



REGION ONE COUNCIL MEETING

March 6, 2018

Minutes

The GO Virginia Region One Council held its fifth meeting on March 6, 2018 at the Russell County Conference Center, Lebanon, Virginia. Members present were Moir Beamer, Lois Clarke, Donna Henry, Duane Miller, David Olive, Keith Perrigan, Mike Quillen, Dean Sprinkle, Travis Staton, Joe Gary Street, and Mike Stollings.

Welcome and Opening Remarks:

Mike Quillen, Chair of the Region One Council presided over the meeting. Crystal Hamm, Becki Joyce, Robyn Lee, and Martha Necessary recorded the meeting minutes. Chairman Quillen stated that a quorum was not present, as they were awaiting the arrival of one member who was a few minutes away. Chairman Quillen reviewed the information in the Council packets and allowed for Jonathan Belcher with Virginia Coalfield Economic Development Authority (VCEDA) to share his presentation. Jonathan provided VCEDA marketing materials, 2017 Annual Report, and presented on VCEDA programs and initiatives.

Confirming a quorum, Chairman Quillen called the meeting to order and suggested a change to the agenda to move the Action Items to follow the VCEDA presentation, as a Council member needed to leave early. Duane Miller made the motion to approve the meeting agenda and the minutes from the December 7th meeting. Donna Henry seconded the motions, which were unanimously approved by council members.

- Chairman Quillen noted the importance of communication and getting the message out regarding GO Virginia. Pointing to the flyer in their packets, he informed the council of the March 15 How-to-Apply workshop in Abingdon. Chairman Quillen mentioned that additional workshops will be scheduled in other parts of the region in the coming weeks.
- Chairman Quillen stated that Region 1 is exploring working with Regions 2, 3, and 8 on potential Competitive grant opportunities.
- Chairman Quillen reported that the GO VA state board gave approval for DHCD staff to approve funding for Enhanced Capacity Building projects less than \$100,000 without going through the state board. In addition, if the funding request is less than \$100,000, it can be used for a feasibility study.
- Chairman Quillen noted that Region 1 will solicit project ideas during meetings to learn more about potential projects. He invited recommendations for presentations from the Council.

Action Items:

Per Capita Grant Projects

Shannon Blevins with UVa-Wise, the support organization, noted that Region 1 did not make recommendations for projects during the first round of GO Virginia grants. Other regions that did, now have finished contract negotiations and completed MOUs. The typical turnaround time appears to be 3 months from state board approval to a fully executed contract.

Shannon offered a PowerPoint presentation outlining the applications received by the Region 1 Council and staff recommendations. Project application summaries and staff recommendations were also provided in Council packets. Shannon indicated that all applications are in alignment with the Region 1 Growth and Diversification Plan to support the four target industries and underpinning strategies.

The GO Virginia Region One Council received three proposals for FY 2018 Per Capital funds by the February 5 deadline. The requests totaled \$850,000. The Council has \$614,770 available.

United Way of Southwest Virginia

Ignite Internships

\$250,000 Requested

- Project Summary: United Way of Southwest Virginia (UWSWVA) is requesting funding to expand their Ignite program in high schools across the region, working with schools and employers to collaboratively align school curriculums with employer needs. UWSWVA requests \$250,000 toward a two-year project to build a capacity-building platform that provides activities that encourage post-secondary education, streamline work credentialing, provide work-based learning opportunities, and match new graduates with local employers through a web-based platform (MG1). The project has a match of over \$618,000 stemming from several sources including local participation. All 16 school divisions are in support and have provided \$50,000 for local match.
- Staff recommended full funding of \$250,000 for the Ignite program and encouraged the UWSWVA team to work with the area Workforce Development Boards where appropriate to ensure no duplication of efforts exist.
- Joe Street commented that two students from Bristol went through the Ignite program and had great things to say about the program. Keith Perrigan mentioned that internships, mentorships, and job training will be essential for graduation, and Bristol City Public Schools is excited about the partnership with United Way and other agencies. Chairman Quillen invited United Way to speak more about the project's sustainability, as David Olive stated he was interested in learning more about their plans. Crystal Brown, Director of Education with United Way of Southwest Virginia, provided additional information concerning their ongoing expenses.
- Joe Street made a motion to fund the full \$250,000. Duane Miller seconded the motion. Travis Staton abstained from the vote. After no discussion, the motion was approved as the first project recommended to the state board.

New River/Mount Rogers Workforce Development Area

Region 1 Talent Growth Advantage

\$300,000 Requested

- Project Summary: The Talent Growth Advantage project will create a talent development system for middle-to-high skilled occupations in manufacturing and IT through two paths. One is by using an “up-skill and back-fill” methodology to create and build a pipeline of skilled workers. The second is to help close the skill and interest gap of youth through Career Exploration cohorts (camps) for graduating high school seniors (that currently do not have a “plan” for after graduation) allowing them to experience hands on activities and learn about in-demand occupations in manufacturing and IT industries. The project, covering all of Region 1, requests \$300,000 in funding.
- Due to concerns of duplication of efforts of United Way’s program, which appears will have a greater regional impact on a wide range of youth in Region 1, staff recommended partial funding of \$155,000. The funding includes the existing worker training effort, associated administrative fees, and travel and outreach supplies as budgeted. This recommendation is contingent upon the applicant securing at least two localities supporting the effort and either securing the required local match or outlining why the local match cannot be secured.
 - It is not clear to DHCD that this project includes at least two localities.
 - Shannon indicated that Leanna Blevins with New College Institute served as a subject matter expert in reviewing this application.
- Duane Miller requested clarification on local match and participation, which does not appear to be there. Duane mentioned that prioritizing needs for the limited funds was discussed in the Economic Development Committee meeting earlier that day. The committee prioritized site planning, site infrastructure, and workforce development in that particular order. Therefore, Duane recommended not funding this type of project right now until they learn of other proposals that may better align with priorities.
- Chairman Quillen suggested looking at the third proposal before making a decision concerning the Region 1 Talent Growth Advantage.

Washington County, Virginia

Washington County “Tech Spec” Facility Acquisition

\$300,000 Requested

- Project Summary: The project requests financial support for real property acquisition to create a Tech Spec facility in Washington County, Virginia. The Tech Spec markets to emerging businesses, which have spatial or operational needs that are currently challenged by a lack of real estate product. A cross-state border work team known as the State of Franklin Technology Collaborative brings together representatives of higher education, economic development, and local government to provide guidance to Tech Spec marketing efforts and ensures that the Tech Spec functions as a tool to align technology-based economic development activities and regional talent recruitment and retention strategies. This revised and resubmitted proposal by Washington County requests \$300,000 in GO Virginia funding to go toward the purchase of a facility. Washington County will contribute \$900,000 in cash monies, which will be applied directly toward the purchase cost, which is \$1.2M. The project has obtained in-kind

match from the project partners, which include the City of Bristol, East Tennessee State University, and the Southwest Virginia Higher Education Center.

- Staff recommends funding the proposal contingent upon the applicant broadening the partnership beyond the City of Bristol to include partners with committed funds.
- Chairman Quillen noted that he talked with Washington County and suggested that they continue to talk to other jurisdictions regarding a partnership. Dickenson County provided a signed letter, agreeing to talk to them about participating in the project. Chairman Quillen stated that the state board will likely not approve the proposal without another jurisdiction based on prior approvals by the state. Chairman Quillen gave Washington County the opportunity to speak concerning their project. Whitney Bonham Czelusniak with Washington County confirmed that they are working with Dickenson County on a partnership. Shannon Blevins indicated that Virginia Economic Development Partnership has a sites and building team that is serving as subject matter experts and reviewing this application.
- Chairman Quillen gave Marty Holliday with the New River/Mount Rogers Workforce Development Area an opportunity to address the Council concerning their Talent Growth Advantage proposal. Marty reported that their program is specifically looking at students that have already graduated compared to United Way's program that is focusing on middle to high school students. She mentioned that they did not fully understand the match waiver, but they are willing to get two jurisdictions to provide funding.
- Questions were raised concerning next year's GO Virginia funding. Shannon Blevins reported that the projected GO Virginia Region One Per Capita funding for next year will be between \$750,000 to \$1 million and building capacity funding will fall somewhere between \$250,000 - \$500,000. The state can potentially move competitive grant funds to bring all of the regions up to \$750,000 for Per Capita funds. Following conversations with legislators, Chairman Quillen noted that he is confident that the funding will increase from this year.
 - Shannon Blevins mentioned that staff recently implemented a required letter of intent 60 days before the next Council meeting. The letters will inform staff of upcoming projects and will give staff sufficient time to work with applicants on their proposals.
- Duane Miller stated that he is in support of the New River/Mount Rogers Workforce Development Area's project, but does not think it is a priority with limited funds. Duane made a motion to table this request to ensure that all grant guidelines are met with local participation and without a waiver request. David Olive seconded the motion. Without discussion, the Council approved the motion to table the proposal. Travis Staton abstained from the vote.
- Chairman Quillen requested discussion concerning the Washington County Tech Spec project. Duane Miller stated that it is a good project, but he would like to see Washington County bring in additional partners to make the project more appealing. Chairman Quillen responded that based on previous discussions with the state, they will have the same issue, but they can send it forward for review if the Council decides. Chairman Quillen mentioned that there may be other educational institutions that would be willing to partner as well. Chairman Quillen noted that at this time, there is \$364,000 in funding remaining. Keith Perrigan stated that he would like to make a motion, but will abstain considering the locality involved. Duane Miller made a motion to recommend the full amount of \$300,000 to DHCD, contingent upon additional participation

of at least one more locality. Mike Stollings seconded the motion, which was approved by the Council. Travis Staton and Keith Perrigan abstained.

Report Items:

Support Organization Contract/MOU

Chairman Quillen confirmed the MOU between DHCD, the University of Virginia and UVa Wise had been finalized and signed in December.

Executive Director Position

Chairman Quillen and Shannon Blevins reported that the Executive Director search is coming to a close. The search committee performed Skype interviews and will have another round of in-person interviews on March 14. The goal is to make an offer by the end of the month to get the Executive Director out in the communities as quickly as possible.

Reports from Committees

Chambers of Commerce

No report was provided from the Chambers of Commerce Committee.

Education

Dean Sprinkle reported that the committee recently added Alita Spicer, Marty Holiday, and Josh Lewis to the team. Working with the Department of Labor, the committee is planning an apprenticeship event in early April, which will help inform educational entities of the opportunities available to them.

Economic Development

Duane Miller reported that the Economic Development Committee was happy to hear that feasibility studies under \$100,000 are eligible for GO Virginia funding. The team is interested in prioritizing the limited funds from their standpoint in the following order; site planning, site infrastructure, broadband, natural gas, and workforce. Duane mentioned that the summary of working groups document was helpful and they are glad to see that communication is improving. Duane mentioned that it would be helpful to have working group meetings toward Wytheville to allow them to meet in that area. Duane noted that Jonathan Belcher with VCEDA discussed opportunity zones in their last meeting. Duane

reported that the economic developers are interested in hosting VEDP to provide a presentation on data and research for the region.

Non Profits

Travis Staton reported that the nonprofits are working together during tax season. Household incomes making \$66,000 or less can file state and federal for free with United Way and HR Block.

Working Groups

Shannon Blevins directed the Council to the summary of working groups document provided in their packets. Shannon mentioned that Becki Joyce is providing staff support for the Agriculture and Food and Beverage Manufacturing, Information and Emerging Technologies, and Advanced Manufacturing Working Groups. A copy of the rosters for each group was shared with the Council members for their assistance in getting more subject matter experts engaged in the groups. Shannon indicated that the teams are coming up with project ideas. Staff is continuing to encourage more regional ideas and is helping to bring in experts to assist groups in thinking of strategies.

Chairman Quillen asked Moir Beamer to update the Council on the processing facility in Carroll County. Moir pointed to a map of the project that was displayed at the meeting. Although the numbers are not finalized yet, they are working on developing the facility as a livestock complex and educational facility. They have been in discussions with Virginia Tech regarding grazing programs for teaching purposes. Moir mentioned that they would also like to work with United Way to have internships from the Ignite program. Chairman Quillen stated that there are many people interested in this project and that most of the funds will likely come from the Tobacco Commission, while GO Virginia could potentially be a participating funder.

Website

Chairman Quillen provided an update on the development of a new website for GO Virginia Region One. A screenshot of three of the new pages was provided in the Council packets. The goal is to work towards a website that has the capability to take applications online. Shannon Blevins mentioned that UVa-Wise received quotes for development of the new site with the most expensive being \$13,000. The UVa-Wise Information Technology Department will be designing the website for much less. The new website will be launched by the next meeting in June.

Budget Update

Chairman Quillen mentioned that there is a budget update in the Council packets, which reflects the \$100,000 that was moved from the building capacity budget to the Per Capita budget for additional grant funding for projects.

Discussion Items:

Electronic Participation in GO Virginia Region One Council Meetings - Policy

After looking further into a policy for allowing electronic participation from Council members for a Quorum, Chairman Quillen reported that there are several restrictions according to DHCD policy. Shannon Blevins stated that if the Council has electronic participation, there will have to be another site for a public meeting and a quorum would still be required on site. If the connection is lost, the “in person” meeting would be forced to stop until the phone can be reconnected. In addition, Council members can only call in to the meeting one time a year and they will need to justify their reason for calling in. The Council will also be required to have at least one meeting per year that there is not a remote call in option. Due to the restrictions, Chairman Quillen is not recommending electronic participation at this time, but opened it up for discussion.

Travis Staton encouraged the Council to meet in person and not adopt a policy like this. Joe Street agreed and stated that since the Council meets only 4 times a year, all members should be there in person and they should push for members to be present. Chairman Quillen acknowledged a consensus that the Council is choosing not to adopt this policy at this time.

Next Meeting Dates & Locations

Chairman Quillen reviewed the next meeting dates, noting that there is an executive committee meeting in August and one could be called before the next Council meeting in June if needed. The location for the June 5 meeting is still undecided. Moir Beamer offered to assist in setting up a meeting at the Crossroads Institute in Galax. Joe Street invited the Council to Appalachian Law School in Grundy.

Public Comments

Chairman Quillen opened the floor for public comments. No public comments were made.

Adjournment

A motion was made and seconded to adjourn the meeting. The motion was approved unanimously. Chairman Quillen adjourned the meeting.