

# **Virginia Rural Center**

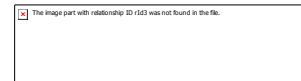
***A Partnership of the Center for Rural Virginia and the Council for Rural Virginia***

Presented to CIT SBIR Workshop  
October 19, 2016

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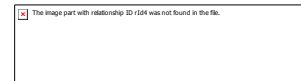
# Virginia Rural Center

- Partnership of two non-profits:
  - Center for Rural Virginia
  - Council for Rural Virginia
- General Assembly's Rural Caucus
- Mission
  - To work with policymakers and stakeholders to create innovative solutions and expand entrepreneurial opportunities to ensure economic prosperity for all regions of the Commonwealth.



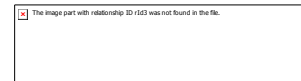
# Center for Rural Virginia

- Enabling Legislation sponsored by Senator Frank Ruff and Delegate Steve Landes passed in 2004
- Code Section **§ 2.2-2720**
  - **The Center for Rural Virginia; purpose** The Center for Rural Virginia, hereinafter referred to as “the Center,” is hereby created as an independent nonprofit local entity without political subdivision status, for the purpose of sustaining economic growth in the rural areas of the Commonwealth and lessening the burdens of government through the activities prescribed in subsection B of § [2.2-2723](#).

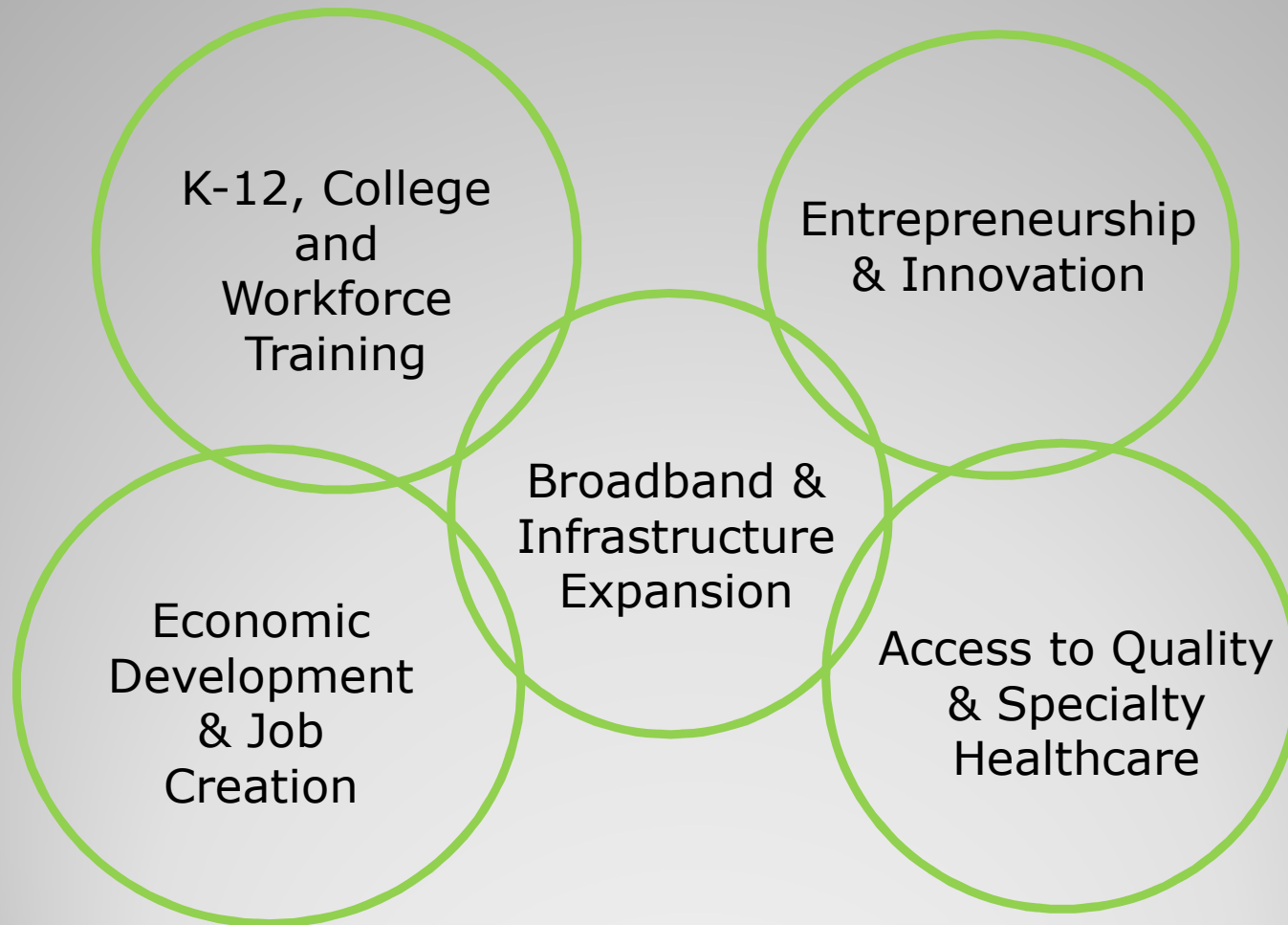


# Council for Rural Virginia

- 2002 Farm Bill
- The Council is a member of Partners for Rural America, whose mission is to support the efforts of its member State Rural Development Councils (SRDC's), which are uniquely positioned:
  - To expand economic and social opportunities for America's rural communities and their residents;
  - To promote equal treatment of rural America by government agencies and the private sector;
  - To provide a collective voice for rural America.



# VRC Priorities



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# Virginia's Innovation Economy

- The Changing Virginia Economy
- Regional Solutions to Statewide Challenges
- Shift in Traditional Economic Development
- Entrepreneurship, Innovation & Small Business Development
- Regional Assets – Natural Assets, Leadership, Infrastructure, Workforce, etc.
- Workforce Development Initiatives

# Changing Economy

- Federal spending and sequestration
- Decline in traditional industries: Energy, Textiles, etc.
- Loss of high paying jobs and withholding and sales tax revenues down

# Regional Solutions

- Regional Collaboration
  - GO Virginia
- Opportunities to share costs and resources
  - Infrastructure
  - Education, Workforce and Training Programs
  - Regional Marketing Initiatives



# Economic Development Strategies

- Economic Gardening
  - Traditional incentive based attraction versus grow your own
  - Entrepreneurship, Innovation & Small Business Development
  - Regional Assets – Natural Assets, Leadership, Infrastructure, Workforce, etc.

# Workforce Goals

- Identify target industries by region
- Expose students at middle school or earlier to emerging and target industries
- Educate and train for the jobs we have or are working to attract
- Programs to speed up training time for displaced or transitioning workers

# 2016 Legislation

- Broadband
  - DHCD – Virginia Telecommunications Initiative
- Economic Development
  - VEDP
    - HB 858 - Landes - Virginia International Trade Corporation; established, report.
    - HJ 7 – Byron - Study; JLARC to review the Virginia Economic Development Partnership Authority; report
  - GO Virginia
    - HB 834 - Cox - Virginia Growth and Opportunity Board and Fund; established, report.  
SB 449 - Norment - Virginia Growth and Opportunity Act; report.
    - HB 846 - Hugo - Virginia Collaborative Economic Development Act; established, sunset provision.  
SB 459 - Ruff - Virginia Collaborative Economic Development Act; established
  - VRIF
    - HB 1343 – Jones - Research & development in the Commonwealth; Va. Research Investment Fund & Committee, created, etc.
- Education/Workforce
  - HB 66 - Byron - New Economy Industry Credential Assistance Training Grants; grants for earning training credentials.  
SB 576 - Ruff - New Economy Workforce Credential Grant Program; established, Fund created, report.
  - HB 279 - Byron - Teacher licensure; Virginia career and technical education adjunct faculty licenses. SB 573 - Ruff - Part-time teachers; Board of Education to provide for issuance of permits.

# Broadband

- CIT
  - Broadband Consulting Services
    - Mapping data
    - Work closely with local governments
    - Broadband Toolkit
    - Planning Assistance
    - RUOnline.org
- DHCD
  - 2016 Virginia Telecommunications Initiative:
    - Provides \$1.3 million GF each year to establish the Virginia Telecommunications Initiative with the purpose of expanding broadband infrastructure to unserved areas of the Commonwealth. The provision includes one position and \$83,647 each year to administer the program.

# Entrepreneurship & Small Business Development

- Building Collaborative Communities (BCC)
  - Promotes regional economic collaborations in economically-distressed areas to stimulate job creation, economic development and build community capacity and leadership.
  - Region 2000 entrepreneurship grant in 2012
- Community Development Block Grant (CDBG)
  - CDBG Competitive Grants - Available to address physical and economic blight as part of an economic restructuring effort to revitalize a community.
  - CDBG Planning Grants - Support for developing clearly-articulated strategies for identifying and addressing their greatest community development needs.
  - CDBG Innovation Fund - In support of redevelopment or adaptive reuse of key properties in downtown communities as part of a larger revitalization strategy.
- Virginia Main Street Program (VMS)
  - Preservation-based economic and community development program offering a range of services and assistance to communities interested in revitalizing their historic commercial districts.

# GO Virginia

- Virginia Business Higher Education Council & Council on Virginia's Future
- Foster private sector regional economic growth
- Incentivize collaboration among business, education and government

# GO Virginia

## Growth and Opportunity Act

- HB 834 (Cox/Torian) / SB 449 (Norment/Howell)
- Legislation creates the Virginia Growth and Opportunity Board and Fund
- New incentive tool to promote collaboration within regions on economic diversification and workforce development

## \$35.95 million: GO! Grants

- \$5.50M in FY17
- \$30.0M in FY18
- \$450K for staff

# GO Virginia

Incentives for localities to cooperate on economic development.

## Collaborative Jobs Act

- HB846 (Hugo/James/Minchew) and SB459 (Ruff/Saslaw)
- Legislation creates revenue sharing opportunities for localities when jointly pursuing economic development projects.

No Corresponding Budget Item Needed



# GO Virginia

Cost-saving collaboration by localities, school divisions, and colleges.

\$1.00m to the State Council of Higher Education for Virginia (SCHEV)

- Money for incentives for finding efficiencies.
- The fund is designed to stimulate collaboration among public school divisions, community colleges and universities to create and expand affordable student pathways and to pursue shared services and other efficiency initiatives at colleges and universities that lead to measurable cost reductions.

# GO Virginia

- Current Status
  - GO Virginia Board Meeting
  - Regional Map Out for Public Comment
  - Guidelines Development Working Group
  - Regional Council Development

# GO Virginia

- **Eligible Regional Activities**

- Small business development
- Entrepreneurship and innovation activities
- Business formation, incubation and acceleration activities
- Activities to facilitate capital formation
- Workforce development and skills enhancement
- Career and technical education
- Science, technology, engineering and mathematics (STEM) and healthcare-related education
- Education, skills development and job placement for veterans and retired military
- Export development and trade promotion
- Tourism and economic development activities
- Attraction, development and retention strategies around viable industry clusters
- Site development for economic development purposes
- Telecommunications infrastructure for economic development purposes with a particular focus on unserved areas
- Research and development activities and associated technology transfer and commercialization
- Governmental reengineering and reform related to repurposing funds to support economic and workforce development activities
- Other economic or workforce development activities

# VRIF

Investment in research with commercial potential leading to new business ventures.

## Virginia Research Investment Fund (VRIF)

- HB1343 (Jones)
- Grants and loans promote research, development, and commercialization at Virginia's four-year colleges and universities

## \$97.50 million: research, labs & equipment

- \$8.00 million : Incentive packages to attract researchers
- \$57.50 million : VCBA Bonds (with \$20,000,000 for INOVA project)
- \$22.00 million : Virginia Research Investment Fund
- \$10.00 million: Virginia Biosciences Health Research Corporation ("The Catalyst")

# Bond Package

Capital projects with regional economic impact

## 2016 Bond Authorization Package

- HB1344 (Jones) and SB 731 (Hanger)
- Authorizes the Virginia Public Building Authority and the Virginia College Building Authority to issue bonds \$2.23 billion over four years, including \$1.3 billion for higher education capital projects

# Workforce Training

- 2016 General Assembly legislation
  - Created the “New Economy Workforce Credential Grant Fund and Program”
  - Sponsored by Senator Frank Ruff & Delegate Kathy Byron
  - Also known as the “Pay-for-Performance” program, the fund incentivizes community colleges to provide workforce training programs in particular skill areas to meet high demand industry needs

# VEDP Key Industries

- Food Processing
- Aerospace
- Plastics & Advanced Materials
- Data Centers
- Information Technology
- Cybersecurity
- Life Sciences
- Automotive
- Energy
- Distribution
- Corporate HQ

# Rural Innovation Opportunities

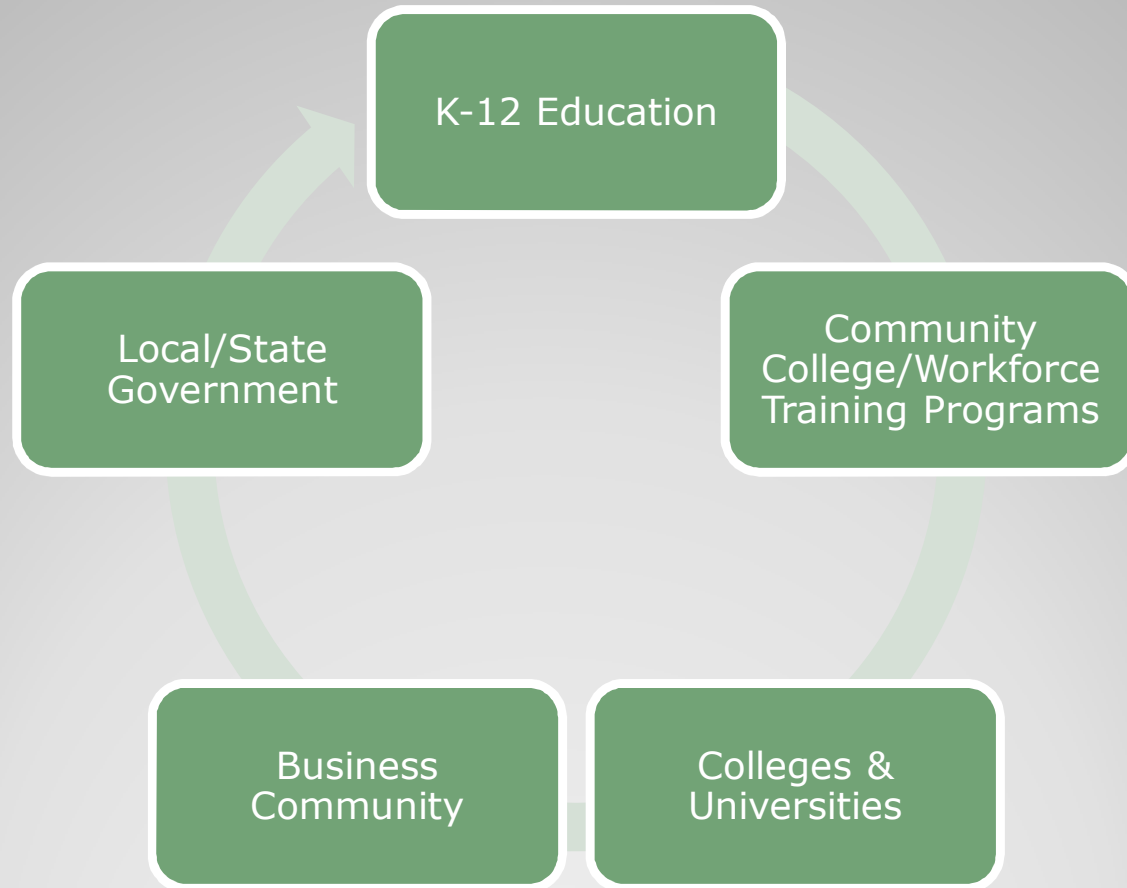
- Innovative Industries for Rural areas:
  - Cybersecurity, Life Sciences, Aerospace, Information Technology, Data Centers, Advanced Manufacturing
- Region 2000 Key Industries:
  - Manufacturing, Health Care, Higher Education and Tourism
- Regional Example:
  - Southwest Virginia Cybersecurity



# Challenges & Opportunities for Rural Virginia – *Education, Workforce & Economic Development for the Innovation Economy*

- Broadband Accessibility
- Leadership Capacity & Creating an Entrepreneurial Culture
- Regional Cooperation
- Communication between the Education and Business Communities
- Ensuring Education, Government and Business are all at the table together for successful regional economic development

# Components for Regional Economic Success



# Thank you



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