

# Southwest Virginia Cultural Heritage Foundation

## Annual Report for 2016



## **Preface**

On behalf of the Southwest Virginia Cultural Heritage Foundation it is our pleasure to submit this report to the Governor and General Assembly pursuant to Section 2.2-2736 of the Code of Virginia. This report summarizes the Foundation's activities during calendar year 2016.

The 2011 General Assembly created the Southwest Virginia Cultural Heritage Foundation (the Foundation) to operate as successor to the Virginia Cultural Heritage Commission. The Foundation encompasses 19 counties and four cities in Southwest Virginia. The 23 members of the Board of Trustees represent state, local and regional governments; state and local tourism, educational, cultural and music organizations, and the Virginia General Assembly. Friends of Southwest Virginia, a 501(c) 3 organization was later established to manage the financial and operational responsibilities of the Foundation and its' programs.

The legislature created the Foundation to serve as the state's catalyst for regional economic development in Southwest Virginia, drawing upon and enhancing the impact of resources available through state and regional governmental and private organizations. The Foundation continues to advance its purpose by working with collaborative ventures such as The Crooked Road: Virginia's Heritage Music Trail, 'Round the Mountain: Southwest Virginia's Artisan Network, and the Appalachian Spring Southwest Virginia outdoor initiative, promoting new entrepreneurial and employment opportunities by drawing on the region's distinctive cultural and natural heritage. From its prominent location in Abingdon near Interstate 81, the Heartwood Artisan Gateway has become the focal point for the Foundation's efforts to draw state, regional, and national attention to the music, artisanal products, and the cultural and natural resources of Southwest Virginia.

## **Foundation Activities in 2016**

The Foundation's activities in 2016 continued to work towards achieving its goal of building a new, creative economy, both utilizing and preserving the unique cultural and natural heritage of the region in the process. The activities undertaken to achieve this goal in 2016 can be divided into four categories:

- Marketing
- Heartwood Operations
- Cultural Heritage Promotion and Preservation
- Community and Economic Development

While the stated activities have a primary focus, it is important to note that the Foundation and its partners are part of a collaborative process where overall success requires the integration of many efforts from diverse groups.

### ***Marketing***

In order to promote economic development in Southwest Virginia, the Foundation has pursued a number of strategies intended to increase awareness of Southwest Virginia and its

diverse cultural and natural offerings. Certain existing marketing strategies have continued while a branding strategy for the region's cultural and natural heritage assets has been completed. The Foundation took part in the following marketing activities in 2016:

- The Foundation's marketing committee continued to meet quarterly at locations throughout the 19 county, four city region.
- The marketing committee approved a regional marketing brand development strategy, contracted with Arnett Muldrow & Associates, a community branding consultant, for an intensive discovery and brand development process.
  - The yearlong effort included visits to all development regions in Southwest Virginia, including meetings with community leaders. Businesses, recreation groups, and citizens in all 19 counties and four cities were included.
  - The brand and related marketing tools are complete and will be communicated across Southwest Virginia to government, tourism, education, health, and cultural entities.
- The new Southwest Virginia brand has been implemented in order to enhance cohesion and strengthen regional marketing at both the community and governmental levels.
- The Appalachian Spring Initiative, in conjunction with the Foundation's marketing committee, contracted with Arnett Muldrow & Associates for an outdoor recreation branding initiative. This brand was completed in the Fall of 2016.
- Southwest Virginia is now an official, distinct region and destination with the Virginia Tourism Corporation; merging with Blue Ridge Highlands and Heart of Appalachian, now as Southwest Virginia Blue Ridge Highlands & Southwest Virginia Heart of Appalachia.
- Beginning stages of implementation and discovering "brand ambassadors" will be headed by our new Southwest Virginia Marketing Director. She will create and implement a marketing strategy and plan that can be accomplished within our modest budget.
- Facebook social media marketing campaigns were launched in order to create a more visible platform for Southwest Virginia as a tourism destination.

### ***Heartwood Operations***

The showplace for the creative economy efforts in Southwest Virginia is Heartwood: Southwest Virginia's Artisan Gateway, a 29,000 square foot artisan and performance center. Heartwood provides an interactive venue for the region's artisans to showcase and sell craft, and is also a major performance and festival venue. Heartwood also serves as a meeting and conference facility for various regional and state-wide entities.

In light of limited funding, the Foundation's Executive Director has made operational and marketing adjustments in order to sustain the operation of Heartwood, along with the overall economic efforts in the Southwest Virginia Region. The following adjustments have been made as a result of the findings:

- The contract with Guest Services (GSI) was restructured, tasking them with the responsibility to manage all operations at Heartwood to ensure quality and to institute stringent cost controls; GSI agreed to reduce their management fee.
- Transfer of Front Desk Staff, Sales Manager and overall Heartwood marketing responsibilities to GSI.
- GSI has new staff in place who will be responsible for instituting operational efficiencies, including the elimination of one management position.
- GSI has assumed the cost of all services and inventory of all products.
- Heartwood has continued to achieve greater cost efficiency while increasing the quality of its food service, craft offerings, and special events.

In addition to operational restructuring efforts, Heartwood continues to function as a venue to showcase and sell artisan crafts from the region, using a juried approach to ensure that the products to be offered for sale accurately represent the distinctive regional culture and resources of Southwest Virginia. The following figures represent Heartwood's craft sales in 2016:

- Two craft jury sessions were held in 2016 bringing the total number of 'Round the Mountain Artisan Network members who have passed the jury process to 396; of those, 35 have passed more than one medium. Those members have the opportunity to have their work considered for sale at Heartwood.
- More than \$155,000 was been spent at Heartwood on products created by Southwest Virginia artisans and musicians.
- Approximately 238 book titles about the history, communities, people, and cultural and environmental assets of Southwest Virginia are approved and available for purchase.

### ***Cultural Heritage Promotion and Preservation***

A key aspect of economic development in Southwest Virginia involves showcasing the region's unique cultural resources both within the region and as a draw for visitors. Local music and artisanal crafts form a backbone for these efforts with the Foundation continuing to work with The Crooked Road and 'Round the Mountain, promoting and preserving Southwest Virginia's traditional music and craft.

In 2016, Heartwood and the Foundation continued to support The Crooked Road, assisting with live performances, music education efforts, and the Mountains of Music Homecoming event. Additionally, with funding from the Appalachian Regional Commission (ARC), the Tobacco Region Revitalization Commission, and the Virginia Tourism Corporation, The Crooked Road worked with Virginia Tech's Office of Economic Development to conduct an updated economic impact assessment; the final report was completed in the Fall of 2016. The following figures provide insight into Heartwood's collaboration with The Crooked Road in 2016:

### Live Music

- The Crooked Road's Heartwood Music Series showcases communities within the region through their jams, traditional music Venue Showcases, and Youth Music concerts. In 2016, The Crooked Road Music Series at Heartwood Programs included:
  - 12 Youth Music Series concerts, which featured 47 musicians and were attended by 768 guests.
  - 5<sup>th</sup> Annual Youth Music Festival in May featured 15 traditional music programs that performed for more than 600 attendees throughout the day.
- Eleven concerts were presented at theatres, performing arts centers, and universities in Virginia, Maryland, Delaware, and New York as part of The Crooked Road Tour program.
- The Crooked Road produced a compilation CD of live recordings from the 2015 Mountains of Music Homecoming that is used to market the region's music and musicians, and to generate revenue for the organization's Traditional Music Education Program.

### Music Education

- After-school traditional music programs: Added two new programs in 2016, The Henderson JAMS and Bland County JAMS, in addition to the seven existing JAM programs. A total of over 400 students were served.
- Teaching on The Crooked Road, a teacher re-certification course established at Virginia Highlands Community College to provide professional K-12 teachers in the region with skills for bringing traditional music into the classroom is now offered at Wytheville Community College.
- Youth Music Performance Series at Heartwood: monthly performances provide a platform for interaction among young musicians and a professional setting for these musicians to gain experience in front of a live audience. 47 youth musicians performed a total of 12 concerts which were attended by a total of 768 people.
- School Assembly Programs: The Crooked Road has developed an Artist Roster for School Performances highlighting professional, traditional artists from Southwest Virginia that present age-appropriate and engaging programs in schools. School Assembly Programs were presented at four schools for more than 1,000 students, teachers, and administrators.
- The 5<sup>th</sup> Annual Youth Music Festival at Heartwood was presented on Saturday, May 14, 2016. Fifteen traditional music programs (more than 200 youth musicians) performed for more than 600 attendees. The 6<sup>th</sup> Annual Youth Music Festival is planned for May 13, 2017.
- Grants from the Ratcliffe Foundation and the Wayne C. Henderson Scholarship Program have helped support these activities.

In addition to the regular music performances put on by The Crooked Road at Heartwood, significant planning by The Crooked Road and Foundation staff (as well as officials from throughout the region) went into hosting the second annual Mountains of Music Homecoming (MoMH) – a nine day, region-wide celebration of music and culture. The event included

participation from 46 communities in Southwest Virginia; Crooked Road concerts were held in 23 different communities, and over 120 cultural events were presented by community businesses, cultural organizations, libraries, museums and other groups highlighting the best of Southwest Virginia and its people. There was an estimated 5,000 to 10,000 people who attended The Crooked Road concerts and cultural events over the nine days. Over 500 visitor surveys revealed:

- 33% were visitors from outside the region.
- 96% said they were likely to recommend the Homecoming to family & friends.
- 41% of the visitors said they came to the region specifically for the Homecoming, including visitors from Alabama, Florida, Georgia, Indiana, Kentucky, Maine, Maryland, Michigan, North Carolina, Ohio, Pennsylvania, South Carolina, and Tennessee.
- More than 40% stayed in a hotel or bed & breakfast.
- Other activities visitors enjoyed: 17% shopping, 13% museums, 13% theatre, 11% hiking

Complementing the rich musical heritage of Southwest Virginia is an equally unique artisanal craft culture. The Foundation, working with 'Round the Mountain as well as the Artisans Center of Virginia and the Virginia Tourism Corporation accomplished the following in 2016:

- 325 individuals, farms, and craft venues were actively engaged in 'Round the Mountain's outreach activities.
- Business resource guides were updated for both artisans and agritourism businesses.
- Marketing materials were shared with the artisan community to strengthen and build the 'Round the Mountain and Artisan Trails of Southwest Virginia brand.
- A study was conducted by Chmura Economics & Analytics on the Economic and Fiscal Impact of the Artisan Industry
- Friends of Southwest Virginia was awarded funding from the Virginia Wine Board and Virginia Tourism Corporation Marketing Leverage Program in order to develop a Southwest Virginia Wine Trail.

### ***Economic and Community Development***

The Foundation continues to support activities that aggregate resources to promote tourism and economic and community development in the region. A major focus of economic and community development for the Foundation has become the development of a recreational based tourism sector in the region. The following activities supported these efforts in 2016:

- **Clinch River Valley Initiative (CRVI):** The Foundation and Friends of Southwest Virginia have participated in providing administrative support for the Clinch River Valley

Initiative. The Clinch River is one of the eight major anchor and project areas for the Appalachian Spring Initiative. Some major accomplishments of the CRVI in 2016 include:

- The Virginia General Assembly passed funding for the creation of a Clinch River State Park.
  - Work has continued on developing additional river access points at Old Castlewood and Miller's Yard
  - Cleveland, Dungannon, and St. Paul were designated as the first three "Hometowns of the Clinch" after working on various downtown revitalizations efforts with assistance from Friends of SWVA
  - Friends took a leading position in planning and obtained funding to develop a national ecological education center in St Paul, a curriculum for k – 12 grades has been completed and a management team is work with a contractor to complete a business plan and feasibility study.
- **New River Valley Initiative:** The Foundation is a lead participant in the New River Valley Initiative, a collaboration of stakeholders seeking ways to access the entire New River for recreational uses. The work group is engaged in community development initiatives with communities along the New River, including downtown revitalization projects in Pembroke and Narrows. Giles County and the New River Valley Regional Commission worked with Friends of SWVA to complete a feasibility study on the development of a New River destination center in the town of Pembroke. The positive outcome of this work led to funding for the construction of this center being awarded by ARC.
  - **High Knob Recreation Area:** The Appalachian Spring Initiative is a lead participant in the High Knob Initiative, which has an objective of developing recreational assets and access to them in and around the High Knob Recreational Area and connecting them to eight surrounding localities for community and economic development outcomes. As part of the recent POWER grant, a master plan for developing the entire High Knob Recreation Area will be developed, improvements will be made to the High Knob assets of Devil's Bathtub and High Knob Lake and the City of Norton will construction a High Knob Destination Center. This progress is made possible by strong partnerships with United States Forest Service (USFS) and local governments.
  - **Breaks Interstate Park:** Appalachian Spring has convened stakeholders in Virginia and Kentucky to develop recreational destinations in the Breaks Interstate Park area; including a bike trail from the Breaks to Haysi, connection to the elk herd in Buchanan, enhancement of downtown Haysi, and development of recreational assets for Clinchco. Friends of SWVA has partnered with Spearhead Trails, Breaks Interstate Park, and the Town of Haysi to develop a multi-use trail from Breaks Interstate Park to downtown Haysi.
  - **Blue Ridge Parkway:** Appalachian Spring is the convening entity for an initiative begun in 2015 to connect communities, businesses, and recreational assets for collaborative efforts to create tourism and entrepreneurial opportunities related to the Blue Ridge Parkway and nearby assets. Appalachian Spring staff worked to convene multiple

meetings of Blue Ridge Parkway stakeholders to develop plans on how communities can work together to use the parkway for economic development.

- **POWER GRANT:** In 2016, Friends of Southwest Virginia received a \$3,371,350 POWER grant through the Appalachian Regional Commission. This is the largest grant of any so far awarded through the POWER program. The objective of the POWER program is to assist coal-reliant communities in restructuring their economies. The grant has five key project components:
  1. Construction of an Appalachian Trail Center in Damascus, VA
  2. Construction of a High Knob Destination Center in Norton, VA, enhancements to Devil's Bathtub and High Knob Lake, and master planning for High Knob
  3. Development of a multi-use trail from Breaks Interstate Park to downtown Haysi, including construction of a riverfront boardwalk in Haysi
  4. Construction of four public boat launches in the downtown area of four towns connecting them to the river trail and each other, and a New River Center in Giles County
  5. Funding to create and pay for three trail technician positions for two years for Spearhead Trails organization

In addition to the Foundation's involvement with developing the region's recreational tourism sector in 2016, it was active with other economic development activities as well. These activities include but are not limited to the following:

- **My Southwest Virginia Opportunity:** This consortium of small business development/entrepreneurship programs in Planning Districts 1, 2 & 3 has worked to provide a better support network to entrepreneurs and a more concerted effort to develop and entrepreneurial ecosystem in SWVA
- **Downtown Revitalization:** The Foundation has been active in promoting and providing technical assistance in the revitalization of downtowns. In 2016, the Foundation, in conjunction with Appalachian Spring, has been actively involved in downtown revitalization planning and construction projects in: Cleveland, Pembroke, St. Paul, Damascus, Dungannon, Narrows, Norton, and Meadows of Dan.

## **Fiscal Outlook and Conclusion**

In 2015, the General Assembly allocated \$475,000 for the Foundation's regional and community development work and the operation of Heartwood. Friends of Southwest Virginia received \$475,000 to supplement and sustain operations and marketing efforts to the end of the current fiscal year. This was followed with an allocation of \$875,000 by the 2016 General Assembly. As Heartwood continues to act as a center for economic and community development activity, showcasing the region's music and craft and providing resources and space for The Crooked Road and 'Round the Mountain, the Foundation has indicated the need for sustainable funding moving forward. It should be noted that 25 Southwest Virginia localities,



including towns as well as counties and cities, have demonstrated their commitment to the efforts of the Foundation through annual investments of financial support. During FY 15-16, they contributed \$152,901 to the work of the Foundation.

In 2016, the Foundation and its partners continued their vital work in developing the new creative economy of Southwest Virginia. Both new and ongoing initiatives contributed to these efforts with marketing, Heartwood operations, cultural heritage promotion and preservation, and community and economic development serving as focus areas. The Foundation and its partners look forward to building on past successes and continuing to leverage the unique cultural and natural heritage of the region as a catalyst for making Southwest Virginia a great place to live, work, visit, and do business in 2017 and beyond.