



Match Waiver Request Guidelines

I. Overview

Pursuant to § 2.2-2489 of the Code of Virginia, any grant awarded from the Virginia Growth and Opportunity Fund shall require matching funds at least equal to the grant. However, the GO Virginia State Board has the authority to reduce the match requirement to half of the grant upon a finding of fiscal distress or an exceptional economic opportunity in a region. At the June 2023 State Board meeting, Board members directed DHCD staff to develop a formal process for how the Board will review these requests.

II. Total Match Waiver

Projects requesting a reduction of the total match required for a project must meet the criteria established in state code of demonstrating either fiscal distress or an extraordinary economic opportunity. The Board has established one (1) criterion to demonstrate fiscal distress and three (3) primary criteria to demonstrate exceptional economic opportunity.

To become eligible for a waiver under the fiscal distress criterion, at least 50% of the participating localities meet the Virginia Economic Development Partnership's definition for Economic Distress – Double Distress. (A locality with an unemployment rate above the average statewide unemployment rate and with a poverty rate above the statewide average poverty rate.)

To become eligible for a waiver under the exceptional economic opportunity criteria, applicants may select of more of the following:

1. The application demonstrates strong alignment with primary GO Virginia program goals.
 - Regional Collaboration - Majority of the match being contributed is local match (cash or in-kind).
 - Industry Cluster Engagement - Majority of match contributions for this effort are being contributed by industry partners.
 - Job Growth Accelerator - This project will increase employment in the targeted industry cluster by at least 10% over a base (see most recent G&D plan for baseline numbers).
 - Transformational Economic Diversification - This project will lead to growth in a new or emerging industry cluster with the potential to significantly diversify the regional



economy.

2. This application aligns with the Commonwealth’s InnoVActive Framework for Economic Development and will support the expansion of the knowledge sector, manufacturing, or logistics industry.

This application will enable the subgrantee to leverage this award to pursue a nonstate funding opportunity in an amount at least two times the amount of this grant request. This award decision on the nonstate funding opportunity must be made within 12 months of the State Board approving the project.

III. Local Match Waiver

Projects requesting a full or partial waiver of the local match required for an implementation project should demonstrate that localities are unable to provide the required contribution, either through the majority of localities being categorized as having “high” or “above average” levels of fiscal stress in the Commission on Local Government’s [Fiscal Stress Index](#), or a demonstration of effort to solicit support from the participating localities and supporting letters explaining why they are unable to support the project.

IV. Process

GO Virginia Regional Councils must submit any match waiver request(s) on behalf of the applicant when submitting the application. The match waiver request form(s) must be submitted as part of the application package and final determination will be made by the GO Virginia State Board.

DHCD is unable to administratively approve applications which include a match waiver request. All waiver requests must be reviewed and approved by the GO Virginia State Board.