

Go Virginia, Region 2 Council Meeting Minutes

January 12, 2018

Carillion Riverside One Building

Chairman Dr. Raymond Smoot Convened the meeting at 2:04 pm.

Council members in attendance: Ms. Marla Akrdige (via telephone), Dr. Nathaniel Bishop, Mr. Ab Boxely, Dr. John Capps, Mr. Patrick Collignon, Mr. Kenneth Craig, Ms. Beverly Dalton, Ms. Sandy Davis, Dr. John Dooley, Mr. William Fralin, Dr. Michael Friedlander, Mr. Don Halliwill, Mr. Mike Hamlar, Dr. Brian Hemphill, Dr. Victor Iannello, Mr. Terry Jamerson, Mr. Floyd Merryman, Ms. Debbie Petrine, Mr. John Putney, Dr. Raymond Smoot, Mr. E.W. Tibbs

Absent: Dr. Eddie Amos, Mr. Michael Fleming, Mr. Watt Foster, Ms. Shannon Valentine, Mr. John Williamson

Region 2 Staff in attendance: Dr. John Provo, Dr. Scott Tate, Elli Travis, Albert Alwang

Public Attendees: See end of document for Sign-in sheet and list of public attendees.

- Public Attendees not on sign-in sheet: Marty Muscatello

Council Member Introduction

Members provided a brief introduction and stated their current affiliation.

Opening Remarks (administrative):

- **Nomination to serve on council:** To Replace Mr. Doug Juanarena
 - Council members nominated Mr. Marty Muscatello to be approved by state board
 - Motioned was requested and seconded, and all members voted to carry the motion and nominated Mr. Marty Muscatello.
- **Conflict of Interest (COI):** Raymond Smoot provided a brief explanation of COI in regards to voting on a project and made reference to the online training site.
- **Executive Committee Power:** Council members voted on whether to give the executive committee editorial powers to suggest changes or provide comments to applicants after feedback from the state board was provided
 - Motion was requested and seconded, and all members voted to carry the motion of granting this editorial power to executive committee
- **Update on state board and first round of projects submitted:** Dr. John Provo (Virginia Tech Office of Economic Development; OED) provided a quick overview of the 11 projects that the state board reviewed. Six projects were rejected, and state provided feedback to applicants for re-submission.
- **Funding available for Region 2 and Vote today:** Dr. John Provo (OED) provided a quick breakdown of the money available to the region including roughly \$1.01 million in per capita, \$192,000 in strategic reserve for capacity building, \$250,000 in matched money, in total about \$1.5 million money available for the region

Application Presentation and Voting Procedure:

- Dr. Scott Tate (OED) presented a brief overview of the process. Applicants would be asked to present their project, followed by a brief overview of the subject matter experts' feedback by Region 2's staff (OED). The council members would then be able to ask questions and discuss the project, with feedback from the applicants. All six projects would be presented and discussed before the final vote. Projects on sites and building development would be presented first, followed by the two entrepreneurship projects, and then two talent projects.
- Dr. Raymond Smoot, advised members that if you plan to recuse yourself from voting on a project to do so before the discussion portion of the project presentations.

Project Presentation:

First Project, Wood Haven (Western Virginia Regional Industrial Facility Authority):

- Mr. John Hull (Roanoke Regional Project) provided a quick summary of the project. Albert Alwang (OED) provided a quick summary of the expert feedback

Council Questions and Discussion:

Council member asked whether the site is still not properly re-zoned and some of the technical analysis is incomplete or missing. However, the applicant ensured that the RIFA has either completed or in the process of completing all the necessary steps for the site to rise to TIER 4 from VEDP Virginia Business Ready Sites Program. There was a discussion and clarification on the meaning behind TIER 4. Moreover, the applicant stress the need to achieve TIER 4, in-order to market the site to companies (past companies that have developed on comparable sights include, Deschutes Brewing Company, Ballast Point, and Eldor). Finally, council members questioned that there are other comparable industrial sites in the region, which are currently unoccupied. However, members noted this project would address collaborative sites and buildings development, outlined in the Region 2's growth and diversification

Second Project, Hollyleaf Grading (Virginia's First Regional Industrial Facility Authority; VFRIFA)

- Mr. Danny Wilson (VFRIFA) provided a quick summary of the project. Albert Alwang (OED) provided a summary of the expert feedback

Council Questions and Discussion:

Members discussed the alternative if the project was not be funded and the merit that a company has already expressed interest in the site. The applicant stressed the need for funding, and stated that speculative grading is generally not considered due to the high costs. Moreover, the applicant stated there is a high likelihood that the company interested in the site would be choosing the site.

Third Project, Regional Acceleration and Mentoring Program (RAMP) Expansion

- Mr. Robert Mcaden (RAMP provide an overview of the project. Scott Tate (OED) provided the subject matter experts' feedback.

Council Questions and Discussion:

Members wanted clarification that the funding of the project would not be used to cover current operational cost. The applicant stated that the project would support additional duties and services, and allow RAMP to have a wider reach and impact. Main concerns discussed by the council was the small ROI listed in the application, and the lack of jobs directly and indirectly linked to the project. Members felt that this project would not get through the state board review without more clarification on the impact and clearer metrics on how the project would support the goals stated in Go Virginia. Members also discussed the procedures if the project was rejected at the state board and how to support this project after feedback from the state. In addition, members discussed the option of approving the project and providing support to the board before the state vote.

Fourth Project, VIC''

- Four council members recused themselves from discussion and voting on the project: Dr. Raymond Smoot, Mr. William Fralin, Dr. Michael Friedlander, and Dr. Victor Iannello
- Mr. Ab Boxely served as chair for discussion
- Mr. Sam English described the project and Scott Tate provided a summary of expert feedback.

Council Questions and Discussion:

First statement was to clarify that this project is a capacity-building project and differs from the other projects presented. Council members discussed the importance of the project in order to develop an entrepreneur ecosystem. There was a discussion and clarification on the matching in capacity-building projects. Moreover, there was a discussion on the differences in funds available for capacity-building projects.

Fifth Project, *Regional Two Talent Collaborative*

- Mr. Ben Bowman presented the project to the council and Elli Travis (OED) provided an overview of the subject matter expert's feedback.

Council Questions and Discussion:

There was a discussion on the goals and metrics of the project. Council members also discussed and asked, whether the project or the model used in the project could be found anywhere. There was a brief discussion on how the collaboration across the regions and organization outline in the project would work. Applicants ensured the council that they have had experience in working across the region to undertake this sort of project, and that there are models for several components of the project. As a whole, the project is an innovative new idea.

Sixth Project, *Stopping the Brain Drain*

- Ms. Erin Burchum (Roanoke Regional Partnerships) provided an overview of the project and Elli Travis (OED) provided an overview of the subject matter expert's feedback.

Council Questions and Discussion:

Council members asked the availability of the data and whether the Universities in the project would be willing to share the data. The applicant responded that they have had preliminary conversation with the

University and the data will be available. There was a discussion that if the project were to be approved by the members, the data outlined and the need for the project has to be included in the application for the state board review. The retention issue is not unique to the region, however the size of the issue is unique and this point should be emphasized when submitting to the state board. The council also discussed the importance that this project is more than just data, and the project includes components that have not been undertaken in the region.

Public Comments:

Chairman Smoot opened the floor for public comments and there were no comments.

Further Discussion by the Council:

The council elected to have a further discussion of the project one-by-one after the presentation portion. There was agreement among members that the council would not approve projects on the basis that the project would be revised before being submitted to the state board. Moreover, voting should be based on the projects in their current state and in regards on the projects ability to achieve Go Virginia goals. Members discussed that this is not all the projects for the Region and in February, there would be another meeting to review projects that have not been submitted to date.

The council members then went through each project to discuss whether the project should be approved and recommend to the state board for review:

Voting on Projects: Dr. Raymond Smoot elected to abstain from voting unless there was a need in the case of a tie.

First Project, *Wood Haven* (Western Virginia Regional Industrial Facility Authority):

- Mr. William Fralin motioned that the Region 2 Council approve the proposed project and recommend it to the state GO Virginia Board for review. Mr. John Capps seconded the motion. 20 members voted in favor, Mr. Patrick Collignon voted against, with no council members abstaining.

Second Project, *Hollyleaf Grading* (Virginia's First Regional Industrial Facility Authority)

- Mr. Mike Hamlar motioned that the Region 2 Council approve the proposed project and recommend it to the state GO Virginia Board for review. Ms. Debbie Petrine seconded the motion. 21 members voted in favor.

Third Project, RAMP Expansion

- Mr. Ab Boxely motioned that the Region 2 Council defer the proposed project, until the applicant provided more information on metrics. Ms. Debbie Petrine seconded the motion. 19 members voted in favor, Mr. Mike Hamlar and Mr. William Fralin voted against, with no council members abstaining.

Fourth Project, VIC

- Ms. Beverly Dalton motioned that the Region 2 Council approve the proposed project and recommend it to the state GO Virginia Board for review. Mr. Don Halliwill seconded the motion.

18 members voted in favor, with three council members abstaining (Mr. William Fralin, Dr. Michael Friedlander, and Dr. Victor Iannello).

Fifth Project, *Regional Two Talent Collaborative*

- Mr. John Dooley motioned that the Region 2 Council approve the proposed project and recommend it to the state GO Virginia Board for review. Mr. Kenneth Craig seconded the motion. 21 members voted in favor.

Sixth Project, *Stopping the Brain Drain*

- Mr. Mike Hamlar motioned that the Region 2 Council approve the proposed project and recommend it to the state GO Virginia Board for review. Dr. Brian Hemphill seconded the motion. 18 members voted in favor, Mr. Patrick Collignon voted against, with two council members abstaining (Mr. William Fralin and Dr. Victor Iannello).

Chairman Smoot Concluded the meeting at 4:40 pm

Public sign-in sheet

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Public sign-in sheet

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