

GO Virginia Hampton Roads
Regional Council MEETING NO. 30
August 3, 2023

Meeting number thirty of the GO Virginia Hampton Roads Regional Council (“Regional Council”) was held Thursday, August 3, 2023, at 10:00 a.m. This in person meeting was held at Brooks Crossing, 550 30th St, Newport News, VA 23607.

Members Present: Shawn Avery Timothy Bentley Marcia Conston
Robert “Bobby” Dyer Tom Frantz, Chair Sharon Goodwyn
Sally Hartman Mark Johnson Sarah Jane Kirkland
Casey Roberts Lynn Taylor, Co-chair

Members Virtual: Patrick Coady Maria Herbert Thomas Tingle
Jeff Holland

Members Absent: Kenneth Alexander Bob Howard Bob McKenna
Jerry Miller John Olson John Reinhart
Mayor Doug Pons Christen Faatz Aubrey Layne
Katherine Rowe Bryan Stephens

Hampton Roads Executive Roundtable Staff Present:

Nancy L. Grden, President & CEO
Donna S. Morris, Executive Vice President
Diane Nolan, Operational Support Manager
Mary Anne Myers, Executive Assistant

- I. **Call to Order/Welcome** - Chairman Frantz called the meeting to order at 10:05 a.m. He welcomed all in attendance, and introduced new members Mark Johnson from Truist Bank, Sarah Jane Kirkland from ODU, and Casey Roberts from New Horizons Regional Education Center. Mr. Frantz notified the board that new member Bob Howard from Gold Key|PHR was not able to attend as he is currently out of the country.

Recognizing the lack of a physical quorum Mr. Frantz requested members present, upon unanimous consent, to have the Executive Committee approve items requiring immediate action on behalf of the Regional Council.

- II. **Public Comment** – Chairman Frantz recognized the guests in attendance and members of the GO Virginia staff from DHCD, Billy Gammel, and Joseph Dennie, and Mark Gribbin from JLARC (Joint Legislative Audit and Review Commission), and members of the JLARC team, Diane Kaufmann from Senator Kaine’s office and Drew Lumpkin from Senator Warner’s office, among others.

- III. Approval of the May 4, 2023, Regional Council meeting minutes – Chairman Frantz presented the May 4, 2023, meeting minutes for consideration. There were no comments or questions regarding the minutes.

THERE WAS CONSENSUS, AMONG MEMBERS PRESENT THAT THE EXECUTIVE COMMITTEE FORMALLY APPROVE THE MINUTES OF THE MAY 4, 2023, REGIONAL COUNCIL MEETING AS PRESENTED IN THE AGENDA PACKET.

- IV. GO Virginia Updates – Joseph Dennie, GO Virginia Program Administrator, presented an overview of the revised GO Virginia match requirements. In April 2020, the GO Virginia State Board eased match requirements due to the fiscal/economic distress caused by the pandemic. He reported effective July 1, 2023, the match requirements for Per Capita funds will require matching funds at least equal to any grant awarded. However, the GO Virginia State Board has the authority to reduce the match requirement to no less than half of the grant upon finding fiscal distress or an exceptional economic opportunity in a region.

In September 2017 the State Board established a local match requirement to emphasize the importance of regional collaboration. Those matching funds would include a local contribution of not less than 20% of the required \$1:1 match, or \$50,000 whichever is greater. Mr. Dennie explained a Waiver process will be developed and presented to the Board at the September 12, 2023, meeting with a delayed enactment of October 31, 2023. The waiver process for fiscal distress and would require at least 50% of the participating localities to meet the Virginia Economic Development Partnership's definition for Economic Distress – Double Distress and will promote job growth.

The match requirements are returning to the original intent of the program with more objective criteria for how to apply for waivers.

Mr. Avery asked if the GO Virginia State Board is considering the addition of healthcare at this time. Mr. Gammel stated the board's position has been focused trade sectors. There is some confusion between Healthcare and Life Sciences. Traditional patient care is not considered a traded sector, but the State Board is still open to initiatives connected to healthcare industry that are considered economic opportunities.

V. Action Items:

- **Amendments to GO Virginia Region 5 Council Bylaws** – Mr. Frantz provided an overview of the first and second amendments to the Bylaws and opened the floor for feedback and discussion.

WHILE MEMBERS IN ATTENDANCE AGREED WITH THE BYLAW AMENDMENTS PRESENTED IN THE AGENDA PACKET ACTION ON ALL ITEMS RELATED TO AMENDING THE BYLAWS WILL BE DEFERRED TO THE NEXT REGIONAL COUNCIL MEETING SCHEDULED FOR NOVEMBER 2, 2023.

- **Revised Memorandum of Understanding (MOU)** – Mr. Frantz presented the request to revise the Memorandum of Understanding (MOU) between the Region 5 Regional Council and the Hampton Roads Executive Roundtable to reflect the name change from Reinvent Hampton Roads to Hampton Roads Executive Roundtable.

THERE WAS CONSENSUS, AMONG MEMBERS PRESENT THAT THE EXECUTIVE COMMITTEE FORMALLY APPROVE THE REVISED MEMORANDUM OF UNDERSTANDING (MOU) ON BEHALF OF THE REGIONAL COUNCIL AS PRESENTED IN THE AGENDA PACKET.

Dr. Marcia Conston asked how changes like this are communicated to others in the region. Ms. Grden stated that a formal press announcement was made in March stating the new name change to Hampton Roads Executive Roundtable, and the new leadership. Every opportunity has been taken to discuss the combination of the two organizations. This information along with future updates will be available on the new website currently under development. Ms. Grden offered to meet with groups in the region to discuss the opportunities that will come as a result of this change.

- **FY24 Capacity Building Budget** – Ms. Morris reported \$250,000 is available each year to support organizations through the GO Virginia program. These funds pay a portion of operational costs to administer the GO Virginia projects and support the Regional Council. There are no significant changes from previous Capacity Building Budgets that have been approved except the request to support salaries and fringe benefits will be less as we begin applying up to 8% in administrative costs allowed for each grant awarded. This change will require us to document staff hours committed to each respective grant award beginning in 2023.

THERE WAS CONSENSUS, AMONG MEMBERS PRESENT THAT THE EXECUTIVE COMMITTEE FORMALLY APPROVE THE FY24 CAPACITY BUILDING BUDGET ON BEHALF OF THE REGIONAL COUNCIL AS PRESENTED IN THE AGENDA PACKET.

- VI. **Economic Growth and Diversification (EG&D) Plan Update & Details on the Regional Organizations Presidents Council** – Ms. Grden reminded the Council that the State requires each of the nine regions to update their EG&D Plan every two years – reviewing key Industry clusters that will drive the future and growth of their region. The updated EG&D Plan is due October 31, 2023. The ODU Dragas Center has been engaged and a work group put in place to oversee the update. As part of the realignment of combining Reinvent Hampton Roads with

the Hampton Roads Business Roundtable we are looking at all the organizations that play a role in regional economic development. The newly formed Regional Organizations Presidents Council brings together 10 organizations that cut across all activities in the region. The President's Council is co-chaired by the President of two Chambers of Commerce (Virginia Peninsula and Hampton Roads). This is a key group that will meet in the coming week to discuss roles and responsibilities and how to engage the community in implementing elements of the updated EG&D Plan.

The next Council meeting is scheduled after the due date of the updated EG&D Plan. A virtual meeting prior to the regular Regional Council meeting on November 2, may be required to formally approve the plan before the October 31 deadline.

Ms. Taylor asked if there is a clear mission, purpose and focus of the Regional Organizations President's Council. Ms. Grden stated the group adopted guiding principles. It is a collaborating organization, not looking for additional staff nor are they looking to create new initiatives. They are looking at major roles and identifying activities in the region that need clear alignment. There are issues surfacing in the region with no one organization taking the lead. One example is *Out-Migration* which is tied to talent development and attraction. Issues like this will be discussed to determine if there is an organization willing to assume the lead.

- VII. Quarterly GO Virginia Grant Progress Reports –Ms. Morris referenced the quarterly report included in the agenda packet. To date, 44 grants have been awarded. The three that were considered at the last Regional Council meeting are not on the list. Typically, a project will not be on that list until there has been an executed grant agreement in place. The project outcomes and products, as well as the metrics are included in the grant agreement. That is how progress is tracked through the life of the grant. The three that were approved at the last Regional Council meeting were Enhanced Capacity Building requests under \$100,000: HR Aviation, Aerospace and Unmanned Systems is the grant agreement negotiation process; the Life Science application required some modifications which have been resubmitted to the State for review; and State recommended the Northampton County Advanced Manufacturing Center application, be rescoped as a feasibility study. The applicant is very interested and plans to take that approach.

To date 23 projects are considered complete or in the process of being closed out. A fiscal and performance closeout must be submitted to the State before it is officially closed.

To date, the amount of money that has been drawn, of the \$18.3 million of GO Virginia funds awarded, is roughly 50%.

When we do a fiscal closeout, if there are funds that have not been spent, those funds will revert to our Per Capita allocation. We have access to roughly \$3.4 million in Per Capita funds each fiscal year.

- VIII. **Project Spotlight** – Mr. Frantz encouraged everyone to attend Convergence 2023, to be held on September 28, 2023, in Williamsburg. The Governor has been invited to attend. The meeting will spotlight the Global Internet Hub, which is an effort between GO Virginia Regions 4 and 5, working together to become one of the largest internet hubs in the world. The results of a study done by TEconomy Partners will be shared, confirming the importance and opportunity around the data science cluster. The Global Internet Hub, since it was funded by a GO Virginia Grant has produced more than anticipated given the assets identified to include the subsea cables coming into Virginia Beach, the digital infrastructure in the region, data centers in Richmond and potentially other assets like JLAB. We anticipate that this planning grant will lead to future funding opportunities provided through GO Virginia and other sources.
- IX. **Consideration of GO VA Competitive Grant Applications** – Ms. Grden discussed the Per Capita Grant Application request of \$249,999.78, to support Tidewater Community College’s Maritime Industry and Clean Energy Academy (MICEA). A Subject Matter Review Committee meeting was held comprised of Regional Council member Mark Johnson (Truist), Will Fediw (Virginia Maritime Association), Matt Smith (Hampton Roads Alliance), Dr. Mike Robinson (ODU), and Dr. Brett Malone (Virginia Tech Corporate Research Center). The funds requested for this project would be used to develop specialized short-term training with specific credentials in the maritime industry including port operations, ship building, ship repair, and clean energy. Activities outlined in the application include recruitment and training, and employer engagement with key partners. After meeting with the applicant, the committee recommended deferring the application. All agreed that it is an important initiative but to strengthen the request it should clearly demonstrate how it aligns with the Maritime programs that have been previously funded by GO Virginia. Another added strength would be to include an aggressive marketing campaign in terms of the talent we need to attract and a coordinated region-wide effort to make than happen.

Mr. Avery reported that the Workforce Council fully supports this project as part of the Good Jobs Challenge Grant and through the Navy there is going to be a \$3 million dollar marketing campaign to help support initiatives like this.

THERE WAS CONSENSUS, AMONG MEMBERS PRESENT THAT THE EXECUTIVE COMMITTEE FORMALLY APPROVE THE RECOMMENDATION TO DEFER THE TCC MICEA APPLICATION ON BEHALF OF THE REGIONAL COUNCIL.

- X. **Other Business** – Ms. Grden discussed the Regional EDA Tech Hubs Application stating it builds upon multiple GO Virginia investments. The EDA (U.S. Economic Development Administration) is encouraging collaborators through a consortium to drive regional technology and innovation-centric growth. The Tech Hubs Program was announced by the EDA several months ago. The purpose is to identify regional applications that align with 10 key technologies for the future of the economy and security. Over a 5–10-year period a

designated region is going to become globally recognized. They will pick 20 to down select, and it is very competitive. EDA has six regions, and our region is very competitive. They are looking at an Established Program to Stimulate Competitive Research (EPSCoR) state, which is a designation from the National Science Foundation (NSF). Virginia is not an EPSCoR state, however one of our partner states, Delaware, is. We put together a consortium (NEXUS) led by Hampton Roads Executive Roundtable based on the autonomy and autonomous systems cluster identified in the EG&D Plan, which spans other key cluster areas.

Mr. Frantz enthusiastically announced that the Governor recently appointed Cliff Fleet, Co-Chair of the Hampton Roads Executive Roundtable, to the GO Virginia State Board. He also thanked Lynn Taylor for stepping into the role as Vice Chair of the Regional Council.

- XI. Adjourn – There being no further business, the meeting was adjourned by Tom Frantz at 11:22 a.m.

Respectfully submitted,

Donna S. Morris
Secretary to the Regional Council

APPROVED

Thomas R. Frantz
Chair of the Regional Council