



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

Governance and Policy Committee

March 12, 2024
Library of Virginia



COgro Labs at Virginia Tech Corporate Research Center
(Source: GO Virginia Region 2 Annual Report)



VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT
Partners for Better Communities



Agenda

I. OPENING

- a. Call to order Chair
- b. Roll Call Cody Anderson
- c. Public Comment Chair

II. Consent Agenda – **Action Item**

- a. Approval of January Meeting Minutes Chair

III. NOMINATION – **Action Item**

- a. Nomination for Chair of Regional Councils Chair

IV. JLARC RECOMMENDATIONS DISCUSSION

- a. Traded Sector Industry Definitions Cody Anderson
- b. Review of Higher Paying Jobs Eligibility Requirements
- c. Growth and Diversification Plan Review Guidance
- d. Expanded Administrative Approval Authority
- e. Expansion of Competitive Fund Eligibility

V. INFORMATION ITEMS

- a. Roadmap for Addressing JLARC Recommendations Cody Anderson
- b. Board Member Terms Memorandum

VI. ADJOURNMENT



I. Opening

- a) Call to Order
- b) Roll Call
- c) Public Comment



II. Consent Agenda

- a) Approval of January Meeting Minute



III. Nomination

Action Item

- a) Nomination for Chair of Regional Councils



IV. JLARC Recommendations Discussion

- a) Traded Sector Industry Sectors Definitions
- b) Review of Higher Paying Jobs Eligibility Criteria
- c) Growth and Diversification Plan Review Guidance
- d) Expanded Administrative Approval Authority
- e) Expansion of Competitive Fund Eligibility



IV.a Traded Sector Industry Definitions

JLARC Recommendation 5:

“The GO Virginia board should revise its policies to include a more detailed definition of traded sector activities, modeled on the definition used by the Virginia Economic Development Partnership’s Virginia Jobs Investment Program, which can be used to determine project eligibility.”

For Discussion - Definition Options:

- a) VEDP Definition: A company that directly or indirectly derives more than 50 percent of its revenue from out-of-state sources.
- b) Metropolitan Council Definition: Industries and firms that produce goods and services that are sold outside the region of production.
- c) Michael Porter Definition: Traded industries are those that are more geographically concentrated and produce goods and services that are sold across regions and countries.
- d) Harvard University’s U.S. Cluster Mapping Benchmark Definition: Traded industries tend to be concentrated in few regions and serve markets beyond the region in which they are located.



IV.a Traded Sector Industry Definitions

Staff Recommendation:

Staff recommends Board Policy # 4 be repealed by the Board and a new policy be adopted that removes mention of non-traded sectors, sustainability, and scholarships. The new Policy # 4 should include language stating that funds shall be used to support the growth of prioritized traded industry clusters as identified by the GO Virginia regions in their Growth and Diversification Plans. The new policy would include a specific definition of traded sector industries but allow flexibility for the Board to adopt additional subsequent policies that make targeted exceptions to the Policy. Mentions of sustainability and scholarships should be shifted to administrative guidance.



IV.b Review of Higher Wage Job Eligibility Requirement

JLARC Recommendation 7:

“The GO Virginia board should replace the eligibility requirements that all grant projects must create higher wage jobs with a requirement that all grant projects must create a new or expanded workforce or economic development activity.”

Staff Recommendation:

Staff recommends the Board direct staff to remove emphasis on higher-paying jobs from program guidance and applicable Board Policy and refocus those instances on in-demand occupations in traded industry sectors and non-traded industry sectors otherwise deemed by the Board as high impact through subsequent Board Policy.



IV.c Growth and Diversification Plan Review Guidance

VLARC Recommendation 15:

“The GO Virginia board should adopt a policy that defines a cycle for full and lighter reviews of regional growth and diversification plans.”

Staff Recommendation:

Staff recommends the Committee direct staff to hold stakeholder workgroup sessions to further research this topic and provide stakeholder-based recommendations on the cadence of which full reviews and light reviews should take place. Recommendations in the form of updated administrative guidance will be considered at the Committee’s next meeting.



IV.d Expanded Administrative Approval Authority

JLARC Recommendation 11:

“The GO Virginia Board should revise its policies to delegate grant approval authority to the director of the Department of Housing and Community Development for any regional per capita implementation grant that has been dutifully reviewed and approved by a regional council and recommended for administrative approval by a board designated workgroup.”

Staff Recommendation:

Staff recommends taking no action on this item.

IV.e Expansion of Competitive Fund Eligibility



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VLARC Recommendation 11:

“The GO Virginia board should expand eligibility requirements for statewide competitive funds by making these grants available to (i) any region that has awarded or is about to award all or almost all of its per capita funds in a given year and is not carrying a significant unobligated funding balance, and (ii) projects that require a grant amount that is equal to or greater than half of the region’s unobligated per capita funds. Projects that involve multiple regions should continue to be eligible for these funds.”

Staff Recommendation:

Staff recommends taking no action on this item.

IV. Roadmap for Addressing Future JLARC Recommendations



V.a Roadmap for Addressing Future JLARC Recommendations



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- a) **Recommendation 5 - Traded Industry Sectors Definition:**
 - a) Deliverable: Updated Board Policy #4 for Committee/Board Consideration
 - b) Target: June 2024
- b) **Recommendation 7 – Review of Higher Wage Job Eligibility Criteria:**
 - a) Deliverable: Updated Administrative Guidance
 - b) Target: April 2024
- c) **Recommendation 15 – Growth and Diversification Plan Review Guidance**
 - a) Deliverable: Updated Administrative Guidance
 - b) Target: June 2024
- d) **Recommendation 11 – Expanded Administrative Approval Authority**
 - a) None
- e) **Recommendation 9 – Expansion of Statewide Competitive Eligibility**
 - a) None; Completed



V.a Roadmap for Addressing Future JLARC Recommendations



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- a) **Recommendation 8 – Reduction of Local Match:**
 - a) Target for Initial Discussion: June 2024
 - b) Target for Deliverable: September 2024
- b) **Recommendation 10 – Elimination of ROI Eligibility Requirement:**
 - a) Target for Initial Discussion: June 2024
 - b) Target for Deliverable: September 2024
- c) **Recommendation 12 – Third Party ROI Calculation Threshold**
 - a) Target for Initial Discussion: June 2024
 - b) Target for Deliverable: September 2024
- d) **Recommendation 16 – Planning Pilot and Feasibility Study Cap Formula**
 - a) Target for Initial Discussion: June 2024
 - b) Target for Deliverable: September 2024



V.b Board Member Terms Memorandum





VI. Adjournment