



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

2023 ANNUAL REPORT

Submitted by the Virginia Department of Housing and
Community Development

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Chapters 778 and 779 of the 2016 Virginia Acts of Assembly amended Title 2.2 of the Code of Virginia by adding Chapter 24 to create the Virginia Growth and Opportunity Board (the Board) and the Virginia Growth and Opportunity Fund (VGOF) within the Virginia Growth and Opportunity Act. Subsection 11 of §2.2-2486 of the Code requires the Board to submit an annual executive summary of the interim activity of the Board by December 1 of each year. The information provided here provides an executive summary of the program and summarizes the activities of the Board from July 1, 2022 to June 30, 2023.

1 CONTENTS

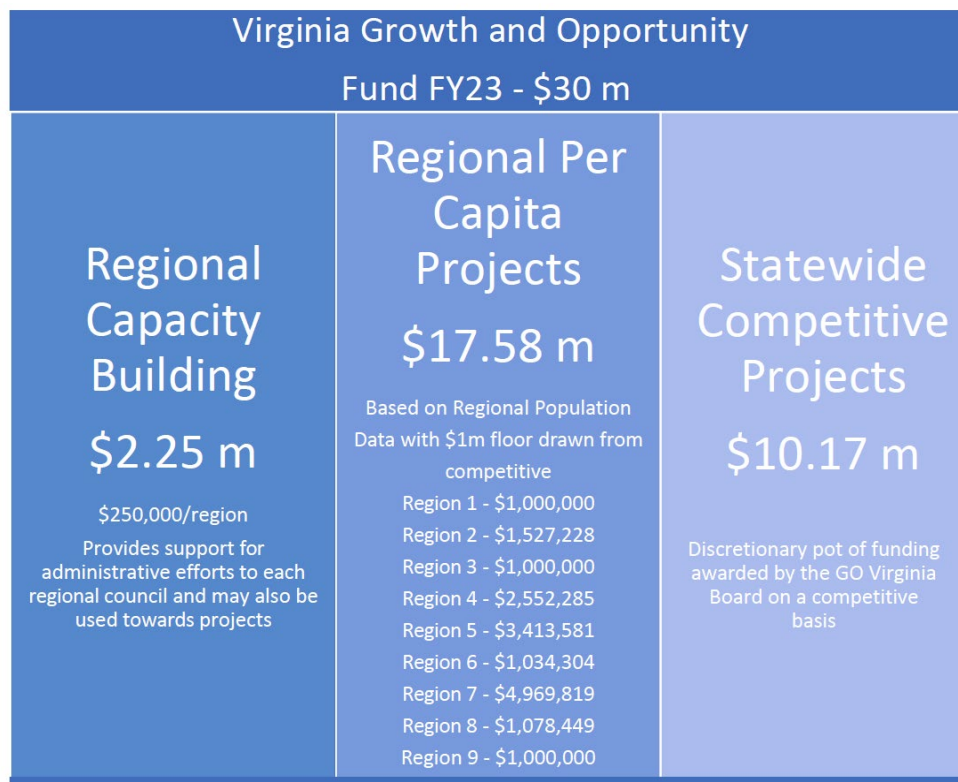
- 2 The Virginia Growth and Opportunity Fund 3
- 3 Executive Summary 4
- 4 The Virginia Growth and Opportunity Board 5
 - 4.1 Key Board Actions and Activity during FY23 6
- 5 FY23 Grant Awards 9

2 THE FUND

Appropriations for the Virginia Growth and Opportunity Fund are included in the budget for the Virginia Department of Housing and Community Development (DHCD). The fund, as created in §2.2-2487 of the Code, has three grant categories:

- (1) Capacity building funds to assist regional councils in building capacity for job creation and program implementation (capacity building grants);
- (2) Per capita project grants allocated to each region on a per capita basis for projects of regional significance (per capita grants); and
- (3) Competitive grants awarded for projects of statewide economic impact and interregional collaborations (competitive grants).

The FY23-FY24 biennium budget allocated \$30.0 million for the fund in FY23. The following chart shows the distribution for FY23 among the three fund categories, including the per capita allocation across nine GO Virginia regions.



3 EXECUTIVE SUMMARY

The GO Virginia State Board continued its support of projects in **four priority investment areas; startup ecosystems, cluster scale-up, workforce development, and site development and infrastructure**. These strategies are recognized as essential building blocks for sustaining and accelerating the growth of traded industry clusters, which are interrelated firms who together contribute significantly to Virginia's total economic output. Firms in supported traded clusters are positioned to compete to serve national and international markets and most importantly, drive wealth-creating employment opportunities for Virginians.

Program Impact Areas

Regional Collaboration

GO Virginia was developed to incentivize and reward regional collaboration that supports the growth and diversification of regional economies and more efficient use of state and local resources. In the spirit of that collaboration, GO Virginia projects require the participation of two or more localities and matching funds from non-state sources. This model has enabled exciting partnerships between local governments, local and regional economic development organizations, and a wide variety of private and public sectors partners. **More than 275 unique local co-funders including 175 localities, 48 school divisions and 29 local and regional economic development organizations have participated in funded projects since program inception.**

Leveraged Resources

Since the program's inception to June 30, 2023, GO Virginia has awarded \$110.3 million in funding for 263 projects across the Commonwealth **These project awards have leveraged matching funds of more than \$125.5 million in additional funding from public and private sources.**

High-Impact Outcomes

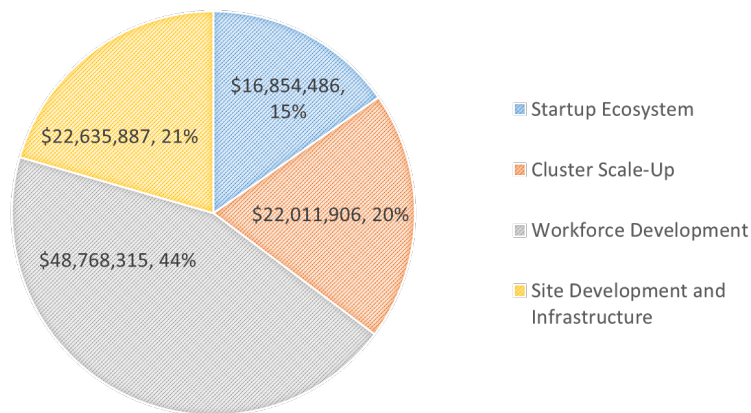
The GO Virginia State Board has endorsed group of core performance metrics for each of the four key investment categories. These outcomes measures focus on delivering results during and after the two-year grant period that incentivize project sustainability and capacity building to

improve regional competitiveness. **From the program’s inception to FY23, GO Virginia grantees have reported the following results.**

- **22,700 new jobs created;**
- **20,000 businesses served;**
- **1,010 new businesses created;**
- **1,880 new apprenticeship positions created;**
- **7,000 newly credentialed workers; and**
- **5,700 acres characterized or advanced a tier according to the criteria established in the Virginia Business Ready Sites program among other outcomes.**

The following chart shows the distribution of GO Virginia funds across these focused investment areas through June 30, 2023.

**GO VIRGINIA GRANT AWARDS
BY INVESTMENT STRATEGY SINCE PROGRAM
INCEPTION**

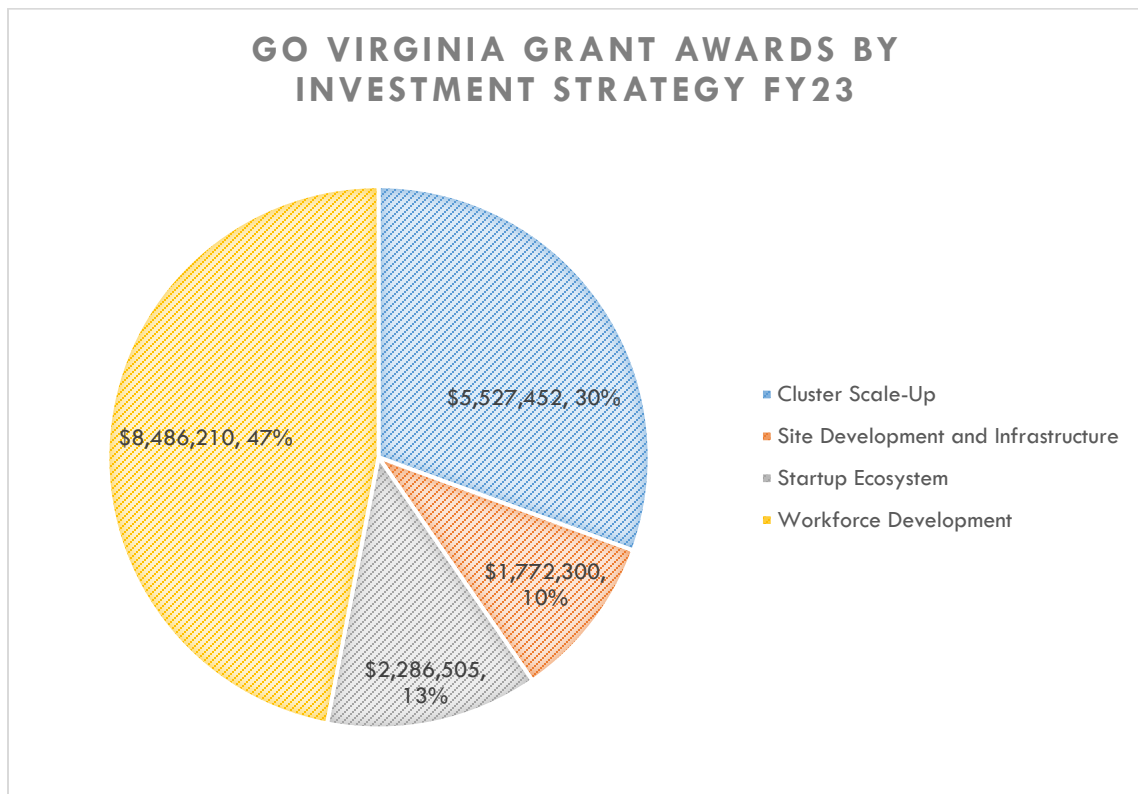


4 THE VIRGINIA GROWTH AND OPPORTUNITY BOARD

The Virginia Growth and Opportunity Board consists of seven legislators, three ex-officio members with voting privileges from the Governor’s Cabinet, and fourteen private sector representatives. A full list of board members seated on June 30, 2023 can be found in [Appendix A](#).

The GO Virginia State Board held four meetings during the fiscal year. The deliberations and actions are described in detail in Section 5 of this report. In FY23, the Board awarded \$18.1 million in support of 38 collaborative economic development projects across the Commonwealth. These initiatives leveraged more than \$17.0 million in qualifying non-state investments.

The following chart shows the award distribution by investment strategy for FY23.



4.1 KEY BOARD ACTIONS AND ACTIVITY DURING FY2023

The following section describes the key actions and determinations of the Board. Details regarding the agendas, meeting materials, and meeting minutes can be found under the provided links.

Board Meeting - September 13, 2022

[Agenda and Meeting Materials](#)

[Meeting Minutes](#)

The Board elected Nancy Agee to serve as Chair and Todd Stottlemeyer to serve as Vice Chair for a term of one year. The Board updated the electronic meeting participation policy to align with enacted amendments to state law. The policy allows virtual participation of members if an in-person quorum is established and also allows for up to two, non-consecutive, all-virtual meetings per year.

The Board also approved the program guidance for the Talent Pathways Planning Initiative. This program, funded by a special appropriation of \$2.5 million, will provide planning grants to the regions to support analysis of regional businesses' workforce needs and to identify the skills and trainings workers need to fill these regional workforce needs. Regional councils will focus this analysis on prioritized industry clusters identified in their most recent Growth and Diversification plan.

The Board approved the regional capacity building budgets and considered four applications and one request submitted previously by Region 8 under the Economic Resilience and Recovery Initiative.

Board Meeting - December 13, 2022

[Agenda and Meeting Materials](#)

[Meeting Minutes](#)

The Board considered eight applications, which included six regional Per Capita applications, one Statewide Competitive application and one application considered under the newly created Talent Pathways Planning initiative.

The Board adopted [Policy #14 Maximum Regional Per Capita Carryover Allowance and Establishment of Regional Performance Pool](#). This policy permits regions to a carryover maximum of one year's allocation of Per Capita Funds. Any residual funds will create a Regional Performance Pool which will be part of the Statewide Competitive Fund and will be later deployed on high impact projects.

Two previously approved projects were withdrawn by their respective regional councils. Funds were returned to their original funding source.

Board Meeting – March 14, 2023

[Agenda and Meeting Materials](#)

[Meeting Minutes](#)

Per § 2.2-2489, the Board approved the 2023 Growth and Diversification Plan review guidelines. The approved guidelines established a simplified plan review process that includes the elements required by law and establish a framework for the deployment of the Talent Pathways Planning Initiative's resources. The Board also adopted [Policy #15 Contract Terms and Performance Period](#) which established projects terms and timelines for contracts and performance periods.

The Board considered ten applications, including nine regional Per Capita requests and one Talent Pathways Planning Initiative application. The Board discussed a review of bylaws and potential bylaw changes.

Board Meeting - June 13, 2023

[Agenda and Meeting Materials](#)

[Meeting Minutes](#)

The Board convened in June and approved the distribution of the FY23 program funds using the methodology described in the budget. The Board allocated \$17.6 million in regional Per Capita funding, with each region receiving at least \$1.0 million. Of that, each region also received \$250,000 for program administration and to support the work of the governing regional councils and project development support and oversight.

Following the legislative session, the Board amended Policy #12 to continue the allowance for Tobacco Commission funds to be used for 50% of the match required by GO Virginia projects.

The Board also took action to reestablish the 1:1 total project match as required by law and establish objective match waiver criteria in circumstances of fiscal distress and extraordinary economic opportunity. The body also modified the local match requirement to eliminate the \$50,000 minimum but required that 20% of the match come from units of local government as a demonstration of meaningful local participation. The motion to approve included a delayed

enactment provision which would go into effect October 1, 2023, with the final administrative guidance for the waiver process being presented and approved by the Board at its September 12 meeting.

The Board considered eight applications that included six regional Per Capita applications and two Talent Pathways Planning Initiative applications.

5 FY23 GRANT AWARDS

To support the GO Virginia program goals and objectives, as well as the pandemic response, the GO Virginia State Board approved \$18.1 million in funding for 35 projects during FY23. These grants attracted an additional \$16.5 million in matching funds from private and public sources.

The following table details the grant awards during FY23.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
1	SMR Supply Chain Analysis	Startup Ecosystem	\$50,000	\$25,000	To prepare the SWVA economy for future investments in a Small Modular Reactor (SMR) energy focused ecosystem. The LENOWISCO Planning District Commission, in partnership with Lonesome Pine RIFA, will prepare a Regional SMR Manufacturing Supply Chain Report. This report will be utilized to identify existing businesses for retooling and to recruit new businesses to support the SMR supply chain.
1	SMR Site Feasibility	Site Development and Infrastructure	\$100,000	\$50,000	To examine the feasibility of developing multiple Small Modular Reactor (SMR) site locations within the Lonesome Pine Regional Industrial Facilities Authority (LPRIFA) geographic footprint.
2	Falling Branch Corporate Park Regional Site Development	Site Development and Infrastructure	\$324,000	\$4,585,000	To advance an industrial site in an existing corporate park from Tier 4 to a Tier 5 on the Virginia Business Ready Site Program (VBRSP) scale. Montgomery County and the Town of Christiansburg are collaborating to advance this 35-acre site for future development.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
2	Center of Entrepreneurship	Startup Ecosystem	\$240,192	\$187,035	To increase the number of growth-oriented startups by creating an entrepreneurial center of excellence for the Greater Lynchburg region that will serve as an anchor and catalyst for the region's entrepreneurial ecosystem.
2	Lynchburg Career Acceleration Program	Workforce Development	\$540,000	\$352,200	To serve as a regional catalyst to create and fill a well-trained, well-supported pipeline of career-seekers who will fill the needs of high-demand traded sector industries in and around the Lynchburg region. The proposal will accelerate the training, mentorship, career development, and placement of talented opportunity youth and prime-age workers in the region.
2	Metal Workforce Training Center	Workforce Development	\$99,900	\$213,772	The Town of Bedford Economic Development Authority seeks to develop a master plan to determine programming and an operational model for the proposed "Regional Metal Workforce Retention Center." The facility would be ideally suited for metal fabrication including welding, forging, machining, stamping, folding, extruding, etc. This proposal would help develop public/private business models that encourage corporate industry participation and help address the expansion needs of the Central Virginia Community College (CVCC) CTE Program.
2	Airport Commerce Park	Site Development and Infrastructure	\$190,000	\$109,074	To advance an industrial site in an existing airport park from Tier 2 to Tier 3 along the Virginia Business Ready Site Program (VBRSP) scale. The City of Lynchburg and Campbell County are collaborating to advance 82 acres for future development.
2	BTEC - Expanding Welding Training Capacity & Jobs in the Roanoke Valley	Workforce Development	\$166,667	\$83,333	To expand the pool of qualified welders to meet the unmet needs of manufacturers in the region through the expansion of the Botetourt Technical Education Center (BTEC) welding program. The additional capacity will allow the program to increase high school and adult enrollment and double the hands-on training time capacity at the welding booths.
2	Industry 4.0 for the Automated-Connected-Eletrified (ACE) Workforce	Cluster Scale-Up	\$500,000	\$251,300	To scale up the transportation and autonomous vehicles sector through a coalition of industry and educational partners. Through the formation of an Automated-Connected-Electrified (ACE) Coalition of over 150+ public, private, and non-profit organizations, the initiative seeks to advance the

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
					region's transportation and autonomous vehicles sector.
2	CS/root	Startup Ecosystem	\$175,000	\$175,000	To create a platform for computer science (CS) focused entrepreneurship in the New River and Roanoke Valleys focusing on stimulating startups in the pre-launch phase. The initiative will focus on the pre-launch phase when technical founders need the expertise of technical advisors to move their concept, IP, or ideas from the drawing board to working demonstrations for eventual use in a go-to-market strategy.
3	Virginia's Growth Alliance Site Development Project	Workforce Development	\$326,225	\$163,113	To increase the number of regionally significant shovel ready sites in GO Virginia Region 3. Virginia's Growth Alliance Site Development Project will work to elevate seven sites on the VEDP Virginia Business Ready Sites scale.
3	P&HCC - Expanding GO TEC Pathways	Workforce Development	\$118,545	\$129,261	To increase dual enrollment opportunities in welding and expand the pool of qualified workers. As part of the GO TEC pathway and in alignment with the GO TEC 2025 Statewide Competitive project recently approved, P&HCC proposes to offer dual enrollment welding classes for students in Henry County Public Schools and Martinsville City Public Schools. P&HCC seeks to expand current training opportunities in welding to include high school dual enrollment opportunities to grow the pipeline of trained welders.
3	SVCC Expanding GO TEC Pathways	Workforce Development	\$139,732	\$223,208	To increase dual enrollment opportunities for high school students and expand the pool of qualified workers in the mechatronics industry. SVCC plans to increase dual enrollment options in the Mechatronics field for students in Buckingham, Cumberland, and Prince Edward schools. The instructor that will be supported by this grant will teach mechatronics classes to students in each high school.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
3	GO TEC Virginia 2025	Workforce Development	\$3,474,821	\$2,426,079	GO TEC Virginia is a partnership between IALR, GO Virginia Regions 1, 3, 4, and 5, three In-Region Coordinating Entities (IRCE), employers, economic developers, K12 Divisions, and higher education institutions. GO TEC Virginia will be executed by IALR and the three IRCEs, with efforts informed and endorsed by a 16-member multi-region Board of Directors. GO TEC Virginia 2025 includes the development of three GO TEC Training Labs – one each in Region 1, Region 4 and Region 5 – to serve as a focal point for regional economic developers, working with existing and prospective businesses, to showcase the GO TEC talent pathways and hands-on technology integration that create a pipeline of skilled workers.
3	Commonwealth Regional Commission (CRC) REDO Strategy and Business Plan	Site Development and Infrastructure	\$65,000	\$44,500	Through a series of regional discussions, the communities of the CRC footprint desire a strategic set of goals, priorities, focus and support to better reflect changes in the economic development landscape and to launch a Regional Economic Development Organization (REDO) in an effective and sustainable manner through the development of a business plan.
4	Advancing a Regional Skilled Ecosystem (ARISE) for Life Sciences	Workforce Development	\$253,500	\$167,000	To create jobs and award credentials for skilled laboratory technicians by creating a fully-equipped learning laboratory at the Reynolds Downtown Campus and developing and launching a laboratory technician major in the Associate of Science degree pathways, and work with industry partners to bring in entry-level employees.
4	GO TEC Region4 Career Connections Labs	Workforce Development	\$1,150,571	\$619,561	To create work-based learning opportunities and jobs in targeted industries across Region 4 by creating Career Connection labs as a part of the GO TEC hub-and-spoke model. Complementing the GO TEC 2025 statewide competitive grant award in which CCAM was selected to serve as the In Region Coordinating Entity (IRCE). Region 4 is establishing five Career Connections labs in participating middle schools to engage middle school students in STEM career pathways experiences using the GO TEC model.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
5	Demonstration Site for Clean Energy Transition to Green Hydrogen (HRH2)	Cluster Scale-Up	\$1,497,452	\$1,200,423	To scale-up the clean energy industry in Hampton Roads using green hydrogen production while addressing critical energy challenges in the region and reducing cost. The proposal has identified three main objectives in helping advance a green hydrogen industry lab in the City of Newport News to help drive energy across Hampton Roads: 1) Initiate 3-5 hydrogen transition projects to drive local industry investments, 2) Establish a hydrogen competency/demo center to educate and attract new business to Virginia, and 3) Create advanced workforce and talent programs to support the clean energy sector.
5	Region 5 Talent Pathways Initiative (TPI)	Workforce Development	\$250,000	\$125,000	To define talent pathways for Region 5's targeted industries. The Region 5 Council selected the Hampton Roads Workforce Council (HRWC) to serve as the Talent Pathways Planning Initiative industry cluster talent coordinating entity as the regional workforce convening organization that has a proven track record of providing seamless services among various workforce programs and providing community leadership around workforce issues in GOVA Region 5. Utilizing a methodology that begins with demand planning and an employer collaborative, HRWC will utilize labor market information and projections verified by the collaborative to form a tailored approach to each of the two identified industry clusters detailed in the plan.
6	Expanding Smart Community Tech Entrepreneurship Across Region 6	Startup Ecosystem	\$96,250	\$71,340	To conduct feasibility work to determine if opportunities exist in rural localities in Region 6 beyond "Rappahannock region" to expand the existing Testbed and connect entrepreneurs and companies to solve local issues that may be improved using smart technology.
6	Workforce Now	Workforce Development	\$230,000	\$150,000	To create and fill work-based learning opportunities and connect talent with jobs across Region 6. The Fredericksburg Chamber in partnership with five school divisions, Germanna Community College, Rappahannock Goodwill Career Works, and the University of Mary Washington to host an internship expo to help address workforce shortages and increase work-based learning opportunities.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
6	Innovation Pathways	Workforce Development	\$978,449	\$563,962	To create a supply of qualified individuals entering the information technology, computer science, and cyber related professions. Stafford County Public Schools, in partnership with G3 Community Services, the University of Mary Washington, and a regional coalition of school divisions, is applying for funding to offer IT certifications (CompTIA certifications including IT Fundamentals, A+, Network+, and Security+ series) to students across the region through outside of school programming and summer camps to build student awareness of STEM and cybersecurity opportunities. The project will also train teachers with the same CompTIA certifications to build training capacity.
6	West Point Airport Industrial Site Evaluation	Site Development and Infrastructure	\$100,000	\$65,000	The Middle Peninsula Planning District Commission (MPPDC) advance the Middle Peninsula Airport property from a Tier 2 to a Tier 3.
6	Region 6 Talent Pathways Initiative (TPI) Planning	Workforce Development	\$250,000	\$125,000	To define talent pathways for Region 6's targeted industries. The Region 6 Council selected the Bay Area Workforce Development Board (BCWDB) to serve as the Talent Pathways Planning Initiative industry cluster talent coordinating entity as the regional workforce convening organization that has a proven track record of providing seamless services among various workforce programs and providing community leadership around workforce issues in GOVA Region 6. Using a sub-regional approach, the BCWDC and Region 6 council will develop a plan to create robust talent pipelines specific to the region's industry clusters.
6	Pathways to Success	Workforce Development	\$100,000	\$50,000	To develop a career investigation and readiness curriculum for grades 6, 7, and 8 called "Pathways to Success" – all middle-schoolers are required to complete a career investigations course in Virginia selected from either a state-approved list or from a developed course content approved and provided by the school division. The program will provide teacher training modules and deliver the training for up to 50 educators from SCPS and other regional school district partners.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
6	Young Entrepreneurs Program	Startup Ecosystem	\$98,000	\$90,272	To pilot a youth entrepreneurship program and document the pilot- building experiences in a Resource Guide that can be offered to any other schools or youth- oriented programs. The project aims to create collaboration between government, schools, business, civic/youth organizations, and existing entrepreneurs. The Resource Guide will be tailored to opportunities and challenges for entrepreneurs in Region 6.
7	VAST - Virginia Alliance for Semiconductor Technology	Cluster Scale-Up	\$3,300,000	\$1,675,000	To connect, market, and create a talent pipeline for the emerging nanotechnology industry in Virginia. VAST will first seek to connect institutions of higher education across the Commonwealth that have existing nanotechnology facilities and help to create a coordinated pipeline of talent for the semiconductor industry through three new certificate programs, which will fall under the new Fast Track to Semiconductor Careers (FTSC) program.
7	Project Collective Impact: Life Science Workforce Preparedness	Workforce Development	\$100,000	\$50,013	The project team led by GMU's Center for Health Workforce and Institute for Biohealth Innovation will conduct a workforce gap analysis in the life sciences industry by assessing employer needs, employment trends, workforce supply, and demand projections. Findings will support the design of a program that enables the region to augment and strengthen life science workforce development using an "employer-led" workforce preparedness model.
7	Cyber Guild	Cluster Scale-Up	\$100,000	\$50,000	The project will create a 2023-2027 strategic plan that focuses organization leadership and resources on programs that will most advance the mission, determine robust metrics to show value and inform future work, and establish the core resources and staff to deliver successful implementation.
7	Accelerate Investor Conferences	Startup Ecosystem	\$532,269	\$311,500	ACCELERATE is a year-long process of engaging tech entrepreneurs, investors, and ecosystem partners. It culminates in an investor conference that showcases Virginia as a powerhouse for innovation and business opportunity. The conference convenes angel and venture investors from Region 7 and across the US to learn, network, and connect with a rich pipeline of local, tech-focused, high-growth companies.

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
7	Quantitative Metrics to Determine Effects on Foreign Investment	Cluster Scale-Up	\$30,000	\$15,000	The project will analyze data to understand the impact of foreign direct investment (FDI) in Region 7. The project will help the region understand the role international business plays in its economy. By identifying the impact of FDI, the region will be able to identify strategies to further diversify the regional economy.
8	Capacitor Incubator	Startup Ecosystem	\$395,067	\$201,402	To address a gap in the Region 8 entrepreneurial ecosystem by providing a regional incubator program serving early-stage startups. The Capacitor Incubator Program aims to fill a substantial gap of the greater Shenandoah Valley entrepreneurial ecosystem by providing early-stage startups with an array of services including customized validation stage development, commercialization programming, physical working locations hubs, and deep connections to the broader entrepreneurial ecosystem facilitated through dedicated ecosystem builders and mentors.
8	SHD Technology Park	Site Development and Infrastructure	\$993,300	\$1,368,637	To advance the Aviation technology Park site from Tier 2 to Tier 4 along the Virginia Business Ready Sites Program (VBRSP) scale. The Shenandoah Valley Regional Airport Commission and its five member localities are collaborating on the effort.
9	Region 9 REI	Startup Ecosystem	\$300,000	\$165,375	To develop a strategy for defining and implementing recommendations to grow the Region 9 entrepreneurial ecosystem. This project will survey stakeholders in the region, inventory funding needs and sources, and compile best practices from other regions to develop county/city level assessments and prepare a guide and recommendations for local ecosystem collaboration. This will be used to help develop a 3–5-year plan for actionable strategies and potential future GO Virginia Grant Applications.
9	Rural Entrepreneur Ecosystem Building	Startup Ecosystem	\$200,000	\$100,820	To serve existing businesses and new entrepreneurs by engaging and building entrepreneurial networks in rural counties across GO Virginia Region 9. This will create jobs, serve and expand existing businesses, create new businesses, and engage entrepreneurs. The project will advance recommendations made in the Region 9 Rural Entrepreneurship Report (2020) that was researched and vetted by subject matter experts including economic development representatives,

Region	Project Name	Strategy	\$ Award	Committed Match	Project Purpose
					entrepreneurs, and community partners including community colleges and chambers.
9	CvilleBioLab	Cluster Scale-Up	\$100,000	\$50,000	To position CvilleBioHub to open CvilleBioLab, a wet lab incubator/accelerator available to emerging biotechnology firms in the region by allowing the non-profit to complete all operational, pre-construction, and marketing activities necessary to open the lab.
9	Carver Food Business Incubator	Startup Ecosystem	\$199,727	\$103,000	To support Region 9 food and beverage manufactures who wish to scale and develop/manufacture products to be sold outside of the Commonwealth. To revitalize the former George Washington Carver Regional High School (now referred to as the Carver Center) into a thriving and sustainable agricultural education, production, research, and training hub.
9	Tech Talent Retention	Workforce Development	\$307,800	\$155,500	Retain college graduates to launch their careers within the Central Virginia region and provide a talent pipeline for higher paying jobs in technology fields in Region 9 targeted sectors. Tech Talent Retention will raise awareness of local businesses through student "thought leaders" who will innovate and inspire classmates. Work will be completed by a team of undergraduate work-study "student ambassadors" led by an experienced talent director.
GRAND TOTALS			\$18,072,467	\$16,491,680	