



**REGIONAL COUNCIL 9**  
**MARCH 27, 2018**  
**2:30 PM to 4:30 PM**  
**Germonna Community College**  
**Daniel Technology Center, 18121 Technology Drive, Culpeper, Virginia**

- |   |                          |
|---|--------------------------|
| <b>I. Welcome &amp; Introductions</b>   | <b>Brian Cole, Chair</b> |
| <b>II. Public Comment</b>   | <b>Brian Cole</b>        |
| <b>III. Meeting Minutes – February 22, 2018</b>   | <b>Brian Cole</b>        |
| <b>IV. Financial Report</b>   | <b>Andy Wade</b>         |
| <b>V. Nomination Committee Formation</b>  | <b>Brian Cole</b>        |
| <b>VI. GO Virginia Chair Update</b>   | <b>Brian Cole</b>        |
| <b>VII. GO Virginia Update</b>  | <b>Shannon Holland</b>   |
| <b>VIII. Task Force Break Out Sessions</b>  | <b>Brian Cole</b>        |
| <ul style="list-style-type: none"><li>• Talent Development</li><li>• Growing Existing Businesses</li><li>• Startups/Innovation/Commercialization</li><li>• Sites</li></ul>  |                          |
| <b>IX. Task Force Report Out</b>  | <b>Brian Cole</b>        |
| <ul style="list-style-type: none"><li>• Talent Development</li><li>• Growing Existing Businesses</li><li>• Startups/Innovations/Commercialization</li><li>• Sites</li></ul> |                          |
| <b>X. Other Business</b>  | <b>Brian Cole</b>        |
| <b>XI. Next Meeting</b>   | <b>Brian Cole</b>        |
| <ul style="list-style-type: none"><li>• May 8, 2018</li><li>• UVA Research Park, 1001 Research Park Blvd, 4<sup>th</sup> Floor Conference Room</li></ul>                    |                          |
| <b>XIII. Adjourn</b>  | <b>Brian Cole</b>        |





**REGIONAL COUNCIL 9  
PIEDMONT OPPORTUNITY CORRIDOR  
FEBRUARY 22, 2018  
9:30 AM to 11:30 AM  
UVA Research Park, Town Center Two, 4<sup>th</sup> Floor Conference Room  
1001 Research Park Blvd, Charlottesville**

**Attendees**

**Council Members:** Brian Cole, Lexis Nexis (Chair); Tom Click, Patriot Aluminum (Vice Chair); Suzanne Brooks, Pepsi-Cola Bottling Company; Jim Cheng, Cav Angels; Bryan David, Orange County; Leigh Middleditch, McGuireWoods; Steve Ray, Piedmont Workforce Network; Ed Scott, EcoSeptix Alliance; Ed Dalrymple, Cedar Mountain Stone; Elizabeth Smith, Afton Mountain Vineyards; Andy Wade, Louisa County; Patrick Mauney, Rappahannock-Rapidan Regional Commission; Pace Lochte, University of Virginia; Frank Friedman, Piedmont Virginia Community College; Chip Boyles, Thomas Jefferson Planning District Commission; and, Miles Friedman, Fauquier County

**Absent:** Fitzgerald Barnes, Louisa County; Gary Deal, Culpeper County; and Steven De Jong, Lohmann Corporation David Pettit, Lenhart Pettit; Steve Carter, Nelson County; Jan Gullickson, Germanna Community College; and, Ray Knott, Union Bank & Trust

**Guests:** Denise A. Talley, Germanna Community College for Jan Gullickson; Katie Bush, ECS, Inc.

**Staff:** Helen Cauthen, Julia Skare, Shannon Holland

**I. Welcome & Introductions**

Brian Cole, Chair, opened the meeting at 9:34 A.M.

**II. Public Comment**

There were no public comments.

**III. Meeting Minutes**

*Suzanne Brooks made a motion to approve the January 3, 2018, Minutes as provided. The motion was seconded by Ed Dalrymple. The motion carried.*

**IV. Financial Report**

Andy Wade presented the Financials through December 2017. Andy noted that on the Statement of Income & Expense the Other Administrative costs are low at 28%. GO Virginia hasn't paid its portion of a recent audit. In addition, other expenses such as insurance come up at the end of the fiscal year. Also, Direct Salaries are at 62% and that number will accelerate because Shannon came on full time on November 1, 2017 while the report is through December

2017. Helen pointed out that DHCD has yet to transfer the \$21,554 from Type 2 Contractual to Direct Salaries, as approved by the Council and requested by staff.

***Miles Friedman made a motion to approve the Financials as presented. Steve Ray seconded the motion. The motion carried.***

**V. GO Virginia Chair Update**

Brian Cole noted that he and Tom Click participated in a GO Virginia Chair/Vice Chair conference call that included other Regions and Dubby Wynne, State Board Chair. The calls are an effort to open a feedback loop between the State Board and Region Councils. During the call a suggestion was made to allow regional representatives a window of time to speak with State project reviewers to ensure all questions are answered. The Board has since incorporated that suggestion into the review process. The next Chair/Vice Chair call is March 28 at 10 am.

Brian shared that a new State Board Policy allows Enhanced Capacity Grants to be approved by Region Councils with DHCD staff through a compressed application process. These enhanced capacity projects cannot be more than \$100,000 each and each region is limited to a total of \$250,000 in enhanced capacity grants. The 1 to 1 match is still required, but the minimum locality contribution is not.

A discussion about GO Virginia funding in the State Budget developed around advocacy for regional capacity funds. Ed Dalrymple asked whether we should support the House version or the Senate version of the GO Virginia budget before it moves into conferee stage. Shannon will forward all emails related to these topics to the Council, as they come in, and get answers for Ed.

Brian shared that DHCD staff just advised that support organizations can add up to 8% of the GO Virginia funding request to a proposal for administrative costs. Such administrative costs must be included in the match amount and be approved by Council. Due to the level of admin, reporting and oversight required, staff recommends proposals include this 8% amount. The proposal that will be reviewed today is requesting \$226,300. So, at 8%, an additional \$18,104 would be added to the request to the state. In this case, the match in place meets the required 1 to 1.

**VI. Task Force Break Out Sessions**

Brian asked members to break out into Task Force Groups. Talent Development and Growing Existing Businesses will meet together today to develop a recommendation for the submitted proposal for GWC Piedmont Technical Education Center.

**VII. Task Force Report Out & Proposal Recommendation**

**Talent Development & Growing Existing Businesses:** Frank Friedman, Steve Ray, Brian Cole, Ed Dalrymple, Bryan David, Ed Scott, Suzanne Brooks, and Denise Talley (for Jan Gullickson). A discussion arose regarding who and when someone should recuse themselves from voting or making a proposal recommendation to the Council. It was agreed that it is best if those without any potential conflicts should make a motion to the Council to support a project or not support a project. Andy Wade suggested that the Council seek Letters of Support or a Resolution from the remaining counties in the Region to strengthen the proposal even more. Shannon and Helen said they would work on this before the state deadline of March 12<sup>th</sup>. Ed Dalrymple said that the machine donated by DMG Mori will only be the second machine donated in the US. Miles Friedman indicated that Fauquier County was very happy about the regional partnership and

had matched with a \$15,000 commitment. Finally, Bryan David commented that he felt the project aligned well with the plan, was a tangible project with a lot of commitment from industry and demonstrated a pipeline of workers to attract industry. If project is approved at April 10<sup>th</sup> Board Meeting, it may be possible to do a GO Virginia presentation when Dr. Mori of AG Mori is in Culpeper. Ed Dalrymple will let us know the date of his visit.

***Suzanne Brooks made a motion to approve the GWC Piedmont Technical Education Center proposal as submitted; and allow staff to make editorial changes that will make most of its competitive position and that do not affect proposal substance; also, allow staff to increase request by 8% for Admin. Ed Scott seconded the motion. The motion carried.***

**Startups/Innovations/Commercialization:** Jim Cheng, Leigh Middleditch, Elizabeth Smith, Pace Lochte, Tom Click and Miles Friedman. Jim Cheng reported that he and Shannon had a meeting with a potential project lead yesterday. This project would either be Inter-Regional, Regional or Enhanced Capacity. Pace reported that UVA had recently held an Industrial Hemp meeting and that based on findings and support from Economic Developers, they may be pursuing an Enhanced Capacity Grant to research a potential new industry for Virginia. Andy Wade and Pace are attending the Industrial Hemp Summit in Danville, VA in early March.

**Sites:** Andy Wade, Patrick Mauney, and Chip Boyles. Andy updated the group on the Mega-Site project that has VEDP support. When VEDP provides additional data to support the project, Andy will be visiting more surrounding counties to develop a proposal. They are trying to reach the April 3<sup>rd</sup> Deadline. Bryan David noted that the project had a fantastic workforce draw, interstate access, and utilities, including gas, bookends of two state research institutions. For now the industry targets are chemical and plastic.

**VIII. Per Capita Project Application Review**

Brian asked for any feedback to improve the Region 9 Grant Review Process. He shared that one person had expressed a concern about being able to review many applications in a short time frame, if that might occur. No additional concerns or feedback were provided.

**IX. GO Virginia Update**

Shannon thanked Tom Click and Pace Lochte for hosting the Patriot Aluminum tour. Ed Dalrymple attended along with two faculty from Darden. Shannon shared a list of new State Board Deadlines and suggested a Region 9 Deadline of May 30<sup>th</sup> ahead of the newly released State Board Deadlines of July 13<sup>th</sup>.

***Pace Lochte made a motion to approve the deadline of May 30. Miles Friedman seconded the motion. The motion carried.***

Shannon shared clarification from DHCD that even though GO Virginia funds are in non-reverting funds, it is a best practice to spend funds down and not carry them over. Brian indicated he was clear with Dubby Wynne and others about the “cadence” of the Council’s work. Shannon then noted that waiver requirements had also been clarified. Projects can apply for a match waiver, but State Board expects that every effort to obtain a waiver had been made and documented. A discussion ensued about the perception that policies are changing mid-stream and contributing to difficulties in pulling projects together. Helen said she plans on writing a letter to the new DHCD Director, Erik Johnston, about this issues. It was also discussed that Helen would be reaching out to County Administrators to try and budget amounts for GO Virginia in the coming year so that obtaining a match is more feasible. Jim Cheng recommended we attempt to give them an estimated dollar amount to set aside. Also based on Jim’s

suggestion, Shannon will explore obtaining copies of specific proposals approved by the State through FOIA.

**X. Other Business**

Brian indicated that Steven de Jong has resigned from the Council for personal reasons and that the Council needs to identify a replacement, per the By Laws. He was serving a two-year term At-Large. It was suggested that David Pettit who was not present would be the best person to offer guidance on this matter, since he wrote the By Laws. So, Brian directed Helen and Shannon to reach out to David to guide how the nomination process should unfold. Miles also updated the Council to expect a Cybersecurity proposal from all community colleges in the region with Adam Hastings at PVCC taking the lead. VCCS will also be participating. Brian invited anyone who is interested to travel down to Suite #301 downstairs to see the Partnerships new offices.

**XI. Next Meeting**

Tuesday, March 27, 2018, 2:30 pm to 4:30 pm, Germanna Community College

**XII. Adjourn**

Brian Cole adjourned the meeting at 11:19 A.M.

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GO Virginia  
Statement of Financial Position  
As of January 31, 2018

	<u>Jan 31, 18</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
11200 · GO VA Operating Account - Union	24,792.63
<b>Total Checking/Savings</b>	<u>24,792.63</u>
<b>Accounts Receivable</b>	
11000 · Accounts Receivable	50,373.10
<b>Total Accounts Receivable</b>	<u>50,373.10</u>
<b>Total Current Assets</b>	<u>75,165.73</u>
<b>TOTAL ASSETS</b>	<u><b>75,165.73</b></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20004 · Due to CVPED	75,165.73
<b>Total Accounts Payable</b>	<u>75,165.73</u>
<b>Total Current Liabilities</b>	<u>75,165.73</u>
<b>Total Liabilities</b>	75,165.73
<b>Equity</b>	
32000 · Unrestricted Net Assets	-436.03
Net Income	436.03
<b>Total Equity</b>	<u>0.00</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><b>75,165.73</b></u>

**GO Virginia**  
**Statement of Income and Expense**  
**April 2017 through January 2018**

	Apr '17 - Jan 18	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
40450 · State Grant	324,329.13	400,000.00	-75,670.87	81.1%
<b>Total Income</b>	324,329.13	400,000.00	-75,670.87	81.1%
<b>Expense</b>				
01150 · Administrative Salaries & Wages	4,643.46	12,914.16	-8,270.70	36.0%
01160 · Administrative Fringe Benefits	802.33	2,527.40	-1,725.07	31.7%
52100 · Other Administrative Costs				
01535 · Building Rentals	4,976.62			
01217 · Telephone and Communications	384.79			
01250 · General Administration				
01242 · Fiscal Software	819.60			
02263 · Copier Lease	585.45			
01250 · General Administration - Other	898.41			
<b>Total 01250 · General Administration</b>	2,303.46			
52100 · Other Administrative Costs - Other	0.00	23,371.92	-23,371.92	0.0%
<b>Total 52100 · Other Administrative Costs</b>	7,664.87	23,371.92	-15,707.05	32.8%
01100 · Direct Salaries, Wages, & Bene				
01111 · Retirement - Safe Harbor	0.00			
01112 · FICA	0.00			
01118 · Retirement - Match	0.00			
01119 · Retirement - Profit Share	0.00			
01124 · Medicare	0.00			
01141 · Wages	0.00			
01555 · Workers Comp	0.00			
01100 · Direct Salaries, Wages, & Bene - Other	46,297.55	81,016.52	-34,718.97	57.1%
<b>Total 01100 · Direct Salaries, Wages, &amp; Bene</b>	46,297.55	81,016.52	-34,718.97	57.1%
53403 · Meetings and Training Workshops	3,833.74	10,000.00	-6,166.26	38.3%
53402 · Marketing and Outreach	470.34	9,500.00	-9,029.66	5.0%
52405 · Consulting and Contract Service				
53401 · Growth and Dev Plan Development	249,170.00	249,170.00	0.00	100.0%
52406 · Type 2 Contract/Consultant	11,446.84	11,500.00	-53.16	99.5%
<b>Total 52405 · Consulting and Contract Service</b>	260,616.84	260,670.00	-53.16	100.0%
53404 · Project Reserves	0.00	0.00	0.00	0.0%
<b>Total Expense</b>	324,329.13	400,000.00	-75,670.87	81.1%
<b>Net Income</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

**COMMONWEALTH OF VIRGINIA  
GO VIRGINIA PER CAPITA ALLOCATION GRANT CONTRACT  
NUMBER 17-GOVA-09**

THIS AGREEMENT by and between the COMMONWEALTH OF VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (hereinafter called "DHCD"), REGIONAL COUNCIL NINE and CENTRAL VIRGINIA PARTNERSHIP FOR ECONOMIC DEVELOPMENT (hereinafter called "GRANTEE"), WITNESSETH THAT:

WHEREAS, DHCD has been authorized by the Governor of the Commonwealth of Virginia to distribute and administer grants of the Virginia Growth and Opportunity Act (hereinafter called "GO VIRGINIA") and the Appropriation Act of the Commonwealth of Virginia for the 2016-2018 Biennium, as amended; and

WHEREAS, the Growth and Opportunity Board (hereinafter referred to as the "BOARD") has been authorized by the Governor of the Commonwealth of Virginia to establish guidelines for grants under the terms of the Virginia Growth and Opportunity Act; and

WHEREAS, the GRANTEE has been authorized to secure financial support from DHCD on behalf of REGIONAL COUNCIL NINE under the terms of the Virginia Growth and Opportunity Act; and

WHEREAS, PROJECT(S) as described in GO VIRGINIA Per Capita Allocation Grant APPLICATIONS submitted by the GRANTEE have qualified for funding on the basis of the GO VIRGINIA Grant Scoring Guidelines as established by DHCD and the BOARD;

**NOW, THEREFORE**, the parties hereto mutually agree as follows:

**COMPENSATION**

1. DHCD agrees to award the GRANTEE one or more GO VIRGINIA Per Capita Allocation Grants for the amount of allowable, eligible costs associated with the completion of the scope(s) of the work described in the ADDENDUM(s) to this AGREEMENT, but not to exceed a total of **\$796,302.00 (seven hundred and ninety-six thousand, three hundred and two dollars)**.
2. The GRANTEE and SUBGRANTEE(S) shall not obligate, encumber, spend or otherwise utilize GO VIRGINIA Per Capita Allocation Grant funding for any activity or purpose not included or not in conformance with the budget as apportioned and as described in the PROJECT ADDENDUM(S) unless the GRANTEE has received explicit approval by WRITTEN NOTICE from DHCD to undertake such actions.

3. No costs incurred prior to the execution of this AGREEMENT and PROJECT ADDENDUM(S) shall be eligible for reimbursement with GO VIRGINIA Per Capita Allocation Grant funds.
4. The GRANTEE will use the lesser of (1) the amount specified in the PROJECT ADDENDUM(S), or (2) if, at project completion, there are cost under-runs or project savings, these costs shall revert to DHCD.

#### METHOD OF PAYMENT

5. Requests for payment shall be completed through the “Remittance” function in DHCD’s CAMS (Centralized Application and Management System). Along with the request for payment, GRANTEE shall furnish documentation of reimbursable expenditures (such as invoices, cancelled checks, source documents, etc.). GRANTEE shall also provide documentation of match expenditure with the reimbursement request. DCHD shall process requests for payment within fifteen (15) days. Where invoices are not paid by the GRANTEE in advance of the remittance, funds shall then be immediately disbursed upon receipt of funds.
6. Final requests for the funds must be made no later than **24 MONTHS** from the project start dates outlined in the PROJECT ADDENDUM(S). Funds not expended by those dates may be subject to re-appropriation, unless the GRANTEE has received explicit approval by WRITTEN NOTICE from DHCD to extend this AGREEMENT.

**Deleted:** Matching funds shall be expended prior to or in proportion to GO VIRGINIA Per Capita Allocation Grant funds within the PROJECT budget. The final disbursement may not be processed if GRANTEE’s matching funds obligation has not been fulfilled. ¶

#### SCOPE OF WORK

7. The GRANTEE and any SUBGRANTEE(S) identified for the undertaking of all or part of the scope of work will commence, carry out and complete the scope of work for each project, beginning on the start date outlined in the PROJECT ADDENDUM(s), as described in the GRANTEE’s GO VIRGINIA Per Capita Allocation Grant APPLICATION(S) submitted to DHCD in CAMS, and any subsequent, approved, written amendments to the APPLICATION(S), which are made a part of this AGREEMENT.
8. The GRANTEE and SUBGRANTEE(S) shall complete the scope of work for each project by the date specified in the PROJECT ADDENDUM(S), but no later than 24 MONTHS after the execution of the PROJECT ADDENDUM(S).
9. The GRANTEE shall remain fully obligated under the provisions of this AGREEMENT notwithstanding its designation of any subsequent or third parties SUBGRANTEE(S) identified for the undertaking of all or part of the scope of work for which the GO VIRGINIA Per Capita Grant funds are being provided to the GRANTEE. Any SUBGRANTEE or CONTRACTOR which is not the GRANTEE shall comply with all the lawful requirements of the GRANTEE necessary to ensure

that the PROJECT(S) for which this assistance is being provided under this AGREEMENT is carried out in accordance with this AGREEMENT.

10. Should SPECIAL CONDITIONS to this AGREEMENT require additional action before proceeding with the ACTIVITY(S), the GRANTEE will initiate action relative to removal of those SPECIAL CONDITIONS beginning with the execution of this AGREEMENT and PROJECT ADDENDUM(S).
11. DHCD agrees to provide the GRANTEE and SUBGRANTEE(S) with technical assistance in setting up and carrying out the administration of the PROJECT(S) and tracking PERFORMANCE METRICS as outlined in the APPLICATION(S) as submitted and outlined in the PROJECT ADDENDUM(S).
12. REGIONAL COUNCIL NINE shall conduct regular progress meetings to assess project performance per the MILESTONES as outlined in the APPLICATION(S) as submitted and outlined in the PROJECT ADDENDUM(S). The minutes and records of these meetings shall be kept in the PROJECT files.
13. DHCD and the BOARD reserve the right to end funding for any PROJECT(S) at any point should the project prove nonviable. This includes, but may not be limited to, lack of progress in conformance with the approved project APPLICATION(S).
14. GRANTEE and any SUBGRANTEE(S) shall comply with the following as they relate to this AGREEMENT and PROJECT ADDENDUM(S):
  - A. Freedom of Information Act (FOIA);
  - B. Virginia Conflict of Interest Act (COIA);
  - C. Virginia Fair Employment Contracting Act;
  - D. Virginia Public Procurement Act (VPPA);
  - E. Americans with Disabilities Act (ADA); and
  - F. Title VI of the Civil Rights Act of 1964 (24 CFR Part 1).

## **FINANCIAL REQUIREMENTS**

15. GRANTEE agrees to submit a quarterly financial report to DHCD in CAMS. The GRANTEE shall use the "GO Virginia Project Quarterly Financial Report" template to submit the financial report in the "Reports & Communications" tab for each PROJECT. DHCD may share copies of the report with interested parties identified by the State.
16. GRANTEE agrees to submit a final financial report to DHCD in CAMS. The GRANTEE shall use the "GO Virginia Project Quarterly Financial Report" template to submit the closeout financial report in the "Reports & Communications" tab for the project. DHCD may share copies of the report with interested parties identified by the State.

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- 17.** DHCD, at its discretion, may require additional reports. If reports are not submitted in a timely manner, DHCD reserves the right to withhold payment requests until such reports are submitted.
- 18.** DHCD shall monitor the GRANTEE as least once during the period covered by this AGREEMENT. DHCD may schedule additional monitoring visits as considered necessary. At any time during this AGREEMENT period, DHCD may request and shall be provided copies of any documents pertaining to the use of Program funds.
- 19.** Any professional services must be procured in accordance with the Virginia Public Procurement Act (VPPA). The GRANTEE shall submit any contracts obligating GO VIRGINIA funds for review prior to any contract being executed. The GRANTEE also shall submit documentation to detail that procurement requirements have been met, prior to any execution of contracts.
- 20.** DHCD reserves the right to request and receive additional documentation pertaining to non-professional service or other contracts obligating GO VIRGINIA funds prior to approving drawdown requests.

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**AUDIT REQUIREMENTS**

21. Per the DHCD Audit Policy, any other organization that receives funding during a program year and/or has a project(s) in progress is required to submit financial statements to DHCD. Required statements are as followed: Financial Statement(s)\*\*; Reviewed Financial Statement(s) prepared by an Independent Certified Public Accountant (CPA), Financial Statement(s) that have been audited by an Independent CPA or an audit required by the Code of Federal Regulations (CFR), (2 CFR 200 Subpart F), audited by an independent CPA. The table below outlines the minimum requirements.

<b>Threshold Requirement</b>	<b>Document</b>
Total annual expenditures > \$100,000 (Regardless of source)	Financial Statement(s) prepared by organization**
Total annual expenditures between \$100,001 and \$299,000 (Regardless of source)	Reviewed Financial Statement(s) prepared by an Independent Certified Public Accountant (CPA)
Total annual expenditures > \$300,000 (Regardless of source)	Financial Statement(s) that have been audited by an Independent CPA
Federal expenditures ≥ \$750,000	2 CFR 200 Subpart F Audit that has been audited by an Independent CPA

22. Required financial statements must be submitted yearly, within nine (9) months after the end of your fiscal year or 30 (thirty) days after it has been accepted (reviewed financial statement(s), audited financial statements, and 2 CFR 200 Subpart F audit only) - whichever comes first. Entities must electronically submit their financial statement(s) in DHCD’s Centralized Application and Management System (CAMS). Entities are required to have a DHCD reviewed and approved current audit or reviewed financial statement(s) in order to submit a remittance request.

**TERMINATION, SUSPENSION, CONDITIONS -**

23. **FOR CAUSE** - If through any case, the GRANTEE or DHCD fails to comply with the terms, conditions or requirements of the CONTRACT DOCUMENTS the other party may terminate or suspend this AGREEMENT by giving WRITTEN NOTICE of the same and specifying the effective date of termination or suspension at least five (5) days prior to such action.

If, after the effective date of any suspension of this AGREEMENT, it is mutually agreeable to DHCD and the GRANTEE upon remedy of any contract violation by the GRANTEE or DHCD, the suspension may be lifted and this AGREEMENT shall be in full force and effect at a specified date after the parties have exchanged WRITTEN NOTICES stating a mutual understanding that the cause for suspension has been identified, agreed to and remedied.

In the case of contract violations by the GRANTEE, DHCD may impose conditions other than termination or suspension which are appropriate to ensure proper grant and project administration and adherence to the terms of the CONTRACT DOCUMENTS. Such conditions must be imposed through WRITTEN NOTICE.

**24. FOR CONVENIENCE** - DHCD may terminate this AGREEMENT, FOR CONVENIENCE, in the event that DHCD is no longer authorized as an agency to administer GO VIRGINIA or if the funds allocated are no longer available.

The GRANTEE may terminate this AGREEMENT for convenience at any time provided that all of the following conditions are met:

- i. The GRANTEE gives DHCD ten (10) days WRITTEN NOTICE; and
- ii. The ACTIVITY(S) which have been initiated either have been completed and may be utilized in their stage of completion in a manner consistent with the objectives in the GRANTEE'S PROJECT APPLICATION, or will be completed by the GRANTEE through its own or other resources; and
- iii. The GRANTEE had honored or will honor all contractual obligations to third parties affected by GO VIRGINIA Per Capita Allocation Grant funding; and
- iv. DHCD agrees to the termination.

A GRANTEE'S valid termination for convenience in accordance with these CONTRACT DOCUMENTS shall not affect nor prejudice the GRANTEE'S future relationship with DHCD nor its future consideration as a GO VIRGINIA recipient.

#### **REQUEST FOR INFORMATION**

**25.** The GRANTEE shall furnish, regularly and in such form as DHCD may require, reports concerning the status of any PROJECT activities and grant funds. Such reports shall be submitted in the form and manner as prescribed herein and in WRITTEN NOTICES from DHCD.

**26.** The GRANTEE shall maintain all records related to GO VIRGINIA grant funds. Records shall be readily accessible to DHCD, appropriate State agencies, and the general public during the course of the project and shall remain intact and accessible for three years from final closeout. Except if any litigation claims or audit is started before the expiration of the three year period the records shall be retained until such action is resolved. Notwithstanding, records of any nonexpendable property must be retained for a three year period following final disposition.

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**27.** WRITTEN NOTICES shall constitute the only means of binding statements of fact or condition between the parties of this agreement. All required reports and requests to be issued by the GRANTEE or SUBGRANTEE(S) must be made by way of a WRITTEN NOTICE unless other means are specified in the CONTRACT DOCUMENTS. The GRANTEE shall act upon and respond to WRITTEN NOTICES promptly as directed.

**28.** The term CONTRACT DOCUMENTS means the following documents which are a part of this AGREEMENT and are incorporated by reference herein as if set out in full:

- A. AGREEMENT;
- B. PROJECT ADDENDUM(S);
- C. GO VIRGINIA PER CAPITA ALLOCATION GRANT APPLICATION(S);
- D. GO VIRGINIA PROJECT QUARTERLY FINANCIAL REPORT(S).

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In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized official this AGREEMENT.

COMMONWEALTH OF VIRGINIA  
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Erik C. Johnston, Director

GRANTEE

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Helen Cauthen, President, Central Virginia Partnership for Economic Development

REGIONAL COUNCIL NINE

BY: \_\_\_\_\_ DATE: \_\_\_\_\_  
Brian Cole, Chair, GO Virginia Region 9 Council

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**COMMONWEALTH OF VIRGINIA  
GO VIRGINIA PER CAPITA ALLOCATION GRANT CONTRACT  
NUMBER 17-GOVA-05  
ADDENDUM A**

THIS ADDENDUM by and between the COMMONWEALTH OF VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (herein called "DHCD"), REGIONAL COUNCIL FIVE, REINVENT HAMPTON ROADS (herein called "GRANTEE"), and VIRGINIA MODELING, ANALYSIS & SIMULATION CENTER at OLD DOMINION UNIVERSITY ("VMASC", herein called "SUBGRANTEE"), WITNESSETH THAT:

WHEREAS, the GRANTEE has been authorized to secure financial support from DHCD on behalf of REGIONAL COUNCIL FIVE under the terms of the Virginia Growth and Opportunity Act; and

WHEREAS, "Virginia Digital Shipbuilding Workforce Program" as described in the GO VIRGINIA Per Capita Allocation Grant APPLICATION submitted by GRANTEE on behalf of SUBGRANTEE has qualified for funding on the basis of the GO VIRGINIA Grant Scoring Guidelines as established by DHCD and the Growth and Opportunity Board (hereinafter referred to as the "BOARD"); and

WHEREAS, DHCD entered into an AGREEMENT with GRANTEE as the fiduciary recipient of GO VIRGINIA Per Capita Allocation Grants on behalf of REGIONAL COUNCIL FIVE; and

WHEREAS, the AGREEMENT obligated GRANTEE and SUBGRANTEE to specific requirements and procedure relating to the completion of the scope of work outlined below and the reporting of project financials and outcomes;

**NOW, THEREFORE**, the parties hereto mutually agree as follows:

**SCOPE OF WORK**

1. GRANTEE and SUBGRANTEE will commence, carry out and complete this scope of work, beginning on **February 21, 2018**, as described in the GRANTEE's GO VIRGINIA Per Capita Allocation Grant APPLICATION submitted to DHCD in CAMS, and any subsequent, approved, written amendments to the APPLICATION, which are made a part of this AGREEMENT. GRANTEE and SUBGRANTEE(S) shall complete the scope of work as described in the CONTRACT DOCUMENTS, on or before **February 20, 2020**.
2. DHCD agrees to award the GRANTEE a GO VIRGINIA Per Capita Allocation Grant for the amount of allowable, eligible costs associated with the completion of the scope of the work describe in this ADDENDUM(s), but not to exceed a total first year funding of **\$647,540 (six hundred and forty-seven thousand, five hundred and forty dollars)**. Subsequent funding applications for this project, if any, must be submitted to and approved by REGIONAL COUNCIL FIVE and the BOARD.

3. Non-State sources of matching funds of at least \$1 dollar for every dollar awarded are required for the use of GO VIRGINIA Per Capita Allocation Grant funds, unless otherwise waived by the BOARD. A total match of **\$3,754,000 (three million, seven hundred and fifty-four thousand dollars)** in matching funds over two years is committed to this project by GRANTEE on behalf of SUBGRANTEE (\$504,000), SIEMENS (\$2,400,000), and Huntington Ingalls Industries- Newport News Shipbuilding and Apprentice School (HII-NNS and NNS-AS, \$800,000). Also included in the above total match is a local match of **\$50,000 (fifty thousand dollars)** committed by SUBGRANTEE on behalf of the Cities of Newport News and Hampton (\$25,000 per locality over a period of two years).
4. DHCD understands that the SUBGRANTEE may seek additional GO Virginia funding from REGIONAL COUNCIL FIVE for this project, and the \$3,106,460 in matching funds (including \$25,000 in local match) secured beyond the \$1:1 match requirement may contribute toward match for subsequent funding for this project, as approved by the BOARD.
5. The SCOPE OF WORK below reflects METRICS and PRODUCTS that may occur beyond the MILESTONES listed in this ADDENDUM, but no later than **February 12, 2020**. DHCD understands that the SUBGRANTEE may seek additional GO Virginia funding from REGIONAL COUNCIL FIVE for this project and the same METRICS AND PRODUCTS may apply that the SCOPE OF WORK for subsequent funding.

**PROJECT TITLE:** Virginia Digital Shipbuilding Program (VDSP)

**ACTIVITIES:**

1. **Virginia Digital Shipbuilding Program:** Development of a digital shipbuilding curriculum to upskill the current shipbuilding workforce and equip future workforce for advanced manufacturing jobs regionally and statewide.

**MILESTONES:**

- **February 2018:**
  - Establish Digital Shipbuilding Advisory Board consisting of representatives from industry, government, and academia and begin regular meeting schedule.
- **March 2018:**
  - Digital Shipbuilding website launch
  - Ongoing outreach efforts at conferences and industry forums to promote Digital Shipbuilding.
- **July 2018:**
  - Grand Opening of Digital Shipbuilding Co-Lab
  - Ongoing outreach and demonstrations for Digital Shipbuilding Co-Lab

- **June 2018:**
  - Commencement of Digital Shipbuilder Internship Programs
  - Commencement of “Future Digital Shipbuilders” Ambassador Program later
- **December 2018:**
  - Completion of Digital Shipbuilding post-secondary curriculum development and skills identification.

**METRICS:**

- **Virginia Digital Shipbuilding Program**
  - a. # of businesses, organizations, local governments, school districts, community colleges, and 4-year institutions engaged with VDSP initiatives
  - b. # of VDSP credentials awarded
  - c. # of institutions adopting VDSP curriculum
  - d. # of VDSP Co-Lab demonstrations and experiments conducted
  - e. # of VDSP certified employees
  - f. # of interns and ambassadors participating the VDSP programs

**PRODUCTS:**

- VDSP Website
- Digital Shipbuilding Advisory Board
- Post-Secondary Curriculum
- Internship Program and Participants
- Ambassador Program and Participants

**BUDGET:** Sources & Uses Document Attached.

**SUBGRANTEE**

BY:  DATE: 2/22/18

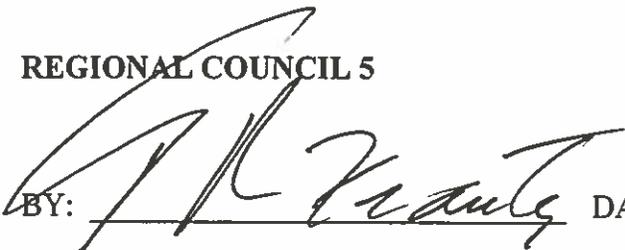
Morris Foster, Vice President for Research, VMASC at Old Dominion University

**GRANTEE**

BY:  DATE: FEBRUARY 20, 2018

James Spore, President and CEO, Reinvent Hampton Roads

**REGIONAL COUNCIL 5**

BY:  DATE: 2-20-18

Thomas Frantz, Chair, GO Virginia Region 5 Council

**VIRGINIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT**

BY:  DATE: 2/28/18

Erik Johnston, Director

# GO Virginia Regional Council COIA Guidance

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## Purpose

The purpose of this guidance is to assist Regional Council's wishing to adopt a policy in relation to the Conflict of Interest Act (COIA). Currently, Regional Council members are only subject to the online training required by the COIA Council and not subject to the State and Local Statement of Economic Interests filing. One goal of the Regional Councils is to encourage collaboration among localities, the education sector, and the private sector. With projects being brought forth at the regional level, along with Council representation at the regional level, there will be times when individuals may need to recuse themselves from reviewing or voting on a project to be submitted to the state Board. The proposed policy below outlines when such recusal would be appropriate.

## Model Policy

The Conflict of Interest Act is set out to prevent situations in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity. Therefore, abstention from project reviews and approvals may only be appropriate if the member of the Regional Council was to derive a direct personal benefit, i.e. a Regional Council member's company is a partner in a project that would increase the company's revenue. However, local government representatives whose localities are partners would not need to recuse themselves since they would have no personal benefit from the project and are already subject to COIA in their official roles.

## Statement of Economic Interest

Since it is not required by the COIA Council for Regional Council members to file the State and Local Statement of Economic Interests, the Department of Housing and Community Development (DHCD) does not advise that the Regions create their own statement of economic interest form. However, if a Regional Council feels strongly otherwise, DHCD would recommend it model its form based on the COIA Council's State and Local Statement of Economic Interests.





## Board Policy #2

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**TITLE:** Administrative Approval Process for Grants under \$100,000 from Regional Per Capita Grant Allocations

**EFFECTIVE DATE:** 02/13/18

**AUTHORITY:** § 2.2-2486 - §2.2-2487 of the Code of Virginia

**POLICY STATEMENT:** It is the policy of the Virginia Growth and Opportunity Board that each Regional Council will have the option to receive administrative approval for up to \$250,000 of its Regional Per Capita grant funds each fiscal year with a limit of \$100,000 per project.

To receive administrative approval, the Regional Council must submit an enhanced capacity building request for administrative approval to DHCD. The request must include the project application approved by the Regional Council, a description of why the project is a priority for the Regional Council, and why it aligns with the Region's Economic Growth and Diversification Plan. The request must also demonstrate at least two participating localities and a 1:1 match. There is not a local match requirement for these projects. GO Virginia staff at DHCD must receive appropriate documentation and give administrative approval to the project before funding can be committed. DHCD will monitor project outcomes determined during contract negotiations. At each Board meeting, staff will present a summary of all administrative approvals granted during the interim between meetings.

**APPROVAL AND REVIEW:** This Board policy was reviewed and approved on 02/13/2018.

**SUPERSESSION:** This Board policy is new.

**DHCD DIRECTOR:** Erik Johnston



## REQUEST FOR ADMINISTRATIVE APPROVAL

REGION:

SUPPORT ORGANIZATION:

APPLICATION QUESTIONS:

1. Please list the participating localities (a minimum of 2 is required).
2. Please use the Budget Overview: Sources & Uses Template to provide the project budget and demonstrate that you have the required 1:1 match for the project.
3. Please provide a brief summary of the project.
4. Please describe why this project is a priority for the Regional Council.
5. Please describe how this project aligns with the Region's Economic Growth and Diversification Plan.

REQUIRED ATTACHMENTS:

1. Project Application to Regional Council
2. Letter from Regional Council Chairman stating support of the request
3. Budget Overview: Sources & Uses Template