

**GO Virginia Hampton Roads  
Regional Council**

**MEETING NO. 10  
September 6, 2018**

Meeting number ten of the GO Virginia Hampton Roads Regional Council (“Regional Council”) was held Thursday, September 6, 2018, at 10:00am at Old Point National Bank at 101 E. Queen Street in Hampton, VA.

<b><u>Members Present:</u></b>	Shawn Avery	Maria Herbert
	Kenneth Alexander	Jeffrey Holland
	Timothy J. Bentley	Louis R. Jones
	R. Bruce Bradley	J.D. Myers, II
	Patrick Coady	John Olson
	Anne C. H. Conner, Vice Chair	John F. Reinhart
	John T. Dever	Jeffrey Smith
	Jack L. Ezzell, Jr.	Bryan Stephens
	Thomas R. Frantz, Chair	Thomas G. Tingle

<b><u>Members Absent:</u></b>	John R. Broderick	Bob McKenna
	William B. Downey	McKinley Price
	Michael Gentry	Frank W. Roach
	Eric Miller	Bruce Thompson
	Jerry Miller	Gary Warren

**Staff Present:** James K. Spore, President & CEO, Reinvent Hampton Roads  
Donna S. Morris, Executive Vice President, Reinvent Hampton Roads  
Gia M. Freeman, Administrative Assistant, Reinvent Hampton Roads

**1. Call to Order and Opening Comments**

Mr. Frantz called the meeting to order at 10:02 a.m., welcoming members and guests in attendance. He introduced new Regional Council member Mr. Patrick Coady and recognized Dr. Linwood Johnson, Member of the Franklin City Council and Ms. Diane Kaufman, Regional Director, Virginia Beach Office of Senator Tim Kaine.

**2. Approval of July 12, 2018 Regional Council meeting minutes**

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE MINUTES OF THE JULY 12<sup>TH</sup> MEETING AS AMENDED.

**3. Hampton Roads/Richmond Collaboration**

Mr. Frantz highlighted the *Virginia Industrial & Logistics Review* report recently released by CBRE. He recognized Mr. Lang Williams (CBRE Norfolk Office) and Mr. Matt Anderson (CBRE Richmond Office) for their leadership on a project that captures pertinent information relative to the port in Hampton Roads and Richmond. With the rise of E-Commerce, in addition to the growing intricacies of global supply chains, industrial real estate has shifted towards Logistics and Distribution optimized space. Virginia’s transition towards Logistics and Distribution oriented

product has accelerated in recent years as its strategic Mid-Atlantic location allows Industrial users to access the Global markets through the Port of Virginia as well as 55% of the country's population within a single day's drive. Since the recession, user demand for modern logistics space has outpaced new supply and driven down Virginia's Class A logistics availability rate to 2.9%. Nonetheless, while Virginia's industrial market remains well positioned headwinds mount as Virginia faces the uncertain impact of the tariffs against many of the Commonwealth's top trading partners.

The report divides the state into four markets citing how the impact of the port makes Virginia a gateway state. The statistics show what can happen when you invest in the port and how the two regions can work together, particularly with the infrastructure improvements underway (roads, rail, broadband, and port expansion). Mr. Reinhart was very encouraged that this report will be produced twice a year. He added that CBRE was retained to conduct a comprehensive review of the port, identifying opportunities to drive business. In the *Economic Development & Port Opportunities Analysis* (December, 2017) data identified relative strengths and weaknesses of multiple MSAs across the Commonwealth of Virginia as well as the Port Region itself. A specific recommendation was made to combine the Hampton Roads and Richmond MSAs in order to compete with larger markets. He stated that one barge currently travels between Richmond and Hampton Roads weekly with another to be added next year. Approximately 2.5 million square feet of real estate is being developed around the Richmond Marine Terminal as well as a 600,000 square foot site that is intended to handle logistics. Mr. Frantz added that [Panatoni](#) is also developing an industrial site that requires more than one market to obtain necessary financing. This helps to drive awareness that collectively, the two regions can create one larger market.

Mr. Frantz stated the Richmond business leadership was approached by [Greater Washington Partnership](#) about joining to form a mega region (including Annapolis, Baltimore, Washington D.C., and Richmond). Richmond considers Hampton Roads to be a better connection because of the port. They would like to accelerate discussions on how to collaborate in ways that can improve both markets. There could be opportunities to work together on projects worthy of GO Virginia competitive funds. Richmond has brought together 30 business leaders to work on this and our plan is to assemble a group from Hampton Roads. An interregional visit is being planned to begin looking at potential areas of collaboration between the Hampton Roads and Richmond on October 16 & 17, 2018. The agenda for October 16<sup>th</sup> will focus on Hampton Roads and then on Richmond the following day. The chambers of commerce in the two regions are providing the staff support. Requests for funding have been made to the community foundations in each region. Mr. Frantz invited members of the Regional Council interested in participating to contact him, Mr. Spore or Mr. Stephens.

#### **4. GO Virginia Regional Entrepreneurial Assessment**

Ms. Conner reported on the ongoing work of the Virginia Research Investment Committee (VRIC), in their effort to improve the innovation economies across the Commonwealth. In Hampton Roads programs such as 757 Angels, in its 5<sup>th</sup> year, has raised \$32 million in private equity to invest in companies in Hampton Roads. The 757 Accelerator launched with the inaugural cohort of five diverse companies beginning a twelve-week business acceleration process with roughly 70 to 80 prospective business mentors' volunteering to help.

VRIC engaged [TEconomy](#) Partners, a consulting firm that has worked with organizations and regions across the country. One example was Nashville, TN where they have seen dramatic growth in their entrepreneurial ecosystem. TEconomy will be working with each of the GO Virginia regions

to determine where gaps exist and identify ways to accelerate commercialization of research that comes out of universities and federal labs. They want to ensure each region is part of an angel network and create accelerators as we have done in Hampton Roads. Hampton Roads is farther along than other regions because of the effort initiated five years ago through the Hampton Roads Community Foundation. A regional steering committee was formed to assist TEconomy Partners with the first meeting on September 12. More information will be available to share at the Regional Council meeting in November.

Mr. Frantz referenced VRIC's four industries of focus: Cyber and Cyber-Physical Security, Integrated Networking, Communications and Data Analytics, Systems of Systems Engineering Solutions (SoSE), and Life Sciences. He stated a meeting was held recently with Senator Mark Warner to discuss these areas.

Mr. Spore added the GO Virginia State Board is beginning to prioritize areas deemed to have the biggest impact on improving the economy. Priorities include talent/workforce development, sites/buildings, and innovation. Reinvent Hampton Roads has funded assessments in each of these priority areas.

To address the question asked regarding whether the focus is on startups or growing existing business, Ms. Conner responded that resources are dedicated to aid in the growth of startups as well as supporting, small and medium sized enterprises (SMEs). Emphasis has also been placed on ways to commercialize the research that comes out of colleges, universities and federal facilities.

## **5. Greater Hampton Roads Connects Project**

Mr. Luciano Ramos, Vice President of Programs and Integration at United Way, South Hampton Roads presented an overview of [Greater Hampton Roads Connects](#). The intent of the project is to create a full spectrum dashboard that will consistently collect and conveniently display data on many aspects of regional performance both socially and economically. GHR Connects has the potential to allow participating organizations to develop and measure the impact of their improvement programs as gauged by the dashboard measures. The joint use of consistent data and performance measures can also lead to more conversations to develop and measure results of collaborative solutions to complex problems facing the Region.

Mr. Ramos stated several area healthcare systems and public health departments throughout the region came together and started the discussion on the value of having a repository of data that could be used to address community needs, bringing various stakeholders together to discuss the idea. United Way South Hampton Roads was a participant and agreed to lead the project with the condition that it would not simply become a repository of data. The dashboard tracks 250 indicators, covering 22 cities and counties throughout the region. The maps, charts and trends over time are all accessible and downloadable using data that goes back 20 years.

Another condition United Way placed on leading the charge was that they would take on the role of facilitator. While they are involved in many issues tracked they are not necessarily the experts. Since taking the lead, United Way built the platform with the input of leaders, including those in economic development. Mr. Ramos recognized the Hampton Roads Planning District Commission, Hampton Roads Chamber of Commerce, Opportunity Inc., Reinvent Hampton Roads, CNU, ODU, NSU, The Planning Council, PRA Group and others that have been involved.

Mr. Ramos performed a demo of the website, citing the connection made with the economists at

ODU that develop the annual State of the Region report to incorporate the eighteen economic indicators into the dashboard. He reported that thousands of visitors use the website every week, primarily for data and UWSHR is willing to provide training to any organization or locality on how to use the system.

#### Comments

- It typically takes two weeks before the updated data is in the system.
- UWSHR is relying on leaders in the community to encourage use of the tool.
- Opportunity Inc. uses the data for grant applications and other opportunities.
- A feedback loop is available on the website to collect information from users, allowing them to share any weaknesses or gaps that exist in the data provided. They also hold an annual meeting to review the data to insure it is the best that is available.

Mr. Spore emphasized the purpose of this session today is to build awareness and determine how to use it to track the region's performance.

#### **6. HIRE Virginia**

Mr. Spore commented on the remarkable assets found in Virginia's colleges and universities. Many graduates receive quality education in Virginia but locate elsewhere upon graduation. This initiative is designed to help keep them here. Reinvent Hampton Roads has joined seven other sponsors for the HIRE in Virginia event. He invited Ms. Christina Brooks, Senior Director of Youth Services at Opportunity Inc. to brief the Regional Council on the HIRE Virginia Program and the upcoming event planned for Hampton Roads on November 5<sup>th</sup>. Ms. Brooks serves on the planning committee for this event, which is a pilot for a program they hope to expand statewide.

HIRE Virginia is a state-wide recruiting partnership designed to engage Virginia-based university students with employers. The upcoming event in Norfolk will introduce students from other parts of the state to the region and all it has to offer. Participants will participate in an Interview Day, Career Fair, and additional events that promote a vibrant Hampton Roads.

The goal is to have 400 students attend the November 5<sup>th</sup> event. Mr. Spore encouraged business members interested in meeting and interviewing talented prospective employees to register on the [website](#) or contact Ms. Brooks at Opportunity Inc. ([cbrooks@oihr.org](mailto:cbrooks@oihr.org)).

#### **7. GO Virginia Region 5 Grant Applications**

To date a total of twenty-nine GO Virginia applications statewide have been approved. The most recent awards approved by the State Board at their August 14<sup>th</sup> meeting fall into three categories outlined below:

Enhanced Capacity Building grants were administratively approved by the Department of Housing and Community Development staff. They are grant requests with a cap of \$ 100,000. Three awards were announced in this category: (1) *Region 1/Southwest Virginia Hublink* (\$ 27,547) will use funds to explore and evaluate online platforms to connect technology employers to qualified talent and provide a common information portal with the region's resources to strengthen the pipeline to existing technology programs; (2) *Region 4/Campus RVA* (\$ 100,000) is an initiative designed to serve as a marketing place on-line and off-line for internships and job openings, matching employers with potential employees; (3) *Region 7/CvilleBioHub* (\$ 83,540) will advance and promote a

sustainable biotech ecosystem by developing a long term strategic plan to increase biotech companies in the region, attracting top talent, and engaging with economic developers and educators to raise awareness of biotech opportunities.

Per Capita grants were awarded to two of three applications considered by the board, each receiving (\$ 1,000,000): (1) *Region 4/Lighthouse U* is a partnership between Lighthouse Labs (top-30 seed-stage accelerator program) and the Virginia Commonwealth University (VCU) da Vinci Center. The program will feature a series of events and training opportunities to prepare students to launch their own businesses after graduation; (2) *Region 7/Tech Talent Pipeline Apprenticeship Program* will expand on the previously funded Tech Talent Pipeline Initiative, set up to create a workforce system to attract, prepare and retain qualified candidates to fill high-demand cybersecurity and IT jobs. The expansion will develop and implement a new apprenticeship program, matching 400 apprentices to employers as an alternative career pathway to traditional two- or four-year degrees.

A Competitive grant was approved for the *Region 4/Mid-Atlantic Advanced Manufacturing Center Regional Industrial Facilities Authority (MaMaC RIFA)* (\$ 2,217,500) to advance the 1,600-acre certified mega-site in Greensville County to a Tier 4 mega-site on the Virginia Economic Development Partnership (VDEP) Business Ready Site Characterization Scale to attract a major prospect to the site. The MaMaC RIFA includes a Greensville (Region 4) and Mecklenburg (Region 3) Counties and the City of Emporia (Region 4). GO Virginia funds will be used to complete engineering plans to upgrade the Greensville County Water and Sewer Authority's Water Treatment Plant to construct the gravity-fed sewer system to the site and to construct the wetlands mitigation bank. Upon completion of these two items, the site will be construction-ready for a prospect within 12 months.

Ms. Morris reported these GO Virginia grant awards leverage more than \$5,550,738 in non-state sources, including \$ 1,192,674 of local government funding toward the three projects. In addition to approving these grants the board also approved Capacity Building Budgets, membership updates and Regional Growth and Diversification Plan amendments submitted by Regional Councils throughout the state. She also reported Mr. Matt Weaver was appointed Policy and Legislative Director at the Virginia Department of Housing and Community Development (DHCD).

Mr. Frantz asked Regional Council members to share ideas on projects we should pursue. Dr. Dever mentioned the work the community colleges do together in the region, with specific reference to a newly formed Hampton Roads Coalition for Talent Development. The coalition includes universities, businesses and economic development professionals so that workforce needs are more effectively met. The central part of learning is working with your employer. Having that experience is the key to talent development and this can be done through a work and learn process that includes mentorships, internships and apprenticeships. Mr. Avery added that this is one area that has been discussed for a possible capacity building grant application first, then possibly a larger GO Virginia grant. It also could be a potential competitive grant application with Region 4 or Region 7. Dr. Dever requested a copy of the application awarded to Region 7 for the Tech Talent Pipeline Apprenticeship Program, which Ms. Morris said she would provide. He has reached out to his counterpart in Northern Virginia on this project.

Region 7 has also reached out to Region 5 regarding a connection to match veterans to unfilled IT and cyber jobs. There have also been discussions about biotech connections in Virginia, through multiple, existing workforce development hubs. Hampton Roads has one in Virginia Beach, one in downtown Norfolk (EVMS & Sentara) and the Tech Center in Newport News. Using Charlottesville

as an example we should come up with a workforce development effort focused on bioscience. Mr. Frantz stated that ideas were shared at the recent Virginia Bio Board meeting for potential cross regional GO Virginia projects.

Referring to the MaMaC project that was funded in Region 4, Mr. Frantz mentioned a 400 acre privately owned site at the intersection of Route 60 and I-64, southeast of Richmond and close to the line between Regions 4 and 5. The property could become a mega site, but needs water.

Ms. Conner added that Richmond (Region 4) has been very supportive of the 757 Accelerator. The experience of Lighthouse Labs over the past seven years prevented 757 Accelerator from making the same mistakes encountered when they set up their program.

Another opportunity highlighted by Mr. Frantz was sea-level rise, a project that could include Region 6 (VIMS) and Region 5 (the RISE project in downtown Norfolk and ODU).

The GO Virginia grant funded Unmanned Systems Park in York County includes establishment of a Regional Industrial Facilities Authority (RIFA). The Region 4 Mega site grant recently awarded will be worth monitoring as the York County project progresses. Mr. Frantz added that Senator Warner mentioned the Unmanned Systems Park project in a recent meeting.

## **8. GO Virginia Region 5 Grant Applications**

Mr. Spore reported that while we do not have any applications to review at this time, we could see ten potential projects for GO Virginia funding with the hope that some will be ready to consider at the next meeting in November.

One project relates to site development and involves the Virginia Port, Dominion Resources, Virginia Natural Gas, HRPDC, HREDA, and Reinvent Hampton Roads. Responses to Requests for Proposals to conduct Phase II of the Site Inventory and Certification Project are currently being considered.

The Regional Coalition for Talent Development, as mentioned earlier, is also underway.

Virginia for Entrepreneurs (V4E) is a statewide network that may also come in as a competitive grant for consideration. This project will involve all nine regions in the state.

Mr. Coady provided information on three potential projects on the Eastern Shore (Hot desk Incubator, Eastern Shore Microbes, and an unwater sensor company). The Hot desk incubator would be affiliated with the already established and successful hot desk sites in Maryland and is comparable to similar spaces on Granby Street and ODU's campus. Eastern Shore Microbes uses a waste and pollution product to solve industry problems with evaporation ponds and could create a whole new industry for the region. The third involves scientific work on the use of Lidar (surveying method that measures distance to a target by illuminating the target with pulsed laser light and measuring the reflected pulses with a sensor) done by an underwater sensor company. There are a number of people working in the unmanned vehicle space and many working on sensors, but there is a gap in how you handle the data collected. There is an opportunity for the region to become an expert in handling the sensors and data that surface ships can use. Such a device can go up a channel to gather

depth data quicker and with better accuracy. The project could have great potential for a competitive grant with the Richmond region.

EVMS Institute for Liver and Diabetes Research involves an effort with the city of Virginia Beach. ODU's Port Innovation and Logistics Hub project would provide the region with a global connection to Israel, Netherlands and France.

Second-year applications are expected from ODU for the Virginia Digital Shipbuilding Program and the Virginia Cyber Alliance.

Mr. Reinhart added with all of the large cables coming in to the beach there might be another opportunity to help industries that need data and high-speed connectivity. He asked if there is a group working on this to insure there is coordination and alignment.

Regarding renewable energy and work underway by Dominion Energy with the construction of the off-shore wind turbines due to be complete and ready for operation by 2020, this region should become a core industrial supporter for the entire east coast – to build, erect and maintain them. With the expected growth in this industry we have an opportunity to be an expert. Mr. Frantz heard that wind turbine production in Virginia could produce as many as 15,000 jobs.

Another opportunity is growth in the drone industry. As Virginia pushes advanced manufacturing, it would be good to get a drone manufacturer here. Currently China is dominant in designing, making and selling drones.

Mr. Bradley indicated much of what has been discussed requires a higher level of education. He referenced the number of cyber jobs open that need to be filled. Several years ago in New York City, they had an international competition called the *Applied Sciences Initiative* to place a new science and engineering graduate school in the city, to support their better than average foundation of IT and biotech companies. Cornell University and Technion-Israel Institute of Technology won the right to build a new graduate school on Roosevelt Island. In looking at the key areas discussed today do we have the capacity to educate those who will need to fill those jobs? What if we could put together a consortium of existing institutions and create a graduate school, or a combination to include graduate and undergraduate education and market it effectively to provide the education these industries will need. He mentioned that a recent article indicated roughly 20% of retail space in Manhattan was vacant due to e-commerce and soaring rents. Going forward retail space needs to be repurposed in some way. Education is a vital key. Young people typically change careers several times. Everyone will need to be more engaged in education and the business model will likely need to change.

Ms. Conner mentioned RISE and the MIT SOLVE Project to create innovative solutions to sea-level rise. The project kicked off in May with a day-long event at the Slover Library to brainstorm ideas around solving the challenge. It was meant to encourage and foster the development of ideas as part of the \$1 Million challenge grant. The event attracted many participants. The takeaway is that while we are having a good discussion on these issues, it might be good to “enlarge the tent.” Bring people

together from the outside the usual group to talk about how we look at solving some of these challenges and how we might use the GO Virginia funds available to advance the ideas.

From this event leaders can be identified to move an idea forward. It was suggested we consider holding an open session later in the Fall or Winter. This will also allow us to get in front of issues we may not be aware of.

It is important to let the state know in advance about potential GO Virginia funded projects, giving DHCD staff a chance to assemble the appropriate subject matter experts to review submissions.

An upcoming event was announced by Mr. Coady that is to be held at NASA Wallops, called the *2018 Space Apps Challenge*. It is similar to a hack-a-thon. This is designed for IT, Cyber, and Math teams. It will bring many together to gather ideas. He indicated challenges in the past have produced initiatives adopted by NASA. This information will be added to the [Starwheel](#) website.

An announcement was also made about the [Off-shore Wind Executive Summit](#) to be held September 21 from 9:00am until 6:00pm at The Main in downtown Norfolk.

**9. Public Comment**

There was no public comment.

**10. Other Business**

The next meeting will be held on Friday, November 2, 2018 at 10:00am at the Virginia Port Authority (location to be confirmed).

**11. Adjourn**

There being no further business, Mr. Frantz adjourned the meeting at 11:45 a.m.

Respectfully submitted,

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Donna S. Morris  
Secretary to the Regional Council

APPROVED

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Thomas R. Frantz  
Chair of the Regional Council