A BUSINESS-LED STATEWIDE INITIATIVE TO GROW AND DIVERSIFY THE PRIVATE SECTOR IN EACH VIRGINIA REGION
GO Virginia Purpose Statement

“Create more higher paying jobs through incentivized collaboration, primarily through out-of-state revenue, which diversifies and strengthens the economy in every region”
**VEDP and GO Virginia alignment**

**VEDP leads**
- Marketing, branding, and lead generation
- Biz recruitment and project mgmt. for target industry sectors (e.g., IT, advanced manufacturing, BPO, distribution)
- One-stop shop for prospects, with close local/regional coordination and alignment
- Proactive business retention and expansion program for large/medium-sized firms, in partnership with localities
- Custom workforce recruitment/training incentive program for firms, with VCCS
- Trade development services
- Administration of business incentives
- Research / business intelligence
- State/local economic competitiveness

**GOVA leads**
- Design of targeted, regional product development initiatives (e.g., broadband strategy for a region)
- Workforce development initiatives for sectors/regions
- Research and technology commercialization initiatives
- Initiatives to encourage capital and/or business formation (?)
- Funding for development of regional growth plans
- Incentives to encourage regional collaboration

**VEDP/GOVA Collaboration**
- Site intelligence and development (VEDP will focus on site intelligence and managing site database; GOVA could fund site development)
- Cluster development (VEDP could focus on larger firms; GOVA could focus on cluster scale-up initiatives)
- Design of human capital development strategies, including various initiatives to fully leverage higher education’s economic development potential

**GO Virginia and VEDP both are focused on increasing growth in traded-sector employment and earnings**
GO Virginia Funding (FY19-20)

• Introduced budget level funded grant funding at $24.5 million per year ($250,000/year for regional councils, $10.9 million in per capita grants, $11.3 million in statewide competitive grants), provided $637,000 per year for consulting and capacity building

• Current budget compromise increases funding by $15 million across all 3 funding pools, allows Board to waive local match on regional council funding, establishes $1 million floor per region, maintains proposal for additional consulting and capacity building funds
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<th>Region</th>
<th>Per Capita Formula Allocations as Appropriated</th>
<th>Recommended Per Capita Allocations with $1M Floor</th>
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GO Virginia-Related Budget Items

• Collaborative task force with Chief Broadband Advisor on economic development-related broadband framework

• Cyber-X Initiative - $20 million cash and $5 million in bonds with VRIC review and approval

• Virginia Internship Initiative – pilot program at SCHEV

• $16 million for biennium for Virginia Research Investment Committee (6 of 9 members on GO Virginia Board)
  * VRIC implementation task force, start up initiative underway
GO Virginia – Implementation

- All planning grants committed/allocated
- 5 of 12 projects approved at December 2017 meeting ($2.2 million in state funds)
- 13 projects approved at February 2018 meeting ($2.8 million in state funds)
- 5 of 7 projects approved at April 2018 meeting ($1.1 million in state funds)
- 3 projects approved at June 2018 meeting ($788,143 in state funds), administrative approval for 3 capacity building/study grants
- Leveraged nearly $14 million in additional funds
GO Virginia – Project Themes

• Regional startup accelerators
• Regional site development
• Talent development programs focused on regional clusters
• Scale ups of small and mid-sized companies
GO Virginia – Lessons Learned

• Board has established a high standard for project approval
• Board/SMEs want direct links between projects and regional plans
• Capacity building, without immediate link to job creation, is vital
• Need to provide regions more ownership and flexibility
GO Virginia – Future Needs

• Tell success stories resulting from grants
• Broaden and deepen legislative awareness of the program
• Encourage local governments to set up “match funds” in annual budgets
• Prime the pump for eligible projects (particularly the statewide competitive grants)
Regional Challenge Grant Initiative

- Every region identified importance of developing new sites and enhancing startup ecosystem as vital to growth and diversification
- Want to maintain “bottom up” approach to project development while providing guidance on templates to achieve statewide goals
- Will work with appropriate state agencies and consultants to study current framework, review best practices, and develop templates to move regions to the next level
Innovation Economy Study Implementation Plan

• Each Regional Council designates a study coordinator
• Coordinator convenes working group to include another council member and key public and private stakeholders in the region
• Situational analysis and survey of each region conducted by study contractor to establish baseline (use questions from April concept paper)
• National best practices (both urban and rural) are assessed
• Survey responses form basis for regional stakeholder interviews by study contractor
Innovation Economy Study Implementation Plan

- Interviews lead to development of region-specific implementation templates that suggest potential action items and projects each region could pursue to advance its unique startup ecosystem
- Working group serves as sounding board for those templates and provides leadership on project development
- Statewide agency stakeholders provide additional input
- Alignment with VRIC study implementation
Site Development Study Implementation Plan

- Each region designates study coordinator and working group
- Inventory of existing and potential sites in each region
- Review national best practices on site development
- Interviews with local stakeholders on barriers to getting sites shovel ready
- Demand analysis of how sites align with needs of companies in regional target industry clusters
- Develop project templates to move best sites up the tiering system
Leadership by the Regional Council

- Effort must be **business led and business oriented**
- Regional council should **drive the agenda and project ideas**
- Regional council should uphold a **business standard, not civic standard, of participation**
- Be an **advocate** for GO Virginia principles
- Identify **next generation of leadership**
Charge to Regional Council Leadership

- Be bold
- Be innovative
- Be collaborative
- Be willing to fail
- Get local governments more integrated
- Leverage other stakeholders
Questions and Comments