



VIRGINIA INITIATIVE FOR
**GROWTH &
OPPORTUNITY**
IN EACH REGION

AGENDA

GO Virginia Special Board Meeting -
Thursday, March 10 · 9:00 – 10:00am
James Monroe Building, Conference Room E
101 N 14th St, Richmond, VA 23219

For the public, joining info:

Video call link: <https://meet.google.com/fpq-iity-okb>

Or dial: (US) +1 484-998-0426 PIN: 931 231 851#

More phone numbers: <https://tel.meet/fpq-iity-okb?pin=7160540066487>

- I. OPENING
 - a. Call to order Chair
 - b. Roll Call Andrea Devening
 - c. Public Comment Chair
 - d. Introducing New Board Members and Staff Chair

- II. DIRECTOR'S REPORT Bryan Horn/Sara Dunnigan
 - a. **Action Item:** Per Capita Applications (1)
 - b. **Action Item:** Statewide Competitive Application (1)

- III. ADJOURNMENT Chair

2022 Board Meeting Schedule

April 20 and 21st, 2022 – Board Retreat

Tuesday, June 14, 2022

Tuesday, September 13, 2022

Tuesday, December 13, 2022

Per Capita Application

Building a Pharmaceutical Manufacturing Talent Pipeline

Region: 4

Participating Localities:

County of Chesterfield

County of Dinwiddie

City of Petersburg

County of Prince George

Investment Strategy: Workforce Development

Targeted Industries: Advanced Pharmaceutical Manufacturing

Type of Project: Per Capita Implementation

Applicant(s): John Tyler Community College/Becoming Brightpoint

Project Goal(s): to meet the emerging advanced pharmaceutical manufacturing sector's workforce demands and grow a diverse regional pipeline of skilled advanced pharmaceutical manufacturing technicians.

Project Description: Tyler, Becoming Brightpoint, and its partners have developed the Building a Pharmaceutical Manufacturing Talent Pipeline (BPMTTP) project to advance the recommendations of the GO Virginia-funded coalition of public and private stakeholders developing the emerging global pharmaceutical manufacturing cluster. The project's focus is the development and delivery of career training programs and credentials that meet the emerging sector's immediate workforce demands and grow a diverse regional pipeline of skilled advanced pharmaceutical manufacturing technicians. Over the two-year project period, Tyler and CCWA will work with industry and regional partners to launch a new Pharmaceutical Manufacturing Career Studies Certificate program, develop a fast-track, non-credit pharmaceutical manufacturing technician training and certification program, and create a fully-equipped lab on the College's Chester Campus to support instruction and training. The BPMTTP project also addresses regional interest in growing a diverse pharmaceutical manufacturing talent pipeline. The College and its partners will develop a bridge program that includes academic preparation and career coaching to help the region's underrepresented populations access employment opportunities the industry cluster will provide. Development and implementation of communication and outreach strategies also will drive enrollment in the career training pathways. GO Virginia funds will be used for equipment, lab renovation costs, salaries for program and curriculum development, program outreach, and project administration.

Building a Pharmaceutical Manufacturing Talent Pipeline

Project Budget:

Type of Funds	Totals
GO Virginia Request	\$ 482,330
Matching Funds	\$ 246,160
Local Match	\$ 5,000
Additional Leverage	\$ 246,680
Total Project Budget	\$ 975,170

Outcomes:

- 125 students trained
- 125 credentials awarded
- 164 students enrolled
- Completed Brightpoint Chester Campus Pharmaceutical Manufacturing Lab
- Two pharmaceutical manufacturing training programs created

Workgroup Discussion:

- Strong effort to build off Advanced Pharmaceutical Manufacturing ECB Project and current GO Virginia Advanced Pharmaceutical Manufacturing Cluster Scaleup project
- Thoughtful approach to being inclusive of the underserved populations
- Adds new capacity in response to emerging industry sector
- Interest in how this effort can incorporate potential Dual Enrollment and Career Technical Education opportunities
- Interest in how this effort can develop articulation agreements with VCU and VSU

Staff Recommendation:

Based on the workgroup discussion and application review, staff recommends this project for approval.

Requirements	
\$2:1 Match Requirement	YES
Traded Sector	YES
High-wage Job Creation Potential	YES
3 Year/5 Year ROI	YES/ YES
Alignment with G&D Plan	YES
Grant Management Capacity	YES
Sustainable After GOVA Funds	YES

Statewide Competitive Application

MBC Middle Mile Fiber Expansion Project

Lead Region: 3

Partnering Regions: 4

Participating Localities:

County of Dinwiddie (letter of support)	County of Prince Edward (letter of support and in kind match)
County of Greensville (letter of support)	
County of Lunenburg (letter of support)	County of Prince George (letter of support)
County of Mecklenburg (letter of support)	County of Sussex (letter of support)
	City of Petersburg (letter of support)

Investment Strategy: Broadband Infrastructure

Targeted Industries: Advanced Manufacturing, Data Centers

Type of Project: Statewide Competitive Implementation

Applicant(s): Mid-Atlantic Broadband Communities, Inc.

Project Goal(s): to extend middle mile open-access fiber optic infrastructure to critical business and industrial parks in Regions 3 and 4 that will increase the marketability, reduce the future infrastructure extension costs, and provide a robust and diverse fiber connection that will enable private sector telecom carriers to reach these economic development sites.

Project Description: Mid-Atlantic Broadband Communities, Inc. aims to build six (6) middle-mile backbone segments that will provide critical broadband connectivity and diversity for economic development purposes in nine (9) localities, including the Counties of Mecklenburg, Lunenburg, Prince Edward, Nottoway, Dinwiddie, Prince George, Sussex, Greensville, and the City of Petersburg. The key impacts of this 69-mile middle mile construction project are:

- Support critical growth of a high-tech data center operation in Mecklenburg County that will invest \$800M in capital investment and at least 50 high-paying jobs in the next two (2) years.
- Support additional broadband capabilities at Fort Pickett for rapidly mobilized national security operations in the future, such as Operation Allies Refuge (temporary location of Afghan refugees) and the current and expanding Federal and private contractor workforce personnel
- Enable open-access middle-mile connectivity and enhance DHCD VATI grant funds for local ISP's (Empower, Kinex, Riverstreet Networks, RuralBand, etc.) and existing carriers (Verizon, Lumen, Comcast, Charter) to increase their speed to market and provide route diversity for their last-mile broadband service to residential and business customers.

- Build diverse fiber to enhance the marketability of the 1,600 acre, CSX Certified, Mid-Atlantic Advanced Manufacturing Center (MAMaC) Mega Site in Greenville County.
- Build new diverse fiber to the recently established 280-acre Heartland Innovative Technology Park in Prince Edward County to enhance the site's marketability for data center prospects.
- Build new fiber to 595-acre Sussex Mega Site over existing railroad right-of-way to speed time to market to serve site for new industrial development.
- Build diverse fiber lateral for the pharmaceutical manufacturing cluster in Petersburg.
- Provide open access middle mile diverse fiber infrastructure to a total of 31 industrial and business park sites in nine localities (3 sites in Region 3 and 28 sites in Region 4), totaling 5,514 acres of available land for economic development.
- Ensure redundancy in telecommunications and broadband networks to protect commerce and public safety in all eight localities.
- Build telecommunications infrastructure that will support technology-driven businesses that provide high-paying jobs in the region's existing industrial and business parks.

GO Virginia funds will be used for construction, architectural and engineering (A&E) costs, permitting, legal expenses, project administration, and contingencies.

Project Budget:

Type of Funds	Totals
GO Virginia Request	\$ 5,000,000
Matching Funds	\$ 5,000,000
Local Match	\$
Additional Leverage	\$
Total Project Budget	\$ 10,000,000

Outcomes:

- 69 miles of middle mile broadband completed
- 5,514 number of acres impacted (improved marketability)
- 450 jobs over 3 years and 640 jobs over 5 years

MBC Middle Mile Fiber Expansion Project

Workgroup Discussion:

- Sole local match contributor is from Region 3 – Prince Edward County. Match contribution is site acquisition (\$1.5M) which occurred in 2020. No local match is being contributed from Region 4.
- While local match is limited, applicant has indicated an advisory committee will be established to guide the construction phase and ensure that each respective regional economic development group is marketing the properties to user types aligned with their respective Growth and Diversification Plans.
- Documented sites have potential future uses consistent with the goals and industry targets defined in the Growth and Diversification Plans.
- Project will provide enhanced broadband service levels (redundancy and latency) for two proposed mega sites (MAMaC and Sussex) and 11 sites larger than 100 acres in size.
- Match contributions do not meet the minimum requirements for Statewide Competitive Projects and are not proportional to the project areas and costs. [Statewide Competitive Project Guidance](#) states, “For statewide projects that require local match, the match must be provided through at least two localities, regardless of region. Upon agreement of the collaborating regions, that local match may come from the Lead Region, but it is encouraged that partnering regions provide match in proportion to the anticipated benefit or some other reasonable match sharing formula.”
- Project match from US EDA award is not secured.

Staff Recommendations:

Based on application review, staff finds that the application doesn’t meet the minimum requirements for a Statewide Competitive Application. Based on the economic opportunity presented, the Board may wish to consider a waiver request on the local match requirement.

Requirements	
\$1:1 Match Requirement	YES ¹
Local Match Requirement	NO
Traded Sector	YES
High-wage Job Creation Potential	YES
3 Year ROI	NO
5 Year ROI	YES
Alignment with G&D Plan	YES
Grant Management Capacity	YES
Sustainable After GOVA Funds	YES

¹ Dependent on positive award decision from the US Economic Development Administration.



March 4, 2022

TRANSMITTED VIA EMAIL

Nancy Howell Agee, Chair
GO Virginia State Board

RE: Statewide Competitive Application – MBC Middle Mile Fiber Expansion Project

Dear Chair Agee:

On behalf of GO Virginia Region 3 and Region 4 Councils, we hereby request a waiver of the local match requirement under Board Policy #8 (copy attached). We believe the GO Virginia State Board should give favorable consideration to our request given the overwhelming economic benefits this project brings to the Region 3 and 4 localities and the Commonwealth of Virginia. The following outlines the request and presents supporting information:

Board Policy #8:

1. The policy provides that broadband projects should meet the normal match requirement for competitive grants, which is a 1:1 total match. For this middle-mile project, the total match is \$5MM.

The project budget meets the 1:1 total match through a combination of a grant from the U.S. Economic Development Administration (application pending) and a cash contribution by Mid-Atlantic Broadband Communities Corporation. There is no local cash contribution needed to meet the project budget.

2. The policy provides that twenty percent (20%) of the 1:1 total match is required to be local cash or in-kind match. For this middle-mile project, the total local match amount is \$1MM.

The local match amount can be derived from eligible in-kind expenditures made by any or all of nine (9) local governments at the thirty-one (31) business sites. GO Virginia guidance provides that at least two (2) localities for statewide competitive projects are needed as sources of the match, regardless of the host region. The regions then must apportion the local match to the anticipated benefits of the project or some other reasonable match sharing formula.

Considerations:

1. GO Virginia Policy #8 does not require local match for "...regional [broadband] planning efforts given the exceptional economic opportunity of these projects".
2. GO Virginia Policy #11 has a 2:1 match requirement for broadband planning and implementation projects and no local match required when a Regional Council uses Per Capita Funds. GO Virginia Regions 3 and 4 have insufficient Per Capita Funds to support the project as proposed.



Ms. Nancy Howard Agee
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3. When completed, the project will provide an open-access broadband fiber network that will impact more than fifty percent (50%) of the population of the nine (9) participating localities through increased and expanded economic development investment and the creation of high-paying jobs. (DHCD Local Match Waiver Guidance_10.9.18)
4. The project extends telecommunications infrastructure to thirty-one (31) existing business sites and other economic development assets in Regions 3 and 4. Requests were made to several of the localities which controlled the most significant business sites to be served by the project as part of the grant application development process. The collection and documentation of past site expenditures from these localities meeting the GO Virginia eligibility criteria is impractical given the unique nature of this telecommunications infrastructure project. (DHCD Local Match Waiver Guidance_10.9.18)

During this staff work, a policy issue was raised regarding how to equitably share the local match among nine (9) localities and thirty-one (31) different sites. Another issue raised was the local match was *in-kind* from past expenditures and not needed to fund the current project. Each of the business sites to be served by the project has received sufficient local investment in the past to have the Virginia Economic Development Partnership identify these sites on its website for business recruitment.

5. Mid-Atlantic Broadband Communities Corporation will have exclusive ownership and operate this open-access fiber network. The network will be within the Virginia Department of Transportation right-of-way and not interior to any of the business sites. In the future, each locality will need to make capital investments to bring fiber service to the interior of each site.
6. The Virginia Telecommunications Initiative (VATI) grantees (Internet Service Providers and local governments) will benefit from this open-access middle mile project. The investment made by the Internet Service Providers and the local governments to receive VATI grants has not been accounted for in the GO Virginia local match requirement for the project.

The project is the first proposed middle-mile construction project for GO Virginia. This type of infrastructure is vitally needed for these thirty-one (31) businesses sites to have competitive advantage in today's business recruitment environment. While Policy #8 is appropriate and necessary, the GO Virginia State Board should revisit the policy to ensure similar middle-mile projects may not need to pursue such a waiver in the future.

We respectfully request the favorable consideration of our request for a waiver of the local match requirement as set forth in Policy #8. Thank you.

E. Randolph Lail, Chair
 GO Virginia Region 3 Council

Mark J. Hourigan, Chair
 GO Virginia Region 4 Council



Board Policy #8

TITLE: Use of GO Virginia Funds for Investments in Broadband

EFFECTIVE DATE: 12/10/2019

AUTHORITY: § 2.2-2486 - §2.2-2489 of the Code of Virginia

POLICY STATEMENT: It is the policy of the Virginia Growth and Opportunity Board that per capita and competitive funds may be used for projects supporting regional broadband planning efforts focused on private sector service provisions as localities prepare to use taxpayer dollars to incentivize private sector broadband infrastructure build out. The Board will require a 50% match on these awards (with no local match requirement) for regional broadband planning efforts given the exceptional economic opportunity of these projects.

Further, Virginia Growth and Opportunity per capita and competitive funds may be used for middle mile broadband infrastructure projects, including but not limited to fiber and conduit, which extend telecommunications networks, in partnership with the private sector, and focus on meeting the business needs of a community. The Board will consider future applications that leverage broadband deployment with digital literacy and internet relevance programming connected to business growth and expansion opportunities. Both of these funding opportunities should meet normal match requirements for per capita and competitive grants, \$1:1 total match (with 20% or minimum \$50,000 of this match required to be local match).

It is the policy of the Virginia Growth and Opportunity Board that shall not be used for broadband projects focused on providing residential broadband service to customers (also known as “last-mile”).

APPROVAL AND REVIEW: This Board policy was reviewed and approved on 12/9/2019.

SUPERSESSION: This revision includes technical amendments to Board Policy #8 approved 9/10/2019.

DHCD DIRECTOR: Erik Johnston