

**GO Virginia Hampton Roads  
Regional Council**

**MEETING NO. 20  
February 4, 2021**

Meeting number twenty of the GO Virginia Hampton Roads Regional Council (“Regional Council”) was held Thursday, February 4, 2021, 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.

<b><u>Members Present:</u></b>	Shawn Avery	Maria Herbert
	Timothy J. Bentley	Jeffrey Holland
	John R. Broderick	Bob McKenna
	Patrick Coady	Cheryl McLeskey
	Anne C. H. Conner, Vice Chair	J.D. Myers, II
	Marcia Conston	John F. Reinhart
	Robert “Bobby” Dyer	Katherine Rowe
	Jack L. Ezzell, Jr.	Jeffery Smith
	Christen Faatz	Bryan Stephens
	Thomas R. Frantz, Chair	Bruce Thompson

<b><u>Members Absent:</u></b>	Kenneth Alexander	Jerry Miller
	R. Bruce Bradley	John Olson
	William B. Downey	McKinley Price
	Michael Gentry	Thomas G. Tingle

**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**

Chairman Tom Frantz welcomed everyone and called the meeting to order at 10:05 a.m. He 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. Mr. Frantz 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 October 29, 2020 Regional Council meeting minutes**

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE MINUTES OF THE OCTOBER 29<sup>TH</sup> MEETING AS PRESENTED IN THE AGENDA PACKET.

**3. Presentation of 757 Recovery & Resilience Action Framework**

Mr. Frantz invited Mr. Spore to introduce Mr. Doug Smith, President & CEO of the Hampton Roads Alliance to provide an update on the 757 Recovery & Resilience Action Framework. This project was partially funded through a GO Virginia Economic Resilience & Recovery FAST Access grant.

It is an example of a true regional collaboration model. Mr. Smith has led the effort over the past six

months, with a plan to take it public in the next two months. This presentation was designed to give Regional Council members a preview of the effort.

Mr. Smith described the vision everyone had nearly one year ago as the pandemic began was that by June most activities would be returning to normal. Once it was determined a normal return to work would not occur, protocols would need to be tackled on how to return to work and how to bring our economy back. He indicated this was not a strategic plan, but instead a playbook, unlike those produced in the past. Plans of the past have been good but fell short on accountability. The audience of focus was the business community (5000 to 6000 business leaders).

The presentation highlighted the five strategic imperatives – regional unity; growing jobs; growing, training, and attracting talent; building resiliency (business and economic resiliency); and advancing regional infrastructure, each with a set of programs and a performance dashboard.

The overall goal is to build a more resilient economy, recover faster, and be stronger. The approach would be to build on many prior reports produced by the HRPDC, Reinvent Hampton Roads and others as a basis from which to work. The work was done by 11 committees, covering a variety of topics from health and wellness to connectivity. The work included several business-user surveys in addition to useful feedback and guidance provided by roughly 20 subject matter experts. Several videos were also produced. Mr. Smith discussed the process leading up to the vision statement and product. The full launch of the plan is scheduled for March.

The two chambers of commerce and CIVIC Leadership Institute will drive the effort to recruit 1000 champions to be advocates and supporters of the project. The slide deck used to describe the 757 Recovery & Resilience Action Framework that provides more detail, as well as the Executive Summary for the project will be sent to members of the Regional Council for reference.

#### **4. Quarterly Progress Reports on GO Virginia Approved Grants**

Mr. Frantz invited Ms. Morris and Regional Council member, Mr. Pat Coady to report on the Eastern Shore Hydro-Drone Bathymetric Survey project, funded with a GO Virginia Enhanced Capacity Building grant.

Before the presentation Ms. Morris referenced TAB B of the agenda packet that included the status report for each GO Virginia grant awarded in Region 5 to date. There are several that do not yet appear in the report matrix as the grant agreements are still in negotiation. These projects will appear in the next quarterly report.

The report indicates most projects underway are on target. Due to COVID some adjustments were made, either by redirecting funds in the budget submitted for the project, or an extension of the grant agreement. One example cited was the Hampton Roads Unmanned Systems Facility project in York County. Due to a delay in the acquisition of the property, an extension in the grant agreement will be required. The GO Virginia staff, and State Board are flexible in working with grant awardees to address issues that arise that are out of their control.

An update on the Hampton Roads Workforce Talent Pipeline project was provided as the first quarterly report was not due until after the meeting agenda packet was sent. The Hampton Roads Workforce Council expects to hire the Business Intelligence Analyst soon. They have also partnered with a local labor analytics and data science company to aggregate labor data in the region and share it with regional stakeholders.

By the next Regional Council meeting on May 6<sup>th</sup>, six additional grants will be closed out, unless grant agreement extensions are requested.

Past in-person meetings of the Regional Council included one or more grant recipients invited to present the status of their project, some allowing members to experience using the platform applied to digital shipbuilding, like meetings held at VMASC. In addition to the presentation made by Mr. Smith on the 757 ERR Action Framework, the YouTube planned for this meeting was put together by three young, aspiring entrepreneurs. Ms. Morris invited Mr. Patrick Coady (President of the Eastern Shore Foundation) to introduce the Hydrodrone project.

Mr. Coady was retired before the idea of becoming a serial entrepreneur was developed. With background as a survivor of ten start-ups he said that the group Project Manager Joe Betit put together are the sharpest of their age. They all take courses virtually, one planned to attend Virginia Tech, but decided to take courses at TCC, while working on the Hydrodrone Project. One is married and is working several small jobs on the Eastern Shore to make a living. The third has a very strong background in STEM activities. A fourth person, recently added to the project team has a strong background in science and technology.

The Hydrodrone project is designed to achieve extremely high accuracy in marine surveying from the shoreline to mid-channel. It is intended to move quickly and inexpensively where the large survey boats of NOAA and the Army Corps cannot go. It can work autonomously and repetitively. An example is one of their first attempts to have the vehicle automatically retrace the last survey that was done on Kings Creek (on the north side of Cape Charles). The retracing enables you to compare the 1992 view of the creek with a 2020 view, overlaying the two in order to see the changes from shoreline to shoreline. This will be vitally important for all businesses that deal with ports, harbors, watermen that deal with navigation, marine life and vegetation. Those working in the coastal resilience space need to know what the near-shore looks like in order to produce resilience, resistant waterfronts that survive and do not require massive breakwaters that can destroy the rest of the marine environment.

Due to issues with the YouTube audio, it was decided that the presentation link would be shared with the Regional Council. Mr. Coady talked about parts of the video that were viewed. The project is 90% complete. The deliverables include the model, working technology, and a set of policies and procedures the team put into place. The vision is to create several start-up companies in the region, provide training in this area and establish an institute to extend this training and knowledge throughout the world. While the hope would be to have the institute on the Eastern Shore, they are looking to have it connected to a university with oceanographic survey departments, like ODU or William & Mary (VIMS).

Mr. Reinhart mentioned with the maritime business ecosystem and the work underway at ODU, this could be a good fit as they continue to expand their maritime programs. Mr. Coady mentioned he is currently working with ODU on a study to expand broadband on the Eastern Shore.

The vehicle loaned to the Hydrodrone team from ODU is capable of mapping waterways all the way to Richmond, at low cost and often. It can produce valuable data. The underwater drone can gather soil for dredging purposes. The aerial drone, with green lidar, can allow land surveyors to compare land to water references.

Mr. Costulis shared that this project has been a great collaboration with ODU's Virginia Institute for Spaceflight and Autonomy (VISA), the Eastern Shore Foundation and others. A current pilot project is planned later this month with the Elizabeth River Project.

Regional Council Member Ms. Maria Herbert commended Mr. Coady for this successful effort on this project, a message he will share with the team running the program team.

Mr. Frantz asked if they hold any patents at this time. Mr. Coady said they do not at this time, but they could. More proprietary knowledge is important. When you seek a patent, the information is released. This project could go either way.

Mr. Frantz thanked Mr. Coady and invited Ms. Morris to report on the GO Virginia Region 5 funding status.

## 5. **GO Virginia Funding and Grant Applications**

**Status of GO Virginia Region 5 funding:** The details were contained behind TAB C of the agenda packet. Specific reference was made to the *fund overview*, capturing the funding categories (Enhanced Capacity Building; Per Capita; Competitive; and Economic Recovery and Resilience - FAST Access, per capita and competitive). All numbers in the overview are linked to projects submitted by Region 5. Regions are able to carry over unused funds from the per capita allocation to the next fiscal year.

**ECB and ERR Funding Limit:** The Enhanced Capacity Building (ECB) funds that go unused (\$250,000 cap limit each fiscal year) cannot be carried over.

With no funds left in the current FY20 ECB allocation, planning grant applications cannot be considered until the next fiscal year budget is approved. On the ERR side, up to \$300,000 can be applied from the \$1,000,000 ERR allocation to Region 5, to FAST Access grant requests under \$100,000. For regions that have depleted their ERR allocation the State Board allows them to use up to \$ 500,000 of their per capita allocation for ERR-related funding requests. Thirty percent of the \$ 500k (\$150k) can be applied to small grant requests (under \$100k). The ERR deadline is May 7, 2021, unless the State Board approves an extension. The comprehensive list of projects was referenced. As these projects begin to close-out, progress will be tracked to determine the ROI.

**Status of Grant Applications:** Mr. Spore referred to TAB D of the agenda packet.

The **Cyber Security Job Creation System (CJCS)** project has been a work in progress for some time. RHR has been working with the applicant, the first being SCIPP International, recently changed to Old Dominion University. The amount of the GO Virginia request remains the same at \$ 1,450,000 from the Competitive allocation. Region 5 is the lead, with Regions 3 and 4 as partners. The State had concerns about the ownership of the intellectual property and suggested a revision leading to Old Dominion University and their Department of Cybersecurity to be the applicant. There are no other significant changes in the program. The applicant has worked to gain additional support as it will benefit the entire Commonwealth of Virginia. The staff recommendation, based on the revisions made to include the new applicant, is that the Regional Council reaffirm its support. Last summer the Regional Council strongly recommended approval of this application.

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL RE-AFFIRMED APPROVAL OF THE REVISED COMPETITIVE GRANT APPLICATION TO SUPPORT THE CYBERSECURITY JOB CREATION SYSTEM PROJECT IN THE AMOUNT OF \$ 1,450,000.  
(Mr. John Broderick abstained)

Mr. Broderick stated that a cyber security program ODU started three years ago with 12 students has grown upwards to 600 students. This significant growth is a clear indication this is catching on in favorable ways in the region.

The **Virginia's Autonomous Workforce and Economic Development Program (ARISE)** application was also approved by the Regional Council last summer. Unfortunately, the application was not recommended for approval by the DHCD staff and the workgroup they put together. The application was included in the GO Virginia State Board packet but was deferred. The suggestion was made to request a planning grant instead. The applicant decided to file an addendum in response to their suggestion, which was not received favorably by the DHCD staff. Currently there is an evaluation taking place to determine the best approach to continue progress on this application. There may be other sources of funds that will allow the project to advance quicker. The applicant is looking at all options. No action from the Regional Council is requested at this time, but it is possible the application may be resubmitted at a later date.

The **Startup Stability Program (SSP)** application was submitted by the Portsmouth Development Foundation, a non-profit arm of the Portsmouth Partnership. They are requesting \$ 200,000 from the GO Virginia Economic Resilience and Recovery (ERR) per capita allocation to Region 5. Mr. Spore recognized and thanked the panel that reviewed the application, including Mr. Ezzell and Ms. Herbert from the Regional Council and Nancy Grden (ODU), Tim Ryan (Startwheel) and Mallory Tuttle (VT Hampton Roads Center). The committee worked with the applicant to provide more clarity regarding in-kind match and the offering of wrap-around services be provided as part of the program. What started as a small ERR grant expanded to a larger ERR per capita request. They responded with a full slate of wrap around services to go with the reduced rate for the space that will be provided to thirty companies (15 in Portsmouth and 15 in Norfolk). With positive support from the review committee, the recommendation to the Regional Council is to approve the application as presented.

ON A MOTION MADE AND SECONDED THE REGIONAL COUNCIL APPROVED THE ECONOMIC RESILIENCE AND RECOVERY PER CAPITA GRANT APPLICATION SUBMITTED BY THE PORTSMOUTH DEVELOPMENT FOUNDATION TO SUPPORT THE STARTUP STABILITY PROGRAM IN THE AMOUNT OF \$ 200,000.

As an update, the Executive Committee of the GO Virginia Regional Council approved a **757 Accelerate (dba 757 Collab)** Enhanced Capacity Building request of \$32,000 submitted on December 18, 2020. This is a great example of the State staff working with the applicant to address what is potentially a critical need to support the entrepreneurial ecosystem. This small grant will serve as a bridge to keep some programs in place during the next six months, until the REI:757 Techstars analysis is complete. The recommendations from the report will likely modify the earlier grant submission to support the 757 Collab. No action from the Regional Council is requested at this time.

6. **Report of the Nominating Committee** – Vice Chair, Ms. Conner is leading this committee. Nine current Regional Council members' terms expire in June 2021. Each member has indicated their willingness to remain on the Regional Council for another three-year term if approved. Ms. Conner asked each member to think about potential members that would contribute to the GO Virginia work in Region 5, sharing those names with her, Chairman Frantz, Mr. Spore or Ms. Morris. No action is required at this time, but a slate of officers and directors will be presented at the May 6<sup>th</sup> meeting.
7. **Report on DHCD and State Board Activities** – Mr. Spore referred to TAB F of the agenda packet, indicating there was a lot going on at the State level. Calls with the other support organizations and

DHCD staff are held every other week.

The Regional Site Development project is of particular interest. Can the GO Virginia Program provide resources to support sites that are privately owned? That is the issue being addressed. The State has created a joint, nine-region representative workgroup to come up with recommendations. The plan is to prepare information for the GO Virginia State Board to consider at their upcoming meeting in March.

The Economic Growth and Diversification Plan must be updated every two years. The deadline has been extended to October 31, 2021 but may be changed to October 15. We are working with the State to consider the 757 Economic Recovery and Resilience Action Framework presented as a substitute for the EG&D Plan update. If that can be done, it could save the region \$60,000. The State has specific data points they want expressed in the third update.

The ERR Program was originally scheduled to end May 31, 2021, but now is recommended for extension to the end of June 2022. This is a clear indication that it will take longer to recover from the economic impact of the COVID-19 pandemic.

The last two efforts highlighted in the agenda packet are to inform the board about the effectiveness of GO Virginia programs. Three years into the program, with the closeout of the early grants awarded, what are the results and outcomes of GO Virginia? Has it been worth the investment? We believe that it has been impactful. It speaks highly of the DHCD Staff as they are conducting an analysis that will be presented to the GO Virginia State Board, and likely to be shared with the General Assembly.

An intern has been engaged by DHCD to look at the workforce gaps and how the GO Virginia projects awarded are working to fill those gaps. How do the Regional Councils judge the workforce need and gaps that exist, compare gaps, and what techniques are being applied?

8. **Public Comment** - No public comment.

9. **Other Business** – Mr. Reinhart expressed appreciation to Mr. Spore and Ms. Morris for their work to keep members informed and compliant. He also complimented the City of Virginia Beach for their COVID vaccine process, citing it as extraordinary. Mayor Dyer said the city is part of a national scene and the volunteer system Virginia Beach has in place is exceptional.

In view of his upcoming retirement, Mr. Frantz recognized and thanked Mr. Reinhart for all he has done and continues to do to make the region a better place.

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



Thomas R. Frantz

Chair of the Regional Council