

VIRGINIA GROWTH AND OPPORTUNITY BOARD MEETING
February 13, 2018
7:30 AM
Richmond, Virginia

Members Present

Jennifer Boykin
Delegate M. Kirkland “Kirk” Cox
Ben J. Davenport, Jr.
The Honorable Jim Dyke
Heywood W. Fralin
Delegate S. Chris Jones
Doug Juanarena
Delegate Terry G. Kilgore
Delegate R. Steven Landes
The Honorable Aubrey Layne
The Honorable Esther Lee
The Honorable Atif Qarni
Bruce Smith
Todd A. Stottlemyer
Lucia Anna “Pia” Trigiani
Marilyn H. West
Joe Wilson
John O. “Dubby” Wynne

Members Absent

Nancy Howell Agee
Thomas F. Farrell II
Senator Janet D. Howell
Senator Thomas K. Norment
Senator Frank M. Ruff
Steven C. Smith

Call to Order

Mr. John “Duby” Wynne, Chairman of the Virginia Growth and Opportunity (GO Virginia) Board, called the meeting to order.

Roll Call

Ms. Elizabeth Rafferty, Policy and Legislative Director for the Department of Housing and Community Development (DHCD), called the roll and stated that a quorum was present. Mr. Doug Juanarena and Mr. Todd Stottlemyer were participating via electronic means from Jacksonville, Florida and the City of Falls Church, respectively, for personal matters.

Approval of Minutes

A motion was made to approve the minutes of the December 12, 2017, meeting of the Board. The motion was properly seconded and passed unanimously.

Public Comment

No comments were made by the public; the public comment period was then closed.

Per Capita Grant

Application Review

Mr. Erik Johnston, Director of DHCD, provided an overview of the applications received; stating, that six of the nine regions submitted applications with thirteen proposals for consideration

by the Board, five of which were resubmittals based on Board decisions at the December meeting.

There were two applications regarding commercialization and start up collaborations: Virginia Commonwealth University (VCU) Pharmaceutical Commercialization Accelerator from Region 4 and 757 Seed Fund from Region 5. These projects were resubmittals. Mr. Johnston explained how the resubmitted application by VCU Pharmaceutical Commercialization Accelerator project addressed the concerns raised by the Board in December and that staff recommended the resubmitted proposal for approval. Upon a motion duly made and seconded, the project was approved. Mr. Johnston explained how the resubmitted application by 757 Seed Fund addressed the concerns raised by the Board in December and that staff recommended the resubmitted proposal for approval. Upon a motion duly made and seconded, the project was approved.

There were four applications regarding credentialing and talent development: Talent Collaborative from Region 2, Great Opportunities in Technology and Engineering Careers (GO-TEC) from Region 3, Commonwealth Center for Advanced Manufacturing (CCAM) Apprentice Academy from Region 4, and Rockbridge Area Advanced Manufacturing Project (RAAMP) from Region 8. Mr. Johnston presented the Talent Collaborative project and stated that staff recommended the project for approval with contract execution contingent upon securing the minimum local match requirement. Upon a motion duly made and seconded, the project was approved with contract execution contingent upon securing the minimum local match requirement. Mr. Johnston presented the GO-TEC project and stated that staff recommended the project for approval. Upon a motion duly made and seconded, the project was approved. Mr. Johnston explained how the resubmitted application by the CCAM Apprentice Academy addressed the concerns raised by the Board in December and that staff recommended the resubmitted proposal for approval. Upon a motion duly made and seconded, the project was approved. Mr. Johnston explained how the resubmitted application by RAAMP addressed the concerns raised by the Board in December and that

staff recommended the resubmitted proposal for approval. Upon a motion duly made and seconded, the project was approved.

There were three project applications regarding infrastructure: Project Hollyleaf Site Grading and Wood Haven Road Water and Sewer Infrastructure, both from Region 2 and Hampton Roads Regional Unmanned Systems Facility from Region 5. Mr. Johnston presented the Hollyleaf Site Grading project and stated that staff recommended the project for approval. Upon a motion duly made and seconded, the project was approved. Mr. Johnston presented the Wood Haven Road Water and Sewer Infrastructure project and stated that staff recommended the project for approval. Upon a motion duly made and seconded, the project was approved. Mr. Johnston explained how the resubmitted application by the Hampton Roads Regional Unmanned Systems Facility addressed the concerns raised by the Board in December and that staff recommended the resubmitted proposal for approval. Upon a motion duly made and seconded, the project was approved.

Administrative Approval Policy

Mr. Johnston stated that in addition to the nine projects presented, there were four projects that were identified as enhanced capacity building, where applicants seek funds to validate the prioritized needs and opportunities from their Growth and Diversification plans. During the working group discussions, it was determined these requests were deemed to have merit but have deliverables focused on initial planning. Since these requests were small in nature but vital to future project development, staff recommended that these type of projects be allowed to move forward through a streamlined administrative approval process. This would allow for more flexibility in the use of per capita funding for the regions, which could seek administrative approval for all enhanced capacity building projects under \$100,000 with a cap of \$250,000 each fiscal year. This policy would still comply with all other code requirements of GO Virginia funding but would not require the local match. Projects would be submitted to DHCD upon approval by the regional council; after all documentation is submitted and verified by DHCD contracts could be initiated. Staff will present a summary of all administrative approvals granted in the interim between meetings. A motion was made and properly seconded to approve the administrative approval policy; the motion passed unanimously.

Healthcare Discussion	During the December Board meeting the Region 8 Nursing Opportunities application was deferred due to concerns around scholarships and the lack of out of state revenue generated by a Healthcare project. Based on discussions held with the State Board Chair and Vice Chair and with the Regional Chairs and Vice Chairs, Mr. Wynne invited the Chair of the Region 8 Council to submit a one-page summary of the Region's response to the Boards concerns, specifically those around projects in non-traded sectors. Mr. George Pace, Chairman of Regional Council 8 was invited to present his one-pager to the Board. After discussion, the Board agreed to defer the project because it did not meet the intent of GO Virginia funding and directed staff to coordinate with other state agencies to provide guidance on other sources of funding to aide in finding a solution to the Region's need.
VRIC Study	Mr. Mitch Horowitz from TEconomy Partners, LLC presented a study on behalf of the Virginia Research Investment Committee (VRIC) to assess the Commonwealth's research assets, including those at its public and private universities, federal research facilities, and private sector companies. This report was entitled an Assessment of Virginia's Research Assets: Strategic Directions to Advance Innovation-Led Growth and High-Quality Job Creation across the Commonwealth. Mr. Horowitz presented an overview and key findings of the study which included: Virginia has a sizeable base of innovation led technology competencies but has not been performing well in innovation-led development and that business as usual will not work. The report also included four strategic priorities: 1) pursue strategic growth opportunity areas, 2) strengthen university technology and transfer commercialization capacity, 3) bridge the disconnect between university research and Virginia-based company innovation, and 4) strengthen Virginia's regionally-based innovation capacities.
Board Matters	Chairman Wynne Stated his intention to give the Board an opportunity to discuss feedback from the regions at the next Board meeting. First, how do we encourage innovative projects and avoid preference for projects that are more mainstream. Second, the Board will discuss best practices for regions struggling to secure local government matching funds.

Mr. Johnston stated that the next application deadline is March 12, to include both per capita and competitive applications which will be presented at the Board meeting on April 10. Mr. Johnston proposed that going forward DHCD would accept per capita applications on a quarterly basis and competitive applications on a biannual basis. Mr. Johnston presented a timeline for the remainder of 2018 detailing application deadlines, working group review sessions, and board meetings. Based on the timeline presented the 2018 December Board meeting would be moved from December 11 to December 18.

Mr. Johnston also stated that there was a change in Regional Council leadership for Region 2. Marty Muscatello would be replacing Doug Juanarena due to his appointment to the state Board. A motion to approve the change was made and properly seconded; motion passed.

Adjournment

Upon a motion duly made and seconded, the meeting was adjourned.