



FY 2021

YEAR END REPORT ON GROWTH PLAN IMPLEMENTATION

Region 9 Council

Annual Report

June 29, 2021

CONTENTS

- Introduction
- Projects Awarded
- Project Descriptions
- Advancing the Growth Plan (2019)
- Funding Dashboard
- Collaboration
- Higher Paying jobs
- Pipeline
- Outreach
- Region 9 Council Members

INTRO

This report is prepared annually for the GO Virginia Region 9 Council (Council) to review at the Region 9 Annual Meeting in June of each year.

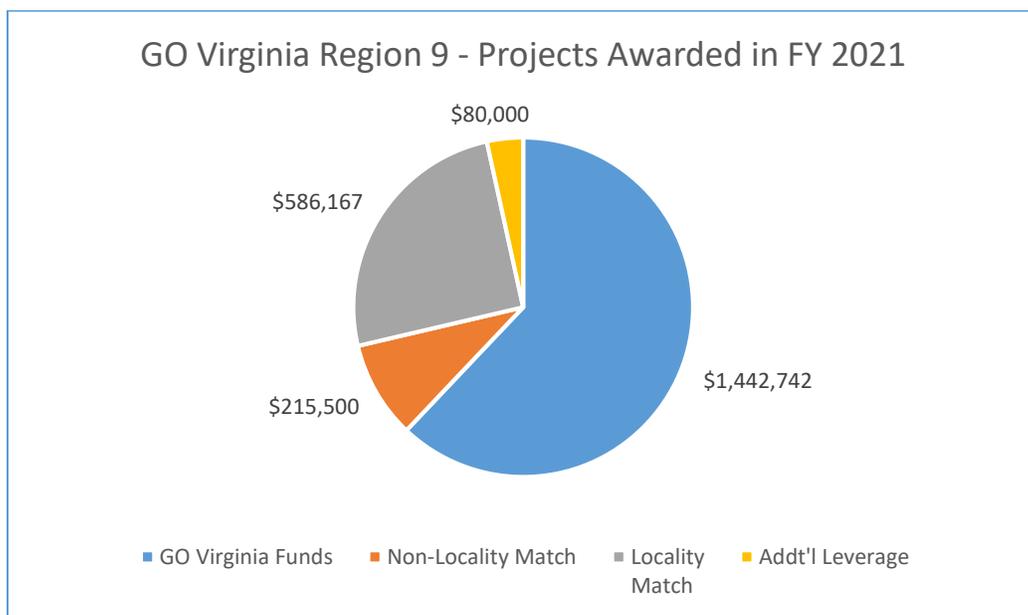
The purpose of this report is to summarize activities accomplished during July 1, 2020 to June 30, 2021, the organization’s Fiscal Year 2021 (FY21), to drive GO Virginia program goals to create higher paying jobs in target traded sectors through incentivized collaboration between the private sector, higher education and local government as outlined in the Region 9 Growth & Diversification Plan Update (2019) (Growth Plan).

The most recent Growth Plan (2019) specifically outlines opportunities for grant funding to achieve program goals for this region. All grant proposals must be built on one or more project frameworks including, Grow Existing Businesses, Innovation/Entrepreneurship, Sites, and/or, Talent Development. Projects must also serve on one or more target sectors including, Biotech, Financial & Business Services, Food & Beverage Manufacturing, IT/Communications, and/or, Light Manufacturing.

During FY21, funding was also available for projects that would drive regional economic resiliency and recovery from the COVID-19 pandemic.

PROJECTS AWARDED

In FY21, the Region 9 Council awarded five project grants totaling \$1,482,742 in Per Capita and Economic Resiliency and Recovery (ERR) grant funding that leveraged \$881,667 in additional resources. Including these new grants, the Council has now awarded a total of \$4,209,279 to 18 projects that leveraged over \$7,773,211 in additional financial support.



Additionally, the Council reviewed and submitted letters of support for two statewide grants. The *Retooling Virginia Manufacturers for Strategic Industries* project was led by Region 1 and GENEDGE to help industry support or pivot to support critical supply chains. The *VA Bio Connect* project was led by Region 4 and VA Bio to expand and connect the Biotech industry statewide.

The FY21 grant portfolio was fairly dispersed among the four project frameworks and each project targeted more than one, if not all, target sectors and additionally the some projects also targeted important regional sectors impacted by the COVID-19 pandemic.

This year no planning grants were undertaken by the Council, however, the Venture Central grant award was a direct result of the prior fiscal year’s Venture Hub planning grant.

Project	GO Virginia Funds	Non-Locality Match	Locality Match	Other Leverage
Advancing Regionally Significant Sites	786,333		413,167	
Connector Platform	76,500	38,450	-	-
Digital Business Resiliency	131,220	65,800	-	
Future of Workforce Outreach	148,689	51,250	23,000	
Venture Central	300,000	60,000	150,000	80,000
	\$ 1,442,742	\$ 215,500	\$ 586,167	\$ 80,000

PROJECT DESCRIPTIONS:

Advancing Regionally Significant Sites: Led by the Central Virginia Partnership, in collaboration with the Counties of Culpeper and Louisa, this grant will significantly transform the marketability of two regionally identified industry sites for attracting target sector companies.

Connector Platform: The Charlottesville Business & Innovation Council (CBIC), will use funds awarded through this ERR Fast Access grant to build a regional cloud network and connect 100 businesses seeking services and networks to accelerate, expand or recover from the impact of the COVID pandemic. Letters of Support were provided by Albemarle County, City of Charlottesville and the Central Virginia Partnership.

Digital Business Resiliency: Led by the CV Small Business Development Center (CV SBDC) in collaboration with their host organization, Community Investment Collaborative (CIC), this ERR grant will help 150 regional businesses access services or develop a digital presence with a focus on rural localities.

Future of Workforce Outreach: Virginia Career Works – Piedmont Region (VCW-P) will use the ERR grant funds to address newly identified gaps in workforce services in rural localities by expanding rural outreach while continuing to connected dislocated workers with hiring sectors throughout the region.



Venture Central: The Charlottesville Regional Chamber along with partners from the County of Albemarle, the City of Charlottesville, and the University of Virginia will use the grant funds to develop an iconic center for entrepreneurship activity and services in the area.

ADVANCING THE GROWTH PLAN (2019)

Of the seventeen specific opportunities specified in the Region 9 Growth Plan (2019), seven opportunities were activated through the five FY21 grants awarded. Also during FY21, other Plan opportunities were supported through previously funded grants when activities occurred during this fiscal year.

Talent Development:

The Future of Workforce Outreach grant will further strengthen the infrastructure of the Workforce and Talent Development ecosystem in Region 9. Through collaboration it will also inform the development of regional Target Sector Workforce Strategies underway through the Business Driven Workforce Recovery Project.

Grow Existing Business:

The SBDC's Digital Resiliency program and the CBIC Connector Platform grants are expected to support the strengthening of business networks throughout the region that will help identify business service gaps in target sectors.

Innovation/Entrepreneurship:

The Venture Central grant was developed in response to the Region 9 Venture Hub Planning grant that is also aligned with the Region 9 TEconomy Entrepreneurship assessment. Additionally, the SBDC's Digital Resiliency grant and the CBIC Connector grant projects will support connectivity throughout the rural entrepreneurship ecosystem in the region.

Sites:

The Advancing Regionally Significant Sites project addresses the opportunities for addressing regional site readiness, supporting development of a large regional business park site and furthering regional collaboration to drive availability and readiness of regionally significant sites.

Other:

The Advancing Regionally Significant Sites project is in alignment with the Central Virginia Partnership Strategic Plan.

FUNDING DASHBOARD

In this fiscal year, the Region 9 Council had a total of \$1,606,481 in Per Capita funds from which to award grants including the \$1,000,000 regional allocation. Additionally, \$361,154 was carried forward from FY20 and \$250,327 in funds were returned after previously funded projects closed out during the year.

The Council awarded a total of \$1,086,333 in Per Capita grants to two grant recipients. Therefore, \$520,418 will carry forward and be available for funding grants in FY22. On July 1, 2021, the FY22

allocation of \$1,000,000 in Per Capita funding will be available so it is anticipated that Per Capita funding available for FY22 beginning on July 1 will be \$1,520,148.

The Council also awarded three ERR grants in FY21 totaling \$356,409 bringing the total awarded from this program to \$579,909 since the program was established in April 2020 in response to the economic impact of the COVID 19 pandemic. There is \$425,091 in ERR funds remaining for Region 9 and the program is expected to sunset in April 2021.

A funding dashboard is reviewed at each Council Meeting. A snapshot of the FY21 dashboard is included here.

PER CAPITA FY 21 AWARDED FUNDING (Regional)

July 1- June 30	Per Capita/ECB Allocation	Added from Capacity Building	Rollover from Prior Year	Returned after Project Closeout*	Total Available for Projects	Total Awarded**	Funds Available (if not used carried to next FY)
FY2021	1,000,000	0	361,154	245,327	1,606,481	1,086,333	520,148

*Not expended at project closeout: Crafting Higher Paying Jobs \$220,127.97; CV Cybersecurity \$10,241.49; Central VA Site Readiness \$3,174.74; CvilleBioHub \$0.09; Youth Entrepreneurs Program Resource \$11,783.10

**FY21: Venture Central \$300,000; Advancing Regionally Significant Sites \$786,333

ECONOMIC RESILIENCY AND RECOVERY (ERR) FUNDING – April 18, 2020 to April 18, 2022

FY	ERR Allocation	Total Awarded*	Returned after Project Closeouts**	Funds Available
ALL	1,000,000,	579,909	5,000	425,091

*FY20: Project Rebound \$80,000; Project Reconnect \$99,500; Crafting a New Normal \$44,000

*FY21: Connector Platform \$76,500; Business Digital Resiliency \$131,220; Future of Workforce Outreach \$148,689

**Not expended at project closeout: Project Rebound \$5,000

COLLABORATION – BUSINESS, EDUCATION AND LOCALITIES

Incentivizing regional collaboration between business, education and localities is one of the goals of the GO Virginia initiative. Region 9 continues to make significant strides toward achieving this goal.

Business: The Council continues to ensure business is helping to lead the initiatives funded. For example, requesting letters of support from the private sector and engaging private sector leaders in project reviews.

Education: There are four institutions of higher education that serve different areas in Region 9 including the University of Virginia, Piedmont Virginia Community College, Germanna Community



College and Lord Fairfax Community College. Each of these institutions has been engaged in one or more of the approved projects. Leaders from the four institutions serve the region as Council Members or as a Special Guest of the Council.

Localities: To date, all eleven localities within the Region 9 footprint have been involved with approved projects by supporting financially, engaging in project development or writing Letters of Support.

HIGHER PAYING JOBS

The GO Virginia program has foundational goals of driving the growth of higher paying jobs in each region.

Using the most recently available data, Average Annual Wages in Region 9 as of Q1 2020 were \$51,750 or 5% more than Q1 2019 at \$49,130. Average Annual Wages for the Rappahannock-Rapidan Regional Commission (Planning District-9) Q1 2020 were \$44,520 while they were \$55,068 for the Thomas Jefferson Planning District Commission (Planning District-10).

Region	2019 Average Annual Wages	2020 Average Annual Wages
9	\$49,130	\$51,750
Virginia	\$56,933	\$59,107

(Employment and wages data (Q1 2018, Q1 2019, Q1 2020) are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics and imputed by Chmura where necessary.)

All target sectors in Region 9 showed an increase in employment changes annually as measured Q3 2020. The lowest annualized growth was in Light Manufacturing at .1% and the largest percentage annualized growth was Food and Beverage Manufacturing at 3.8%, however, Financial and Business Services had the highest increase in the number of employees at 1,565 and grew at 2%.

The highest average annual wages as of Q3 2020 for region 9 target sectors was \$88,211 for Biotech while the lowest was in Food and Beverage Manufacturing at \$33,771.

PIPELINE

In order to ensure the advancement of projects that will support the Region 9 Growth Plan and program goals, a robust pipeline of projects must be managed. In this fiscal year, the pipeline activity was disrupted by the onset of the COVID 19 pandemic in early 2020. The Council pivoted in early 2020 and throughout 2021, to identify projects that would be eligible for ERR grant funding to help with immediate economic recovery projects instead of projects that would exclusively drive the Region 9 Growth Plan. Understandably, building this program to be responsive was critical.

In FY 2021, there were 7 project inquiries vs 33 the prior year. Some of this can be attributed to the pivot to identifying viable ERR projects and shepherding them through a new process with unprecedented speed. Interestingly, all projects discussed targeted more than one, if not all, target sectors whereas the prior year it was fairly distributed among the different target sectors. This makes sense since supporting all sectors of the regional economy was a priority.



As of the end of FY21, it is estimated that there are four projects in various stages of the project development pipeline versus nine in the prior year. Some of this can be attributed to regional partners being more familiar with program eligibility as well as the impact of restricted networking due to COVID.

OUTREACH

In FY21, the Council worked with two new applicants that had not previously applied for GO Virginia Region 9 funding. The organizations were the Central Virginia Small Business Development Center along with the Community Investment Collaborative. Thus far in Region 9, three grants have been driven by county government, three by higher education, five by regional development organizations, and four by non-profits.

Traditional outreach methods to identify new partners were stifled somewhat during the fiscal year due to the restrictions resulting from the COVID 19 pandemic. However, many new connections were made and facilitated through the new normal of video conferencing. To date, staff is unaware of any opportunities missed due to the lack of ability to meet face to face.

FY 2021 COUNCIL MEMBERS

Chair: Ed Scott, Co-Founder, Eco-Septix Alliance and former Member, VA House of Delegates

Vice Chair: Ed Dalrymple, Jr., President, Cedar Mountain Stone

Treasurer: Ray Knott, Senior Vice President–Market Executive, Atlantic Union Bank

Alicia Pitorri, Senior Vice President Relationship Manager, Bank of America*

Andy Wade, Director of Economic Development, Louisa County

Brian Cole, Executive Site Lead, LexisNexis

Chip Boyles, City Manager, City of Charlottesville*

Christian Goodwin, County Administrator, Louisa County

Christine Jacobs, Executive Director, Thomas Jefferson Planning District Commission*

Felix Sarfo-Kantanka, External Affairs Manager, Dominion Energy Services, Inc.

Jan Gullickson, President, Germanna Community College

Jim Cheng, CAV Angels and former Virginia Secretary of Commerce & Trade

John Young, Atlantic Union Bank*

Kim Blosser, President, Lord Fairfax Community College

Kurt Krueger, Partner, McGuireWoods, LLC

Liz Walters, Bingham & Taylor*

Mansour Azimipour, President, A & K Realty

Miles Friedman, Friedman Consulting*

Pace Lochte, Asst. VP for Economic Development, University of Virginia

Paige Read, Director of Economic Development and Tourism, Town of Culpeper*

Patrick Mauney, Executive Director, Rappahannock-Rapidan Regional Commission

Paul McCulla, County Administrator, Fauquier County

Steve Ray, Partner, IslerDare PC*

The Hon. Jim Crozier, Supervisor, Orange County

The Hon. Tony O'Brien, Supervisor, Fluvanna County

Tom Click, President & CEO, Patriot Industries

Yolunda Harrell, Co-Owner, Taste of Home

(* Partial year service)



THANKS

Staff would like to thank all applicants organizations that have helped identify opportunities to support regional growth goals stipulated in the Region 9 Growth Plan. Staff would also like to acknowledge the investment of time and expertise regularly provided by the Region 9 Council Members from this year as well as in the past several years.

www.GOVirginia9.org



The Central Virginia Partnership for Economic Development is the Support Organization for the GO Virginia Region 9 Council.

Helen Cauthen, President
Shannon Holland, GO Virginia Director, Region 9
Rahul Maitra, Finance Director
Kristine Dancy, Accounting Clerk
(www.centralvirginia.org)