are based in 45 school districts across the state.  
**Results:** (See Appendix C for a map of participating colleges and school districts.)
- **Jobs for Arkansas's Graduates (JAG)** is a broad-based school-to-work program designed to assist students whose ability to successfully graduate from high school and obtain meaningful employment is in jeopardy. JAG is a program of the Arkansas Department of Career Education and is connected to Jobs for America's Graduates, Inc. The program's goal is to ensure students' graduation (or GED) and prepare students for workplace success whether their career begins immediately upon high school graduation or requires them to complete postsecondary education or training. JAG can be utilized in any program of study and can count as credit toward a student's vocational career focus or major.  
**Results:** From 2011-2014, JAG annually served an average of 1,100 students.

<sup>21</sup> Office of Governor Asa Hutchinson, Executive Order 15-20, August 3, 2015. Online at [http://ee-governor-2015.ark.org/images/uploads/executiveOrders/EO\\_15-20\\_ADEM.pdf](http://ee-governor-2015.ark.org/images/uploads/executiveOrders/EO_15-20_ADEM.pdf)

<sup>22</sup> Arkansas Career Certification Program, Arkansas Department of Career Education, <http://dws.arkansas.gov/Programs/CRC/>

## Overview

Governor Hutchinson firmly believes that healthier Arkansans can increase the state's labor force participation rate which is currently 55.6 percent –5.8 percent below the national average.<sup>23</sup> Healthier Arkansans can also enhance business productivity through reduced absenteeism and lower health care costs to employers.

Governor Hutchinson has made improvement of the state's health care initiatives, including the modification of expanded Medicaid, one of the cornerstones of his governorship. His approach has focused on limiting the size of the traditional Medicaid program; encouraging increased personal responsibility and employment and decreased reliance on taxpayer-funded healthcare service; and assuring efficient, cost-effective, transparent healthcare delivery.

*"It's all connected. We have more than \$1 billion annually just in obesity-related expenses. The more we do to improve healthy lifestyles in our state, the more we reduce costs and the more we improve our workforce and quality of life."*

*- Governor Asa Hutchinson*

## Governor Hutchinson Action Items and Results

- Governor Hutchinson launched **Healthy Arkansas**, a statewide plan to improve the health of all Arkansans, on October 14, 2015. Healthy Arkansas contains nine focus areas tied to increasing the health of Arkansans through healthy dietary choices and increased physical activity. The nine focus areas are Physical and Built Environment; Nutritional Standards in Government, Institutions and the Private Sector; Nutritional Standards in Schools—Early Child Care Through College; Physical Education and Activity in Schools—Early Child Care Through College; Healthy Worksites; Access to Healthy Foods; Sugar-Sweetened Beverage Reduction; Breastfeeding; and a Marketing Program. Benefits of improving health include lower health care costs for employers and employees and increased productivity; lowering the burden of chronic disease treatment, such as obesity and diabetes, on the health care

## STATE HEALTH INITIATIVES

- Healthy Arkansas launched in October 2015.
- Governor's Advisory Council on Medicaid Reform.
- Legislative Task Force on Healthcare Reform.
- Created Medicaid Payment Integrity Unit.
- Continued support of DRA Health and Wellness Initiatives.

<sup>23</sup> Source: Arkansas Department of Workforce Services. Online at <http://www.discoverarkansas.net/cgi/dataanalysis/labForceReport.asp?menuchoice=LABFORCE> and United States Census Bureau, ([www.census.gov](http://www.census.gov))

industry; and strengthening the state's economic development potential by establishing Arkansas as a place with a healthier workforce.

- Governor Hutchinson also created the **Governor's Advisory Council on Medicaid Reform** to work with the Governor's Office and the **Legislative Task Force on Healthcare Reform** to identify efficient, effective reforms for Medicaid. He has also introduced a new **Medicaid Payment Integrity Unit** to identify sources of waste in Medicaid.

Governor Hutchinson's approach to improving Arkansas's compliance with the Affordable Care Act, as expressed to the Legislative Healthcare Reform Task Force and the Medicaid Advisory Council, has seven points:

- Mandatory employer-sponsored insurance premium assistance;
- Cost-sharing for individuals with incomes greater than 100% of the federal poverty level;
- A work-training or employment-assistance referral requirement for the able-unemployed or underemployed;
- Elimination of non-emergency medical transportation;
- Limitation of access to private market coverage to working individuals;
- Cost savings; and
- Increased program integrity.

### Regional Workforce Initiatives

- The **Arkansas Delta Training and Education Consortium** (ADTEC) was formed in 2005 by five Arkansas community colleges to address the training needs of business and industry. ADTEC serves a 12-county region in eastern Arkansas. Its purposes are to provide a comprehensive regional approach to education and training; share faculty, curriculum, equipment, and best practices; provide a broader range of services at a lower overall cost; and, promote regional economic development. It has acquired more than \$63 million in external investments to support regional workforce development initiatives. Supported career pathways include advanced manufacturing, allied health, aviation technology, renewable energy technology, and transportation technology.
- The **College Initiative** provides college-capable, low-income high school students with the tools and mentorship they need to successfully apply to and succeed in college. The Initiative forms partnerships with school districts, teachers, and college students to ensure that every student who wants to attend and graduate from college has the opportunity to do so. The Initiative has programs in three states (Arkansas, Mississippi, and Tennessee) and is aiming to serve more students across the country. There are two components to the program: an outreach program for ninth and tenth grades and core programming for eleventh and twelfth grades. One hundred percent of the College Initiative's students have been admitted to college, their students' scores are 40% higher than others' on the ACT, and they are twelve times more likely to earn a degree than non-participants. Gabriel Fasting is the founder and CEO of the College Initiative.
- **Teach for America** is a 25-year-old program that recruits individuals to commit to teaching for two years at a public school in a low-income community. Its mission is to promote educational equity and excellence. Teach for America trains and supports teachers through pre-employment training, professional development sessions, and regionally recommended resources. The program has over 42,000 alumni. It currently serves 52 regions, which include both states and cities. Arkansas has 110 active corps members and 200 active alumni. The Executive Director for Arkansas is Jared Henderson.



➤ **Wynne Public School Academics**

The Wynne School District is one of the most highly regarded school districts in Arkansas academically. The high school offers college prep curriculum, Advanced Placement® courses, and some basic college courses. In the 2015-16 school year the district is moving to a career academy concept, in which students can choose an emphasis of study as they will in college. The career academies are personalized small learning communities within the high school that students must apply for and be accepted into, with parental support. Over 50% of Wynne's graduates go on to college. Wynne High School has been named one of America's Best High Schools by U.S. News & World Report (bronze medal category). The superintendent of the Wynne School District is Carl Easley.

➤ **El Dorado/Arkadelphia Promise**

The El Dorado Promise, in El Dorado, AR, is scholarship program established in 2007. The Promise, funded by Murphy Oil Corporation, provides graduates of El Dorado High School with a scholarship covering tuition and mandatory fees. The scholarship can be used at any accredited two- or four-year, public or private educational institution in the United States. The maximum amount payable is up to the highest annual resident tuition at an Arkansas public university. The program has given 1,588 scholarships to date. Since 2005, AP enrollment at El Dorado High School has more than doubled. In addition, the number of AP course offerings at the school has increased from seven in 2001 to twenty in the 2014-2015 school year.

The Arkadelphia Promise Scholarship provides up to four continuous years of tuition and mandatory fees for post-secondary education to any accredited two-year and four-year, public or private college or university in the United States. The scholarship must be used immediately following graduation from high school unless deferred by military service. The program began with the graduating class of 2011. To be eligible, a student must be a graduate of Arkadelphia High School, must apply for and receive the Arkansas Academic Challenge Scholarship, and have at least a 2.5 GPA and/or a 19 on the ACT. The goal of the Arkadelphia Promise Scholarship is to increase the college-going rate for Arkadelphia students, reduce the number of students dropping out of college for financial reasons and provide for a more educated workforce. The Promise graduates' retention rates since the introduction of the program have remained 70 percent or better since the beginning, with 70 percent retention in 2011, 82 percent in 2013, and 76.9 percent in 2014. The success of the Promise is often measured by comparing the college-going and college retention figures of AHS's graduates to that of Arkansas's and the national averages. AHS graduates consistently enroll in, and stay in, college at rates well ahead of their peers. Promise graduates have steadily been ahead of the current national college-going rate of 65.9 percent, with 75.4 percent enrolling in 2014. The first Arkadelphia Promise class enrolled in college at a rate of 75.3 percent. Prior to the introduction of the program, the number of AHS graduates enrolling in college hovered around 60 percent.

➤ **KIPP Delta Public Schools**

Knowledge Is Power Program (KIPP) charter schools are a national network of free open-enrollment college preparatory schools in under-resourced communities in the U.S. KIPP Delta Public Schools offer free, college-preparatory education to children in the Arkansas Delta. KIPP Delta Public Schools serve over 1,400 students across six schools in Helena, Blytheville and Forrest City, Arkansas. The schools help students develop the knowledge, skills, character and habits needed to succeed in college as well as the world beyond.

## Goal 2: Infrastructure

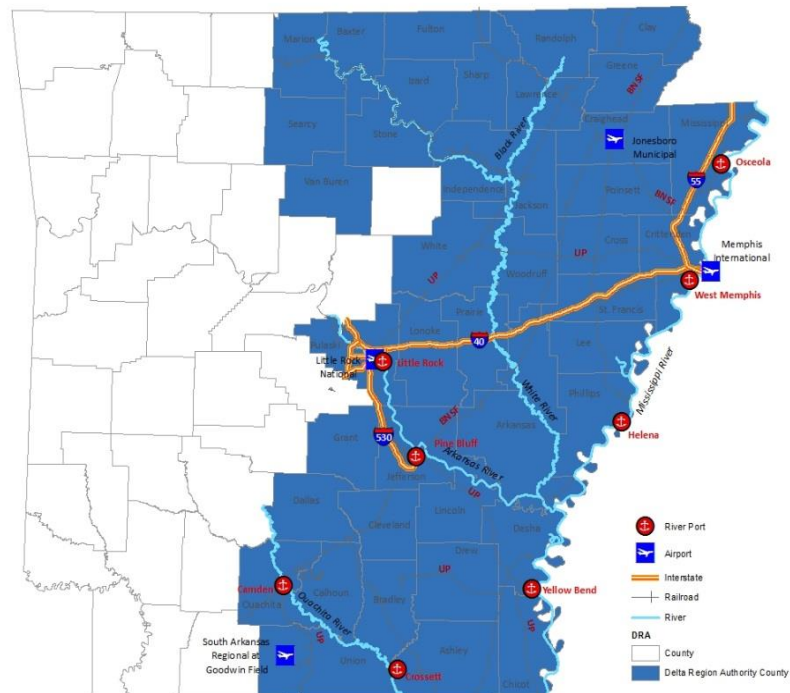
### **DRA Goal 2: INFRASTRUCTURE**

*Strengthen the Delta's physical, digital, and capital connections to the global economy.*

### **DRA Strategies and Actions**

- Build and strengthen the region's basic infrastructure (water, wastewater, electricity and gas) to stimulate job growth and capital investment.
- Make strategic investments in the region's transportation infrastructure (highways, rail, water-based transport and air travel) to support the growth of key industries.
- Expand and improve access to affordable digital infrastructure (broadband internet, cellular and satellite access) across the region, especially on areas where it is currently deficient.
- Support state and local economic development organizations and local development districts in their efforts to put in place deal-ready sites for business recruitment and expansion projects.
- Improve capital access throughout the Delta, especially in non-urban areas where it is lacking most.

**Figure 15: Delta Physical Infrastructure**



## Governor Hutchinson's Economic Development Priorities

Arkansas must prioritize development of critical human, physical and fiscal infrastructure assets to remain competitive in today's global economy.

### Overview

As the scope of economic development has broadened, so has the definition of infrastructure. Economic developers have traditionally viewed infrastructure as those physical structures and services such as roads, utilities and buildings that are necessary for residential and commercial development. As information technology has proliferated, telecommunications assets have been integrated into the definition. Today, economic developers consider workforce, intellectual property and other non-structural resources as "soft" infrastructure components. Defined most broadly, infrastructure can refer to almost any resource that contributes to economic development.

Although Delta counties are blessed with resources, particularly natural and human resources, regionalization efforts are hampered by communications and transportation infrastructure deficiencies. Often the costs for ameliorating these deficiencies are beyond the scope of any one agency.

As the physical infrastructure needs of the Delta are expansive, so must be the funding solutions. Major issues involving infrastructure include capacity, accessibility, cost, availability, safety and flexibility. Key components of the Delta infrastructure system include ports, rail, highways, airports, utility infrastructure, Internet and buildings and sites.

### Governor Hutchinson Action Items and Results

- **Governor Hutchinson's Working Group on Highway Funding** (Executive Order 15-08) was created to come up with options for a more reliable, modern and effective system of state highway funding. This working group brings different public and private entities to the table to create optimal solutions for sustaining the needs of Arkansas's infrastructure.

**Results:** Preliminary funding options will be presented to the Governor by December 15, 2015. After reviewing their recommendations, Arkansas will move forward with legislation to implement a new framework to address them.

## STATE INFRASTRUCTURE INITIATIVES

- Governor's Working Group on Highway Funding.
- Advanced Communications and Information Technology Committee -proposed state broadband plan.
- Continued funding of infrastructure through State and Federal Sources:
  - Community Development Block Grants
  - Governor's Quick Action Closing Fund
  - Amendment 82 Bonds
  - General Improvement Funding
  - Delta Regional Authority
  - EDA
  - AHTD
- Expand Prospect Readiness Education Program training.

- Since 2007, Arkansas, largely through Connect Arkansas, has worked to increase high-speed Internet subscription and improve and sustain Internet adoption throughout Arkansas. Subsequent to the loss of predominantly-federal funding, the Arkansas legislature is exploring future options, including the development of a statewide broadband plan, to continue broadband growth. The leaders of the Arkansas House and Senate in October 2015 asked the **Joint Committee on Advanced Communications and Information Technology** to develop a proposal for expanding Internet access to every community in the state.

*“It’s time for us to really step up our game, and on both the House and Senate end, take the lead in making sure that every home and every business, every school in the state of Arkansas has the appropriate access to broadband.”*

*- House Speaker Jeremy Gillam<sup>24</sup>*

**Results:** The committee approved a timeline that calls for it to spend November 2015 looking at the current level of access, begin a fact-finding tour of the state in December 2015, bring Internet providers and economic developers to the table for discussions in the spring of 2016 and spend the summer months of 2016 developing a plan. The timeline calls for the plan to be finalized before budget hearings start next fall in advance of the 2017 session.

- Arkansas’s most consistent and comprehensive source of community and economic development funding during the past three decades has been the Department of Housing and Urban Development’s **Community Development Block Grant Program (CDBG) administered by the AEDC**. Despite significant appropriation reductions during the past decade, Arkansas’s FY 2015 appropriation of **\$15,864,072** will provide significant funds for economic development projects, infrastructure (predominantly water and wastewater projects) and public facilities. (See Appendix D for FY 2015 appropriations and a map of recently-funded CDBG projects in the Delta.)
- Since its inception in 2007, more than \$156 million has been allocated to the **Governor’s Quick Action Closing Fund**. A significant amount of funding has been provided to projects such as Big River Steel, Aerojet - Rocketdyne, Bad Boy Mowers, Remington, Trinity Rail, Awesome Products, Smuckers (SC Logistics) and Fishing Holdings. (See Appendix E for a map of Quick Action Closing Fund Projects in the Delta (2007-2015)).
- **Amendment 82** to the Arkansas Constitution allows the State of Arkansas to issue General Obligation Bonds to finance infrastructure costs associated with eligible companies locating or expanding operations in Arkansas. The state can issue bonds to fund a prospect’s infrastructure needs through the Arkansas Development Finance Authority, limited to 5% of general revenues during the most recent fiscal year. This unique financing resource has been used once, to help finance the construction of Big River Steel in Mississippi County Arkansas, the nation’s soon-to-be second largest steel producing county.

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<sup>24</sup> Legislative leaders ask panel to develop plan for statewide Internet access, Arkansas News, October 28, 2015, online <http://arkansasnews.com/news/arkansas/legislative-leaders-ask-panel-develop-plan-statewide-internet-access#sthash.q8H2KHQt.dpuf>

- **Other funding** from State General Improvement Funds and Federal sources will be instrumental in financing many of the Delta's infrastructure projects during the five-year planning period. Governor Hutchinson has vowed to support continued funding of the above programs and has encouraged agency directors to creatively fund projects in the most fiscally-responsible, cost-effective manner possible.
- The AEDC, in conjunction with Entergy, maintains a web-based database of available buildings and sites (**Arkansas Site Selection Center**) for business recruitment and expansion projects.<sup>25</sup> As of November 2015, there were 412 buildings and 233 sites listed in the 42-county Delta region of Arkansas.
- The AEDC offers a **Prospect Readiness Education Program (PREP)** to train communities to respond to company and consultant requests for information (RFI), identification and presentation of buildings and sites, RFI preparation and hosting site visits. As of November 2015, the following communities in the 42-county Delta region of Arkansas have participated: Fordyce, Warren, Forrest City, Lake Village, Carlisle, Jacksonville, El Dorado, Batesville, McCrory, Marion, Bono, Marked Tree, Helena, Corning and Walnut Ridge.
- Additionally, the AEDC offers other **training opportunities** such as Technical Assistance Training for Mayors, Community Dynamics and Site Development Classes that can be customized to fit the needs of Delta counties and communities.

### Regional Infrastructure Initiatives

- The **Newport Economic Development Commission (NEDC)** offers the **ReNewport Grant** program to small businesses located in the city limits of Newport, AR. NEDC offers a 50% matching grant at the amount of up to \$2,500 from a fund totaling \$25,000. The grant can be used to make needed improvements to a business's building exterior, parking lots or grounds. The goal of the ReNewport grant is to assist small businesses in making capital improvements that help the business be more competitive by improving their access and signage and to assist in the beautification of the community. The NEDC has distributed over 70 ReNewport Grants to 58 different businesses since the program began in 2008.
- **Main Street Arkansas's** mission is to be the leading resource for communities seeking to revitalize their historic downtown commercial districts. It provides resources, education, and professional assistance to the more than 30 participating communities in the state. Since the program's inception in 1984, Main Street Arkansas cities have gained over 1,100 new businesses and over 1,000 business expansions and relocations into downtown. There have been over 840 public improvement projects and half a million volunteer hours. Main Street Arkansas's director is Greg Phillips.
- Several cities and counties have passed **economic development sales taxes** to fund infrastructure for new and expanding businesses. (See Appendix F for Local Economic Development Sales Tax Revenue.)

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<sup>25</sup> Arkansas Site Selection Center, Buildings and Sites Database, Teamwork Arkansas. Online at <http://www.arkansassiteselection.com/>

**Goal 3: Community Competitiveness*****DRA Goal 3: COMMUNITY COMPETITIVENESS***

*Facilitate local capacity building within Delta communities, organizations, businesses and individuals.*

**DRA Strategies and Actions**

- Develop new strategic initiatives and continue existing programs that build capacity among local leaders in Delta communities.
- Emphasize programs and investments to advance entrepreneurship and high-growth business development in Delta communities, ensuring that the unique innovation assets found within the region's urban areas are leveraged to benefit the entire region, including rural areas.
- Enrich the quality of place of Delta communities through catalyst projects and creative place-making.
- Encourage initiatives centered on social innovation, social entrepreneurship and social equality to address critical challenges facing Delta communities while also providing opportunities to attract and retain talent.

**Governor Hutchinson's Economic Development Priorities**

The foundation of economic growth is built upon responsible fiscal policies that reduce tax and regulatory burdens which stifle entrepreneurial initiative, capital investment and job creation.

Economic development requires multifaceted job creation, attraction, retention and expansion initiatives that transcend all of the state's regions, industries and cultures.

Protecting Arkansas's quality of life is how we make Arkansas the best state to live, work and raise a family. This must be done by building community capacity and competitiveness by strengthening families, improving school performance, reducing crime and building community assets which retain residents, attract workers and welcome visitors.



## Overview

Community capacity is the interaction of human, organizational, and social capital existing within a given community that can be leveraged to solve collective problems and improve or maintain the well-being of a given community. It may operate through informal social processes and/or organized efforts by individuals, organizations, and the networks of association among them and between them and the broader systems of which the community is a part.<sup>26</sup>

Chief among these systems are the numerous quality of place factors that businesses, individuals and organizations have developed over generations and the governmental and regulatory spheres in which communities exist.

Quality of place involves a myriad of tangible and intangible elements. It arises from the sum of thousands of decisions made over decades regarding road construction, land use, the design of residential and commercial development, funding for art and recreation, and many other variables. Therefore, an economic development strategy based on quality of place must acknowledge, and coordinate with, decisions made in each of these areas. Furthermore, research tells us that quality of place mainly influences the location decisions of businesses and individuals when other factors are equal, meaning that traditional economic factors such as workforce skills, transportation costs, taxes, and telecommunication infrastructure are still important.<sup>27</sup>

Among many factors, the foundation of economic growth is built upon responsible fiscal policies that reduce tax and regulatory burdens which stifle capital investment and discourage job creation. State regulations on business should be designed to protect our environment, our citizens and the safety of our workers. Ineffective, confusing and costly regulations should be eliminated. Unreasonable obstacles should be eliminated so that bad actors,

## STATE COMPETITIVENESS INITIATIVES

- Signed Act 22 of 2015, to reduce taxes for more than 500,000 middle class Arkansans.
- Signed Executive Order 15-02 requiring gubernatorial review of agency rules and regulations to prevent undue burdens.
- Market all of the state's multifaceted regional attributes to create, attract, retain and expand industry.
- Continue to provide funding and support for regional innovation and entrepreneurial centers.
- Continue to support local community capacity initiatives for re-entry into the workforce, leadership training, school excellence and food initiatives.

<sup>26</sup> Robert J. Chaskin, Defining Community Capacity: A Framework and Implications from a Comprehensive Community Initiative, University of Chicago. Online at [https://www.chapinhall.org/sites/default/files/old\\_reports/41.pdf](https://www.chapinhall.org/sites/default/files/old_reports/41.pdf)

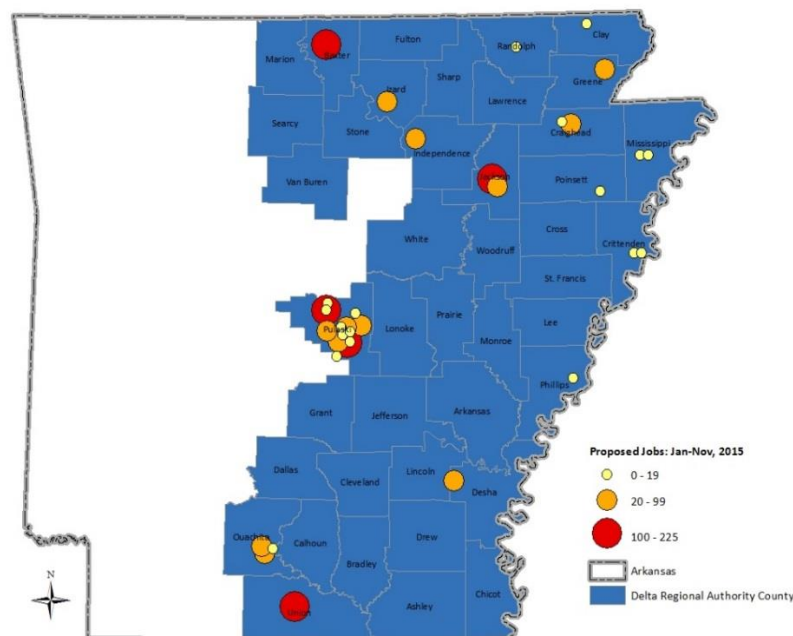
<sup>27</sup> Reilly, Catherine J., and Henry Renski. "Place and Prosperity: Quality of Place as an Economic Driver." Maine Policy Review 17.1 (2008): 12 -25, <http://digitalcommons.library.umaine.edu/mpr/vol17/iss1/5>, pp 22-23.

not businesses that are working in the public's benefit, are held accountable.

### Governor Hutchinson Action Items and Results

- Providing widespread tax relief by signing Act 22 of 2015, The Middle Class Tax Relief Act of 2015, the largest income tax reduction in the State's history.  
**Results:** Reduced the tax burden of approximately 500,000 middle-class Arkansans by up to \$540 per taxpayer. Estimated impact of tax cuts of \$100 million annually.
- Governor Hutchinson signed **Executive Order 15-02** on January 14, 2015, requiring gubernatorial review of all state agency rules and regulations to ensure that rules do not unnecessarily create entry barriers, stifle entrepreneurial activity or curb innovation.<sup>28</sup>  
**Results:** Reduction of restrictive and unnecessary regulatory burdens.
- Work to create and expand industry throughout Delta. Through November 2015, the **AEDC has signed new and expanded incentive agreements** with 35 companies proposing investment of \$1.74 billion and the creation of 2,972 direct jobs paying average hourly wages of \$20.17.<sup>29</sup>

**Figure 16: AEDC Projects in the Arkansas Delta 2015**



- Additionally, the AEDC is working to market Arkansas to the world by conducting trade missions to Europe, Asia and Cuba to promote Arkansas exports, foreign direct investment and expansion of foreign-owned Arkansas facilities. While in Europe, we focused on the aerospace and steel industries

<sup>28</sup> Governor Asa Hutchinson, Executive Order 15-02, signed January 14, 2015, <http://ee-governor-2015.ark.org/images/uploads/executiveOrders/EO15-02RulesandRegulations.pdf>

<sup>29</sup> Arkansas Economic Development Commission, New and Expanded Database. Includes all agreements signed from January 13, 2015-November 20, 2015 and Big River Steel and Peco Foods signed late in 2014.

at trade shows in France and Germany. In Cuba, our focus was on creating trade opportunities for poultry, rice and agricultural products. In Asia, our purpose was to recruit new industry to Arkansas and visit with companies that already have investments in the United States — particularly in Arkansas.

- Governor Hutchinson, the Arkansas Legislature and AEDC continue to provide support for regionally-based entrepreneurial and innovation centers that operate throughout the Delta. These include:

- **Innovate Arkansas**

The primary goals of Innovate Arkansas, a program of the AEDC and Winrock International, are to encourage technology-based innovations and create jobs in Arkansas. Innovate Arkansas works with new, technology-based entrepreneurs as they turn new inventions and high-tech service concepts into viable commercial enterprises. Innovate Arkansas identifies new technology products and services; helps entrepreneurs and inventors with business start-up and financial support needs; and mentors them as they become commercial enterprises.

Innovate Arkansas  
Winrock International  
2101 Riverfront Drive  
Little Rock, AR 72202  
Phone: (501) 280-3021  
<http://innovation.arkansasbusiness.com/>

- **Arkansas Regional Innovation Hub**

The Arkansas Regional Innovation Hub is a nonprofit organization dedicated to increasing innovative and entrepreneurial activity in Arkansas by creating a collaborative ecosystem and pipelines that mobilize the resources, programs and educational opportunities necessary to develop, attract and retain talent and to build the state's economy.

Their mission is achieved in several ways, including the creation of their Innovation Center, which has four components: The Launch Pad, which is a maker space with cutting-edge equipment and technology; a STEM classroom and laboratory; The Silver Mine, which is a co-working space for entrepreneurs and startup incubation; and The Art Connection, which is a work program for high school students that develops leadership and innovation through hands-on training in the visual arts industry.

All of their programs have been developed with local, regional, and state partners including Arkansas Manufacturing Solutions, AEDC, the EAST Initiative, the Arkansas STEM Coalition, regional higher education institutions and public school districts, private industry, the DRA, Winrock International, the Arkansas Department of Workforce Services, and many others.

Arkansas Regional Innovation Hub  
201 E Broadway Street  
North Little Rock, AR 72114  
Phone: (501) 907-6570  
<http://www.arhub.org/about-us>

- **Delta Technology Education Center**

The Delta Technology Education Center's main building has 24 wireless computer stations available for public use. Full service support has been committed by the Department of Arkansas Workforce Services. Facilities are also available for entrepreneurial development and student internships in technology. In June of 2012, the renovation of the Education Building was completed through the cooperative efforts of the State of Arkansas, the City of Dumas, foundations and private citizens. The Education Building has two large interactive classrooms that are being used by area colleges, public school students, industry, business, agriculture, and the medical field.

Delta Technology Education Center  
130 West Waterman  
Dumas, AR 71639  
Phone: (870) 382-1030  
<http://www.delta-tech.org/index.html>

- **The Venture Center**

The Venture Center grows startups, entrepreneurs and technical talent through experiential programs, mentorships, partnerships, and the celebration of success. In May 2014, the Venture Center officially launched and has moved quickly ever since with numerous Ideation programs including BarCamp Little Rock, Little Rock Startup Weekend, a hackathon with ArkansasDEV and more. Through their partnership with the Nashville Entrepreneur Center, they were able to leverage and launch Pre-Flight (a 14 week pre-accelerator business model course) in September 2014. Since the launch of Pre-Flight, the Venture Center has seen the expansion of its Mentorship Program with quarterly mentor training.

The Venture Center  
107 E. Markham  
Little Rock, AR 72201  
Phone: (501) 404-9875  
<http://www.venturecenter.com>

- **Arkansas Women's Business Center**

The Arkansas Women's Business Center provides technical assistance, training, and access to capital services to meet the needs of women business owners. The Center is funded in part through a cooperative agreement with the U.S. Small Business Administration. It is in a network of over 100 Centers located through the nation. Staff and consultants provide the following technical and financial assistance to women entrepreneurs:

- Assess interested companies to ensure that disadvantaged entrepreneurs receive support.
- Assess current client capabilities.
- Provide opportunities to participate in training activities.
- Provide business plan development support.
- Develop market feasibility studies.
- Provide mentoring assistance.
- Enhance links to capital investments.
- Locate Federal, State, and local funding assistance.

Computers are available for clients to prepare business documents, access online information, and participate in online training activities. In addition, space at the Center is set aside to serve as a business accelerator.

Arkansas Women's Business Center  
South Arkansas Community College  
404 South West Avenue  
El Dorado, AR 71730  
Phone: (870)-864-8430

<http://www.winrockusprograms.org/arkansas-womens-business-center>

- **Arkansas Small Business and Technology Development Centers (7 locations Statewide)**

Arkansas Small Business and Technology Development Centers (ASBTDC's) are university-based economic development entities that assist entrepreneurs, both new and seasoned, with every aspect of business creation, management and operation. Through seven statewide offices, ASBTDCs assist all types of for-profit businesses, from home-based to high-tech, with one-to-one confidential consulting, cutting-edge market research at no charge, and affordable training. As the State's premier business assistance provider, ASBTDCs are dedicated to helping small businesses achieve success and to promoting economic development throughout the state. Unique among Arkansas economic development organizations, ASBTDC serves businesses from any county in Arkansas, in any industry sector, at any stage of business development.

- Invest in successful and proven **reentry programs** to increase the opportunity for ex-offenders. The Governor's Restore Hope Summit encouraged the private sector and faith-based organizations to join together to make sure that our ex-offenders have a fresh start.<sup>30</sup> At the Restore Hope Summit, the Governor asked that the private sector and faith-based organizations join together to make sure that our ex-offenders have a fresh start.

### **Regional Community Building Initiatives**

- The **STAND (Strive Toward a New Direction) Foundation, Inc.** is a nonprofit organization that seeks to empower individuals and organizations through leadership training that promotes economic development opportunities, social progress and community development in Arkansas. The program targets young adults and seasoned professionals, starting at the age of 20, to train leaders for business and public service throughout the state. STAND's signature program and first public initiative is the Edward Coleman Leadership Institute, which offers intensive training classes in several cities around the state. The sessions focus on career, personal and leadership development to help meet what STAND has identified as a critical need for leadership training in the state and the nation. Over the course of several months, participants must commit to five training sessions, participate in online assignments, and develop and/or implement a community service plan. STAND was founded by former state Representative and Senator Tracy Steele in 2006. He remains a member of the board of directors. Governor Asa Hutchinson appointed Steele director of the Arkansas Health Services Permit Agency in February 2015. On October 30, 2015, STAND held its first STANDOut Leadership Summit, at which Governor Asa Hutchinson was one of the speakers.

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<sup>30</sup> Address to the Political Animals Club of Little Rock, May 11, 2015, <http://governor.arkansas.gov/speeches/detail/address-to-the-political-animals-club-of-little-rock>

➤ **Operation Jump Start**

The Central Arkansas Planning and Development District's local business creation efforts centering on small business and entrepreneurs have involved leveraging funding from the Winrock Foundation, the United States Department of Agriculture and the DRA to create "Operation Jump Start." The Operation Jump Start training program offers one-on-one technical assistance to business owners and provides an avenue for micro-entrepreneurs to access capital in five communities in the Arkansas Delta region.

➤ **Boys and Girls Clubs**

Boys and Girls Clubs of America's mission is to enable all young people, especially those who need them the most, to reach their full potential as productive, caring, responsible citizens. Their mission is carried out primarily through after-school programs for children and teens. The Clubs provide education and career programs; character and leadership programs; health and life skills; arts programs; sports, fitness, and recreation; and specialized programs. Ninety percent of Club alumni earn a high school diploma or the equivalent.

- Arkansas communities have a growing number of **local food initiatives**. One example is the Grass Roots Farmers' Cooperative, a livestock farmer-owned and -operated organization that has come together to better meet the needs of its members' customers. It has member farms throughout Arkansas. The Arkansas Local Food Network, in addition to operating a local food club, publishes a directory of Little Rock and North Little Rock community and school gardens, area farms and market gardens, hunger relief efforts seeking donations of local food, and more. Consumers throughout the state can also find farms, cooperatives, and farmers' markets close to them through national websites such as [www.localharvest.org](http://www.localharvest.org).

- In December 2014, three Arkansas communities were named to the White House Rural Council's "Local Foods, Local Places" initiative. The communities will receive technical assistance from Federal agencies on economic development projects involving food. Through this program, the Arkansas Regional Innovation Hub and North Little Rock will create a Regional Food Innovation Center to support food entrepreneurs and create a market for local rural farmers; the Flippin School District will create a farmers' market; and Osceola will connect its downtown historic district with local food opportunities.

➤ **Choosing to Excel**

Choosing to Excel (C2E), headquartered in Conway, is a regional and community-based multifaceted healthy choice organization dedicated to impacting lives and making a positive difference. The program serves schools in Conway, Faulkner, Garland, Saline and Pulaski counties. C2E's core components involve educating students on building relationships and life skills education, entrepreneurship and learning interpersonal skills, community service, doing the "right thing," and assisting pregnant teens and single parents. The core components are accomplished through mentoring, peer-to-peer support and community involvement. The program has led to fewer trips to school principals' offices, reduced the juvenile recidivism rate, increased school attendance rates, led to grade improvements and produced more positive attitudes.





Arkansas's Five-Year **Delta Development Plan**  
for the Delta Regional Authority



## E. Moving Forward

## E. Moving Forward

As stated in the Executive Summary of this plan, all of the above initiatives, implemented collectively under the canopy of DRA's goals and Governor Hutchinson's economic principles, will provide the basis for which DRA funding will be utilized to leverage maximum public-private investment throughout the five-year (2015-2019) planning period. Further, many of the local initiatives, each a best practice that should be replicated throughout the Delta, will help to effectuate community and economic development in creative and diverse ways. Obviously, the first step to further success will be the continued implementation and expansion of each of the initiatives outlined above.

The last section of this plan provides five suggestions for stimulating economic growth which emphasize the Arkansas Delta's competitive advantages.

### 1. Destination Delta

*"Here in Arkansas, we sometimes forget the importance of tourism to our economy. It's the second largest industry in our state behind agriculture. And with its rich history and culture, the Delta is the new frontier in Arkansas tourism. By telling its story, we are not only preserving the past, we are preparing for the future. I believe in this new vision for the Delta, and I want to do what I can to promote it. I've even pledged to take a bike ride along a portion of the Heritage Trail this fall. I encourage every Arkansan to do the same; to enjoy our great outdoors and to rediscover the Delta. I can't wait to be a part of it."*

*- Governor Asa Hutchinson*

Arkansans have long enjoyed the natural, historic, cultural and artistic beauty of the Delta. Many Arkansans who have enriched the world's culture – via music, arts, crafts, and other talents – have called the Delta home. Further, the natural amenities of the Delta including hunting, fishing, cycling, hiking, running and bird watching provide not only recreational opportunities for Delta residents, but also economic benefit from non-residents who stay and play throughout the Delta's diverse geographic territory. Finally, the rich history of the Delta, developed over generations is something that should be preserved for generations to come.

Several initiatives can help expand the economic potential of Delta tourism. Chief among these are:

- A. Developing more collaborative efforts to **market** every aspect of Arkansas Delta tourism, history and culture. State agencies including the AEDC, the Arkansas Agriculture Department, the Arkansas Department of Parks and Tourism, the Department of Arkansas Heritage, the Arkansas Game and Fish Commission, the Arkansas History Commission, the Arkansas Entertainers Hall of Fame Board and the Governor's Office should work collaboratively to increase Internet marketing and cross-promote tourism through their agencies marketing and promotional efforts.
- B. Better utilizing available **incentives** including but not limited to the Arkansas Tourism Development Act, Historic Rehabilitation Tax Credits, Delta Tourism Incentive Act of 2007 and the Non-Profit Incentive Act of 2005, to stimulate tourism and historic development.

- C. Developing a comprehensive web-based **database of assets and products** that can be promoted as Arkansas-made.

## 2. Adding Value to Existing Industries

Industries such as agriculture, forestry, fishing and hunting; mining, quarrying, and oil and gas extraction; and manufacturing should work to add value to every aspect of processing and production to ensure that the highest value of finished product is shipped from Arkansas. By doing so, the value of exports will be maximized which increases dollars coming into the Delta. This influx of money, when coupled with increased retail and services availability, will allow more endogenous expenditures which permits spending to circulate throughout the Delta. This will ensure that fewer dollars leave the economy, helping to retain wealth. A few examples include:

- A. Adding value to **food and kindred products** by recruiting more food processing companies to capitalize on the expanding demand for more American-grown food. Developing a region-wide collaborative to develop and commercialize a global agriculture strategy could help further promote Arkansas's agricultural products to the world.
- B. Adding value to **forest products** by re-shoring companies that manufacture products such as furniture, engineered wood products, building materials, and specialty wood products.
- C. Capitalizing of the production of **economic base industries** such as Nucor, Dassault, Tenaris Hickman, Remington, Big River Steel, Caterpillar, Riceland, Lennox, Georgia-Pacific, Hytrol, Lockheed, Anchor Packaging, Ranger Boats, Molex, American Railcar, and many others by recruiting suppliers and businesses that utilize finished goods such as metals, chemicals, electronic components, transportation equipment and food products that these companies produce.

## 3. Improving Infrastructure Assets

All of the State's infrastructure and transportation agencies, including the Arkansas Highway and Transportation Department, the Arkansas Waterways Commission, the AEDC, the Arkansas Department of Aeronautics and the Arkansas Natural Resources Commission should meet periodically to assess the needs of the Delta's transportation systems and to explore potential to leverage funds for projects such as:

- A. **Port development** to take advantage of trade/export expansion through the Panama Canal.
- B. **Intermodal facilities** to link rail and roads, especially east of the Mississippi, to ensure that Arkansas imports and exports can be distributed quickly and cost effectively.
- C. Expansion and integration of four-lane **Interstate and Interstate quality highways** such as the continued expansion of US 67/167, development of I-69, and the development of an I-57 triangle to better link states within the Delta.
- D. Prioritize identification of potential **sites** (and supersites) for industrial recruitment.
- E. Assess **broadband** needs and advocate funding priorities.

- F. Improve **public transportation, especially in regard to workforce mobility.**
- G. Focus more on **“non-traditional” infrastructure** assets like walking and biking trails which also encourage physical fitness. Additionally, interconnectivity of assets, such as the Delta Heritage Trail, should be emphasized to connect multiple Delta geographies.
- H. Focus on **“smart” infrastructure** and recognize the gap between needs and available funding. This is especially critical for local infrastructure such as utilities, roads and bridges.

#### 4. Recruit Industries that Match the Delta’s Unique Competitive Advantages

A sampling of potential industries includes:

- A. **Manufacturing industries** such as agricultural machinery, transportation equipment, industrial machinery, recreational and sporting equipment, and which are close to domestic markets and are also accessible to foreign markets via the Mississippi River, can be recruited. Further, any companies that can supply Walmart should be viable recruitment targets.
- B. **Logistics-intensive industry**, such as warehousing, distribution, trucking, data centers, terminal storage/pipelines due to the Delta’s North American geographic centrality.
- C. **Fuel production**, including gas, oil and biomass products are development possibilities throughout Arkansas Delta’s natural-resource rich counties.

#### 5. Focus on Quality of Place

A great place to start would be focusing on Area Development Magazines’ Consultant Survey of top quality-of-life factors:<sup>31</sup>

- Climate
- Housing Availability
- Housing Costs
- Healthcare Facilities
- Ratings of Public Schools
- Cultural Opportunities
- Recreational Opportunities
- Colleges and Universities in the Area
- Low Crime Rate

With the exception of climate, local communities can work to improve all of the above factors. Additionally, quality of place can be enhanced significantly by:

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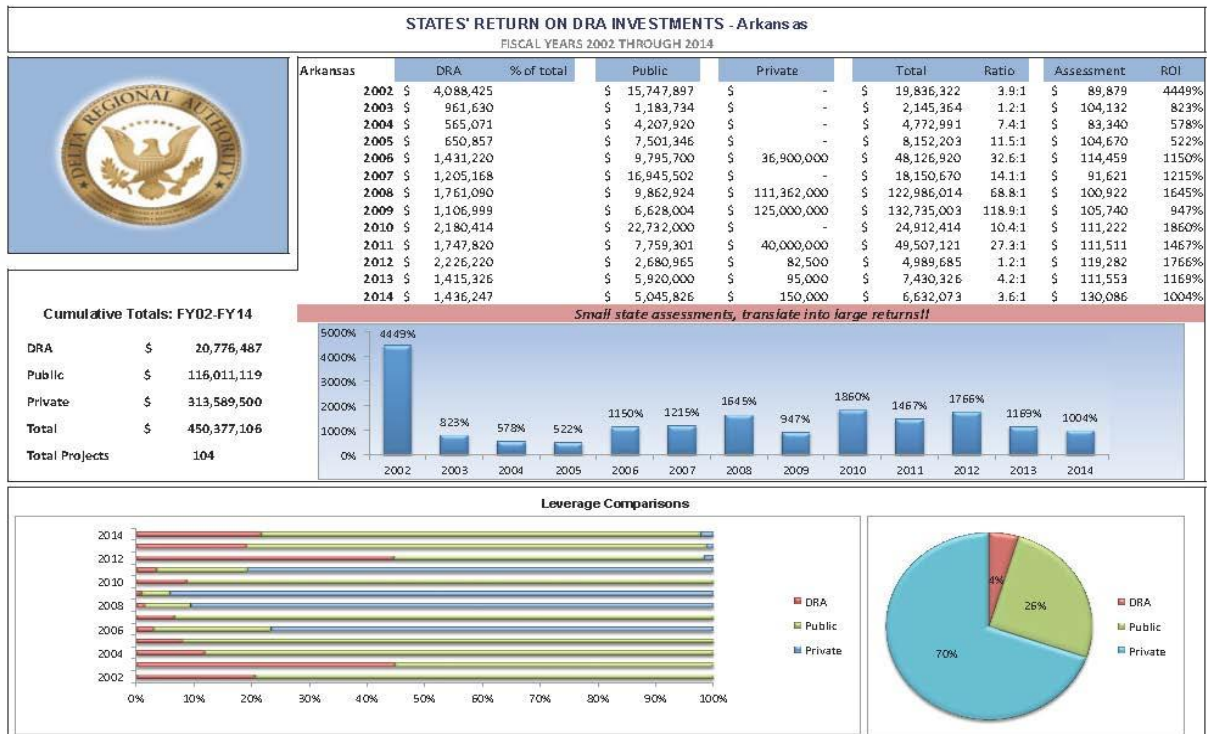
<sup>31</sup> Area Development, Annual Study of Site Selection Consultants 2014, <http://www.areadevelopment.com/Corporate-Consultants-Survey-Results/Q1-2015/11th-site-selection-consultants-corporate-RE-survey-8802177.shtml>

- A. Providing enhanced **leadership training** for youth, government, business, economic development, non-profit and civic organizations.
- B. Work to increase the base of **philanthropy and volunteerism**.
- C. Develop programs to **retain youth and encourage repatriation** of Delta residents.
- D. Further advocacy for national attention to **rural Arkansas**, especially the Delta.
- E. Aligning broad-based support from **Arkansas's Delta Congressional and State legislative delegations**.
- F. Prioritize **downtown development/redevelopment**.
- G. Re-appropriate funding for the **Regional Economic Development Partnership** funding through AEDC (Act 895 of 2011).

## Appendix A

### DRA SEDAP Investments in Arkansas

In addition to the data below, the DRA funded nine (9) projects in FY 2015, resulting in \$1,278,531 DRA grants which leveraged \$106,654,280 in public and private investment.



Source: Delta Regional Authority, *Investments in the Delta*, <http://dra.gov/funding-programs/dra-investments-throughout-the-delta-1-1/>, retrieved November 16, 2015.



## Appendix B

### Stakeholder Engagement

#### 1. OVERVIEW

- **June 30, 2015 - DRA Listening Session, Pine Bluff Arkansas**
- **November 13, 2015 - Arkansas Plan Stakeholder Engagement Meeting, Little Rock**

On June 30, 2015, 40 persons participated in a listening session in Pine Bluff, Arkansas, to help the Delta Regional Authority (DRA) prepare for its new five-year strategic plan. The event, held in nine (9) other Delta locations, was structured in two-hour conversations and was led by senior staff members of TIP Strategies, a 20-year economic consulting firm from Austin, Texas.

The Pine Bluff event began with a 15-minute data presentation showing some of the global and local economic changes in the region. Topics such as globalization, urbanization, sector shifts in employment and the unevenness of the recent economic recovery were introduced.

Participants discussed the following concerns and needs:

- more, and better, jobs
- quality of life or quality of place
- low cost and widely available broadband access
- youth exodus/brain drain
- need for increased civic or business leadership
- crumbling infrastructure
- lack of education, skills, and training
- improvement of the local workforce in their community
- increased investment in educational institutions
- re-invention of education and the workforce system

Suggestions for how to improve the economic vitality of Delta communities included:

- a regional focus on improving the entrepreneurial skills of citizens and students
- taking advantage of available natural resources to capitalize on the expanding demand for more American-grown food

- cultural tourism
- increased national policy attention to rural America

On November 13, 2015, the Arkansas State Plan Development Team, led by Arkansas Governor Asa Hutchinson's Designee and Alternate to the DRA, Amy Fecher, conducted a Stakeholder Engagement Session. This meeting helped to inform Arkansas's updated strategic plan, in alignment with the Delta Regional Development Plan III (RDP III), which will guide Arkansas's priorities for the next five years.

As part of the planning process, the Arkansas team was seeking the input of key stakeholders that play important roles in promoting and improving the economic strengths of the Arkansas Delta region. A discussion took place on strategies for addressing the region's economic challenges and opportunities, and asked for input on effective economic development approaches and best practices.

The Little Rock event began with a 5-minute presentation by Ted Abernathy, Managing Partner of Economic Leadership, an economic development leadership firm, outlining the scope of the RDP III Plan, and an overview of the three Goals:

Goal 1: Workforce Competitiveness

Goal 2: Infrastructure

Goal 3: Community Competitiveness

The Arkansas team followed with an overview of the Governor's major initiatives since inauguration, and how the Arkansas Plan would align the DRA Goals with the Governor's priorities.

There were 32 attendees, who were asked, and answered:

**What is missing from the Arkansas team's presentation as a goal, priority or action?**

- Food products
- Arts and music
- Tourism
- Smart infrastructure versus expanding out
- Local economic developer education
- Healthy Delta
- Regional Development Organizations
- Start-ups and their benefit, and expanding
- Affordable housing and housing availability

- Expatriate recruitment back to the State
- Revenue building for municipalities through infrastructure and utilities
- Better storytelling and promotion of the State

#### **Workforce – How do we fix it?**

- Fix disconnect between business/industry and the education system
- Break down niches, silos, and territorialism in workforce education
- Promote role of career coaches
- Expand career readiness to non-traditional careers
- Enhance pipeline of teachers
- Stress importance of non-four-year education careers to high school students
- Address problems of workers not passing drug tests

#### **Where should our infrastructure focus be?**

- Recognize gap between needs and available funding
- What is infrastructure - Is digital infrastructure included
- Roads, bridges and water lines are inadequate or nonexistent
- Physical infrastructure is key to be marketable, both digital and physical
- Highway projects including I-69 and US 67/167 might be key
- Designating I-57 through Arkansas would create a triangle through the Delta
- Innovation Hub makerspace in every county - Need to have youth become makers of technology, not just users of technology
- Long term water usage and availability in the Delta
- Improve education of community board members about economic development, especially leadership and entrepreneurship
- Align projects and improve collaboration between agencies addressing workforce issues

**What is working and making a difference?**

- Teach for America
- Jobs for America's Graduates, and Career Readiness Certificates
- El Dorado Promise and the Arkadelphia Promise
- Local Food Initiatives: community gardens and co-ops, community kitchens, farm-to-table, [www.localharvest.org](http://www.localharvest.org), <http://grassrootscoop.com>
- Community gardens
- High school level robotics competitions in the state
- Boys and Girls Clubs
- Downtown revitalization programs
- The College Initiative
- Wynne public school academics
- Main Street Arkansas
- Siloam springs industrial mechanics program (high school)
- ADTEC
- KIPP programs
- Creative funding for sources for economic development, ex. ReNewport in Newport, AR
- Mentorship programs in schools, Choosing to Excel
- UCA DREAM TEAM successful mentorship program
- USDA Rural Development
- Nonprofit organizations such as Habitat for Humanity, City of Hope Outreach
- Let's Paint Stuttgart
- Southern Bancorp identified need for CAN's in Phillips Co--100% placement rate for graduates of the program
- Innovation infrastructure network, starting with the Arkansas Innovation Hub
- Leveraging ED funds from many sources for a project

- Tourism
- Self-help communities and regions-working towards real change, not just solely for grant funds
- Kickstart Cleveland County

**What is some advice as the Team moves forward with Plan?**

- Make it legislatively feasible
- Align all of our funding strategies so we can have a bigger impact
- Avoid duplicating services
- How do communities connect to the plan
- Think entrepreneurially
- How can we align with foundations
- Look at technology that will change the world
- Encourage adaptable skills and intellectual agility within workforce
- Align with region, like Memphis area, for culture, tourism, entrepreneurship, and in the arts
- Provide funding for regional ED groups to implement goals and strategies
- Reduce burdensome bureaucracy in public schools
- In Infrastructure, focus on multi-modal/intermodal to build resiliency and provide choices
- For workforce development, focus on skills education, knowledge, and attitude
- Encourage strategic investments and investments; right size investments and incentives
- Listen to local leaders and stakeholders
- Increase affordable high-speed broadband network
- Downtown redevelopment
- Build on downtown development for new creative place making strategies
- Secondary area centers and career academics in high school
- Regional cooperation and coordination; locally-driven decision making
- Community involvement/partnerships in schools due to less money

- Develop a broadband plan, with infrastructure marketing
- Improve schools – more technology and mentoring programs in elementary
- Encourage technical schools and colleges
- Workforce and work skill training
- Housing, crime prevention, and offering youth leadership programs in community and economic development
- Youth entrepreneurship programs and career coaching
- Improve public transportation in metro areas
- Competitive bonus/incentive program for K-12 teach performance
- Develop a region wide collaborative to develop and commercialize a global agriculture strategy
- Regional marketing and promotion focused on talent and industry recruitment
- Expand Delta Leadership Institute (DLI) should have two programs, including one for local college graduates
- Invest in a Healthy Delta
- More strategic budgeting
- Tourism promotion, more
- More use of commodities as in state manufacturing inputs – food processing
- More emphasis on effective regional/economic development organizations
- Increase understanding of importance of “place making” by economic developers and politicians
- Implement smart growth policies and build sustainability into every community for long-term success
- Don’t separate issues - Example: health and workforce; health and innovation, and workforce and infrastructure - It’s all connected
- Decrease governmental role in what nonprofits do best, but point governmental funds towards what nonprofits direct through data





These districts serve as a liaison between the DRA and local governments, non-profit organizations, the business community, and citizens interested in working with DRA. In addition, they identify, develop, and implement programs and activities that educate local stakeholders about the DRA and its economic and community development programs through public hearings or input forums.

Statewide planning and development districts in Arkansas engage in multifaceted tasks directly related to regional planning. Chief among these activities are community and economic planning/GIS, business development financing, grant writing and administration, waste management, data collection and dissemination, workforce development, and transportation planning.

The planning and development districts are a ready source of professional and technical information and network extensively with state and federal resource agencies. All are proficient in understanding the requirements of all state and most federal funding sources including the Delta Regional Authority, Department of Housing and Urban Development, Small Business Administration, United States Department of Agriculture, Economic Development Administration, Federal Emergency Management Administration, Environmental Protection Agency, Department of Justice, etc.

Most importantly, the PDDs are responsible for ensuring the suitability, completeness, eligibility, and quality of grant applications, as well as ensuring they are representative of the priorities set forth by the Governor and the DRA.

Additional services set out for the districts may include:

- Identifying and recommending to the Governor a list of priority projects for DRA consideration
- Providing a semiannual report of its activities to the DRA's Federal Program Coordinator
- Assisting the approved grantees by conducting the actual grant closing process including document explanation, execution, and dissemination.

### **3. Public Input Forums Recommendations**

*Arkansas is committed to following the public input forum guidelines formulated by DRA and incorporates them by reference into this section of Arkansas's Five Year Delta Development Plan for the Delta Regional Authority.*

As stated by the DRA, public forums are committed to increasing public engagement and assuring grassroots input into its programs and processes by bringing more citizens into the process of building economic capacity in the Delta region. Forums are generally held annually by each of the local development districts within the DRA territory to explain the DRA grant process and garner public input into serious economic and community development challenges affecting the Delta region. The DRA has established specific recommendations regarding private sector engagement and performance measures that warrant specific detail.

## Private Sector Engagement

The Delta region public forums ***should strive*** to incorporate greater participation and input from all sectors, especially the business sector. This will help increase awareness of public and private concerns and improve the environment for private sector investment.

Strategies for increasing participation and engagement include:

- Each public forum should include a presentation on local and regional business conditions and trends at an annual economic forecast. Business leaders and managers are not likely to have a significant interest in participating in a discussion exclusively about federal infrastructure grants to non-profit organizations. The key to generating greater interest within the business community is to provide useful information that will help them make decisions about markets, investments, and hiring.
- Planning and Development Districts should consider partnering with local chambers of commerce and economic development organizations in organizing and publicizing the forums.
- Committing resources to marketing and publicizing events will serve to broaden participation from within the district.
- Inviting state community and economic development officials to attend forums will increase interest from both the media and the public. Participation at forums will increase state officials' awareness of the conditions and needs in the host community.
- Rather than concentrating exclusively on local parochial interests, the public forum moderator should steer the public discussion toward issues of regional importance, both within individual states and within the Delta region as a whole.
- As access to technology permits, planning and development districts should look for ways to utilize information technology and the Web to gather and process input. Allowing participants to fill out pre- and post-forum questionnaires on the Web is a first step. Additional Web-based public discourse tools include online deliberation, virtual forums, message boards, blogs, and online polls.

In order to measure the effectiveness of the public input forms, each planning and development district should prepare a post-forum report outlining the activities and results. The report should be forwarded to the DRA as part of the required semiannual and annual activity reports.

The report should include such measures as:

- Was the forum conducted?
- Was there a presentation on business community conditions/issues?

- Was a pre-and post-forum survey distributed?

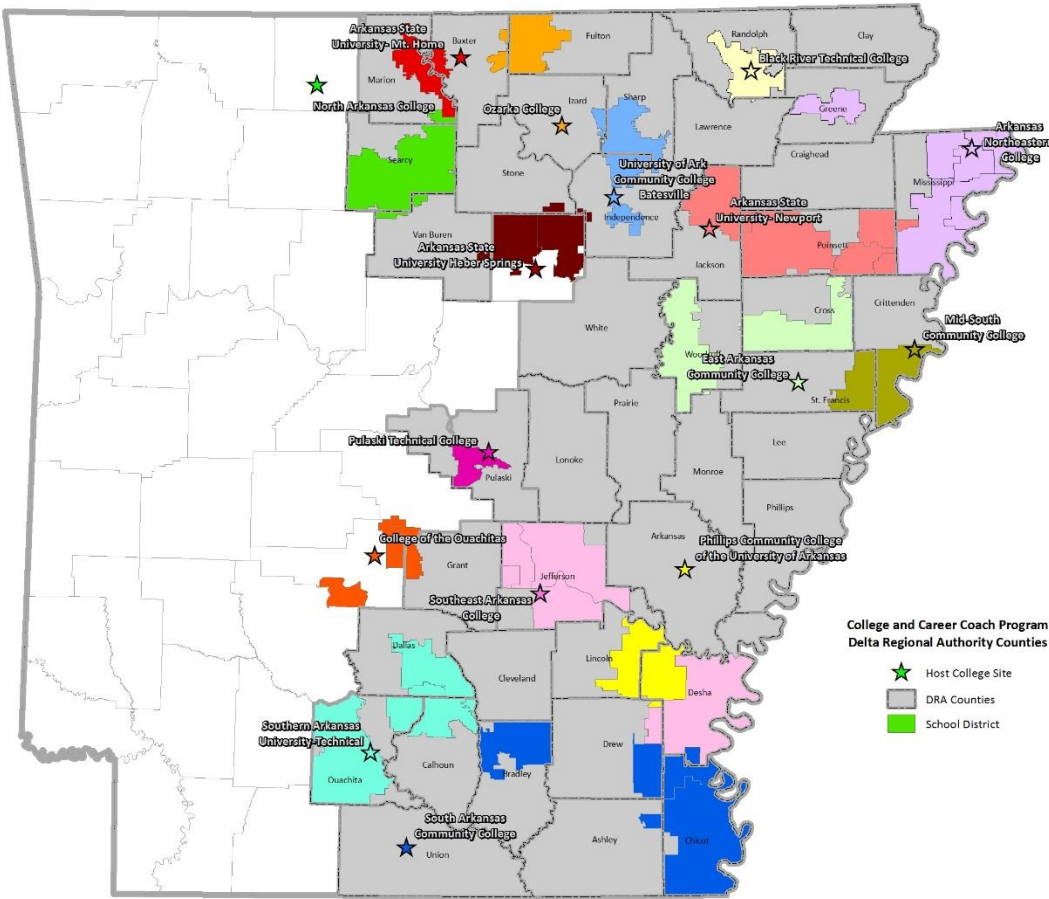
#### **4. Communication of Plan**

The plan will be disseminated utilizing a variety of methods including:

- a. Direct mail to mayors, county judges, state and federal legislators, community and economic developers, planning and economic development district directors, post-secondary institutions, regional economic development partnerships, administering agencies, and other stakeholders.
- b. Posting of the plan on the websites of partnering agencies, districts and the DRA.
- c. Distribution at public input forums.
- d. Governor's Office press release.

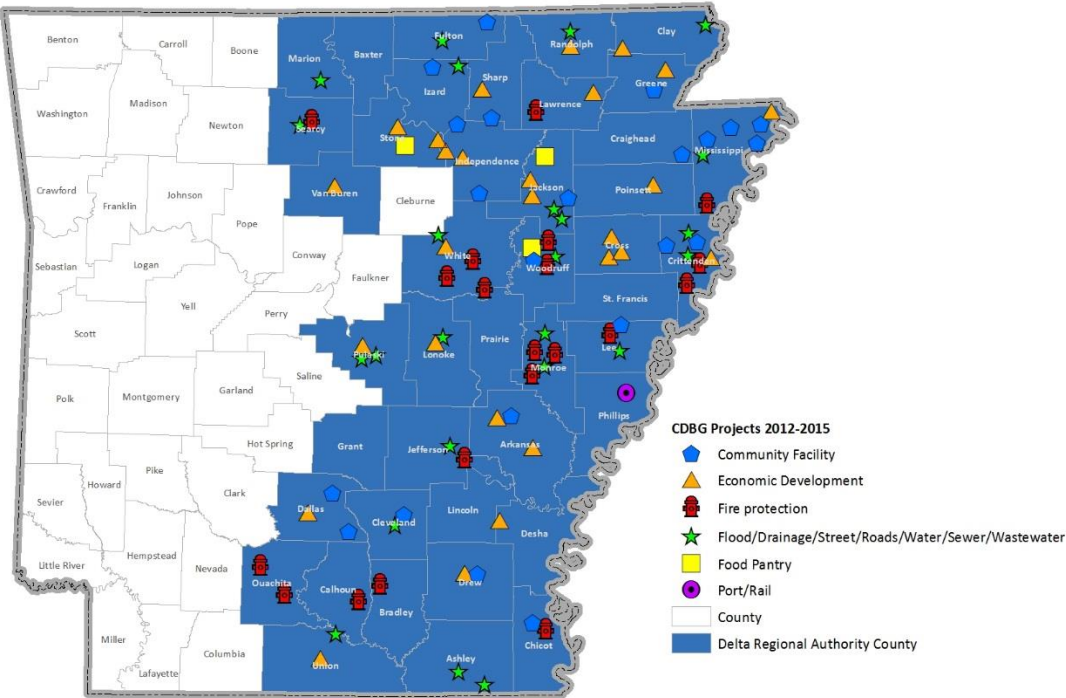
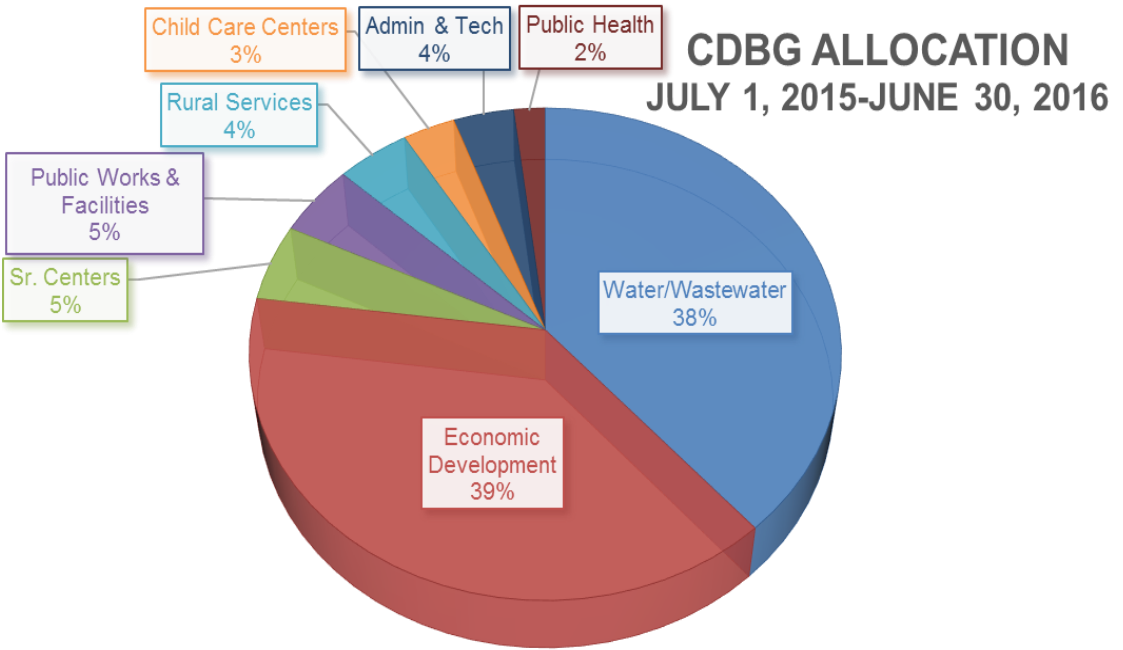
Appendix C

College and Career Coaches Initiatives



Appendix D

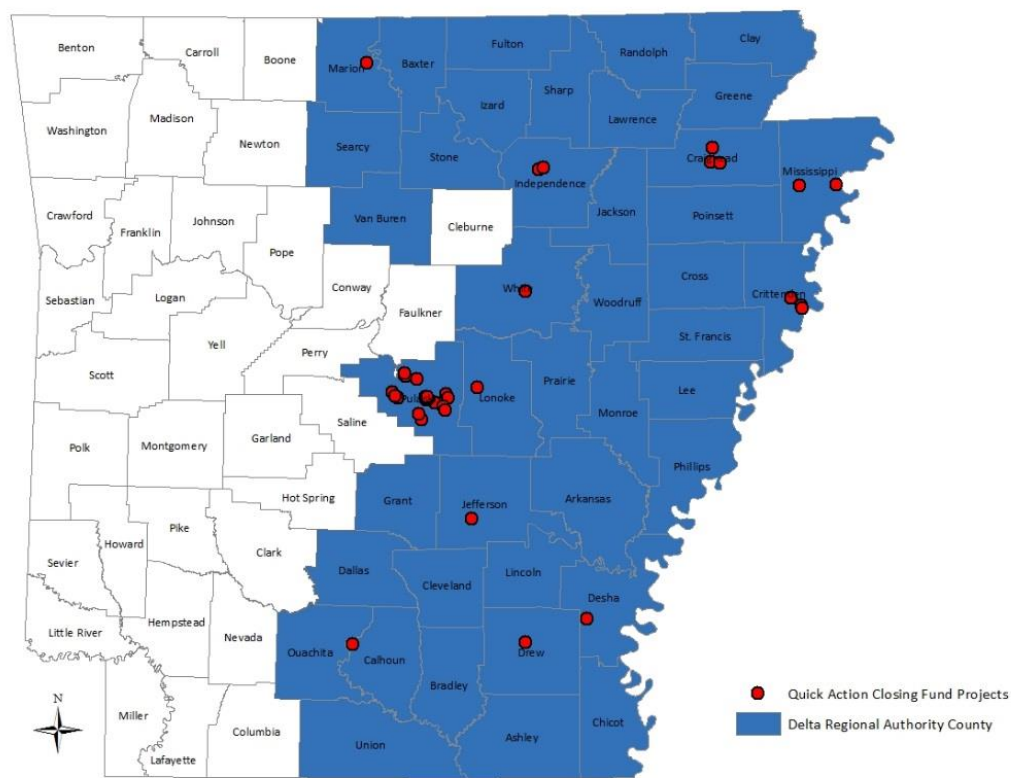
Arkansas CDBG Allocation and Map of CDBG Delta-Funded Projects (2012-2015)





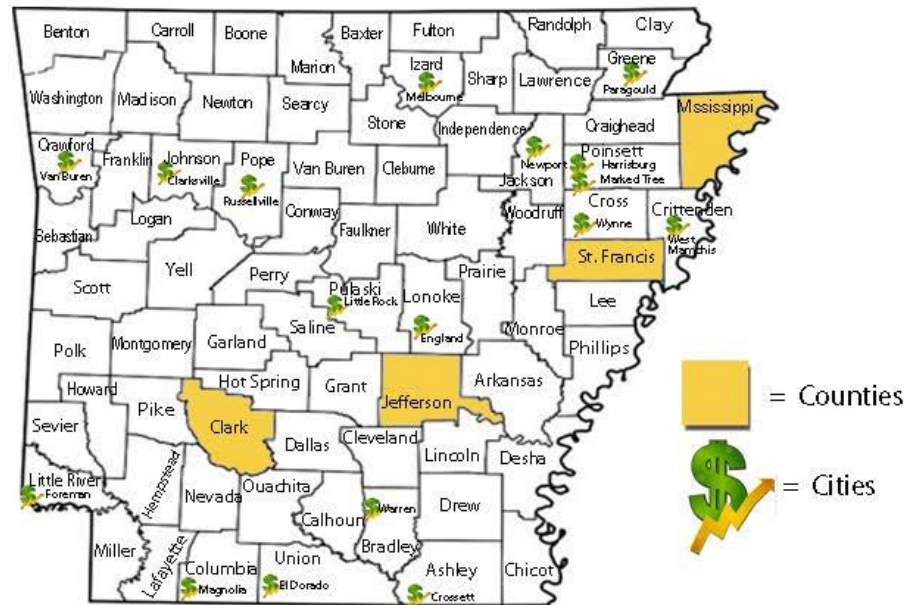
Appendix E

Quick Action Closing Fund Projects in the Delta (2007-2015)

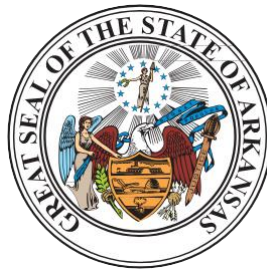


## Appendix F

# Local Economic Development Sales Tax Revenue



Community	Tax Amount	Revenue Generated
Clark County	1/2 cent sales and use tax	
Clarksville	15% of 1 cent	\$200-250K per year
Crossett	1/4 cent	\$300,000 per year
El Dorado	1 cent	
England	3/4 cent	\$240,000 per year
Foreman	1/2 cent	\$40,000 per year
Harrisburg	1/3 cent	\$100,000 per year
Jefferson County	3/8 cent	
Little Rock	3/8 cent	
Magnolia	1/4 cent	\$445,000 per year
Marked Tree	12.5% of 1 cent	\$36,000 per year
Melbourne	1/4 cent	No expiration date
Mississippi County	1/2 cent	\$3 million per year
Newport	1/2 cent	\$785,000 per year
Paragould	1/4 cent	\$1,000,000 per year
Russellville	6.25% of 1 cent	\$620,000 per year
Saint Francis County	1/2 cent	\$1.4 million per year Tax will start upon project then will sunset after one year from when project was announced
Van Buren	1/2 cent	No expiration date
Warren	1/2 cent	\$330,000
West Memphis	1/4 cent	Terminates upon \$4 million being raised Tax will start upon project
Wynne	1/2 cent	\$700,000 per year



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