

GO Virginia Region 2 Council
Meeting Minutes
August 24th, 2017 2:00 p.m. – 4:00 p.m.

Location Carillion Clinic
1 Riverside Circle
Roanoke, VA 24016

Council Members in Attendance: Marla Akridge, Dr. Eddie Amos, Dr. Nathaniel Bishop, Ab Boxley, Dr. John Capps, Patrick Collignon, Kenneth Craig, Sandy Davis, Dr. John Dooley, William Fralin, Watt Foster, Don Halliwill, Mike Hamlar, Dr. Victor Ianello, Terry Jamerson, Debbie Petrine, John Williamson

Council Members in Attendance via Conference Call: John Putney

Others in attendance: Duncan Adams, Jenny Bolte, Dr. Kay Dunkley, Dr. Sam English, Devon Johnson, Rob Ledger, Marc Nelson, Patrick Obrien, William Pace, Dr. John Provo, Sharon Scott, Dr.. Scott Tate, Joyce Waugh, Sherri Winesett, Anne Whittaker, Dwane Yancey

- I. Call to Order
 - a. Vice Chairman Boxley convened the meeting of the GO Virginia Region 2 Council on August, 24, 2017 at Carillion Clinic at 2:03 p.m.
- II. Presentation of the Growth and Diversification Plan
 - a. Mr. Boxley noted the need to submit the Growth and Diversification plan to the state tomorrow (August 25) and asked Dr. Provo and Dr. Tate to provide a brief introduction to the Growth and Diversification Plan (see PowerPoint slides attached)
 - b. Introduction and overview (PowerPoint slides 1-4)
 - i. Mr. Fralin asked for clarification on the meaning of “competitive effect” Dr. Provo explained that it refers to an “above and beyond number”, that approximates industry job growth attributed to regional factors as opposed to national trends..
 - ii. Discussion of cluster categories (slides 3-4): Mr. Fralin noted that the document is very helpful and asked whether the large cluster categories should be made more specific (for example, one of the appendices refers to “machinists” and it could be specified exactly which kind of machinists). Mr. Amos added that there are lots of areas where cluster categories overlap, and he asked about the way these sectors are organized and if this organization system misses the synergy between clusters.
 - iii. Discussion of food and beverage cluster (slide 4): Dr. Provo drew attention to the small yellow bubble on the “priority industry clusters” graph (see slide 4) that represents the food and beverage processing cluster and noted that there is potential for growth here, though there are fewer of those jobs now (and these jobs have lower wages). Mr. Fralin added that it makes sense as a forward look, especially considering that the region has good water quality for beverage processing, and because the region is close to both Atlanta and New York.

- iv. Additional questions about priority industry clusters: Mr. Amos asked why transportation is not on the “priority industry clusters” graph (see slide 4). Dr. Provo responded, saying that the overall wages are lower, and the industry does not expect significant higher-wage job growth. Mr. Iannello noted that the region has competitive advantages that are not often recognized—for example, autonomous vehicles (at Virginia Tech as well as Volvo and Eldor). Mr. Iannello added that those may not show up in a NAICS type analysis. Mr. Amos added that the council needs to make sure the adjacencies between clusters are clearly visible, and the council needs to think about things that will be important for the future of smart cities.
- c. Talent Development (slides 6-9)
 - i. Mr. Williamson asked why the report used the word “talent” instead of skills. Dr. Tate responded that talent is broader and that skills are a key component.
 - ii. Mr. Fralin asked about the “2% higher” cost of living statistic, and Dr. Tate directed him to the newer draft which shows cost of living is 10% lower than national average.
 - iii. Discussion of age trends and talent retention: Mr. Fralin emphasized how interesting it is that the region has so many undergraduate students. Mr. Collignon, noted that the high number of young people illustrated on slide 8 may be due to career position and said his company has found it harder to recruit executives and later career individuals to the area. Mr. Williamson said that it’s worth investing in efforts to promote the region as a good place to live and noted Mr. Amos and Meridium’s effort to promote the region. Ms. Petrine added that she was at a meeting at Virginia Tech where University officials said they had trouble recruiting faculty and staff because the university is located in Southwest Virginia.
- d. Sites and Buildings (slides 10-12)
 - i. Discussion of redevelopment: William Fralin noted that the region should get people to focus on “redevelopment” of old manufacturing sites and find a way to redevelop our properties better than anyone else. Mr. Williamson added that the old Norfolk Southern buildings are not being used. Mr. Amos noted that the old Gillette building in Boston has been redeveloped and houses GE. Mr. Fralin requested that staff change report phrasing to acknowledge both development and redevelopment.
- e. Entrepreneurship and Business Development (slides 13-15)
 - i. Discussion of startups: Mr. Boxley asked for clarification on the supply chain of businesses in the region. Mr. Fralin noted that it’s difficult to raise capital in region. Mr. Iannello added that the way the region gets more startups is to have better “exits” for them. Mr. Iannello added that though there is not a lot of capital in region, there’s still substantial amounts. Mr. Amos asked Mr. Iannello if the region overstates the importance of startups (asking, “For example, is it better to have 10 struggling startups, or bring in one good established business?”). Mr. Amos responded by describing the startup environment in India and noting that the question is, “How do we build a base of businesses so that startups will come?” Mr. Collignon added that China is also very strategic about which battles they fight and the council should embrace a clear goal and clearly identify which battle to fight.

- ii. Mr. Fralin asked where outdoor branding fits in given that we're prohibited from looking at quality of life projects. He noted that branding is very advantageous to attend to talent retention and attraction.
- f. Technology Development (slides 16-17)
 - i. Mr. Amos noted that IT is not the best word to use, as it often refers to people working on servers, and added that Washington State should be our model for feeding talent into industry.
- g. Implementation (slides 18-20)
 - i. Mr. Fralin asked if the "collaboration among localities" requirement for funding means collaboration between Roanoke and Virginia Tech. Dr. Provo responded that we are waiting for the final state evaluation criteria. Dr. Dooley and Mr. Williamson expressed their opinion that higher education institutions should qualify as entities.
 - ii. Mr. Boxley said he wants to know what meaningful project match means.
- h. Discussion
 - i. Discussion of clusters: Mr. Foster asked about the clusters, expressing concern that trade and transportation is not a cluster but it has the greatest number of jobs, explaining that he struggles to find qualified truck drivers. Mr. Williamson asked if transportation needed to be defined as a cluster in order for the council to award funding for transportation-based projects. Mr. Collignon noted that if the issue is availability of drivers, it falls into the "talent" strategic priority.
 - ii. Discussion of renewables: Mr. Amos noted that renewable energy is growing rapidly and the region has resources to contribute. He asked if this represents a sector the council should leverage. Dr. Tate said the employment there is still not great enough to be a whole cluster, though that does not preclude the possibility of funding a renewable-based project that targeted needs in one of the four clusters.
 - iii. Mr. Fralin noted that the idea of the GO Virginia legislation is to find out what a region's strengths are, market them and move them forward, and therefore the council is better off narrowing its scope. For example, in our emerging technologies, the council could decide if it really wants to focus on renewables.
 - iv. Dr. Dooley asked if the council can amend the plan after it is submitted. Dr. Provo said the council could think about interpreting the report as the council drafts its final review criteria.
- i. Public Comment
 - i. Mr. English asked for clarification on the RFI process and how the council will advertise and bring in people.
 - ii. Mr. Ledger applauded the fact that the clusters are broad and noted that we don't know what's ahead in the next few years, things may emerge in the next five years so broader is better. He also urged the council to be careful about using the last ten years as a benchmark because "the last decade was chaos."
 - iii. Ms. Whittaker said it's important to think about k-12 education and added that success does not always mean a college degree. She emphasized the need to partner businesses with school divisions.
- j. Approval: Dr. Dooley moved to approve the draft plan. Mr. Williamson seconded the motion. All those present were in favor and none were opposed.

- III. Mr. Boxley noted the need to address housekeeping and administrative details
 - a. Mr. Williamson moved to approve the July 25 minutes. Ms. Akridge seconded the motion.
All those present were in favor and none were opposed.
- IV. Mr. Boxley adjourned the meeting at 4:05 p.m.