

**GO Virginia Hampton Roads
Regional Council**

**MEETING NO. 19
October 29, 2020**

Meeting number nineteen of the GO Virginia Hampton Roads Regional Council (“Regional Council”) was held Thursday, October 29, 2020, at 10:00am. This meeting was held electronically, pursuant to Governor Ralph Northam’s Executive Order, limiting public gatherings due to the COVID-19 pandemic. Members of the public were invited to participate by phone.

<u>Members Present:</u>	Shawn Avery	Jeffrey Holland
	Timothy J. Bentley	Cheryl McLeskey
	Patrick Coady	Bob McKenna
	Anne C. H. Conner, Vice Chair	John Olson
	William B. Downey	John F. Reinhart
	Robert Dyer	Katherine Rowe
	Michael Gentry	Bryan Stephens
	Maria Herbert	Thomas G. Tingle

<u>Members Absent:</u>	Kenneth Alexander	Thomas R. Frantz, Chair
	R. Bruce Bradley	Jerry Miller
	John R. Broderick	J.D. Myers, II
	Marcia Conston	McKinley Price
	Jack L. Ezzell, Jr.	Jeffery Smith
	Christen Faatz	Bruce Thompson

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, Opening Comments and Roll Call

Vice Chair Anne Conner welcomed everyone and called the meeting to order at 10:05 a.m. She asked members to refer to the guidelines distributed in the agenda packet. Due to the electronic format of the meeting, the agenda would be limited to essential reports and actions needed. To ensure a quorum was in place for specific action required, Ms. Conner moved several items to the top of the agenda. She asked Ms. Morris to conduct a roll call to determine members of the Regional Council participating. Following the roll call a quorum was confirmed.

2. Approval of July 30, 2020 Regional Council meeting minutes

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE MINUTES OF THE JULY 30TH MEETING AS PRESENTED IN THE AGENDA PACKET.

3. Consideration of GO Virginia Grant Applications

Ms. Conner asked members to refer to the information behind TAB F and invited Mr. Spore to discuss the review process and present two grant applications for consideration. The total amount requested is \$ 4,060,828, one of the two is a multi-region Competitive grant application.

All applications received were reviewed by staff, and two subject matter review panels focused on

the GO Virginia priorities around developing the entrepreneurial ecosystem, and industry cluster scale-up. Applicants were given an opportunity to present and answer questions from the subject matter review panels. Following discussion, each panel formed a recommendation for the Regional Council to consider. Mr. Spore recognized and thanked those who assisted with the review, for committing their time and valued expertise to what is considered as a critical part of the process.

The agenda packet included information on each application in a format like that used by the State. He provided an overview of each project, inviting the applicants to participate.

VA Bio Connect: The Virginia Biotechnology Association (Virginia Bio) requests a Competitive grant for \$ 1,790,780 over two years to catalyze, strengthen, and grow the life science and biotechnology industry cluster in the Commonwealth through a model of formalized regional BioHubs where they currently do not exist throughout the state and connecting them in the areas of workforce development, commercialization, resource sharing and mentorship.

GO Virginia Region 4 will serve as the lead with Regions 2,5,7, and 9 as partners. The thirteen locality partners on the project include Richmond, Charlottesville, Albemarle County, Prince William County, Fairfax County, Loudoun County, Arlington, Montgomery County, Roanoke, Roanoke County, Hampton, Norfolk, and Virginia Beach. These partners will work together through VA Bio Connect to create four new BioHubs and connect with the fifth that exists in Charlottesville's CvilleBioHub.

All agreed this project provides an economic opportunity for Region 5 and the state in an industry sector that crosses many regions. The applicant is actively pursuing additional funds to meet the required 1:1 match for competitive requests. For that reason, the Subject Matter Review Panel recommends approval, conditioned upon the applicant being able to meet match requirements.

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE REQUEST TO SUPPORT THE COMPETITIVE GRANT APPLICATION SUBMITTED BY THE VIRGINIA BIOTECHNOLOGY ASSOCIATION TO SUPPORT THE VIRGINIA BIO CONNECT INITIATIVE IN THE AMOUNT OF \$ 1,790,780, CONTINGENT ON MEETING THE REQUIRED 1:1 MATCH.

757 Collab: 757 Accelerate (d/b/a 757 Collab) requests a Per Capita grant for \$ 2,270,048 over two years, focused on coordinating efforts to (1) Grow the regional economy and keep pace with the rest of Virginia and the United States; (2) Continue to diversify the economy through increased new business creation within a larger number of industry sectors, as well as creating a more inclusive economy; (3) Increase small and medium sized business creation and growth; (4) Continue to design and implement a coordinated and deliberate innovation strategy; (5) Address the persistent Workforce Development challenges in the Region; and, (6) Enhance the fundamental building blocks of the regional entrepreneurial ecosystem.

The applicants, Ms. Monique Adams and Ms. Evans McMillion were invited to provide a comprehensive overview of the project, using a slide deck that was shared with the Regional Council for reference. The presenters addressed how this request was not duplicative of the REI 757 GO Virginia grant awarded in 2019, but instead complements the REI. The application meets GO Virginia requirements and the subject matter panel and review committee expressed strong support for the project, emphasizing the importance of *not waiting* until the REI 757 plan is complete. The panel recommended the Regional Council approve the application as presented.

Ms. Conner disclosed her connection to the project as the current Chair of the 757 Accelerate Board and a member of 757 Angels Board of Directors.

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE REQUEST TO SUPPORT THE PER CAPITA GRANT APPLICATION SUBMITTED BY 757 ACCELERATE TO SUPPORT THE 757 COLLAB IN THE AMOUNT OF \$ 2,270,048. *Ms. Conner abstained.*

4. GO VA State Board Actions taken at the September 22, 2020 meeting

Ms. Conner asked Mr. Spore to provide an update on actions taken by the GO Virginia State Board. Mr. Spore asked members to refer to TAB B of the agenda packet. The memo outlined the actions taken by the State GO Virginia Board at their September meeting. Region 5 had three grants approved – the Greater Williamsburg Target Industry Sector Analysis (\$ 36,375); the Hampton Roads Workforce Council Talent Pipeline Development Program (\$ 663,696); and the Hampton Roads Economic Site Readiness Program (\$ 1,122,240). The memo Mr. Spore provided to the Regional Council on October 2nd included the status of the projects that were approved, deferred by the GO Virginia State Board or withdrawn by the applicant.

5. Quarterly GO VA Grant Progress Reports

Ms. Conner invited Ms. Morris to present the quarterly report from GO Virginia grants awarded to date. Ms. Morris referred to TAB C, indicating this report was different than the one provided in July. The *outcomes achieved* column was changed from what happened in the last quarter to what has been achieved since the start of the grant. While the state requires each region to specifically report what has been achieved in the last quarter, this format would give Regional Council members a better idea of how the project has advanced toward the anticipated deliverables at completion.

Ms. Morris addressed a question raised at the last meeting about whether the Virginia Digital Shipbuilding Program project deliverable of *8,500 jobs created in 5 years* needed to be adjusted. The applicant confirmed this projected outcome was realistic but clearly would be better defined as *8,500 digital skills-related jobs created in 5 years* and remove the average wage amount of \$ 74,000. Newport News Shipbuilding has hired over 8,000 employees since 2018. Even though not all of them are considered “digital shipbuilding jobs” the jobs do have digital components. The 576 digital shipbuilding employees hired referenced in the quarterly report has solely been at Newport News Shipbuilding. However, they know that many other shipbuilding and repair companies, suppliers and others are reliant on digital skills want to be prepared for the increase as additional ships are built and maintained with digital platforms. The challenge would be how to track those numbers across all companies and suppliers.

Since there were several grant reports provided after the meeting agenda packet went out, Ms. Morris said she would send an updated quarterly report to the Regional Council following the meeting.

6. Status of GO VA Funding

Ms. Morris reported that if the GO Virginia State Board approves the 757 Collab application, in addition to the Enhanced Capacity Building applications approved for submission to DHCD staff by the Regional Council Executive Committee on October 19th the total in Per Capita grants awarded to Region 5 will be \$9,462,339.

The slide behind TAB D captures the allocation of Per Capita funds to Region 5 since the program started. Enhanced Capacity Building (ECB) grants are for requests under \$ 100,000 and are administratively approved by the State. ECB grant awards also come out of the region's Per Capita allocation. Each region has a cap each Fiscal Year of \$250,000 from the Per Capita allocation that can be used for ECB requests.

The number of applications submitted has increased significantly since the state board approved Policy #11 reducing the total match required from 1:1 to 2:1 (for every \$ 2 dollars in state funds requested, the applicant must provide a match of \$1). The local match was also waived. Since the pandemic continues to place an economic burden on a region's ability to meet the 1:1 match, this policy was extended by the State Board through May 31, 2021.

Another adjustment the State Board made will provide access to each region of up to \$500,000 from their per capita allocation that can be applied to Economic Resilience and Recovery (ERR)-eligible projects. They did this because several GO Virginia regions quickly exhausted the \$1 Million available for ERR activities. Up to \$150,000 of that amount can be applied to FAST Access requests.

To date, Region 5 has used \$100,000 of the \$ 1 Million available to Region 5 for Economic Recovery and Resilience eligible projects. Ms. Morris reported that two ERR FAST Access applications are currently being reviewed - one requesting \$ 100,000 and the other \$ 99,137. If awarded, this will exhaust the \$ 300,000 set aside for administratively approved FAST Access funds, but a balance of just over \$ 700,000 remains available for ERR projects that require State Board approval.

7. Actions taken by the Executive Committee on October 19th

Mr. Spore referenced the minutes of the Executive Committee meeting included in the packet as TAB E. As explained in the minutes, the need for consideration by the Executive Committee was created by the desire to avoid additional delay in the review of three applications due to the deadline of October 20th established by DHCD staff. A subject matter review panel was assembled to review the applications and develop a recommendation to the Executive Committee.

Following presentation of the recommendations of the Subject Matter Review Panel the Executive Committee voted to recommend approval to the State GO Virginia Board as follows:

- a. RVA-757 Connects, *I-64 Talent Pipeline: Today and Tomorrow* -- \$ 90,000 (Enhanced Capacity Building)
- b. Hampton Roads Alliance, *Regional Robotics Innovation Hub* -- \$ 73,000 (Enhanced Capacity Building)
- c. Virginia Ship Repair Foundation, *Virginia Virtual Maritime Trades Training Program* -- \$ 100,000 (ERR FAST Access)

8. Public Comment - No public comment.

9. **Other Business** – Ms. Conner referenced the documents behind TAB G of the agenda packet that included the GO Virginia 2021 Roadmap and Region 5 application deadlines and Regional Council meeting schedule for 2021. The next meeting will take place on February 4th and will likely be held virtually.
10. **Adjourn** – There being no further business, the meeting was adjourned.

Respectfully submitted,

Donna S. Morris

Donna S. Morris
Secretary to the Regional Council

APPROVED

Anne C. H. Conner
Vice Chair of the Regional Council