



VIRGINIA INITIATIVE FOR
**GROWTH &
OPPORTUNITY**
IN EACH REGION

VIRGINIA GROWTH AND OPPORTUNITY STATE AND REGIONAL LEADERSHIP SUMMIT

December 9, 2019

3:00 PM

Richmond, Virginia

Board Members Present

Nancy Howell Agee
The Honorable Brian Ball
Ben J. Davenport, Jr.
Jim Dyke
Thomas F. Farrell II
W. Heywood Fralin
Leah Fremouw
Doug Juanarena
Senator Tommy Norment
Senator Frank M. Ruff
Todd A. Stottlemeyer
Don Robin Sullenberger
Lucia Anna "Pia" Trigiani
Joe Wilson
John O. "Dubby" Wynne

Regional Council Members Participating

Mike Quillen, Region 1
Raymond Smoot, Region 2
Randy Lail, Region 3
Charlie Majors, Region 3
Thomas Frantz, Region 5
William Beale, Region 6
Tom Rust and Sid Banerjee, Region 7
George Pace, Region 8
Jim Cheng, Region 9

Support Organization Leadership Participating

Wilson Flohr, Region 4
Jim Spore, Region 5

Other Attendees

Moir Beamer, Region 1
Shannon Blevins, Region 1
Scott Burnette, VCU CMH
Brandon Davis, Region 8
Jeff Gallagher, Grow Capital Jobs Foundation
Kate Gibson, Region 6
Deborah Gosney, Region 3
Janet Gullickson, Regions 6 and 8
Kalen Hunter, Region 1
Chris Kyle, Region 8
Kim McClellan, Region 6
Floyd Merryman, Region 2
Jennifer Morgan, Region 6
Donna Morris, Region 5
Liz Povar, Region 3
Beth Rhinehard, Region 1
Carrie Roth, Region 4
Ashley Shickle, Region 8

Call to Order Mr. Thomas F. Farrell II, Chairman of the Virginia Growth and Opportunity (GO Virginia) Board, called the meeting to order.

Agenda Chairman Farrell introduced the goals of the Summit as an opportunity to hear directly from the Regional Council leadership about challenges and opportunities of the GO Virginia program in its three years since inception. Over the past months, regional leadership and other stakeholders have been providing feedback through surveys and informal discussions to help the Board understand and bring focus to priority issues. Four priority issues have been identified for further discussion:

1. Priority Investment Areas – **Talent Pipeline Development**
2. Regional Collaboration – **Match Requirements**
3. Program Focus - **Traded Sectors & High Wage Jobs**
4. Project Evaluation – **Return on Investment**

DHCD staff provided brief presentations covering these four topics to provide background on how these topics are represented in the law, in Board policy, and in administrative guidance.

Council Members Report Each representative from the nine GO Virginia regional councils had five minutes to speak.

Region 1’s Chairman would like reconsideration of the ineligibility of Tobacco Commission funds as match. Using the Tobacco Commission funds as match would be helpful to the council in order to generate more projects. Region 1 expressed the need to consider the sustainability of the support organization. There is a concern that the support organization will be difficult to sustain without future GO Virginia capacity building funding.

Region 2’s Chairman is interested in understanding the Commonwealth’s overall workforce development strategy and evaluating the effectiveness of certain programs across the state in order to determine how GO Virginia can be more successful.

Region 6’s Chairman had concerns about the timing of the GO Virginia grants process and was interested in how we can

accelerate the process to be more aligned with the speed of how the private sector functions. Region 6 recommends adjusting the one to one match to .50 to a dollar match. He prefers just requiring 20% of the total GO Virginia request as local match, not the \$50,000 minimum local match requirement because they are seeing projects come in with smaller asks. Region 6 would also like to allow state funds to be used as match. They would like to be able to approve projects contingent upon receiving matching funds. Reconsider the definition of local match to be inclusive of local businesses, community organizations and other local entities. Expand the ROI to 5 years instead of three. Allow health care to be considered as appropriate for GO Virginia funding. Adjust traded sector definition to include trades outside of the region, not just outside the state boundaries.

Region 9's Chairman expressed the need to have sustainable capacity building funding for the support organization staff. Region 9 sees the need to streamline the GO Virginia approval process. Alleviate the restrictions on the definition of traded sector as it limits the region from capturing the diversity of Region 9 and would allow for inclusivity of the rural parts of the region.

Region 8's Chairman emphasized the importance of allowing grant proposals to move forward contingent on appropriate match. In regards to site development, Region 8's Chairman would like the business community to be considered as appropriate local match to avoid requiring the locality to always provide the match funds. Remove the \$50,000 local match minimum requirement and keep just the 20% of total as local match. Consider health care as appropriate for GO Virginia funds.

Region 4 had the Support Organization's Executive Director speak on behalf of the council. He echoed the need to eliminate the \$50,000 local match minimum and to possibly consider a sliding scale for match based on size of the grant. Urged sustainable and increased funding for capacity building funds. He urged greater consideration of match waivers in economically distressed areas. For enhanced capacity building grants, make clear that these are approved by DHCD and to encourage getting these grants under contract before the full GO VA board approves.

Region 5's Chairman expressed the idea of providing startup funds for certain ventures to allow them to take off more quickly.

Region 3's Chairman emphasized the urgency of funding health care projects. He echoed the need to reconsider the match rules, timing of the grants and sustainability of the support organizations. He urged including Tobacco Commission funds as allowable match.

Region 7's Chairman expressed the need to expand the ROI timing requirement when considering applications. Local match is a challenge for them. There is also a challenge with certain projects having expenditures first before getting that first reimbursement from GO Virginia. He suggested the Board consider a proportional payment structure.

Future Board Meetings

Mr. Farrell advised that there would be four Advisory Group meetings covering these topics and anything that came up today during the discussions. These meetings will begin in January and will result in recommendations to the board. DHCD will send out a list of members for these advisory groups and the meeting schedule shortly.

Adjournment

The meeting was adjourned at 4:35pm.