

Regional Update

A Monthly Report of Activities on the Eastern Shore of Virginia

February 2005

How are Federal Funds Spent on the Eastern Shore of Virginia?

The Consolidated Federal Funds Report shows that the federal government spent \$621 million on the Eastern Shore in fiscal year 2003. Northampton received \$244 million and Accomack received \$377 million.

The Report consolidates programs into six categories: Direct Payments Other Than for Individuals, Grants, Procurement Contracts, Salaries and Wages, Retirement/Disability Payments for Individuals and Other Direct Payments for Individuals.

Federal expenditures in Northampton are ranked in the following order: procurement contracts (60.0%), retirement/disability payments (17.4%),

grants (10.4%), other direct payments for individuals (7.9%), salaries & wages (2.3%), and direct payments other than individuals (2.0%).

Federal expenditures in Accomack are ranked in the following order: procurement contracts (34.3%), retirement/disability payments (28.4%), grants (12.0%), other direct payments for individuals (11.6%), salaries & wages (12.3%), and direct payments other than individuals (1.4%).

Although not a comprehensive list, other smaller programs were supported on the Eastern Shore. Some of these include Automobiles and Adaptive Equipment for Certain Disabled Veter-

ans (\$598), Crop Disaster Program (\$1,901,169), Crop Insurance payments (\$7,829,811), Airport Improvement Program (\$652,755), Federal Pell Grant Program (\$816,322), National School Lunch Program (\$2,432,467), Health Centers Grants for Migrant and Seasonal Farmworkers (\$989,022), Bulletproof Vest Partnership Program (\$3,684), Research Grants for the Space Program (\$500,000), TANF (\$2,000,566), Section 8 (\$984,913), Head Start (\$1,670,665), and Highway Planning and Construction (\$3,720,704).

For more information, call Elaine Meil at (757)787-2936.



Top Five Largest Line Item Expenditures

Northampton County

1. Procurement Contracts - All Fed Gov Agencies other than Defense and US Postal Service (\$83,605,082, 34.3%)
2. Procurement Contracts - Department of Defense (\$61,945,344, 25.4%)
3. Social Security Retirement Insurance (\$20,231,053, 8.3%)
4. Medical Assistance Program (\$15,733,148, 6.5%)
5. Medicare - Hospital Insurance (\$8,587,319, 3.5%)

Accomack County

1. Procurement Contracts - All Fed Gov Agencies other than Defense and US Postal Service (\$77,722,875, 20.6%)
2. Procurement Contracts - Department of Defense (\$49,827,980, 13.2%)
3. Social Security Retirement Insurance (\$48,159,401, 12.8%)
4. Medical Assistance Program (\$28,982,040, 8.0%)
5. Salaries and Wages - All Federal Government Civilians Employees except Defense and US Postal Service (\$28,146,125, 7.5%)

Eastern Shore Enterprise Zone Amendment Complete

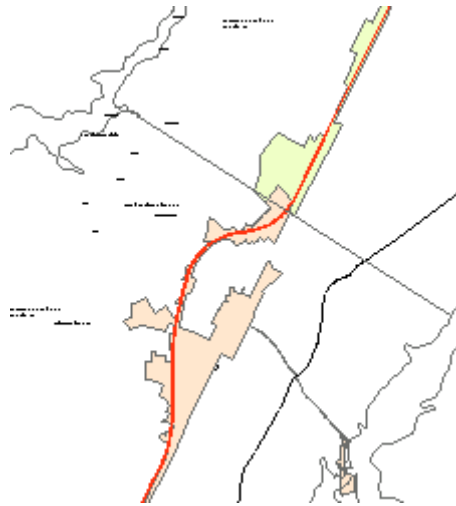
The Eastern Shore Enterprise Zone amendment was necessitated by the expiration of a federal Enterprise Community designation. Our former Enterprise Zone covered the same area as that federal designation. The new Zone boundaries had to shrink to conform to Virginia's program regulations. Three substantial financial incentives from the Commonwealth of Virginia are available to encourage business locations and expansions within the Zone.

General Income Tax Credit

Companies that increase jobs in the Enterprise Zone are eligible for ten years of credits against the Virginia Corporate Income Tax. To receive the credit, an existing business must increase its full time workforce by 10%. At least 40% of new employees hired must be Zone residents or must be certified as low-income.

Real Property Improvement Tax Credit

For nonresidential real estate construction or improvement projects that meet minimum thresholds, the state will refund up to 30% of the total cost of



A portion of the new Enterprise Zone near the border of Accomack and Northampton

qualified zone improvements (maximum amount not to exceed \$125,000 in a 5-year period). **New construction projects must cost at least \$250,000.** Expansions and renovations require a minimum investment of at least \$50,000 or an amount equal to the assessed value of the real property prior to improvements being made (whichever is greater).

Job Grants

Businesses are eligible to receive job grants for *three consecutive years* after increasing their employment by 10%. The business will receive a \$1,000 grant *per year* for each Zone resident hired to a permanent full-time job. \$500 will be granted for each non-Zone resident hired to a permanent full-time job for the same 3-year period.

For more information, contact Greg Manter at (757)787-1247.

New Road Community Revitalization Project Update

Since the beginning of the project in 1996, thirty families have been provided with much needed improved housing conditions. Nine residents of the New Road Community have been provided new homes in the past 12 months. Construction is ready to begin on two more new homes and two rehabilitations of existing homes. A bid group is being worked on at this time to rehabilitate six other existing homes in the community. After these homes have been addressed, the project will be nearly complete.

Negotiations are taking place for the construction of 16 rental units that

will be constructed with Rural Development 515 Funding. Budget shortfalls have been delaying the project for over a year. Negotiations are being conducted with the banks and the contractor. Successful negotiations will allow construction to begin this spring. When these units are completed, a large portion of the dilapidated structures on Rt. 13 will be addressed.

A demolition group will be put out to bid this spring. This will clean up the bulk of the remainder of blight throughout the community.

For more information, contact John Aigner at (757)787-2936.

2002 IRS Data Obtained

For several years, the best income and population information was available from the 2000 Census, which was collected in 1999. This information is getting out of date. The PDC has obtained the latest IRS taxstats for individual returns (2002) and county-to-county migration data (2002-2003).

Several types of information can be gleaned from these new sources of data, including income, population change, average incomes of those migrating and amount of personal income tax residents of the Eastern Shore pay.

For more information, contact Elaine Meil at (757)787-2936.

Continuum of Care Plan Under Development

The Accomack-Northampton Planning District Commission staff is participating in the development of a Continuum of Care (CoC) on the Eastern Shore of Virginia. HUD's definition of CoC is "a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency." The Homeless Prevention Task Force (HPTF) has begun the laborious process of collecting data in the efforts to make application for the CoC Super NOFA in the Spring of 2005.

For more information, contact Bobbi Wert at (757)787-2936.

Colin Kean, East Coast Property Management Employee of the Year

We are pleased to announce that Colin Kean was named East Coast Property Management's Employee of the Year for 2004.

Colin has provided on-site management services for Pine Street Apartments, Mill Run, Virginia Street and Sunnyside for nearly ten years. Colin exhibits just the right balance of compassion, firmness and attention to detail that has continued to keep our properties leased-up, problem free and in excellent condition. We congratulate Colin on this well-deserved honor.



How to Contact the A-NPDC

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