GO Virginia Region 2 Council Meeting Minutes

May 4, 2021, 1:00p.m.- 3:00p.m, Zoom Webinar.


Council members not in attendance: Mike Hamlar, Victor Iannello, Floyd Merryman.

Staff in attendance: John Provo, Scott Tate, Sarah Lyon-Hill, Rachel Jones.

Public in attendance: Aisha Johnson, Billy Gammel, Afroze Mohammed, Caroline Buscaglia, Dean Rodgers, Deborah Flippo, Jamie Glass, Jason Ferguson, Luke Campbell, Nina Rezai, Wayne Strickland, Megan Lucas, Cynthia Lawrence, Marty Holliday, Scott Weimer, Matt Earnest, Jody Keenan, Josh Green, Caroline King.

The meeting convened at 1:01p.m. and adjourned at 3:01p.m.

Financial Report

John Provo began by providing the council with a brief financial report. The council has a remaining balance of $1,468,320 in per-capita funds and a remaining balance of $202,800 in Economic Resilience and Recovery funds.

Proposal Review

Dearing Ford Industrial Park

Scott Tate began by providing a brief overview of the new project proposal, Dearing Ford Industrial Park, submitted by the Lynchburg Regional Business Alliance. The Lynchburg Regional Business Alliance is applying for a GO Virginia Region 2 site readiness grant to assist with the extension of a gas line to 49.9 acres of land in Dearing Ford Industrial Park, located in Altavista, Virginia. Megan Lucas, Lynchburg Regional Business Alliance, elaborated on project deliverables, the project team has engaged a prospect that is interested in Dearing Ford Industrial Park; however, they require gas. The gas line would not only serve the industrial park but will also allow additional opportunities for future industrial development. This project is focused on Region 2’s target industry cluster of advanced manufacturing and will provide wages of $20 to $25 per hour, with an estimated return on investment of 36% over 5 years. John Dooley inquired if the town of Hurt and Campbell County have committed financial participation to this proposal, Megan Lucas responded by stating the town of Hurt is not currently positioned to financially support a project; however, Campbell County and Altavista have a strong relationship and mutually agreed that Campbell County would bring incentives to the table for the advancement of Dearing Ford Industrial Park, whereas Altavista provides the funds for the local match. John Dooley then inquired on what the impact would be to provide $400,000 in regional GO Virginia funds to match the local
governments commitment of $400,000 and requiring Columbia Gas to provide $400,000 towards the project. Megan Lucas responded by stating Columbia Gas will not financially commit to speculative development, meaning they will not contribute if there is no specific end user. Although the applicant team has an end user for the site and Columbia Gas has given them an estimate to extend the main line, they will not move forward until the end user has signed an agreement, furthermore, the end user involved will not sign an agreement until gas is accessible to the site. Kim Payne requested clarification on the possibility of a decrease in the total cost of this extension to be less than $1.2M, and if so, would it be appropriate to include language stating the GO Virginia request may fluctuate. Megan Lucas responded that is possible and she does not anticipate the total cost to exceed $1.2M. Any GO Virginia funds not utilized in this project will be returned to the region’s per-capita funds. William Fralin then mentioned a possible contingency upon council approval of the tenant signing an official agreement prior to the funds being drawn down.

Chairman Smoot asked if there were any additional questions. There were none.

Chairman Smoot stated that funding this proposal up to $800,000, if approved, would provide for the return of any unutilized or unneeded funds to the Region 2 Per-capita allocation.

The Lynchburg Regional Business Alliance request totaled $800,000 in GO Virginia Region 2 Per-Capita funds, with a local match of $400,000.

Beverly Dalton motioned to approve the project, and Kim Payne seconded. John Dooley voted against the project, while Don Halliwell voted in favor expressing a desire that the tenant sign an agreement prior to the funds being drawn down. Sign an ing

**Health and Life Science Workforce Initiative**

Scott Tate began by providing a brief overview of the new project proposal, *Health and Life Science Workforce Initiative*, submitted by Carilion Clinic and the Blue Ridge Partnership for Health Science. Over the course of one year, this proposal aims to accelerate the establishment of a new model for widespread business-education collaboration, increase the number of health and life sciences graduates, and begin to formalize a health sciences talent pipeline. Cynthia Lawrence, Carilion Clinic, announced the General Assembly appropriated a recurring allocation of $1M to the community colleges that are supporting this proposal, to help cover dual enrollment costs for students that are enrolled in the Health Sciences and Technology sectors. Cynthia Lawrence then shared that the project team has secured CentraHealth as a stakeholder employer, in succession, Central Virginia Community College will commit to join the initiative as an additional stakeholder educational institution as of July 1st. Megan Healy, Chief Workforce Development Advisor to the Governor of Virginia, has pledged a representative from the Division of Labor to become involved in this effort as well.

Chairman Smoot asked if there were any questions. There were none.

The Blue Ridge Partnership for Health Science Careers request totaled $100,000 in GO Virginia Region 2 Enhanced Capacity Building funds, with a match of $106,355.
Council members abstaining from the vote include Don Halliwill, Nathaniel Bishop, John Capps, Patricia Huber, Debbie Petrine and William Fralin.

John Dooley motioned to approve the project, and John Putney seconded. All were in favor and none opposed.

**PICKS TM (Profiles that Increase the Competencies, Knowledge, and Skills That Matter)**

Scott Tate began by providing a brief overview of the new project proposal, *PICKS TM*, submitted by the New River/Mount Rogers Workforce Consortium Board. Profiles that Increase the Competencies, Knowledge, and Skills That Matter (PICKS TM) proposes to expand our regional capacity for meeting the talent needs of businesses by building a foundational system to better understand and communicate knowledge, skills and abilities required to effectively perform specific in-demand jobs of high-growth businesses in targeted industries of GO Virginia Region 2. Marty Holliday, New River/Mount Rogers Workforce Consortium Board, discussed project deliverables, stating this project is the further development and refinement of their career lattice system, as they have begun this process through an America’s Pathways grant, awarded by the Department of Labor. Through consultations with subject-matter experts, the team will analyze the skills, skill levels, and skill frequency candidates need to be successful in certain job positions. Additionally, the team will provide businesses with a detailed analysis of required skills for each position.

Chairman Smoot asked if there were any questions. There were none.

The New River/Mount Rogers Workforce Consortium Board request totaled $100,000 in GO Virginia Region 2 Enhanced Capacity Building funds, with a match of $101,840.

Vince Hatcher motioned to approve the project, and Debbie Petrine seconded. All were in favor and none opposed.

**Industry 4.0 Manufacturing Workforce Program**

Scott Tate continued with a brief overview of the new project proposal, *Industry 4.0 Manufacturing Workforce Program*, submitted by Virginia Tech Industrial and Systems Engineering. This proposal will address the need for specifically trained talent in both the current and future Region 2 workforce by creating experiential learning opportunities in specific local technologies and drafting a non-credit curriculum for existing workforce development. Scott Weimer, Roanoke Regional Initiatives at Virginia Tech, and Matt Earnest, Virginia Tech’s Center for High Performance Manufacturing, discussed project deliverables stating this initiative is centered around a new resource on the Virginia Tech campus; the Learning Factory within the Industrial and Systems Engineering program. The experiential learning space brings together different types of technology around Industry 4.0. Current educational programs often lack experiential learning opportunities where students can acquire the skills needed for technology that is currently in use by local employers. Many regional employers find it difficult to locate engineers trained in technologies to operate specific facilities. This planning grant will bring together a broad
group of stakeholders representing municipalities from across the region including Roanoke County, Roanoke City, New River Valley, Botetourt County, Lynchburg, Covington, and Clifton Forge. Project deliverables include the distribution of a survey, action plan, two student experiential learning projects that will initiate collaboration among employers to address skills gaps, and finally, a draft curriculum that will allow the team to create a program that will teach the fundamentals of Industry 4.0. Marty Muscatello inquired if the training curriculum would be shared with community colleges and educational institutions within the region. Scott Weimer responded yes, the curriculum will be piloted at Virginia Tech’s Learning Factory, with a future proposal to include a much broader effort to create educational offerings that would leverage different technologies that are in use with manufacturers throughout the region.

Chairman Smoot asked if there were any additional questions. There were none.

The Virginia Tech Industrial and Systems Engineering request totaled $45,360 in GO Virginia Region 2 Enhanced Capacity Building funds, with a match of $30,000.

Marty Muscatello motioned to approve the project, and Sandy Davis seconded. All were in favor and none opposed.

**Expansion of ICAP Mentor Network**

Scott Tate continued with a brief overview of the new project proposal, *Expansion of ICAP Mentor Network*, submitted by the Virginia Small Business Development Center (SBDC). Launched in January 2018, the Innovation Commercialization Assistance Program (ICAP) helps inventors and entrepreneurs take the right first steps in bringing new technologies and innovations to market. This GO Virginia Statewide ERR proposal is requesting $882,794 in funding over two years to expand the capacity of the ICAP program to support more early-stage technology and innovation-driven startups across Virginia. Jody Keenan and Josh Green, Virginia SBDC Network, addressed concerns raised in the review process, stating in regard to long-term sustainability, the team is currently applying to additional funding sources at the federal level through the US Economic Development Administration, as well as considering other options with their long-term partners at the Small Business Administration. This effort is envisioned as a pilot program utilizing state resources and much like other state SBDCs around the country, the team will incorporate this into their support organization; George Mason university’s funding priorities in 2 years to seek the General Assembly’s support for this initiative statewide. The applicant team is layering this effort on normal operations of the SBDC Network that already has 26 offices and serves every city and county in Virginia. In order to expand this initiative, they will hire new mentors in each region to emphasize talent from across the state.

Chairman Smoot asked if there were any questions. There were none.

The Virginia Small Business Development Center’s request totaled $882,794 in GO Virginia Statewide Economic Resilience and Recovery funds, with a match of $442,497.

Kenneth Craig motioned to endorse the proposal to the GO Virginia State Board, and John Capps seconded. All were in favor and none opposed.
Council Business

Council Vacancies

Beverly Dalton put forth one name for review of the council to fill an existing vacancy in the Lynchburg region: Paul Denham, President of Southern Air, Inc.

William Fralin then put forth two names for review of the council to fill existing vacancies in the Roanoke/Alleghany region: Michelle Austin, Senior Vice President and CFO of the Bank of Botetourt, and Fourd Kemper, Attorney with Woods Rogers Attorneys at Law.

Following a unanimous vote, Michelle Austin, Fourd Kemper, and Paul Denham have been appointed to join the GO Virginia Region 2 Council.

Minutes

The council reviewed meeting minutes from the Region 2 Council meeting held on February 5, 2021. Chairman Smoot asked if there were any questions or corrections regarding the minutes; there were none.

Beverly Dalton motioned to approve the minutes and Nathaniel Bishop seconded. All were in favor and none opposed.

Staff Updates

Support Organization Budget Review

John Provo began by providing the council with a presentation to adopt an annual administrative budget. Administrative budget categories include the following: council meetings, contracts administration, individual project reporting and evaluation, marketing and outreach, technical assistance to applicants, strategic project pipeline development, program impact evaluation, and Growth and Diversification planning. The proposed fiscal year 2022 budget includes a fixed administrative allocation of $50,000, with a variable amount of $80,000-$120,000. Additionally, the proposed budget allocates $118,000 for planning purposes, $80,000 in reserves, $2,000 in what is classified as other expenses, and a state allocation of $250,000 for regional enhanced capacity building funds. Support staff will continue reporting on budget, fixed and variable, and unrecovered costs as an ongoing agenda item. John Provo addressed questions raised by the council regarding the format of budget reporting. Chairman Smoot suggested the formation of a workgroup to study budgeting of the council support organization and report back at the next council meeting. Council members Kim Payne and John Dooley agreed to serve on this workgroup.

Kim Payne motioned to approve the proposed budget for FY 21-22 and Marty Muscatello seconded. All were in favor and none opposed.

Adjournment occurred at 3:01p.m.