

Region 9 Council Meeting

Growth & Diversification Plan Discussion

April 16, 2025



VIRGINIA INITIATIVE FOR
***GROWTH &
OPPORTUNITY***
IN EACH REGION
REGIONAL COUNCIL 9

Growth & Diversification Plan - 2025

- Update every two years
- Select high-growth target sectors for the region
- Identify sector gaps in four strategic areas:
 - talent development
 - entrepreneurship
 - cluster expansion
 - sites
- Develop grant opportunities to address gaps and identify partners willing to lead initiatives (apply for grants), promoting collaboration among local government, education, and business.
- Develop Council action plan

2025 Growth and Diversification Plan Timeline



Today

Regional Economy Highlights



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graph TD; A[Regional Economy Highlights] --> B[Finalize Target Traded Sectors]; B --> C[Cluster Assessment Overview];
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Finalize Target Traded Sectors

Cluster Assessment Overview

Virginia Quarterly Economic Forecast Weldon Cooper Center (February 2025)



Key Findings for 2025

At 2.4%, Virginia's GDP will outpace national GDP growth

Statewide inflation will moderate, with a CPI rise of just 2.6%

Employment growth in Virginia will slow

Virginia's unemployment rate will remain lower than national average



Job growth drivers:

Healthcare, retail, and professional, scientific and technical services growth to 179,000 employed a 11.2 % increase from 1990

Of all the sectors that are expected to grow, the professional, scientific and technical services sector was the largest contributor in terms of jobs and will play an important role in the health of Virginia's GDP.



Sectors challenges:

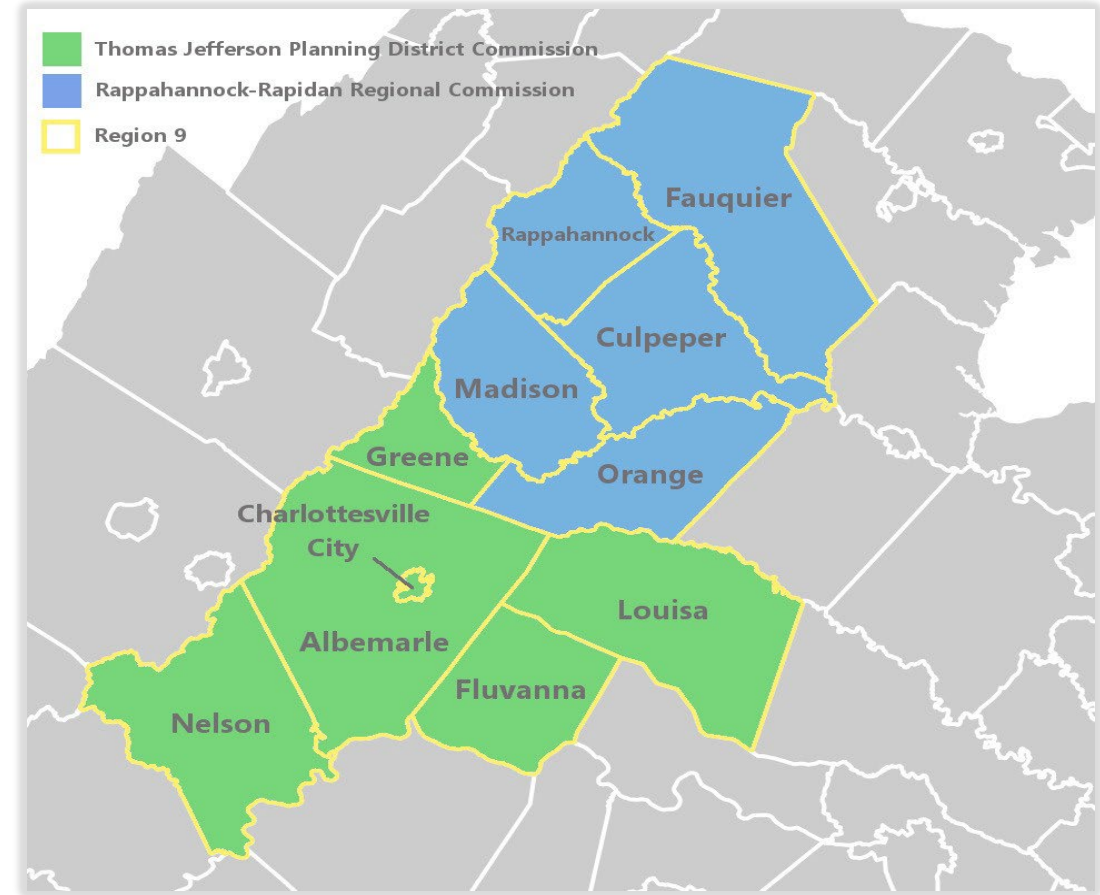
Information - projected to lose approximately 141 jobs over the next year.

Manufacturing - expected to lose fewer than 100 jobs by the next quarter but will finish 2025 with a decline of 847 jobs.

Mining and Logging - will continue long-term decline

Region 9 Economic Highlights

- 443,709 individuals live here
- 63% labor force participation
- Average Per Capita income \$47,720
- Household income \$91,656
- Average Annual Wages \$61,967

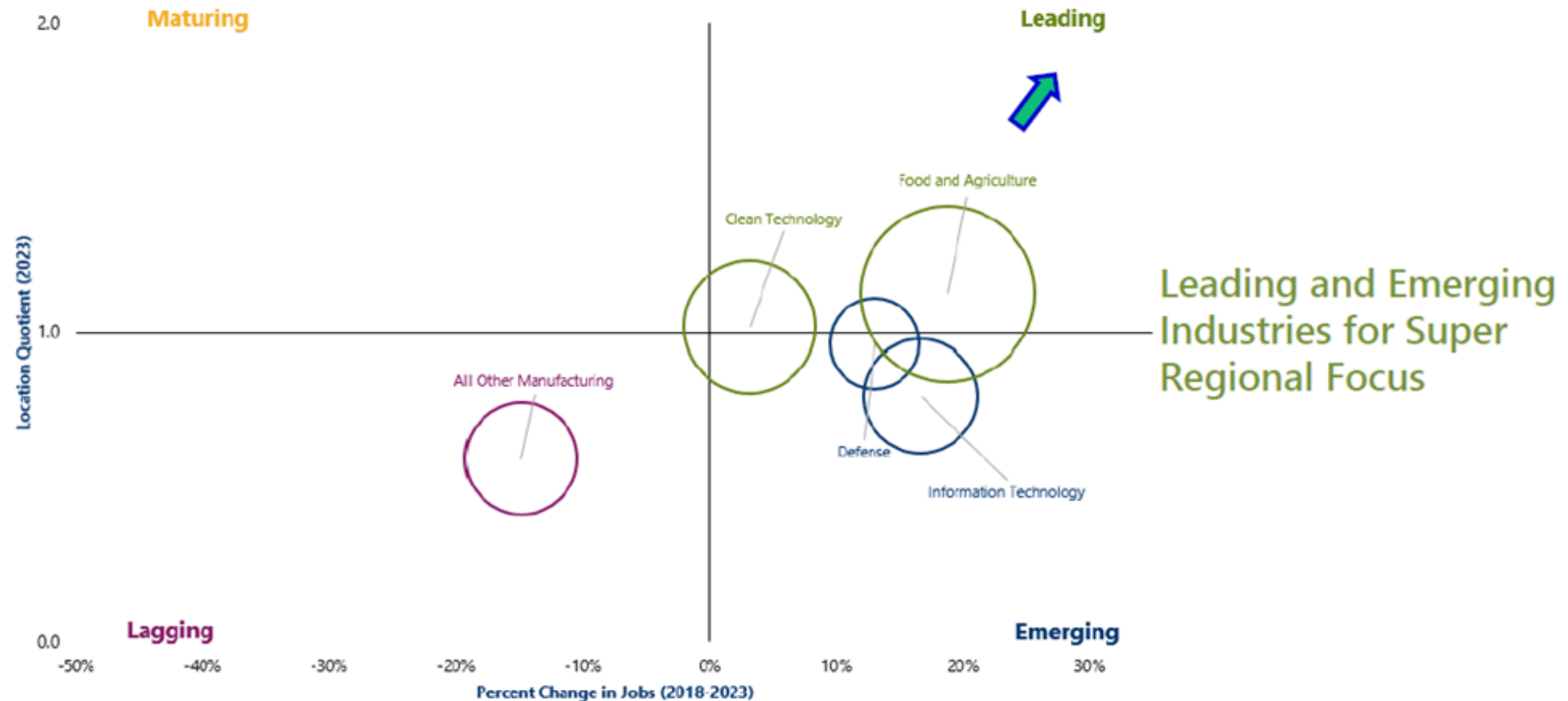


Average Annual Wages – All Regions

Regions	2022 (Q2)	2023 (Q2)	2024 (Q2)	% Change 2022-2024
1	\$40,239	\$43,381	\$45,042	11.94%
2	\$49,678	\$52,436	\$54,704	10.12%
3	\$41,205	\$44,073	\$45,942	11.50%
4	\$62,603	\$65,404	\$67,730	8.19%
5	\$55,125	\$57,915	\$60,414	9.59%
6	\$53,395	\$56,026	\$58,190	8.98%
7	\$89,521	\$93,403	\$97,272	8.66%
8	\$49,277	\$51,561	\$53,347	8.26%
9	\$57,732	\$60,811	\$61,967	7.34%
Virginia	\$67,689	\$71,121	\$74,199	9.62%

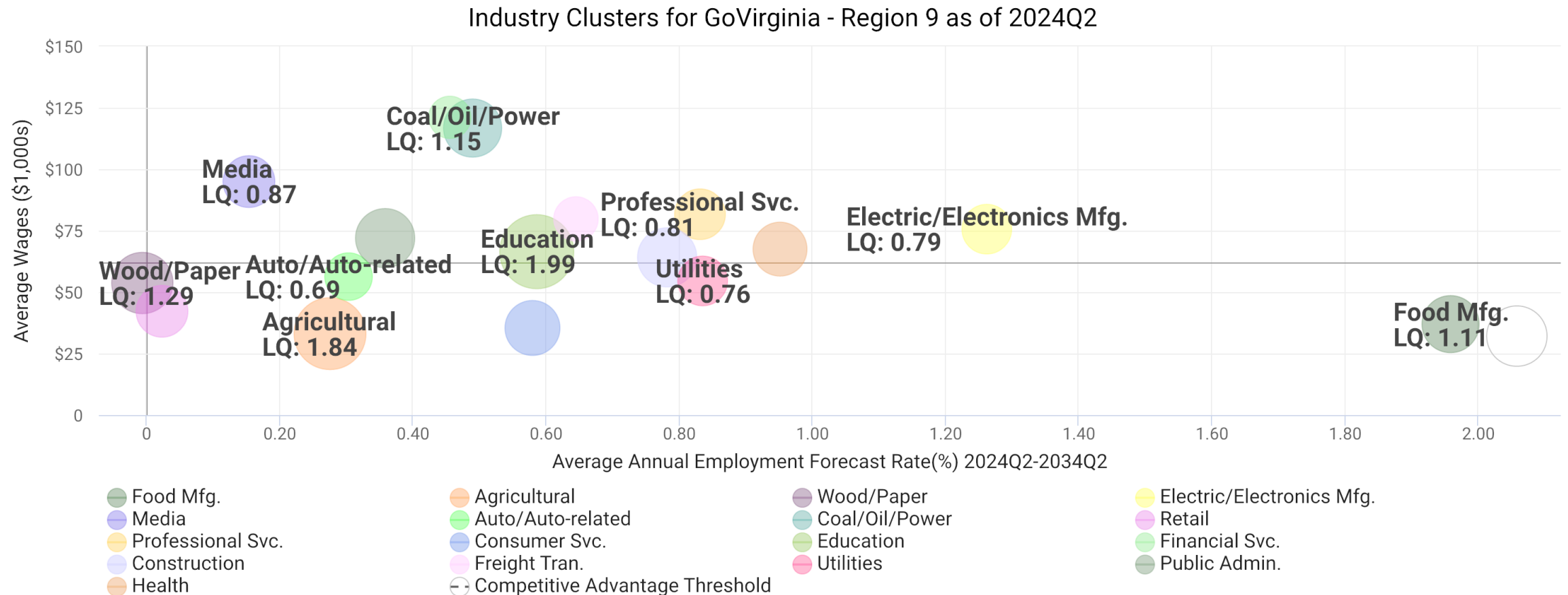
Industry Growth Trends – Region 9

Source: CEDS Plan
Lighthouse



Industry Clusters – Forecast

Source: JOBS EQ



Industry Employment Q2 2024 – Region 9

NAICS	Industry	Employment	Avg Ann Wages	LQ
61	Educational Services	33,192	\$68,717	2.12
62	Health Care and Social Assistance	27,751	\$65,034	0.96
44	Retail Trade	19,256	\$36,471	1.01
72	Accommodation and Food Services	17,495	\$28,007	1.03
23	Construction	13,981	\$64,964	1.20
54	Professional, Scientific, and Technical Services	13,801	\$97,787	0.97
81	Other Services (except Public Administration)	10,736	\$46,627	1.30
31	Manufacturing	9,676	\$65,962	0.63
56	Administrative and Support and Waste Mgmt. & Remediation Svcs.	8,318	\$48,764	0.70
92	Public Administration	8,150	\$71,979	0.90
48	Transportation and Warehousing	5,335	\$69,850	0.55
71	Arts, Entertainment, and Recreation	4,656	\$36,926	1.17
11	Agriculture, Forestry, Fishing and Hunting	4,393	\$34,287	1.84
52	Finance and Insurance	4,105	\$126,065	0.53
42	Wholesale Trade	3,601	\$78,388	0.49
53	Real Estate and Rental and Leasing	3,151	\$68,396	0.91
51	Information	2,707	\$99,835	0.72
55	Management of Companies and Enterprises	2,075	\$101,424	0.69
22	Utilities	1,606	\$117,146	1.60
99	Unclassified	591	\$51,163	1.57
21	Mining, Quarrying, and Oil and Gas Extraction	241	\$79,122	0.34
	Total - All Industries	194,816	\$61,967	1.00

Traded Sector Employment Q2 2024 - Region 9

NAICS	Industry	Employment	Avg Ann Wages	LQ
54	Professional, Scientific, and Technical Services	13,801	\$97,787	0.97
81	Other Services (except Public Administration)	10,736	\$46,627	1.30
31	Manufacturing	9,676	\$65,962	0.63
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Methodology

Is the sector a traded sector?

Does the sector have significant employment?

Does the region have an advantage in the sector? (LQ)

Has it grown over the past five years?

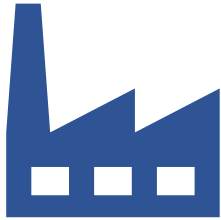
Is it projected to grow in the next two years?

Are there other considerations?

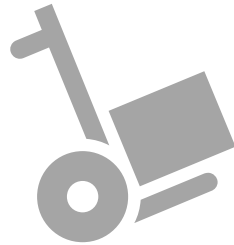
Industry and Target Sectors - Employment Growth

	Current			5-Year History		2-Year Forecast				
Industry	Empl	Avg Ann Wages	LQ	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Biomedical and Biotechnology	3,387	\$102,395	1.05	461	3.0%	627	191	369	67	1.0%
Financial and Business Services	19,137	\$99,299	0.84	1,301	1.4%	3,543	1,240	1,990	312	0.8%
Food & Beverage Manufacturing	2,629	\$37,294	1.05	328	2.7%	776	259	414	103	1.9%
Information Technology/Communications	13,363	\$101,154	0.89	1,549	2.5%	2,512	772	1,420	319	1.2%
Light Manufacturing	8,910	\$64,859	0.86	-171	-0.4%	2,035	698	1,173	163	0.9%
Total Priority Clusters	47,426	\$81,000			1.8%					1.2%
Total - All Industries	194,816	\$61,967	1.00	5,827	0.6%	44,847	17,469	24,981	2,398	0.6%

Other considerations



Light Manufacturing – large
manufacturing announcement (i.e.
Afton Scientific)



Logistics, Transportation,
Warehousing – locality specific



Clean Energy – as of now research
indicates predominantly
construction related

Recommended - Region 9 Target Traded Sectors

- Biotechnology & Biomedical (Biotech/LifeScience)
- Financial & Business Services
- Food & Beverage Manufacturing
- IT/Communications
- Light Manufacturing
- Other – Emerging



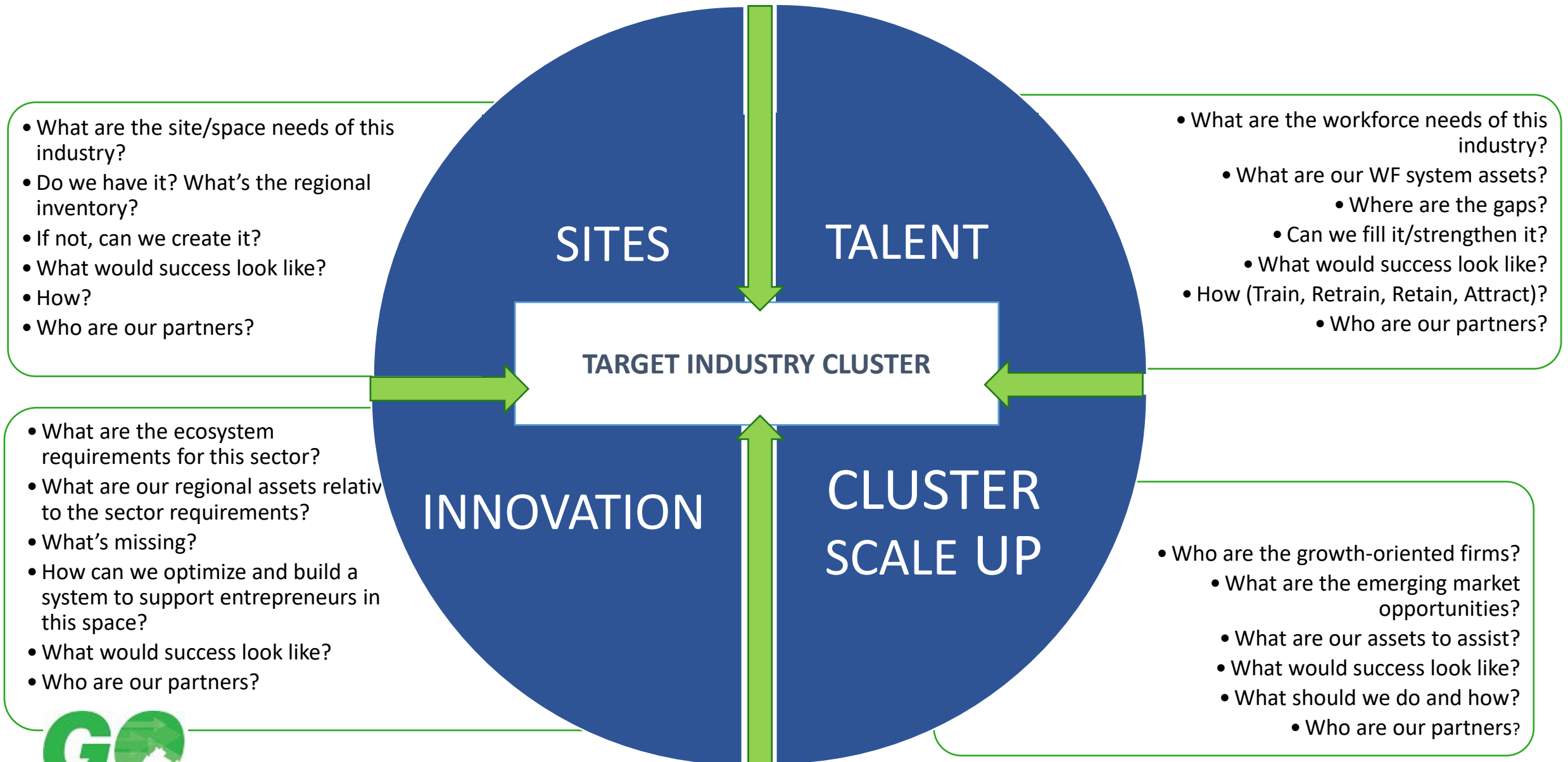


Cluster Based Economic Model - Strategy Assessment

What:

- Brief exercise to assess how effectively each strategy has been deployed for each target sector
- Goal:
- Can inform and help prioritize future grant opportunities and/or council activities

CLUSTER BASED ECONOMIC DEVELOPMENT MODEL (DHCD)



Stoplight Ranking

- **Green** = stable, adequate investment, evidence of sustainable impact; has momentum
- **Yellow** = in need of additional support or efforts to catalyze sustainable impact; little momentum
- **Red** = critical need, pipeline efforts and partner collaboration should be top priority; no momentum

- Accelerating Sites
- Regional Business Park

- BioBridge Talent Pathways Initiative
- Tech Talent Retention

SITES

TALENT

BIOMEDICAL & BIOTECHNOLOGY

\$5,278,827 - 5 projects

DRAFT SLIDE

- Project VITAL: Commonwealth Biotech
- Accelerator Projected
- 60 businesses served and 68 jobs.
- Catalyst Accelerator Program
- Young Entrepreneurs Program Resource
- Venture Central
- Regional Entrepreneurship Initiative
- Rural Entrepreneurship Ecosystem
- Connector Platform

INNOVATION

CLUSTER
SCALE UP

- CvilleBioHub CvilleBioLab Planning Grant
- BioTech Innovation Cluster; 131 business served and 416 jobs
- PROJECT VITAL



Central Virginia Site Readiness
Regional Business Park

- Crafting Higher Paying Jobs in Food and Beverage Exports; 88 jobs, 11 businesses, 433 students trained.
- CV Business Driven Workforce
- Future of Workforce Outreach
- Project Reconnect
- Talent Supply Connector
- Tech Talent Retention
- Technology Academies

SITES

TALENT

**FOOD & BEVERAGE
MANUFACTURING**

\$882,199 – 6 Projects

DRAFT SLIDE

INNOVATION

CLUSTER
SCALE UP

- Venture Central
- Regional Entrepreneurship Initiative
- Rural Entrepreneurship Ecosystem
- Connector Platform
- BEACON 60 businesses served, 14 businesses created, 24 jobs. Serving Charlottesville and Albemarle.
- Carver Food Incubator 68 projected businesses served and 93 jobs.
- Catalyst Accelerator Program
- Young Entrepreneurs Program

- BEACON
- Carver Food Incubator
- Crafting a New Normal; 281 businesses served and 35 jobs.
- Food & Beverage Business Accelerator Planning Grant
- Wine Industry Planning Grant
- Wine Industry Implementation Grant
- Project Rebound



- Central Virginia Site Readiness 485
- Accelerating Sites
- Regional Business Park

- GWC PTEC 7 jobs, 115 student trained. Serving.
- Talent Supply Connector 129 businesses served.
- Project Reconnect
- Technology Academies
- Future of Workforce Outreach
- CV Business Driven Workforce

SITES

TALENT

LIGHT MANUFACTURING

\$694,503 – 3 Projects

DRAFT SLIDE

INNOVATION

**CLUSTER
SCALE UP**

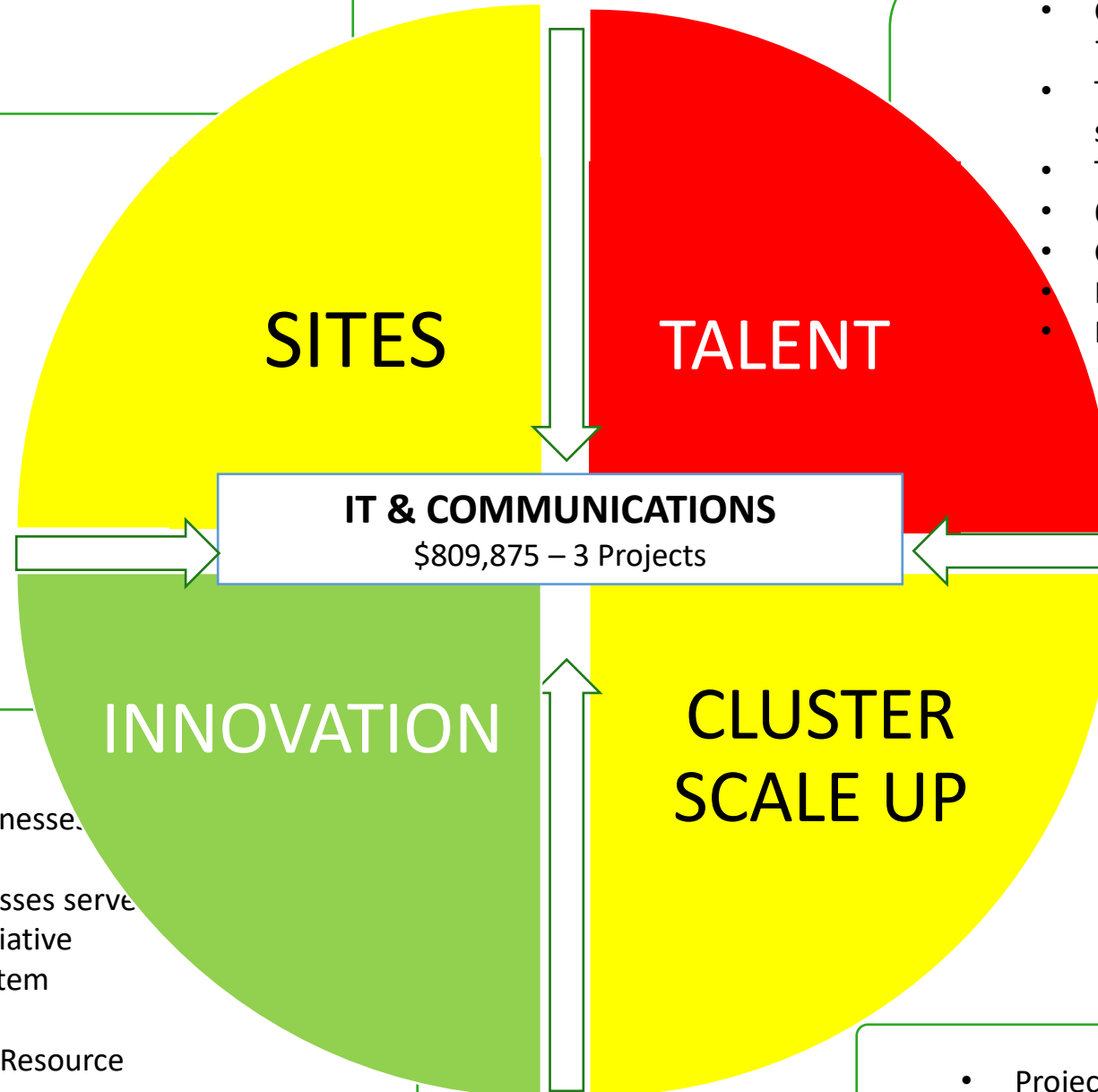
- Catalyst Accelerator Program
- Young Entrepreneurs Program Resource
- Venture Central
- Regional Entrepreneurship Initiative
- Rural Entrepreneurship Ecosystem
- Connector Platform

- Project Rebound



- Regional Business Park
- Accelerating Sites

- Central Virginia Cybersecurity Partnership 7 jobs.
- Tech Talent Retention 110 businesses served and 7 jobs
- Technology Academies;
- 69 projected jobs and 90 students trained.
- CV Business Driven Workforce
- Future of Workforce Outreach
- Project Reconnect



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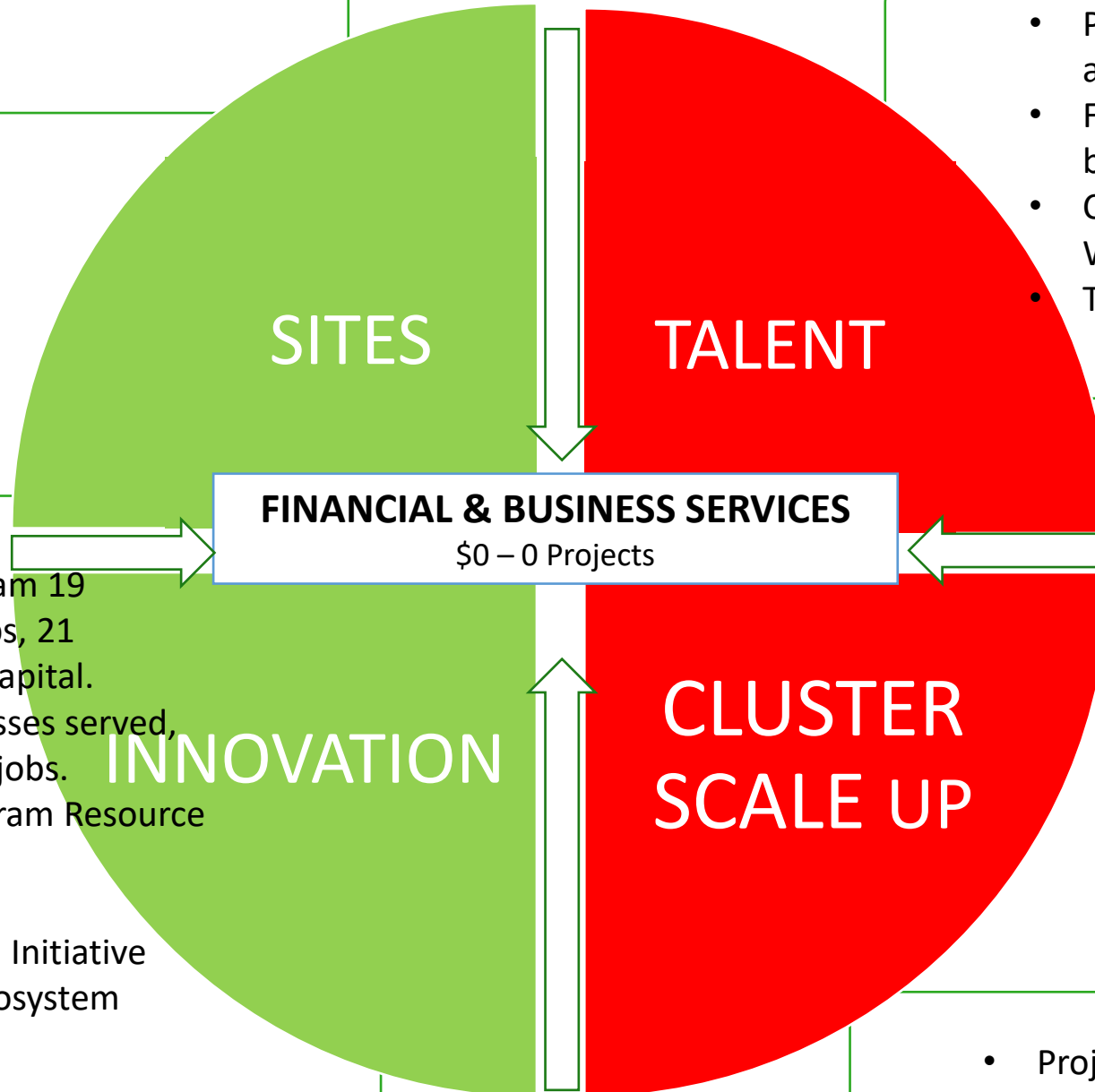
- Catalyst Accelerator Program
- Connector Platform 1,760 businesses.
- Digital
- Business Resiliency 523 businesses served
- Regional Entrepreneurship Initiative
- Rural Entrepreneurship Ecosystem
- Venture Central
- Young Entrepreneurs Program Resource

- Project Rebound



- Regional Business Park

- Project Reconnect; 109 businesses and 183 jobs.
- Future of Workforce Outreach; 45 businesses served
- Central Virginia Business Driven Workforce
- Tech Talent Retention



- Catalyst Accelerator Program 19 businesses served, 115 jobs, 21 internships, \$10,584,300 capital.
- Venture Central 75 businesses served, 16 businesses created, 98 jobs.
- Young Entrepreneurs Program Resource
- Connector Platform
- Digital Business Resiliency
- Regional Entrepreneurship Initiative
- Rural Entrepreneurship Ecosystem

- Project Rebound

Questions?

