



REGIONAL COUNCIL 9 – EXECUTIVE COMMITTEE

APRIL 23, 2020

9:00 am to 10:00 am

Email sholland@centralvirginia.org for a meeting link by 7:00 am on April 23, 2020

Due to the declared COVID-19 State of Emergency this meeting will be held via Zoom.

AGENDA

- | | |
|---|-----------------------------|
| 1. Welcome | Jim Cheng, Chair |
| 2. Public Comment* | Jim Cheng |
| 3. Meeting Minutes from December 12, 2019
(Information only: Approval deferred) | Jim Cheng |
| 4. Financials through February 29, 2020
(Information only: Approval deferred) | Andy Wade, Treasurer |
| 5. Review FY 2021 Capacity Building Budget due to DHCD by 5/29
(Subject to approval of GO Virginia Board) | Jim Cheng |
| 6. GO Virginia Economic Resilience and Recovery Grants | Jim Cheng |
| 7. Other Business - Limited to Emergency Items Only | Jim Cheng |
| 8. Adjourn | Jim Cheng |

* Submit Public Comments by completing the attached form to sholland@centralvirginia.org by 7:00 am on Thursday, April 23, 2020. Those received will be read into the record.

Region 9 Council Meeting PUBLIC COMMENT FORM



Provide your public comments below. These comments will be read during the April 23 Region 9 Executive Committee Meeting. Please email as an attachment to sholland@centralvirginia.org with the subject line "GO Virginia Comments April 23 2020." Submissions will be accepted until 7 AM on April 23, 2020.

Name: _____

Organization: _____

Email: _____

Comments in the area below:

REGIONAL COUNCIL 9 – EXECUTIVE COMMITTEE

DECEMBER 12, 2019

3:00 pm to 4:30 pm

**UVA Research Park, 1001 Research Park Boulevard, Suite #301 Conference Room
Charlottesville**

MINUTES- DRAFT

Attendees

Members: Jim Cheng (Chair), Ed Scott (Vice Chair); Andy Wade, Pace Lochte

Absent: David Pettit, Felix Sarfo-Kantanka, Tom Click

Staff: Shannon Holland, Helen Cauthen

1. Welcome

Jim Cheng called the meeting to order at 3:03 pm.

2. Public Comment

There were no members of the public present.

3. Approve Meeting Minutes July 22, 2019 Meeting

Ed Scott made a motion to approve the Meeting Minutes, as presented. Pace Lochte seconded the motion. The motion carried.

4. Financials

Andy Wade reminded the members that the Council budgets the Capacity Building dollars on a fiscal year basis but must spend the full amount down to zero before the Partnership can access the next year of funding. As a result, each year of the program thus far, Capacity Building dollars carry forward to the next fiscal year. He added that this year to close FY 2019 Capacity Building dollars in November.

Referring to the Statement of Income and Expense, Andy Wade noted that expenses are shown as running at 45.25% of budget which is ahead of an expected 33% but that these expenses are still drawing from FY 2019 Capacity Building funding. He noted that though employee expenses are shown a little over 40% of budget the number is misleading because there was a payroll correction of about \$6,000 in July for salaries from previous fiscal year. Excluding that number payroll is running at 31.4%. He also noted that Venture Hub planning grant was paid in this reporting period but is from FY2019 budget. Without that \$48,893 expense, he noted, the reporting period is closer to 26% of budget instead of 45.25%.

Referring to the Balance Sheet, Andy Wade pointed out that the Council owes the Partnership over \$140,000. Shannon Holland clarified that this number indicates that expenses have been paid by the Partnership as the support organization, however, because the accountant has been behind the internal transaction needed to reimburse the Partnership have not been done. Helen Cauthen indicated that she was aware of this situation and it is expected to be addressed soon.

Referring to the project budgets, Andy Wade noted that only projects that have requested reimbursements are presented.

Referring to the proposed budget recast, Andy Wade explained that the FY 19 Capacity Building funding will be fully expended in November and in order to gain access to the FY20 Capacity Building dollars, the Executive Committee needs to approve a budget revision in the DHCD CAMS system. Andy Wade referred to page 11 in

the packet and noted that it was provided by accounting as a recommended close out budget. The second column represents the CAMS budget revision to close out FY18 dollars and the column on the right represents the recast of budget items to close the FY 19 Capacity Building budget to zero in order to access the FY 2020 Capacity Building dollars.

Pace Lochte made a motion to approve the Financials as presented. Ed Scott seconded the motion. The motion carried.

5. Camoin 310 Contract Extension – Rural Entrepreneurship

Jim Cheng shared that contract extension letter dated November 4 was signed with Camoin 310 and the project is being overseen by himself and Ed Scott and that Tom Click, Kurt Krueger, Miles Friedman, and Patrick Mauney were serving on the Task Force. He added that there was a kick-off call on November 26 and stakeholder sessions have been scheduled in rural localities on January 9, 15, and 16 of 2020. Jim Cheng added that Shannon Holland collaborated with rural economic development partners to develop a rural entrepreneurship inventory asset list and provided to Camoin in order to accelerate a gap analysis.

Pace Lochte added that she and the Friends of Venture Central team were socializing the “Venture Hub” business plan with constituents. She expects that there will be more to report soon as they are working with a potential funder to support sustainability for the project.

6. Project Updates

Shannon Holland offered updates on Region 9 project activities. She noted that GWC PTEC and the Crafting Higher Paying jobs projects had specific issues for which input was needed. She gave specific summaries as follows:

- CV Site Readiness (ECB): Although the project is completed, the budget is not expected to be closed until reporting obligations are complete.
- Catalyst: The applicant has hosted two pitch sessions where local Founders help select participants. At this point, the first cohort has been chosen. Local economic developers attend and observe so that applicants can also be connected to services, as needed.
- Regional Business Park: Timmons group and Louisa County hosted an interactive workshop for the industrial park stakeholders that was very well received.
- Cybersecurity (ECB): The project has advised that it won't be completed until after February because the CA2EY application process has changed and PVCC cannot apply until February. Germanna has already achieved it. The project contract expires June 2020 and the team doesn't have definitive plans yet for a follow-up grant.
- GWC
 - The project contract expires in April 2020 and there are several issues requiring guidance.
 - Metrics: As noted in the applicant's presentation at a previous Council meeting, registrations for both the machinists and welding programs are less than expected. The school leadership has taken several approaches to address the situation. To date, they have reported 5 trained versus a goal of 30; and, 33 NIMS certifications versus a goal of 100. A recent budget revision was approved to get the project some marketing dollars to do outreach with businesses hiring machinists to drive a solution. A meeting is planned for January 2020.
 - Welding School: In late October, the grant contact advised us that the County Attorney advised her that the welding school tenant had not been paying rent. The attorney is following protocol to address. It was noted that it was unclear if all the purchased equipment was in the inventory. The County has temporarily stopped renovation work to address the situation. The County is working diligently to identify solutions to continue running the welding school, check equipment inventory and take appropriate action, and complete the project by the contract end date. At this time, they are discussing the possibility of Germanna CC taking over the school.
- Crafting Higher Paying Jobs: Although reported metrics are strong many milestones have been delayed

for several reasons. It is possible, the project may need a contract extension to address. The main issues right now are that the drainage at the winery/cidery location will have to be overseen by VCCS and the timeframe for them accomplishing the project is unknown. The brewery location was at a business partner location but the business now needs their space for expansion. An alternate site is under evaluation. The distilling location is under review, as well.

After much discussion, the following action items were discussed:

- Prepare project statements
- Discuss concerns with Culpeper County Administrator
- Request an inventory be taken of the equipment, as soon as possible
- Clarify with applicant what has or will be taken
- Set up a site visit with all stakeholders on-site at GWC PTEC, including Council Members
- Request revised Milestones for the Crafting project and assess further

7. Chair Update

Jim Cheng shared that both he and Ed Scott attended the December 9 GO Virginia Board Meeting in Richmond as well as the Board and Council Leadership Summit that followed. Jan Gullickson was also in attendance along with leadership from all regional councils. He noted that Region 9's Biotech Innovation Cluster Growth project was approved. Ten other projects were discussed, of which, nine were approved. He added that the Board also approved a revised broadband policy and a Site Investment Policy. Jim Cheng also noted that Stephen Moret, during his presentation, said that VEDP would be asking for 15 million dollars in the new budget for Site Development and that during a VRIC report it was reported that new legislation creating a Tech and Innovation Authority would reorganize CIT, VRIC, etc. Jim Cheng added that Chris Lloyd, McGuireWoods Consulting, shared that the expectation is that GO Virginia will be in the Governor's budget for a flat 65 million in funding.

Finally, Jim Cheng shared that as of November 4, all Council Members have reported completing the required COIA training.

8. Director Update

Shannon Holland reported that she is working to develop a possible middle mile broadband project with a regional electric cooperative. She is working with Patrick Mauney and Chip Boyles to help manage the conversation. She added that four regions met the previous Tuesday to discuss collaborating on hemp projects. Pace Lochte suggested a discussion around Talent Development as she and her team have done some preliminary thinking on what a project might look like. In general, the project could be an ECB with private sector providing the match for a region wide gap assessment.

Shannon Holland also advised the committee that the Partnership accounting staff person would be leaving the organization effective January 24, 2020.

9. Other Business

No other business was presented.

10. Adjourn

Andy Wade made a motion to adjourn the meeting at 3:39 pm. Ed Scott seconded the motion. The motion carried.

GO Virginia
Statement of Financial Position
As of February 29, 2020

3:25 PM
04/17/2020
Accrual Basis

	<u>Feb 29, 2020</u>	<u>Apr 17, 2020</u>
ASSETS		
Current Assets		
Checking/Savings		
11200 · GO VA Operating Account - Union	-32,749.75	75.41
Total Checking/Savings	-32,749.75	75.41
Accounts Receivable		
11000 · Accounts Receivable	-286.27	6,154.21
Total Accounts Receivable	-286.27	6,154.21
Other Current Assets		
11100 · Accrued Receivable	4,174.09	0.00
12000 · Undeposited Funds	43,494.90	0.00
Total Other Current Assets	47,668.99	0.00
Total Current Assets	14,632.97	6,229.62
TOTAL ASSETS	14,632.97	6,229.62
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
20002 · Accounts Payable	-20,492.08	0.00
20004 · Due to CVPED	95,478.20	41,157.38
Total Accounts Payable	74,986.12	41,157.38
Other Current Liabilities		
25060 · Accrued Expenses - Other	4,174.09	0.00
Total Other Current Liabilities	4,174.09	0.00
Total Current Liabilities	79,160.21	41,157.38
Total Liabilities	79,160.21	41,157.38
Equity		
32000 · Unrestricted Net Assets	101.71	101.71
Net Income	-64,628.95	-35,029.47
Total Equity	-64,527.24	-34,927.76
TOTAL LIABILITIES & EQUITY	14,632.97	6,229.62

Capacity Building - Statement of Income and Expense

04/17/2020

July 2019 through February 2020

Accrual Basis

Capacity Building			
	Jul '19 - Feb 20	Budget	% of Budget
Income			
41520 · State Grants	138,503.35	250,000.00	55.4%
Total Income	138,503.35	250,000.00	55.4%
Gross Profit	138,503.35	250,000.00	55.4%
Expense			
01250 · General Administration	7,405.94	15,000.00	49.37%
51000 · Employee Expenses			
51100 · Salaries and Wages	54,423.20		
51300 · Fringe benefits	42,813.35		
51500 · Employee Recruitment Exp	13.00		
52160 · Temporary Employees	1,370.55		
51000 · Employee Expenses - Other	0.00	150,000.00	0.0%
Total 51000 · Employee Expenses	98,620.10	150,000.00	65.75%
52100 · Contract services			
52120 · Auditing Services	2,363.64	6,000.00	39.39%
52130 · Legal services	0.00	1,500.00	0.0%
52140 · Benefits administration	94.35		
52150 · Technical support services (IT)	329.69		
52100 · Contract services - Other	0.00	500.00	0.0%
Total 52100 · Contract services	2,787.68	8,000.00	34.85%
53000 · Non-personnel Exp	6.07		
53100 · Supplies & Equipment	731.46	1,500.00	48.76%
53211 · Rent	4,977.25	10,000.00	49.77%
53300 · Travel	2,665.04	2,500.00	106.6%
53700 · Meetings & Workshops	3,861.88	6,000.00	64.37%
53800 · Marketing, Outreach, & Website	259.00	7,000.00	3.7%
54000 · Program expenses	80,793.00	50,000.00	161.59%
Total Expense	202,107.42	250,000.00	80.84%
Net Income	-63,604.07	0.00	100.0%



	Adult Beverage (Projects)			CvilleBioHub (Projects)		
	Jan '16 - Feb 20	Budget	% of Budget	Jan '16 - Feb 20	Budget	% of Budget
Income						
41520 · State Grants	21,284.05	249,472.00	8.53%	60,355.70	83,540.00	72.25%
Total Income	21,284.05	249,472.00	8.53%	60,355.70	83,540.00	72.25%
Gross Profit	21,284.05	249,472.00	8.53%	60,355.70	83,540.00	72.25%
Expense						
01250 · General Administration	2,021.10	11,779.00	17.16%	2,425.34	6,000.00	40.42%
50001 · Inter-company clearing account	0.00			0.00		
51000 · Employee Expenses	12,417.39	26,913.00	46.14%	39,677.44	46,080.00	86.11%
52100 · Contract services	13.40			4.79	0.00	100.0%
53000 · Non-personnel Exp	0.23			0.03		
53100 · Supplies & Equipment	21.96			14.68		
53211 · Rent	94.31			16,875.69	8,800.00	191.77%
53300 · Travel	0.00	750.00	0.0%	1,357.73	8,000.00	16.97%
53700 · Meetings & Workshops	0.00			0.00		
53800 · Marketing, Outreach, & Website	0.00			0.00	5,000.00	0.0%
54000 · Program expenses	6,715.66	210,030.00	3.2%	0.00	9,660.00	0.0%
Total Expense	21,284.05	249,472.00	8.53%	60,355.70	83,540.00	72.25%
Net Income	0.00	0.00	0.0%	0.00	0.00	0.0%

	Cybersecurity (Projects)			Site Readiness (Projects)		
	Jan '16 - Feb 20	Budget	% of Budget	Jan '16 - Feb 20	Budget	% of Budget
Income						
41520 · State Grants	36,523.59	100,000.00	36.52%	55,775.52	58,675.00	95.06%
Total Income	36,523.59	100,000.00	36.52%	55,775.52	58,675.00	95.06%
Gross Profit	36,523.59	100,000.00	36.52%	55,775.52	58,675.00	95.06%
Expense						
01250 · General Administration	1,308.25	8,000.00	16.35%	448.81	800.00	56.1%
50001 · Inter-company clearing account	0.00			0.00		
51000 · Employee Expenses	31,438.93	64,350.00	48.86%	0.00		
52100 · Contract services	1.70			0.00		0.0%
53000 · Non-personnel Exp	0.03			0.00		
53100 · Supplies & Equipment	4.07		100.0%	0.00		
53211 · Rent	15.57			0.00		
53300 · Travel	0.00			0.00		
53700 · Meetings & Workshops	0.00			0.00		
53800 · Marketing, Outreach, & Website	0.00			0.00		
54000 · Program expenses	3,755.04	27,650.00	13.58%	55,225.00	57,875.00	95.42%
Total Expense	36,523.59	100,000.00	36.52%	55,673.81	58,675.00	94.89%
Net Income	0.00	0.00	0.0%	101.71	0.00	100.0%

	GWC PTEC (Projects)			Catalyst (Projects)		
	Jan '16 - Feb 20	Budget	% of Budget	Jan '16 - Feb 20	Budget	% of Budget
Income						
41520 · State Grants	174,071.91	244,300.00	71.25%	1,536.57	475,200.00	0.32%
Total Income	174,071.91	244,300.00	71.25%	1,536.57	475,200.00	0.32%
Gross Profit	174,071.91	244,300.00	71.25%	1,536.57	475,200.00	0.32%
Expense						
01250 · General Administration	1,301.84	9,559.59	13.62%	1,145.49	35,200.00	3.25%
50001 · Inter-company clearing account	0.00			0.00		
51000 · Employee Expenses	1,575.74			333.96	250,000.00	0.13%
52100 · Contract services	18.89		100.0%	2.21		
53000 · Non-personnel Exp	0.36			0.09		
53100 · Supplies & Equipment	28.71			7.05		
53211 · Rent	117.47			23.92		
53300 · Travel	24.15			23.85	20,000.00	0.12%
53700 · Meetings & Workshops	0.00			0.00		
53800 · Marketing, Outreach, & Website	0.00	5,000.00	0.0%	0.00		
54000 · Program expenses	171,004.75	229,740.41	74.43%	0.00	170,000.00	0.0%
Total Expense	174,071.91	244,300.00	71.25%	1,536.57	475,200.00	0.32%
Net Income	0.00	0.00	0.0%	0.00	0.00	0.0%

	Regional Business Park			Young Entrepreneurs		
	(Projects)			(Projects)		
	Jan '16 - Feb 20	Budget	% of Budget	Jan '16 - Feb 20	Budget	% of Budget
Income						
41520 · State Grants	1,303.61	600,850.00	0.22%	19,152.88	83,500.00	22.94%
Total Income	1,303.61	600,850.00	0.22%	19,152.88	83,500.00	22.94%
Gross Profit	1,303.61	600,850.00	0.22%	19,152.88	83,500.00	22.94%
Expense						
01250 · General Administration	569.40	2,500.00	22.78%	906.23	5,000.00	18.13%
50001 · Inter-company clearing account	-98,325.00			0.00		
51000 · Employee Expenses	633.49			764.58		
52100 · Contract services	6.06			7.85		
53000 · Non-personnel Exp	0.19			0.05		
53100 · Supplies & Equipment	12.48			13.76	15,000.00	0.09%
53211 · Rent	45.26			56.78		
53300 · Travel	36.73			182.67	1,000.00	18.27%
53700 · Meetings & Workshops	0.00			0.00	12,500.00	0.0%
53800 · Marketing, Outreach, & Website	0.00			0.00		
54000 · Program expenses	98,325.00	598,350.00	16.43%	18,245.84	50,000.00	36.49%
Total Expense	1,303.61	600,850.00	0.22%	20,177.76	83,500.00	24.17%
Net Income	0.00	0.00	0.0%	-1,024.88	0.00	100.0%

	Total Projects			TOTAL		
	Jan '16 - Feb 20	Budget	% of Budget	Jan '16 - Feb 20	Budget	% of Budget
Income						
41520 · State Grants	370,003.83	1,895,537.00	19.52%	370,003.83	1,895,537.00	19.52%
Total Income	370,003.83	1,895,537.00	19.52%	370,003.83	1,895,537.00	19.52%
Gross Profit	370,003.83	1,895,537.00	19.52%	370,003.83	1,895,537.00	19.52%
Expense						
01250 · General Administration	10,126.46	78,838.59	12.85%	10,126.46	78,838.59	12.85%
50001 · Inter-company clearing account	-98,325.00			-98,325.00	0.00	100.0%
51000 · Employee Expenses	86,841.53	387,343.00	22.42%	86,841.53	387,343.00	22.42%
52100 · Contract services	54.90	0.00	100.0%	54.90	0.00	100.0%
53000 · Non-personnel Exp	0.98			0.98	0.00	100.0%
53100 · Supplies & Equipment	102.71	15,000.00	0.69%	102.71	15,000.00	0.69%
53211 · Rent	17,229.00	8,800.00	195.78%	17,229.00	8,800.00	195.78%
53300 · Travel	1,625.13	29,750.00	5.46%	1,625.13	29,750.00	5.46%
53700 · Meetings & Workshops	0.00	12,500.00	0.0%	0.00	12,500.00	0.0%
53800 · Marketing, Outreach, & Website	0.00	10,000.00	0.0%	0.00	10,000.00	0.0%
54000 · Program expenses	353,271.29	1,353,305.41	26.1%	353,271.29	1,353,305.41	26.1%
Total Expense	370,927.00	1,895,537.00	19.57%	370,927.00	1,895,537.00	19.57%
Net Income	-923.17	0.00	100.0%	-923.17	0.00	100.0%

4/20/2020	Region: 9
Agency Name: Department of Housing & Community Development	 
Agency Address: 600 East Main Street Suite 300 Richmond, VA 23219	

Budget Period:	
From: 07/01/20	Through: 07/01/21

Budget Item		Amount		
A Administration		FY2020	FY 2021	Difference
Admin (General)		\$15,000.00	\$17,000.00	\$2,000.00
Audit		\$6,000.00	\$8,000.00	\$2,000.00
Contract Services		\$500.00	\$500.00	\$0.00
Fiscal /Accounting Services		\$0.00	\$0.00	\$0.00
Legal Expenses		\$1,500.00	\$1,000.00	(\$500.00)
Marketing, Outreach, and Websites		\$7,000.00	\$6,500.00	(\$500.00)
Meetings and Workshops		\$6,000.00	\$6,000.00	\$0.00
Rent		\$10,000.00	\$12,000.00	\$2,000.00
Salaries (Fringe if applicable)		\$150,000.00	\$150,000.00	\$0.00
Supplies & Equipment		\$1,500.00	\$1,500.00	\$0.00
Taxes and Insurance		\$0.00	\$0.00	\$0.00
Training		\$0.00	\$1,000.00	\$1,000.00
Travel		\$2,500.00	\$2,500.00	\$0.00
Total Administration Budget:		\$200,000.00	\$206,000.00	\$6,000.00
B Planning Services:				
Contract Services		\$0.00	\$0.00	\$0.00
Planning Grants		\$50,000.00	\$44,000.00	-\$6,000.00
Total Planning Services Budget:		\$50,000.00	\$44,000.00	-\$6,000.00
TOTAL Expense Budget:		\$ 250,000.00	\$ 250,000.00	\$0.00

GO Virginia Region 9 FY 2021 Budget Narrative - **DRAFT**

Administration - FY21	
Admin (General)	General Administration Allocation (Cost Pools) estimated by Accountant at \$17,000
Audit	Estimated proportional charge for the Partnership Annual Audit as required by GO Virginia at \$8,000
Contract Services	Contract Services for admin support, as needed \$25 x 20 = \$500
Fiscal /Accounting Services	
Legal Expenses	For contract review or legal questions \$1,000, if needed
Marketing, Outreach, and Websites	Mktg./Adv/Promotion/Web/Outreach: Software fees for JOBS EQ, Survey Monkey, Constant Contact at \$1,500; graphics and marketing services, as needed at \$1,750 GO Virginia Webpage updates or help \$2,500; Zoom \$150 annually; cell phone \$600 annual for \$50 cell phone monthly stipend (Total \$6,500)
Meetings and Workshops	Cost to attend regional meetings such as Chamber, ED, Workforce, and Business to promote GO Virginia at \$500; Train New Council Members in working lunch format, estimated 5 members, meal, room, AV at \$250; two meetings of grantees to share idea or promote projects, estimated 30 attendance, meal, room, AV at \$1,000; host session (s) at TomTom at \$2,500; 6 Council Meetings, 3 Exec. Committee Meetings 1 Annual Meeting at \$750 (Total \$6,000)
Rent	Rent \$12,000 annually
Salaries (Fringe if applicable)	Estimated Salary + Fringe,: Partnership President at 4 hours per week ; Finance Director Accountant at 8 hours per week ; Accounting Clerk at 5 hours per week ; Economic Development Director at 5 hours per week; GO Virginia Director at 38 hours per week; (Total \$150,000)
Supplies & Equipment	Supplies and Equipment:\$500 monitor desktop printer; Miscellaneous office supplies, printing at 1,000 (Total \$1,500)
Taxes and Insurance	
Training	VEDP Membership and VEDP development classes/seminars \$1,000
Travel	Mileage/Tolls to 9 Richmond Board/DHCD Meetings (7 x 150 miles x .575=\$600; travel to partner/collab/local / regional government /business /partnership meetings; 40 mtgs x 40 average miles = \$920 ; Travel meals \$100 ; \$200 parking; \$180 hotel (Total \$2,500)
	\$206,000 Subtotal
Planning Activities-FY21	
Contract Services	
Technical Assistance	
Growth and Diversification Plan Development	
Planning Grants	Planning Grants for Purpose TBD- \$44,000
	Total \$250,000



Board Policy #10

TITLE: GO Virginia Economic Resilience and Recovery Program

EFFECTIVE DATE: 04/17/2020 – 04/17/2021

AUTHORITY: § 2.2-2486 - §2.2-2489 of the Code of Virginia

POLICY STATEMENT: It is the policy of the Virginia Growth and Opportunity Board that \$14.66M in FY20 statewide competitive funds will be used to create the Economic Resilience and Recovery Program.

Each Regional Council may apply for up to \$1.0 million to support strategic initiatives in response to the economic crisis caused by the COVID-19 pandemic. To accelerate the deployment of resources, DHCD will administratively approve applications of \$100,000 or less that meet the program guidelines through a Fast Access process. Regions may access up to \$300,000 using the Fast Access process. Any funds accessed using the Fast Access process will count toward their \$1.0M regional cap.

The remaining \$5.66M will be held in an opportunity fund to support responsive proposals that have a significant statewide economic impact. A single region or multiple regions may apply for these funds.

Funds not obligated when this program sunsets will be returned to the regular statewide competitive pool.

Local match requirements will be waived for this program and total match requirements will be reduced by half due to a finding by the Board of fiscal distress across the entire Commonwealth because of the COVID-19 pandemic.

APPROVAL AND REVIEW: This Board policy was reviewed and approved on 04/17/2020.

SUPERSESSSION: This Board policy is new and will expire on 4/17/21 unless otherwise extended by the Board.

DHCD DIRECTOR: Erik Johnston

GO Virginia Economic Resiliency and Recovery Grant Program

Background:

The GO Virginia program was designed to help grow and diversify regional economies and increase wages in every region of the Commonwealth. Nine regional councils have organized and developed Growth and Diversification plans and strategies organized around their own unique resources and assets. These plans include focused and supported strategies in four key areas:

- Promoting the growth and competitiveness of firms in existing clusters that show high potential for growth (Cluster Scale Up);
- Talent pipeline development (Workforce Development);
- Creating a supportive ecosystem that encourages and supports startups and early stage firm (Start Up Ecosystem); and
- Increasing the number of business ready sites and related infrastructure (Sites and Infrastructure).

GO Virginia is prepared to pivot \$14.66M in statewide competitive funds (PY20) to respond to the unprecedented economic conditions facing Virginia due to the near and long-term effects of the coronavirus on regional economies. This initiative will focus resources on economic resiliency and recovery while staying true to the GO Virginia mission.

There is an opportunity to further strengthen the alignment of federal and state resources as part of this response around high-value activities that focus resources on targeted industry sectors and the supply chains that support them, as well as highly-impacted impacted locally traded sectors as identified by the Regional Councils. We propose realigning the GO Virginia PY20 statewide competitive pool and creating a responsive grant program. This program would be time limited, with an initial 12-month application window, which could be extended by the State Board.

Funding:

GO Virginia would dedicate up to \$14.66M from the PY20 statewide competitive pool to create the GO Virginia Economic Resiliency and Recovery Grant Program. This program would help regions build capacity to support and serve existing businesses, with a priority on priority sectors and essential businesses, including the healthcare system and its supply chain during this crisis.

Modified Match Requirements:

This program would encourage regional participation, but request that the State Board eliminate the local match requirements for local governments, providing much needed relief during a time of fiscal distress. It would also reduce the one to one grant match requirement by half, as permitted by state law, due to the extraordinary economic events facing Virginia. These funds would leverage and compliment other state and federal resources that may become available.

Regional Activities:

Regional Councils would be eligible to apply for up to \$1.0M with \$5.66M in reserve for all regions for extraordinary need or extraordinary positive economic impact. Key activities as part of this proposal would include:

1. Reevaluate priorities in Growth and Diversification plans;
2. Prioritize identified industry targets based on immediate impact and influence on the regional economy;
3. Assess community and business needs; and
4. **Focus resources on actionable strategies that expand or build needed capacity and that support sustaining and expanding firms in targeted industry clusters and/or highly-impacted locally traded sectors as identified by the regional councils;**

Examples of these strategies could include:

- Expanding regional capacity to coordinate and deliver business support services such as access to financing, including crowd-sourcing platforms
- Accessing and utilizing the internet for e-commerce to increase sales
- Identifying and connecting critical suppliers of goods and services to reduce service and production disruptions
- Expanded workplace health and sanitation to ensure continuity of operations and worker safety
- Maintaining and managing a remote workforce to keep people employed and productive
- Developing new industry-aligned on-the-job training program that would meet critical need
- Expanding existing training programs that have been identified as mission-critical
- Facilitating job/training program placement in partnership with existing employer or workforce intermediary needs
- Providing assistance to retain and/or support impacted employees

We envision a number of strategic partners, many of whom are already at the GO Virginia table. These include local governments, regional and local economic developers, planning district commissions, two- and four-year colleges and universities, workforce development boards, business service providers such as the Virginia Small Business Development Center network and Genedge, as well as private sector partners such as trade associations, lenders, and utility providers. Projects should not duplicate existing efforts but may expand capacity or support unmet needs in the region.

Application and Approval Process:

In order to move resources quickly, DHCD would create a Fast Access process and use its administrative approval authority for grant applications of \$100,000 or less. Applications would be received on a rolling basis and approved after staff review. These Fast Access requests may be for planning/needs or risk assessment activities or smaller-scale implementation projects. Applicants are encouraged to think holistically about the needs in their region.

Grant applications requesting more than \$100,000 would be received under the regular grant application deadlines and review process.