

**BOARD OF DIRECTORS MEETING
GO VIRGINIA WORK SESSION**

April 28, 2017

9:00 AM – 9:52 AM

Prince Michel Vineyard, 156 Winery Lane, Leon, VA

Board Members: Dave Dallas (Chair), John Barkley, Lee Catlin, Bryan David, Chris Engel, Frank Friedman, Christian Goodwin, Susan King, David Koogler, Leigh Middleditch, David Mitchell, Steve Nichols, David Pettit, Colette Sheehy, Mike Wesson, John Young

Ex-Officio Board Members: Melinda Crawford, Tim Hulbert, Patrick Mauney

Guests: Mary Jane Costello, Madison County; Nicholas Decker, Merrill Lynch Wealth Management; Deborah Flippo, Draper Aden Associates; Tracey Gardner, Madison County; Gary LeFeuvre, Nest Furnished Living Solutions; Tommy Miller, Orange County, Jordan Pierson, Blue Ridge Bank; Phil Sheridan, Culpeper County; Jason Smith, Fluvanna County; Deborah van Eersel, UVA Foundation

Staff: Helen Cauthen, Uconda Dunn

I. Call to Order

Dave Dallas, Chair, called the meeting to order at 9:05 am and welcomed meeting attendees to Madison County and Prince Michel Winery. He reminded everyone that the GO Virginia Work Session is a public meeting.

II. GO Virginia Work Session

David Pettit presented an overview from the GO Virginia orientation held on Thursday, April 20th in Richmond. In his view, the most compelling slide shows the Gross State Product (GSP) Effects of Private Sector Job Change (PPT slide 7). This slide shows that even though 335,400 new jobs were created from March 2008 to August 2016 (or 42,100 more than the number of jobs lost), the average GSP value of those jobs decreased by \$6 billion! David also shared that the biggest challenge is how to develop effective project proposals that meet the GO Virginia criteria.

Helen Cauthen highlighted some of the baseline data that recently was provided for Region 9. In response to a question, Tim Hulbert shared that the Education & Health Services category generally referred to private schools and non-government health services and that UVA wages typically would be classified under state government. Tim also mentioned that many of the Rivanna Station jobs are counted as part of Fort Belvoir (rather than as additional jobs in our region).

David Pettit noted we have given up a lot of jobs in high paying fields to retail and other service sectors, and we need to recoup those jobs. Frank Friedman spoke to 43% leaving the region for work and that he believes if these workers could find a well-paying job in the region, they would stay closer to home.

Dave Dallas asked the Board if it would be helpful to have a list of projects that the region needs. David Pettit mentioned that in a recent article from Governor McAuliffe, there are 30-40,000 unfilled cyber security jobs. Frank Friedman shared an idea of creating a Center for XYZ, such as center for advanced manufacturing) in which all three community colleges in the region could collaborate as well as feed into UVA somehow.

Lee Catlin asked why Hampton Roads was so much further along. The answer is in part due to Dubby Wynne's overall leadership on GO Virginia and that region's work establishing a welder training program for the shipbuilding industry and a current initiative with GENEDGE.

Christian Goodwin reminded everyone about the very compressed timeline and suggested that a Economic Development Summit be held for PD-9 and PD-10. (This idea will be added to the GO Virginia RFP for the Economic Growth & Diversification Plan.)

Helen Cauthen stated that the GO Virginia Board will establish evaluation criteria for the Growth & Diversification Plans and develop scoring guidelines for project grants, which should be approved at the June 13th Board meeting.

III. Adjourn Public Session

At 9:52 AM, Dave Dallas adjourned the GO Virginia Work Session.



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

CENTRAL VIRGINIA PARTNERSHIP
WORK SESSION
APRIL 28, 2017



VIRGINIA INITIATIVE FOR
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GO Virginia Purpose Statement

“Create more higher paying jobs through incentivized collaboration, primarily through out-of-state revenue, which diversifies and strengthens the economy in every region”



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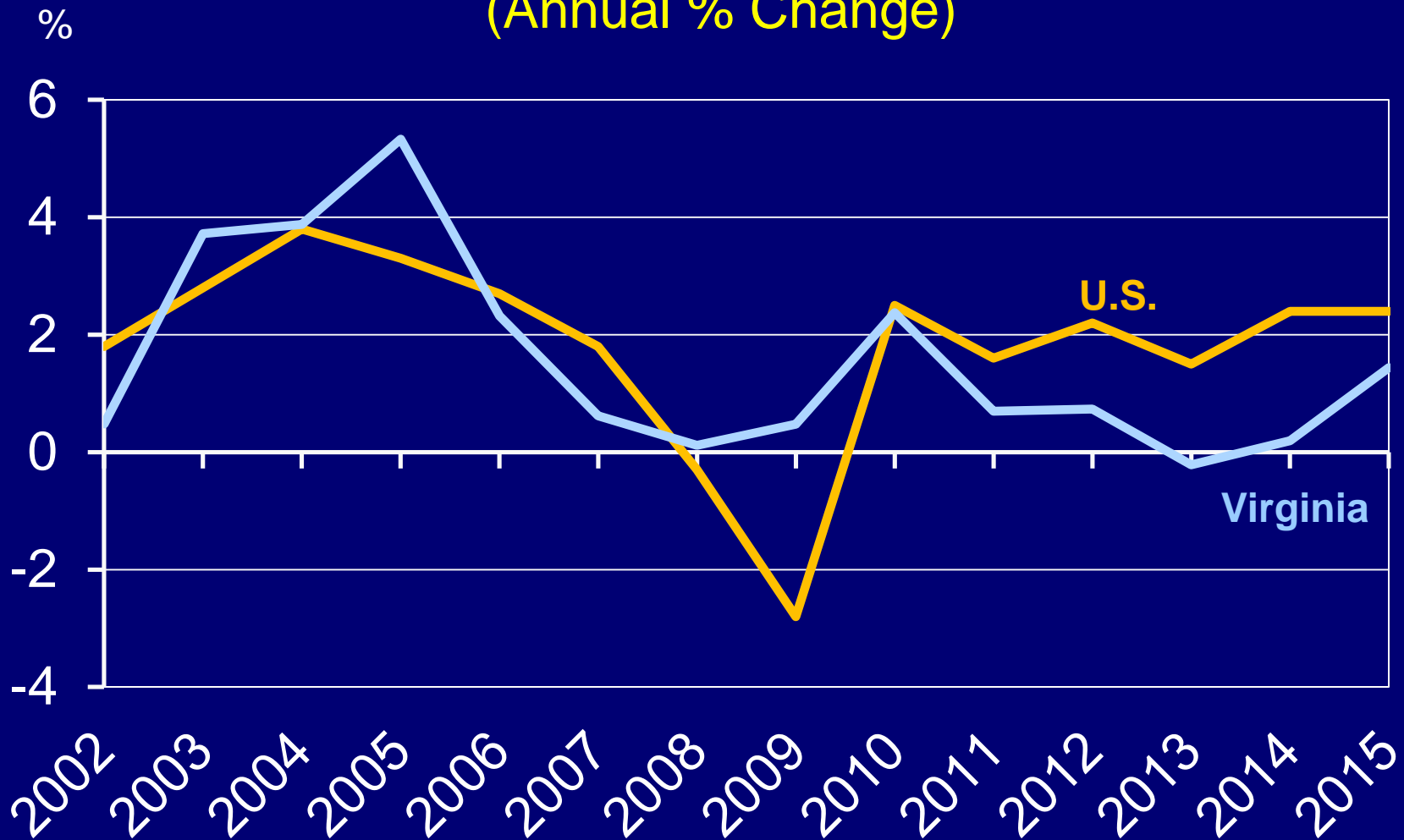
Road Map

- **April 20, 2017** – Statewide orientation summit
- **April-May 2017** – Baseline economic data and analysis becomes available
- **May 2017** – Regions solicit proposals for consultant to develop Growth & Diversification plans
- **June 2017 Board Meeting** – Approve regional plans and FY 2017 and FY 2018 budgets
- **Summer 2017** – Growth & Diversification plan work occurs
- **September, October and December 2017 Board meetings** – First regional projects (per capita and statewide pools) are approved

U.S. GDP and Virginia GSP

2002 – 2015

(Annual % Change)



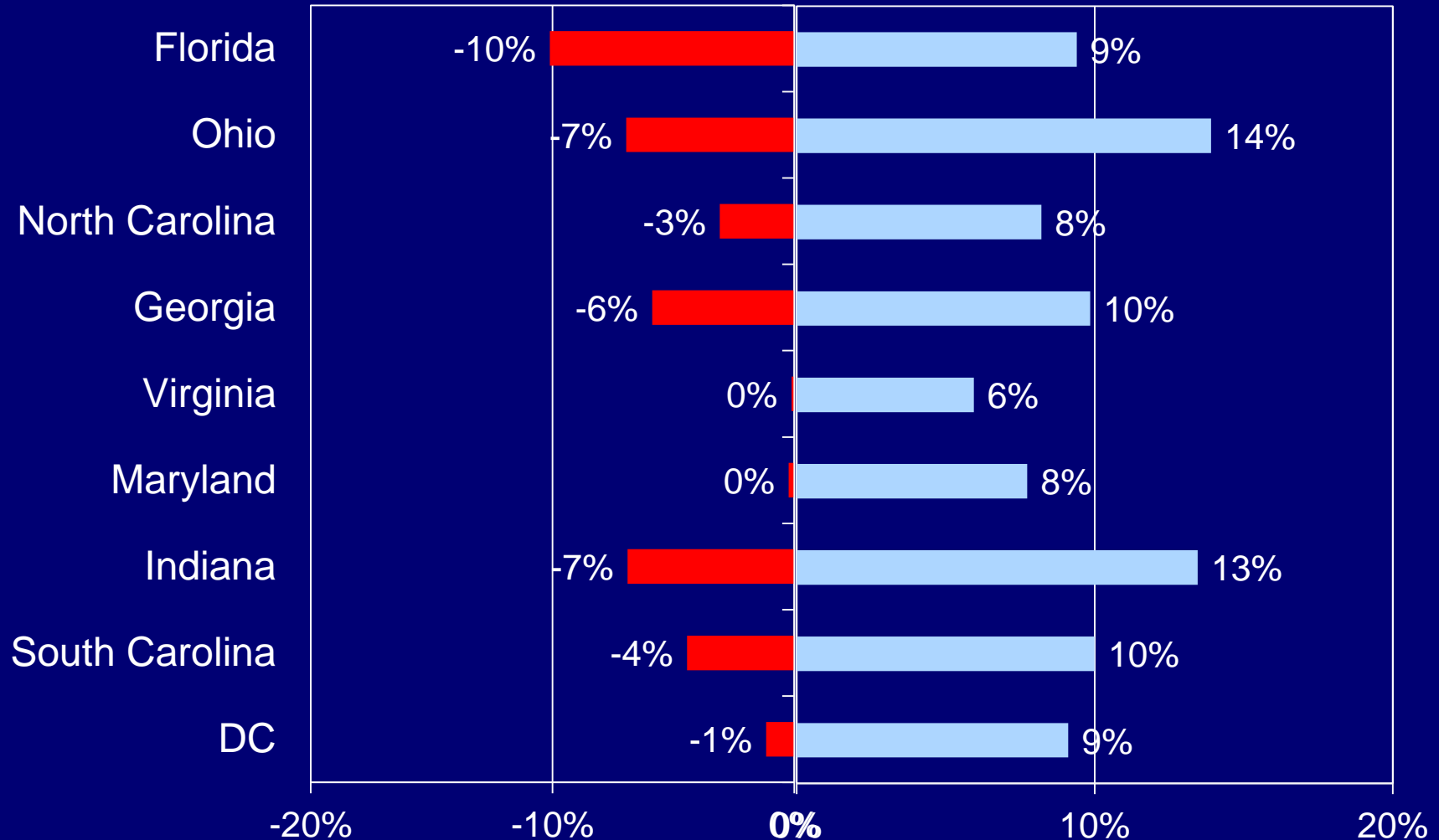
Virginia and State Comparisons

Percent GSP Change: Recession and Recovery

(ranked by GSP in 2015)

(~2007 – 2009)

(2009 – 2015)



Source: Bureau of Economic Analysis, GMU Center for Regional Analysis

Commonwealth of Virginia

Average Job Contribution to Gross State Product By Private Sector in 2015 \$s

<u>Sector</u>	<u>Average Job Contribution to GSP</u>
Leisure & Hospitality Services	\$38,000
Retail Trade	\$61,637
Education & Health Services	\$66,868
State and Local Government	\$69,804
Construction	\$83,100
Transport/Warehousing	\$109,136
Military	\$125,215
Professional & Business Service	\$145,211
Wholesale Trade	\$158,875
Federal Government	\$163,125
Manufacturing	\$186,311
Information Services	\$336,162
Financial Services	\$491,636
All Private Sectors Average	\$127,630
All Government Average	\$117,432

Source: IHS Economics, GMU Center for Regional Analysis

The GSP* Effects of Private Sector Job Change in the Commonwealth of Virginia, March 2008-August 2016 (in 2015\$s)

Job <u>Change</u>	Average <u>GSP* Value</u>	Total <u>GSP* Value</u>
-293,300	\$152,807	- \$44,818,293,100
<u>+335,400</u>	\$114,793	<u>38,501,572,200</u>
+ 42,100		- \$6,316,720,900



Employment Trends by Industry Sector

Region 9: Industry Sectors, 2015*

Sector	Employment#	LQ	Region 9 Avg Wage	US Avg Wage
Trade, transportation, and utilities	26,585	0.85	\$36,664	\$44,321
Education and health services	19,553	0.79	\$46,626	\$47,383
Professional and business services	18,833	0.82	\$59,310	\$69,270
Leisure and hospitality	18,718	1.05	\$19,348	\$21,807
Local government	10,739	0.66	\$36,915	\$47,573
Construction	10,130	1.34	\$47,605	\$57,009
Manufacturing	8,833	0.61	\$56,122	\$64,305
Other services	6,893	1.36	\$40,395	\$35,116
Financial activities	5,919	0.64	\$67,242	\$87,915
Information	2,742	0.85	\$103,015	\$95,098
Natural resources and mining	2,549	1.08	\$34,889	\$58,461
Federal government	2,352	0.73	\$93,920	\$77,900
State government	1,889	0.35	\$41,110	\$55,878

Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages

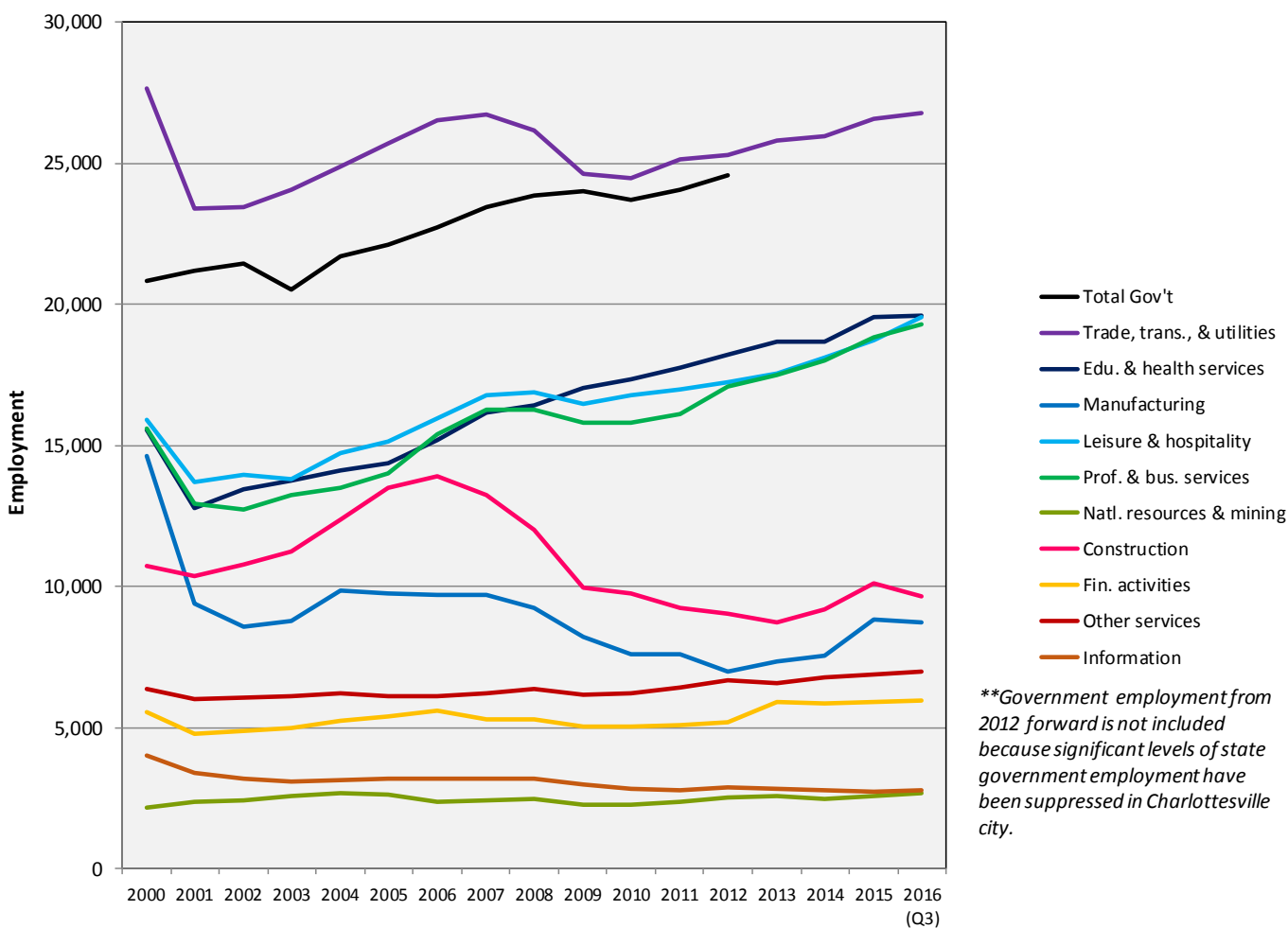
*2015 is the most recently available complete year

#Does not include suppressed employment



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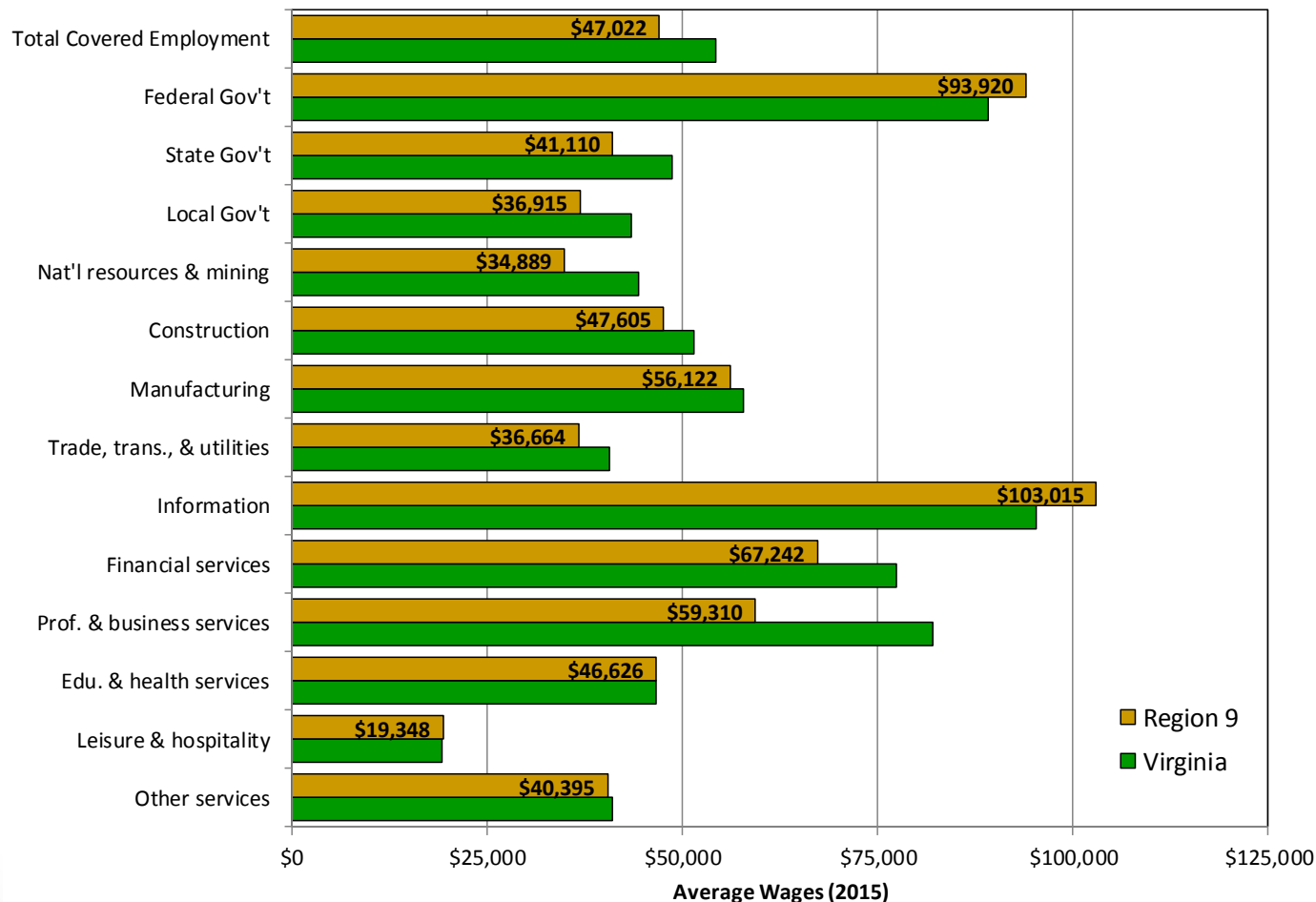
Employment Trends by Industry Sector





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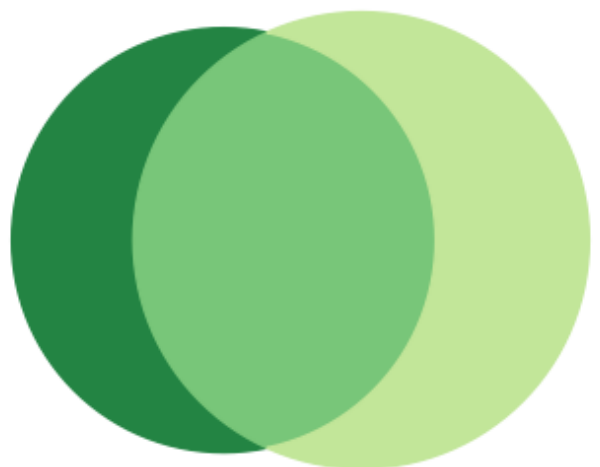
Industry Wages by Sector



Source: US Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Commuting (Inflow/Outflow)

Inflow/Outflow Job Counts in 2014



48,910	- Employed in Selection Area, Live Outside
71,296	- Live in Selection Area, Employed Outside
94,500	- Employed and Live in Selection Area

Inflow/Outflow Job Counts (Primary Jobs): Region 9

	2014	
	Count	Share
Employed in the Selection Area	143,410	100.00%
Employed in the Selection Area but Living Outside	48,910	34.10%
Employed and Living in the Selection Area	94,500	65.90%
Living in the Selection Area	165,796	100.00%
Living in the Selection Area but Employed Outside	71,296	43.00%
Living and Employed in the Selection Area	94,500	57.00%

Source: US Census Bureau, Longitudinal Employer-Household Dynamics OnTheMap, 2014



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Commuting (Inflow/Outflow)

Commuting Patterns: Region 9

	Employed in Selection Area	Employed in the Selection Area but Living Outside		Employed and Living in the Selection Area		Living in the Selection Area	Living in the Selection Area but Employed Outside		Living and Employed in the Selection Area	
Virginia	3,313,939	286,033	8.6%	3,027,906	91.4%	3,377,666	349,760	10.4%	3,027,906	89.6%
Region 9	143,410	48,910	34.1%	94,500	65.9%	165,796	71,296	43.0%	94,500	57.0%
Albemarle	44,877	29,273	65.2%	15,604	34.8%	40,359	24,755	61.3%	15,604	38.7%
Culpeper	14,365	8,637	60.1%	5,728	39.9%	19,065	13,337	70.0%	5,728	30.0%
Fauquier	19,343	11,549	59.7%	7,794	40.3%	33,675	25,881	76.9%	7,794	23.1%
Fluvanna	3,962	2,372	59.9%	1,590	40.1%	10,236	8,646	84.5%	1,590	15.5%
Greene	2,691	1,626	60.4%	1,065	39.6%	7,213	6,148	85.2%	1,065	14.8%
Louisa	7,281	4,775	65.6%	2,506	34.4%	11,486	8,980	78.2%	2,506	21.8%
Madison	2,819	1,497	53.1%	1,322	46.9%	5,788	4,466	77.2%	1,322	22.8%
Nelson	3,502	1,903	54.3%	1,599	45.7%	6,031	4,432	73.5%	1,599	26.5%
Orange	8,665	5,350	61.7%	3,315	38.3%	12,553	9,238	73.6%	3,315	26.4%
Rappahannock	1,197	663	55.4%	534	44.6%	2,752	2,218	80.6%	534	19.4%
Charlottesville city	34,708	28,514	82.2%	6,194	17.8%	16,638	10,444	62.8%	6,194	37.2%

Source: US Census Bureau, Longitudinal Employer-Household Dynamics OnTheMap, 2014