



Application Package

2018-2019

Prepared by the Virginia Tech Office of Economic Development



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

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Grant Application

Overview:

The Region 2 GO Virginia Council is now accepting proposals for 2018-2019 funding on a rolling basis, while funds are available. Region 2 includes the counties of Alleghany, Amherst, Appomattox, Bedford, Botetourt, Campbell, Craig, Floyd, Franklin, Giles, Montgomery, Pulaski, and Roanoke; as well as the independent cities of Covington, Lynchburg, Radford, Roanoke, and Salem.

The Region 2 is soliciting per capita collaborative grant funding applications as well as statewide competitive applications. For FY 2019, there are over \$1.2 million in collaborative grant funds available for Region 2 focused projects and over \$12 million in statewide competitive funds for multi-regional projects. The Council anticipates endorsing multiple funding awards at varying amounts. GO Virginia funding seeks to grow jobs that pay higher than the regional median wage (\$19/hour or \$39,012 annually), and attracts new investment, especially new to Virginia. This requires a focus on industries with high growth potential, featuring in-demand occupations with higher wages.

Available funds:

The Region 2 GO Virginia Council anticipates funding multiple collaborative (per capita) awards of varying amounts (awards are generally in the \$100,000 to \$600,000 range). All projects must be completed within two years of funding. The Region 2 Council expects to disburse the vast majority of funds for collaborative grant projects as described below. All proposals must respond directly to the Region 2 Growth & Diversification Plan which can be found at the following link: <http://bit.ly/2ws9BI8>

Proposed projects should benefit an industry or region as a whole, rather than a single business entity. Projects should emphasize traded sectors and demonstrate an ongoing, region-wide demand for the project or program. Projects also are required to demonstrate strong local match and meaningful local participation and leadership.

There may be rare instances, however, where the Region 2 Council may award capacity building funds for a project not otherwise suitable for a collaborative grant award. During the project review process, Region 2 Council support organization personnel may advise applicants as to the degree to which their proposal is congruent with state and regional guidelines. Support organization staff may also discuss the appropriateness of enhanced capacity building awards, for projects that would not have immediate economic outcomes. As an example, a larger future project request might require pre-development activities, which the Council may want to encourage through a small amount of capacity-building award funding. Applications must hold a likelihood to build capacity for larger GO Virginia per capita or competitive projects.

In addition, the Region 2 Council encourages inquiries for multi-regional or state-wide competitive funds of \$1 million or greater. These are separate from the collaborative (per capita) funds, and represent a discretionary funding pool awarded by the state board on a competitive basis. Please use the letter of inquiry process described below to submit inquiries for this funding source, as well.



Funding Match:

A dollar for dollar match is required for any grant request. The match must come from non-state appropriated sources such as non-state public entities, private, federal, or local funds or in-kind commitments.

In addition to the dollar for dollar baseline match requirement, it is the goal of the State Board that there be a contribution from localities, 2 or more counties or cities, of not less than a total 20% of the required match, or \$50,000 in total, whichever is greater. Towns with substantive involvement in economic development may be substituted for cities or counties to meet this requirement.

The State GO Virginia Board may waive this requirement of locality match, to half of the required amount, upon a finding of fiscal distress or an exceptional economic opportunity within the collaborating localities. Likewise, the requirement for two city or county contribution to match may also be waived for projects that clearly serve more than 50% of the regions' population. A waiver is solely at the discretion of the state board, is offered rarely, and only with significant evidence applicants have exhausted possible local sources of match.

This local contribution may come from any combination of the participating localities and political subdivisions and may take the form of cash, revenue sharing, dedication of locally-owned or controlled assets to the proposed regional project, reallocation of existing funds, in kind contributions, or other local resources. Also, existing investments by localities and political subdivisions that are redirected, repurposed, or refocused towards collaborative regional grant requests will count as local match. Please note that the State Board also reserves the right to waive the local contribution for enhanced capacity building projects that demonstrate an ability to benefit multiple GO Virginia regions or grant requests.

Applicants should clearly identify how the participating localities will make available the required local contribution. The application should also outline the status of the other non-local government contributions to the project.

Letters of Interest and Regional Capacity Building:

Potentially interested applicants are required to submit a 1-2 page letter of interest that could speak to some or all of these points, though applicants are encouraged to submit even if these elements are not yet fully known:

- Includes the name and contact information of the expected primary applicant
- Identifies possible Region 2 jurisdictions to be impacted/involved
- Includes list of likely partners and collaborators
- Provides a brief narrative description of the project (250 words max)
- Identifies likely total costs including anticipated GO Virginia request and matching fund sources
- Includes a clear description of expected outcome or result - clearly describing how the project would spur growth of higher-wage jobs in one or more of Region 2's priority clusters AND respond to one or more of the identified strategies in the Region 2 Economic Growth and Diversification Plan



All those potentially interested are encouraged to submit a letter, even if brief and incomplete, in order to begin the process of engaging with support staff personnel. Letters may be submitted that do not yet have some of these details in order to accelerate staff feedback, and ensure that applicants are able to access and complete the full application in a timely manner. Interested applicants should review the Region 2 Growth & Diversification Plan prior to submitting their inquiry or application. The plan can be found at the following link: <http://bit.ly/2ws9B18>

The letter of interest process supports possible applicants by eliciting feedback and guidance on the appropriateness of potential projects for GO Virginia funding. Letters of interest should be submitted electronically to:

Scott Tate, Ph.D.
Associate Director, Virginia Tech Office of Economic Development
702 University City Blvd., Mail Code 0373
Blacksburg, VA 24061
atate1@vt.edu

Within 2 business days of receipt, Region 2 staff will contact inquirers to discuss the projects and to answer questions about alignment for a formal application. For questions prior to submission, please contact Scott Tate via email atate1@vt.edu or by phone 540-231-2351.

Eligible Applicants:

Region 2 includes the counties of Alleghany, Amherst, Appomattox, Bedford, Botetourt, Campbell, Craig, Floyd, Franklin, Giles, Montgomery, Pulaski, and Roanoke; as well as the independent cities of Covington, Lynchburg, Radford, Roanoke, and Salem. Proposals require the collaboration of at least two localities, which may be any combination of counties, cities and towns and/or political subdivisions, public bodies corporate and politic, along with other public or private entities. Political subdivisions or public bodies corporate that represent the same county or city will not be counted as a separate locality. Public or private entities that may pursue and administer grant funding include, but are not limited to, other political subdivisions of the state, foundations, non-profit entities, colleges and universities, other educational entities, economic development organizations, workforce boards, local governments, regional council support organizations, and other stakeholders. A town, with the county that surrounds it, may petition the Board for the ability to apply for a grant, if the parties can demonstrate that their collaboration is substantive and aligned with the goals of GO Virginia.

While a private company may apply, in cooperation with the collaborating localities and other stakeholders, to participate in or manage a project, grant funds are not to be used as economic development incentive payments or to promote the activities of a single entity. Instead, grant funds are to be used to support the implementation of requests aligned with plan priorities and that offer broad community benefits. Financial participation by the collaborating localities is required as part of any application for a grant allocation, and the minimum threshold for such participation is outlined in the funding match section of these guidelines. The roles of the various participants in applying for and administering a proposed project shall also be set forth in the grant application.

Full application submission:

Applicants who submit a letter of interest and who seem to meet the threshold criteria for eligibility will be encouraged to submit a full application. **Full applications may be submitted at any time.**

For planning purposes, applications received by October 15, 2018 at 5pm will be considered by the Regional Council in late October or early November 2018 for possible state review in December of 2018. Applications received after October 15 will be reviewed and considered by Regional Council and state GO Virginia board in early 2019.

Applicants who submit a letter of interest that are invited to submit a full application will receive an electronic application packet. Documents and all required attachments must be submitted by email to Scott Tate at atate1@vt.edu. Support organization staff will oversee a review process, including Subject matter experts and Regional Council members for every full application.

Project evaluation criteria:

- Economic impact (35%):
 - To what extent does the project spur the growth of higher-wage jobs in one or more of Region 2's priority clusters: manufacturing; life sciences and health care; food and beverage processing; and emerging technologies and IT?
 - To what extent does the project respond to one of the strategies in the Region 2 Economic Growth and Diversification Plan related to: advancing technology and high-growth clusters; growing skilled talent; supporting entrepreneurship; and collaborative development of sites and buildings?
 - To what extent, does the proposal outline the expected return on investment of the proposed project and the timeline for achieving that return?
- Regional collaboration (30%)
 - To what extent does the project show evidence of widespread benefit to the larger region?
 - To what extent does the project engage localities and partnerships (including private or corporate partnership)?
 - To what extent does the project identify cost efficiencies, repurposing of existing funds, leveraging of existing assets or other evidence of collaboration benefits?
 - To what extent has the project involved businesses, colleges and universities, and other public and private entities within the region in the conceptualization of and the implementation of the project?
 - To what extent does the amount, timing, and form of the proposed project match indicate the depth of the commitment by the public and private funding partners to the effort?
 - To what extent does the proposed project inventory related efforts and seek to ensure it is not duplicative of, but additive to, other efforts to support economic diversification and the creation of more higher-paying jobs?



- Project readiness (20%)
 - To what extent do the applicant and project partners demonstrate and describe capabilities to successfully execute the project?
 - To what extent does the proposed project fully assess the barriers to successful implementation and other associated risks along with a plan to overcome them?
 - To what extent do the project partners and lead entities have sufficient financial management, personnel, and organizational capacity to ensure effective management and compliance?

- Project sustainability and innovation (15%)
 - To what extent is the project innovative, forward looking, and offers potential to promote sustainable long-term economic growth in the region?
 - To what extent does the project provide a plan for sustainability beyond GO Virginia funding, if appropriate?
 - To what extent does the project demonstrate leverage above the required amounts, from any source?

The anticipated return on investment of a proposed project resulting from the GO grants is one of the key measures to be used by the Board in making funding allocations. In calculating the anticipated return on investment for proposed grant requests, applicants should outline the anticipated jobs and capital investment that could accrue from the project over a two-year period that aligns with the likely payout schedule of a grant, as well as over the longer term. Using those factors, the applicant should outline the anticipated state and local tax revenues that will result from the proposed activity. When determining the economic impact of a proposed grant request, the Board will give preference to those applications which can demonstrate that the GO Virginia portion of the grant is recouped within three years, however, projects that may have a smaller return in the initial phases, but a larger anticipated longer term impact (taking into account the likelihood of future success) will receive special consideration. In addition to these objective factors, applicants should outline other measures of success, such as new collaborative agreements, revenue sharing, cost savings and efficiencies resulting from the project, or other items that can be used by the Board to understand the financial viability of the project. Another variable that the Board will use in determining the return on investment is any information provided by the applicant about previous successes involving the applicant on similar initiatives. It is understood that certain project types will have a longer timetable to achieve their expected return on investment.

Projects will NOT be eligible for Council funding if the funds impact only a single locality; focus on quality of life activities; support trade missions; fund construction or transportation projects; fund museum or entertainment venues; or lack alternative or matching funding.

Project evaluation process:

Once submitted, Region 2 Council support organization staff will perform a technical review of all completed applications to assess compliance with minimum criteria and eligibility. Applications that

meet the threshold criteria will reviewed by subject-matter experts, Council members, and support staff. All applications and review feedback will be provided to the Region 2 Council for review and action. The Region 2 Council, at their discretion and in some instances, may ask qualified applicants to provide additional information or to appear in-person. Subsequent to the review and approval by the Region 2 Council, the state GO Virginia Board must also review and provide final approval of all applications and the state GO Virginia staff will also lead a review process.

The Virginia Tech Office of Economic Development serves as the support organization for the Region 2 Council. In cases where Virginia Tech should appear as a primary applicant for Council funding, the technical and subject matter review will be led by representatives from a regional entity not directly associated with Virginia Tech.

Region 2 staff will ensure that any reviewers who are full-time employees of applicant organizations, will not perform reviews of their employer organizations. In some instances, reviewers may also have an interest in or connection to one or more of the applicant organizations (such as serving as a board member or volunteer). Reviewers and applicants should disclose any such connections.

Required Documents and Attachments for the full application will include:

- Project application questionnaire
- Executive Summary
- Milestones Overview
- Return on Investment
- Performance Metrics
- Letter of Commitment
- In-Kind Contributions From: Template
- Letters of Support
- Budget Overview: Sources & Uses Template

Optional Attachments

- Waiver request
- Resume for Project Managers