



GO Virginia Region 1 Grant Application Guidelines

January 2024

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The GO Virginia Region 1 Council is accepting proposals for funding. Region 1 includes the Counties of Bland, Buchanan, Carroll, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe; and the Cities of Bristol, Galax, and Norton.



SECTION 1: ABOUT THE PROGRAM

BACKGROUND

GO Virginia is a collaborative economic development initiative that engages Virginia businesses, local governments, and other regional partners to create more diverse, connected regional economies across the Commonwealth. The program seeks opportunities to promote private sector growth in targeted, traded industry clusters and create high-paying jobs through incentivizing regional cooperation and collaboration. GO Virginia funding seeks to grow jobs paying higher than the regional annual average wage which for Region 1 is \$41,942 as of 2022Q4.

The Virginia Growth and Opportunity (GO Virginia) Board was created in 2016 by the Virginia General Assembly with the passage of the Virginia Growth and Opportunity Act. The Virginia Growth and Opportunity Act is located in Virginia Code under [§ 2.2-2484](#).

PURPOSE

Money from the Virginia Growth and Opportunity Fund, also created through the Virginia Growth and Opportunity Act, is used to fund economic development projects in nine designated regions. The certified regional councils must develop growth and diversification plans in order to qualify to receive grants from the Fund. All proposals must align with the [Region 1 Growth and Diversification Plan](#) (“the Plan”), which prioritizes regional needs and opportunities. The Plan will serve as a guide to applicants in identifying actionable grant requests.

Any project put forward by a regional council must be approved by the GO Virginia State Board. The Virginia Department of Housing and Community Development has the authority to administratively approve requests of \$100,000 or less to support planning activities, small-scale pilot projects, or demonstration projects that serve as a proof of concept. There are three separate grant categories that can be utilized from the Fund, as established in Virginia Code [§ 2.2-2487](#):

- **Capacity-building funds** – these funds support the organizational efforts of each regional council, such as capacity-building activities, project prioritization, and studies and analyses related to the creation of a regional Growth and Diversification Plan, as well as identifying current and potential gaps in education and skills in the region. Each region receives \$250,000 each year for administrative support.
- **Per capita funds** – funds reserved for specific projects in each region, based on its share of the state population. Population estimates are made by the Weldon Cooper Center for Public Service at the University of Virginia. The amount of per capita funds awarded to each region is based on the regional population - regions with higher populations receive more funding. However, each region receives at least \$1,000,000, with additional funds awarded on top of that based on population. Region 1 is allocated \$1,000,000 in per capita funds each year.
- **Competitive funds** – funds that are awarded to statewide or interregional projects with expected high economic impact and outcomes, without taking into account the region’s population. Competitive funds are awarded to projects involving two or more regions.

- **Talent Pathways Initiative funds** – these funds recently appropriated by the 2022 General Assembly are for planning grants to support analysis of the workforce needs of regional businesses and the identification of the skills and training that can help prepare Virginians to fill available jobs in regional markets. Talent Pathways Initiative- Planning funds are allotted to each region for up to \$250,000. It is anticipated that the Board, with subsequent funding, will be able to support implementation projects for talent pathways initiatives. Please see these [Talent Pathways Initiative Planning Guidelines](#) for more detailed information.
- Additional funding pools may be made available by the State Board. Please visit <https://www.dhcd.virginia.gov/gova> for up-to-date additional funding opportunities.

An up-to-date document detailing the GO Virginia funding stream appropriations and allocations can be found [at this link](#) on the GO Virginia regional materials page under “General Program Information.” There are documents breaking down the funding streams by year.

GO VIRGINIA GOALS & MISSION

The mission statement is as follows:

GO Virginia will create more higher-paying jobs through incentivized collaboration, primarily through out-of-state revenue, which diversifies and strengthens the economy in every region.

The goals of GO Virginia are to:

- Create higher paying jobs in targeted traded industry sectors
- Grow and diversify regional economies
- Encourage and incentivize regional collaboration

REGIONAL COLLABORATION & MEANINGFUL LOCAL PARTICIPATION

Foundational to the GO Virginia program is the concept of regionalism and growing and diversifying regional economies through the collaboration of at least two Virginia localities on a region. The enabling legislation for GO Virginia funds states in [§ 2.2-2489](#) :

“Moneys in the Fund shall be used to facilitate regional collaboration on economic growth and diversification. Specifically, the Fund shall be used to incentivize and encourage cooperation among business, education, and government on regional strategic economic development and workforce development efforts.” To demonstrate this collaboration, eligible projects must demonstrate the participation of two or more localities, political subdivisions, or public bodies. The [Memo on Regional Collaboration and Local Participation](#) provides additional information.

SECTION 2: GRANT INFORMATION

GO Virginia grants are reimbursement-based grants; project work must be completed and paid for prior to receiving grant funds. All projects must be completed within two years of funding. Applicants may apply for Per Capita grants or Statewide Competitive grants.

PER CAPITA PROJECT FUNDS

Per capita project funds are allocated to each regional council based on the region’s per capita share of the state population. These funds are then awarded for projects of regional significance that will create higher paying jobs in industries that derive their revenue from out of state sources. There are three types of projects funded through this pool of GO Virginia funds:

- 1. Planning Grants (formerly Enhanced Capacity Building Grants)** -grants designed to build regional capacity for project development and implementation. These planning grants lead to future GO Virginia implementation projects. For planning and feasibility studies, regions are limited to \$250,000 per program year and no project can be more than \$100,000.
- 2. Per Capita Implementation Projects** – grants designed for regional collaborations that will build the infrastructure necessary for the creation of higher paying jobs.
- 3. Regional Entrepreneurship Initiative (REI)** – planning grants designed to assist regional councils in developing a regional entrepreneurial investment strategy. Region 1 awarded the REI funding to Opportunity SWVA in collaboration with UVA Wise to develop the Launch SWVA Region 1 Strategy for Entrepreneurship and Innovation Investment. In 2022, implementation funds were awarded to UVA Wise to implement SWVA Startup in coordination with Opportunity SWVA.

STATEWIDE COMPETITIVE PROJECT FUNDS

The Competitive Fund is established to create a shared pool of funding aside from each Region’s per capita allocations to be accessed for project that represent an extraordinary economic opportunity.

For more information, please see the [Statewide Competitive Fund Project Guidance](#).

TALENT PATHWAYS INITIATIVE

The 2022 General Assembly provided \$2.5 million to the GO Virginia State Board for planning grants to support analysis of the workforce needs of regional businesses and the identification of the skills and training that can help prepare Virginians to fill available jobs in regional markets.

Region 1 accepted proposals for a Talent Pathways Initiative Coordinating Entity in spring 2023. The regional council appointment Appalachian Council for Innovation as the TPI Coordinating Entity and a final application was approved by the Region 1 Council in October 2023. The project proposal will be acted on by the State Board at the December 12, 2023 meeting.

Administrative Guidance Materials relating to Talent Pathways Initiative: [Talent Pathways Initiative Guidance](#)

PER CAPITA GRANT OPPORTUNITIES

Regional Councils are allotted per capita funds annually to award to projects through either implementation grants or planning grants. Implementation grants are intended to create higher paying jobs, whereas GO Virginia Planning Grants (formerly Enhanced Capacity Building or ECB Grants) are intended to build regional capacity for project development and implementation.

PLANNING PROJECTS

Match Requirement: \$1:1 (no Local Match required)

Planning grants are awarded to planning projects and pilot projects. Per Board Policy 3, DHCD staff can administratively approve planning grants for applications with a request for less than \$100,000. Included below is a list of allowable activities for GO Virginia Planning Grant Applications. Please note that an application may propose multiple activities as part of one grant request.

- 1. Planning:** includes activities such as development of a feasibility study, need analysis and prioritization, strategy development activities, a business plan, etc. Planning work should determine whether a future GO Virginia investment is feasible or determine industry demand to validate any future GO Virginia implementation grants. Activities will generate one or more products, such as a business plan

or strategic plan.

2. **Pilots:** conduct small-scale pilots or proof of concept work to strengthen relationships
 - a. and produce preliminary data for a future GO Virginia implementation grant.

Applications for planning projects should reflect the following core program principles. An application where any of these criteria are not met is likely not a good fit for GO Virginia grant funding.

Criteria	Description
Targeted industry sector / industry need	GO Virginia grant-funded projects support the growth of targeted industry clusters identified in the Growth & Diversification plan (Advanced Manufacturing, Food and Beverage Manufacturing, Energy and Minerals, Information and Emerging Technology, and Logistics, Transportation, & Warehousing). These are industries that the Regional Council has identified as opportunities for diversification and growth. Planning grants should provide service to grow and expand at least one targeted industry sector.
Regional Collaboration	A minimum of two (2) localities are required to meaningfully participate in each project (See " Memo on Regional Collaboration and Local Participation " for more details).
Investment strategy	Planning grants should impact the targeted industry sector using one of the GO Virginia investment strategies that Region 1 is prioritizing: talent development, sites and infrastructure, and innovation and scale up support.
Regional importance and strategy	Planning grants should support one more of the big picture strategies identified in the regional Growth & Diversification Plan.
Line of sight to implementation	Planning grants are viewed as an initial step to set up a project for a Per Capita Implementation Projects to build the infrastructure necessary for the creation of higher paying jobs, if the planning or pilot activity demonstrates industry demand and success.

Planning activities are expected to result in products, such as reports or studies. Pilot activities are expected to result in either products or outcomes, or a combination of the two.

Grant period and performance period Planning grants shall not exceed a one-year duration, from start date to end date of the project. Products and/or outcomes are expected to be reported at the end of the three-month performance period after the end date of the project. Additional time may be granted with DHCD approval.

Applicants will submit a [Planning Grant Application](#) for this type of project.

IMPLEMENTATION PROJECTS

Match Requirement: \$1:1 (20% Local Match required)

This program focuses on collaborations between two or more localities focused on direct economic impacts to Region 1. Projects must align with the Region 1 Growth and Diversification Plan and target one of the region's priority industries as identified in the Plan: advanced manufacturing; food and beverage manufacturing; energy and minerals, information technology; logistics, transportation, and warehousing. Specific strategies for each project initiative to support existing local companies and entrepreneurs, as well as promote investment and location of prospective industries include: Talent Development; Sites and Infrastructure Development; Innovation and Scale-Up Support.

Applicants will submit a [Per Capita application](#) for this type of project.

BROADBAND PROJECTS

GO Virginia funds may be used to support regional planning efforts that inform and encourage private sector broadband infrastructure build out. GO Virginia funds may be used to fund middle-mile broadband infrastructure projects, including, but not limited to, fiber and conduit, that extend telecommunications networks in partnership with the private sector and focus on meeting the business needs of a community.

GO Virginia funds may not be used to support broadband projects focused on providing residential broadband service to customers (also known as "last mile"). Applicants interested in support for last-mile broadband grants should refer to the [Virginia Telecommunication Initiative](#) (VATI).

The Virginia Growth and Opportunity Board authorizes DHCD to accept per capita and competitive grant applications consistent with [GO Virginia Board Policy #8 – Use of GO Virginia Funds for Investments in Broadband](#).

Applicants may request funds for two types of activities related to broadband infrastructure:

1. PLANNING
 - a) Regional Planning and Broadband Strategic Design Support

2. IMPLEMENTATION
 - a) Middle-mile broadband infrastructure projects, including but not limited to fiber and conduit, which extend telecommunications networks, in partnership with the private sector and focus on meeting the business needs of a community, and/or
 - b) Related digital literacy and internet relevance programming connected to business growth and expansion opportunities.

More information regarding broadband projects can be found in the [Regional Broadband Infrastructure Project Guidance](#).

BROADBAND INFRASTRUCTURE PLANNING GRANTS

Match Requirement: \$2:1 (no Local Match required)

These regional broadband plans should present middle-mile broadband infrastructure opportunities that fill identified gaps, identify potential sources of matching funds for future implementation projects, and include a proposed timeline for implementation. The plans should include an inventory of assets (infrastructure such as cell/electric towers, employment centers, etc.), engineering designs, and cost estimates for implementation. Funds may also be used to integrate existing local plans and/or update regional plans.

Applicants must demonstrate a commitment to a planning process that engages a variety of stakeholders.

Applicants should describe the outreach and engagement strategy for relevant stakeholders such as business and industry, current middle mile providers, private and public Internet Service Providers (ISPs) and/or Wireless Internet Service Providers (WISPs), private utility companies, public utility cooperatives, localities, regional planning organizations, and regional economic development organizations.

Applicants are encouraged to use [Commonwealth Connect's Broadband Toolkit](#) as a resource to guide their planning activities.

Applicants will submit a planning grant application for broadband planning projects.

BROADBAND INFRASTRUCTURE IMPLEMENTATION GRANTS

Match Requirement: \$1:1 (20% Local Match required)

Applicants pursuing grants for construction of middle-mile broadband infrastructure are encouraged to have a recently completed regional broadband plan and be applying for funds to implement one or more elements of that plan. (This does not have to be a GO Virginia- funded plan.)

Projects must have the participation of two or more localities and be developed in partnership with one or more private sector providers. Middle mile projects must develop open-access networks, allow access to the middle mile network at a competitive rate, and be available for any interested internet service provider (ISP). Applications that involve not-for-profit or cooperative model providers, as well as applications that represent an exceptional economic opportunity, are encouraged.

Projects must respond to the Region's need for middle mile infrastructure, especially as it relates to enhanced service levels for businesses in the Region's targeted sectors, and the demand for the increased middle mile capacity among the region's ISPs. Applicants are strongly encouraged to engage early and often with potential ISP customers of the middle mile project. Priority will be given to projects with committed ISP customers.

Applicants may include a project element to educate affected businesses about the impact online tools can have on their business. Applicants are encouraged to work in conjunction with local community institutions already engaging in digital literacy education, such as library systems or cooperative extension offices.

Applicants will submit a per capita or competitive application for broadband implementation projects.

SITE DEVELOPMENT PROJECTS

Pursuant to [GO Virginia Board Policy #9](#), GO Virginia funds may be used for site development activities that increase the number of business ready sites available to accommodate the expansion or attraction of businesses in Region 1's targeted industry sectors.

Activities must advance sites towards becoming a Tier 4 site using the Virginia Business Ready Sites Program tier descriptions for site readiness for sites of at least 25 contiguous acres. Applicants may request a waiver of the 25-acre minimum if they can demonstrate the site is of significant regional importance. GO Virginia investments will support regions in advancing priority sites in Tiers 1-3. Sites that have been certified as a Tier 4 or 5 may be considered for funding if the applicant can demonstrate that the investment will significantly increase the marketability of the site. The Virginia Economic Development Partnership staff will be consulted in the review of all site-related applications.

Applications must describe activities that lead to the development of regionally significant sites - those identified by regional councils as priority and aligned to support industry sectors in their Growth and Diversification Plans. All projects must include collaboration of at least two localities with efforts to jointly contribute to the project through cost/revenue sharing, joint workforce development efforts and/or other partnerships or agreements, such as Regional Industrial Facility Authorities (RIFAs).

Applicants are encouraged to consider how the Virginia Collaborative Economic Development Act could be leveraged to advance the development of the site(s) in the future. Funds may not be used for property acquisition, construction of speculative buildings, or any site developments that benefit only a single, known end user. Funds may be used for activities such as site characterization and prioritization, site due diligence, infrastructure enhancements, and the development of cost/revenue sharing agreements, such as a RIFA.

Site development projects, planning or implementation, require participation by at least two localities in Region 1. Match must be provided relative to guidelines in place at the time of application and may be cash or in kind. Match contributions must be agreed to by all participating localities, with partnering entities providing a match that is in proportion to the anticipated benefit they expect to receive from the project, whenever possible. Alternatively, project partners can propose a match-sharing formula noting their concurrence, as long as the match provided is directly related to the site(s) proposed for advancement in the application, and the match share is not being provided disproportionately by any one locality.

Previous investments in a given site(s), whether public or private, may be considered match provided they were made within the last 24 months, or up to five years if regularly occurring investments can be documented. Expenditures for site acquisition (including right-of-ways and easements), due diligence, environmental assessments and other “soft costs,” as well as master planning, infrastructure design and construction, offsite improvements, or similar “hard costs,” may be included as match. Other site preparation activities (e.g. clearing and grading, demolition of old structures) may also be considered as matching funds. Additional previous investments may be considered on a case-by-case basis.

More information regarding site development projects can be found in the [Regional Site Development Project Guidance](#).

REGIONAL SITE DEVELOPMENT PLANNING GRANTS

Match Requirement: \$2:1 (no Local Match required)

GO Virginia funding of regional site planning projects should be used to support regional site development planning activities. Site planning activities include characterization of properties not fully characterized previously by the Virginia Economic Development Partnership (or similar assessment process), as well as objective, data-driven site prioritization efforts within a region (e.g. feasibility studies, sector suitability analysis). In addition, planning funds may be used to develop collaborative cost/revenue sharing agreements, define and develop multi-jurisdictional organizational structures (e.g. RIFA), or establish contractual or option agreements with landowners. For site characterization projects, applicants should use the criteria and methodology established by VEDP’s Business Ready Sites Program to allow for objective, data driven evaluation of priority sites within a region.

Applicants must demonstrate meaningful outreach and commitment to a planning process that engages a variety of stakeholders, including public and private utility companies, utility cooperatives, local governments, regional planning organizations, and local and regional economic development organizations. The result of this outreach and planning process should enable the Regional Council to make informed decisions in prioritizing sites across the region. In addition to stakeholder outreach and engagement, the planning process should include an inventory of assets, current ownership of the site(s), engineering designs, and cost estimates.

Applicants will submit a regional site development planning grant application for site development planning projects.

REGIONAL SITE DEVELOPMENT IMPLEMENTATION GRANTS

Match Requirement: \$1:1 (20% Local Match required)

Regional site development implementation activities include necessary due diligence (soft costs) and infrastructure enhancements (hard costs) that advance a site's readiness for development. Likewise, consideration will be given on a case-by-case basis to public-private partnership activities providing extraordinary regional opportunities, such as those supporting a critical unmet need of the region's targeted industry sectors. Funds awarded for implementation grants may NOT be used for property acquisition, unrelated offsite improvements, construction of speculative buildings, or demolition of existing buildings.

GO Virginia contracts for regional site development implementation projects will require that the sites improved will be marketed and/or developed for the use indicated in the application. Additionally, a repayment provision will be outlined in the contract and triggered if the site(s) is not marketed and developed to achieve the regional GO Virginia program goals.

The source of repayment of GO Virginia funds can be either public and private, including shared repayment by participating localities, their EDA/IDA, private land owner or developer, or a combination thereof as agreed to and specified in the contractual agreement. GO Virginia investments in site development implementation projects should begin to demonstrate favorable outcomes within 7-10 years of project close-out, depending on the scale of the project, as well as the projected outcomes of the project defined in the contract documents with DHCD.

Applicants will submit a regional site development implementation grant application for site development implementation projects.

Site Development Application Process

All applications must describe activities that lead to the development of regionally significant sites - those identified by Regional Councils as priority and aligned to support industry sectors in their Growth and Diversification Plans. All projects must include collaboration of at least two localities with efforts to jointly contribute to the project through cost/revenue sharing, collaborative marketing efforts, joint workforce development activities and/or other partnerships or agreements, such as Regional Industrial Facility Authorities (RIFAs).

Recognizing the importance of partnerships in economic development activities, the GO Virginia Board will consider investments in publicly or privately-owned properties for both greenfield and redevelopment activities being led by the Regional Council when the following are met:

1. Sites have been reviewed and prioritized relative to the region's total portfolio of available sites using an objective, data-driven process that assesses each site's location competitiveness and developability, such as that which was used in the statewide site characterization initiative conducted by VEDP in 2019. If requesting funding for a site that was NOT included in the characterization initiative or has not been independently reviewed using a similar methodology, an applicant may request funds to support the strategic sites prioritization (i.e. Sites Planning Grant). Likewise, the applicant may apply to VEDP for assistance with characterization of other sites not previously studied; however, consultation with VEDP regarding site characterization and/or viability does not constitute an endorsement nor guarantee approval of the site development grant request;
2. Partnering localities must demonstrate a commitment to further advance and market the property(ies). For large-scale, multi-year site development projects, a conceptual plan or publicly-approved Capital Improvements Program (CIP) plan should be provided to demonstrate both prior and future year investments being directed to the site(s);

3. Site development projects on privately owned properties require a contractual agreement between the local governing body, economic development authority (EDA or IDA), or RIFA and the owner of record of the land. The agreement should be more than a memorandum of understanding, clearly outlining the commitments of all parties in marketing and developing the site(s). Specifically, the agreement should: grant access to the property for evaluation/study purposes, state the intended commercial or industrial use, and define the maximum per acre price the landowner will charge an interested buyer. Where possible, the agreement should also stipulate any necessary, future restrictions that may be placed on the sites to ensure appropriate land use and zoning remain in place, allowing for the commercial and industrial uses specified in the Region's Growth & Diversification Plan. These agreements must be in place prior to execution of a GO Virginia contract;
4. For site development projects leading to Tier 4 or 5 characterization, a return on investment (ROI) analysis, such as the existing model used by GO Virginia, should accompany the application. The analysis should estimate the projected employment levels, wages, and State tax revenues expected to be generated from the site(s) when fully developed. Additionally, a timeline of efforts that will be undertaken to secure a targeted sector user within five years or enhance attractiveness of the site(s) to the desired end users should be provided. This may include local government actions needed to modify tax structures, development of new incentive programs, public-private partnerships, or focused marketing campaigns;
5. For site development projects leading to Tier 1-3 characterizations, a formal ROI analysis is not required. However, supporting documentation outlining the following must be provided: 1) additional, usable acreage that will be made available for business uses, 2) industry sectors being targeted for these sites, 3) activities that will be jointly undertaken by participating localities and/or the regional EDO to market or support the advancement of the site(s) and the timeframe for doing so (not to exceed 36 months), 4) a plan outlining future activities/costs to advance the site to Tier 4 or 5 status.

STATEWIDE COMPETITIVE GRANT OPPORTUNITIES

Match Requirement: \$2:1 (20% local match required)

The Competitive Fund is established to create a shared pool of funding aside from each Region's per capita allocations to be accessed for project that represent an extraordinary economic opportunity.

To be eligible to apply for the Competitive Pool, a region must satisfy one of the following criteria:

1. Multi-Regional Application – The project must involve two or more GO Virginia Regions. Request may be made for both implementation and planning projects.
2. Single Region Application – A single region may apply for implementation projects through the Competitive Fund if their funding request exceeds their available Per Capita Fund balance. Due to the recognized utility of planning, pilot, and feasibility studies for future per capita pipeline development, Regions are not required to exhaust their yearly \$250,000 planning, pilot, and feasibility study allowance established by Board Policy #3.

LOCAL PARTICIPATION & MATCH FOR COMPETITIVE PROJECTS

All GO Virginia projects must have participation from 2 or more localities. For multi-regional competitive performance pool applications, the participation of 2 or more localities in each participating region is required. All projects that include greater levels of local participation will benefit from higher scoring.

For multi-regional applications, it is required that each participating region cost share in the matching requirements associated with this funding pool. This match may be contributed by the subgrantee on behalf of private, public or non-profit sources across the project footprint.

For single region implementation applications, the applicant must demonstrate extraordinary economic opportunity by qualifying for 2:1 match via one of the available pathways outlined in the GO Virginia per capita allocation match waiver policy or must be a demonstrated concept already undertaken in a single Region that seeks to scale statewide.

Due to the extraordinary economic opportunity that is required to be eligible for State Board consideration as a result of the strict scoring criterion of the Competitive Fund application process, those successful applications will automatically qualify for the relaxed funding requirement of 2:1 match. At least 20% of the total required match for Competitive Fund applications must be sourced from participating local government entities.

COMPETITIVE POOL APPLICATION TYPES

Multi-Regional Applications

For multi-regional applications, it is expected that the application will come from a “lead region”. The lead region assumes responsibility for receiving and vetting the application through its review process. The lead council staff will serve as the primary point of contact with the applicant and work to manage a streamlined and consistent communication process with the collaborating councils. The lead council chair is responsible for convening the chairs of the partnering councils to discuss the opportunity for collaboration, the project concept, and the potential economic impact of the application. The lead council must involve each partnering council in the application development process and provide an opportunity to provide feedback to the applicant. The lead council ultimately votes to approve the project, but the application cannot advance to the cut scoring phase of the application process until an action of support (in the form of a vote) is taken by each partnering council. The partnering council must be provided access to the final approved application prior to taking an action of support.

A partnering region in a multi-regional application must participate actively as a member of the formed workgroup. Council leadership must engage with the lead council leadership and provide a letter of support for the project after acted upon by the council. Partnering council representatives are encouraged to participate in established advisory committees as described in the project application.

The applicant (subgrantee) should first engage with the lead regional council who will serve as a primary point of contact as well as the grantee for the project. The lead council will help to coordinate discussions with the formed workgroup. The workgroup members will develop a communication strategy and timeline with collaborating regional councils to ensure an efficient and effective application review process and ultimately approval of the project by the lead council and a fully informed action of support by the partnering councils. Should a multi-regional project be awarded funds, the subgrantee shall provide periodic progress reports to the collaborating councils in addition to the quarterly reports required by DHCD.

Implementation

A multi-regional implementation application shall include the meaningful participation and shared benefit of activities among two or more localities in multiple GO Virginia regions. A successful implementation effort will include extensive multi-regional coordination and communication, demonstrated outcomes associated with the project type as outlined in the GO Virginia Core Outcomes document, and a positive return on investment to the Commonwealth. Periodic updates to each participating Regional Council are required, including updates on outcomes achieved and quarterly milestone progress. It is expected that results matriculating from a multi-regional implementation project will include an impact footprint in all participating localities.

Planning

It is understood that the nature of multi-regional implementation includes both significant funding from the State as well as extraordinary effort by the lead council involved in bringing the application to fruition. In order to both alleviate the up-front burden of the lead region and to ensure the responsible and strategic utilization of State funding, the multi-regional planning application is established.

A multi-regional planning application is limited to no more than \$250,000 in request per project. A successful planning effort will include, at minimum, convening of a workgroup comprised of lead and partnering council leadership as described in the multi-regional implementation application process, convening of a stakeholder workgroup that must include the participation of applicable private industries, educational partners, participating local governing body representation, and other stakeholders as needed, and development of a strategic plan which will demonstrate a viable playbook for the a future implementation project representing an extraordinary economic opportunity to the partnering regions. It is expected that only multi-regional planning applications with a demonstrated eye toward a future multiregional implementation project will be considered.

Single Region Implementation Application

A single region implementation project may include a requested amount entirely from the Competitive Fund or may be a combination of funding from a region's per capita allocation and the Competitive Fund if the request would completely exhaust the available unobligated fund balance of the applying region less unobligated funding reserved for planning, pilot, and feasibility study projects. Regardless of funding composition, a successful application must score a minimum of 75 points during the scoring process in order to qualify for State Board consideration.

It is expected that projects requesting funds from the Statewide Competitive Fund will present an extraordinary economic opportunity and are eligible for relaxed match. Applications must complete the Total Match Waiver form and indicate the qualifying criteria for extraordinary economic opportunity.

REVIEW AND APPROVAL PROCESS FOR COMPETITIVE PROJECTS

All applications received for the Competitive Fund will be scored based on a scoring rubric adopted by the GO Virginia State Board. Applications must score 75 points (out of 100) or better to access this fund.

For multi-regional projects, the lead region assumes responsibility for submitting the application to DHCD and, if awarded, will serve as the grantee for the project. An MOU among the collaborating regions will describe roles and responsibilities post award and will be included as part of the project contract.

Applications for funding through the Competitive Pool will be accepted on a first come, first serve basis quarterly on the same deadline cycle established for Per Capita allocation applications. In the event that multiple applications are submitted in a given quarter in which the existing funds in the Competitive Fund cannot satisfy all qualifying applications, the application with the highest cut score will be prioritized for State Board consideration.

State law requires that no single region receive total awards in excess of 25% of the total Virginia Growth and Opportunity Fund. For the purposes of multi-regional projects, funds will be assigned to the collaborating regions based on the breakdown of the project budgets. If a proportionate distribution cannot be determined, it may be assigned on a per capita basis. DHCD, in consultation with the collaborating regions, may determine an alternative distribution method.

More information can be found in the [GO Virginia Statewide Competitive Fund Project Guidance](#).

Applicants will submit a [Competitive Grant application](#) for state-wide competitive project.

GRANT ELIGIBILITY REQUIREMENTS

ELIGIBLE APPLICANTS

Local government entities or organizations working on behalf of local government entities may apply to receive a GO Virginia grant. These organizations may include regional government entities, nonprofit organizations, regional economic development organizations, regional chambers of commerce, planning district commissions, and colleges and universities. GO Virginia is not an economic development incentive program. Individual private

businesses may not apply to receive funding nor can any grant serve to benefit a single private business.

COLLABORATION

Eligible projects must have the participation of two or more localities, political subdivisions, or public bodies corporate and politic within a region. This includes an expectation that the localities will play an active role in the development of the project proposal and remain engaged in the project after the award announcement. While local match may not be required for an individual project, applications that include local match are preferred and viewed as favorable for the project’s regional support and sustainability.

Letters of support are not sufficient to demonstrate regional collaboration or meaningful local participation. Rather, partnering localities may demonstrate collaboration and meaningful participation in a number of ways, including the following:

- Cash or in-kind contributions (non-state funds) to the project made by partnering localities or by an intermediary on behalf of two or more of their local government members (e.g. regional economic development organization, local EDAs, PDC1);
- Active ongoing participation on a steering committee or advisory group tasked to guide or oversee implementation of the project;
- Utilization of a Regional Facility Industrial Authority or other similar, formal regional intermediary that outlines an agreed upon cost-sharing mechanism;
- Federal recovery funds (CARES, ARPA) provided by a locality and designated to support an eligible activity related to a project will be qualified as local match;

Letters of commitment should describe how the localities are contributing in one or more of the above activities, and submitted applications must include signed in-kind contribution forms as applicable.

The [Memo on Regional Collaboration and Local Participation](#) provides additional information.

ELIGIBLE ACTIVITIES

Eligible activities for GO Virginia funding are those that grow high-paying jobs and work to diversify the economy of a region. All activities should support the need of one or more traded industry sectors, involve two or more localities, and be sustainable after initial GO Virginia funding. Please see the below table for eligibility information by grant type:

Requirement	Per Capita Implementation Projects	Statewide Competitive Projects	Planning Grants
Support need of one or more traded sector, target industries of the involved GO Virginia region	✓	✓	✓
Create new, high-wage jobs	✓	✓	✗
Involve two or more local governments	✓	✓	✓
Demonstrate a return on investment (ROI)	✓	✓	✗
Be sustainable after receiving support from GO Virginia	✓	✓	✓
Conduct a pilot activity, complete a feasibility study, or complete a plan	✗	✗	✓
Align with regional economic development goals and strategies outlined in the Growth & Diversification plan	✓	✓	✓

Based on Board policy, program guidelines, and prior decisions by the Board, projects and items NOT eligible for GO Virginia funds include:

- Non-traded sector projects, including:
 - Healthcare related to patient care or quality of life projects
 - *Healthcare and nursing training programs: Healthcare is not a traded sector and, therefore, does not meet the mission of the GO Virginia program; however, the Board will consider future applications that will create higher-paying jobs and generate out-of-state revenue, despite being a non-traded sector, such as a medical center of excellence, specialized/innovative model, or facilities located near State boundaries and serving populations located outside of the Commonwealth.*
- Incentives to a single company
 - Funding that could be deemed as providing benefit to an individual company are ineligible for GO Virginia funding. The focus of any GO Virginia request should instead be geared towards addressing the needs of an entire sector.
- Projects targeting industry sectors where wages are less than the regional/sub-regional average
- Capital improvements or construction projects
 - Funding requests for the construction of a school or high-school vocational center is considered to be a general responsibility of the local school system and the Department of Education, as the majority of course offerings typically do not align with the region's growth and diversification plan.
- Scholarships, stipends, vouchers or any type of subsidization of a students' tuition/ fees for a training course
 - Since the above uses of GO Virginia funds typically can only be sustained through ongoing funding sources and can be provided through other State resources, they are not considered a good use of GO Virginia funds. While scholarships can reduce the cost of education and training for recipients, the region's overall training capacity is not enhanced.
- Kindergarten through 5th grade education projects
- Transportation projects
- Last-mile broadband projects

[Board Policy #4 – Use of GO Virginia Funds for Scholarships and Non-traded Sectors](#)

[Board Policy #8 – Use of GO Virginia Funds for Investments in Broadband](#)

FUNDING MATCH

State law requires that any grant awarded from the Fund shall require matching funds at least equal to the grant, provided, however, that the Board shall have the authority to reduce the match requirement to no less than half of the grant upon a finding by the Board of fiscal distress or an exceptional economic opportunity in a region. Such matching funds may be from local, regional, federal, or private funds, but shall not include any state general or non-general funds.

GO Virginia projects require the participation of two or more localities and implementation projects shall require that 20% of the total match be contributed by partnering localities. That match may be cash or in kind.

Participating localities may request a waiver of the Total Match or Local Match as required in the table below and shall submit that request for consideration using the Match Waiver Administrative Guidance developed by DHCD.

Match documentation must be provided with the application at the time of submission. If not provided, the application will be considered incomplete and it may impact the application review process. Documentation for match described in the project budget that is pending a decision from another funder (US Economic Development Administration Tobacco Commission, etc.) must be provided in the form of a memo describing the match source/funder, requested grant amount, as well as the application submission and decision date.

PER CAPITA & STATEWIDE FUNDS MATCH TABLE		
	TOTAL MATCH	LOCAL MATCH
Planning	1-1	No Local Match Required
Regional Entrepreneurship Initiative (Planning)	2-1	No Local Match Required
Sites Planning	2-1	No Local Match Required
Sites Implementation	1-1	20% of Total Match
Broadband Planning	2-1	No Local Match Required
Broadband Implementation	1-1	20% of Total Match
Project Implementation	1-1	20% of Total Match
Statewide Competitive	2-1	20% of Total Match

State Board Policy 12 states that Tobacco Region Revitalization Commission funds may be applied as matching funds for GO Virginia projects. Tobacco Commission funds may cover up to 50% of the total project match required and may not be used to satisfy any local match requirement. Tobacco Commission funds may be utilized as project match funds for projects submitted between July 1, 2023 and June 30, 2025. To be considered, projects must meet GO Virginia program guidelines and applicants must provide a letter of award from the Tobacco Region Revitalization Commission that demonstrates that the funds have been awarded by the Commission to support the GO Virginia application and delineate the project activities supported by the Tobacco Region Revitalization Commission grant.

For more detailed information about the different kinds of match, the documentation for match, and conditions and restrictions regarding match, please see the [GO Virginia Match Guidelines](#).

[Board Policy #11 – Modified GO Virginia Program Match Requirements – Per Capita Funds](#)

[Board Policy #12 – Use of Tobacco Commission Funds as Match](#)

[Board Policy #13 – GO Virginia Program Match Requirements – Statewide Competitive Fund](#)

LOCAL MATCH

GO Virginia per capita implementation and statewide competitive projects require 20% of the total match be contributed by partnering localities. Match provided by participating localities improves the competitiveness of a grant application. The goal of the local contribution is to ensure localities are invested in the collaborative nature of the GO Virginia process, as well as to ensure that proposed grant requests are of a substantial nature and meet the highest priorities identified in the regional Growth and Diversification Plans.

The local contribution may come from any combination of the participating localities with a region, such as:

- Cities
- Counties
- Towns
- School Divisions
- Economic Development Authority, Industrial Development Authority
- Regional Organizations (i.e. Regional Industrial Facility Authority, Regional Economic Development Organization, Planning District Commission, Regional Airport Commission) contributing non-state resources on behalf of their member localities.

Although local match may not be required for planning, projects must have at least two localities meaningfully participating. For more details on how localities can meaningfully participate in a project please see the [GO Virginia Regional Collaboration and Local Participation Guidance](#).

TYPES OF MATCH

Match contributors must be active project co-funders and be able to commit to the match at the time of application with proper documentation. All match sources will be verified prior to contract execution. Match (cash or in-kind) must be committed to support activities described in the application and project-related match expenditures must be documented as GO Virginia funds are drawn down to complete the project.

Cash Match: Cash match refers to any cash contribution provided to the project.

In-Kind Match: In-kind match includes any non-cash contribution of value provided to the project. The following are examples of in-kind match.

- Equipment
- Facilities
- Personnel (salary/fringe)
- Consultant services
- Training
- Waived fees, unrecovered indirect costs, etc.
- Scholarships/Tuition (see Section V. Match Conditions/Restrictions)
- Site Acquisition/Development

GO Virginia does not restrict the portion of match (local or otherwise) that can come from in-kind contributions. However, as a best practice, applicants should ensure that the project has adequate cash balances to support project expenses for at least 90 days to cover all contingencies that may arise and to ensure that the project can demonstrate the required match for all remittances.

DOCUMENTATION OF MATCH

During the pre-award period, applications must qualify match commitments for all in-kind or cash match using the [Match Verification Form](#), as part of the application package. The purpose of the match documentation is to indicate to staff and the workgroup reviewing the application that the match funding is available and ready for use on the project. The Match Verification Form must be submitted from each source of match and must align with the submitted Sources and Uses Project budget.

Once the project has gone under contract and started accruing expenses, match expenses that are applied to the project need to be documented as part of the remittance process. The original match documentation submitted with an application indicates the match is committed, but not that it has been spent or applied towards the project.

MATCH CONDITIONS/RESTRICTIONS

Match contributions only count once: Match contributions may not count towards satisfying the GO Virginia match requirements if they have been or will be counted towards satisfying a matching requirement of another grant program.

Equipment: Equipment donated by an entity can be applied as match as long as the donated equipment was purchased no more than 12 months before the State Board approved the project. The original invoice or purchase order should be provided to verify the valuation of the equipment and the date of the purchase. In cases where equipment being donated was purchased more than 12 months before the State Board approved the project, a third-party appraisal on the equipment will need to be completed showing the fair market valuation. This fair market valuation amount is what is permitted for match.

Site Investments: Regarding site investments, previous investments will be considered match if they were made within the last 24 months, or up to five years if regularly occurring investments can be documented. Previous site investment and advancement activities recognized by GO Virginia include hard or soft costs expended within the last 24 months by a private land owner, developer, college or university foundation, locality, regional group, planning district commission, or other political subdivision. These investments may be used as matching funds for site development planning or implementation grants requested from GO Virginia, as long as the costs previously incurred are directly related to the site(s) proposed for advancement in the grant application. Additionally, while not necessarily expended on an annual basis, site advancement investments consistently occurring over a five-year period prior to application will also be considered as matching funds. For redevelopment sites, funds spent on the demolition of deteriorated buildings by public or private owners can be used as matching funds, provided the activity has occurred within the last 24 months.

GO Virginia funds may not be used for site acquisition. However, investments in sites may be considered match if they were made in the past 24 months, or up to five years if regularly occurring investments can be documented. Additionally, expenditures for site acquisition, due diligence, environmental assessments, master planning, infrastructure design and construction, and offsite improvements may be included as match.

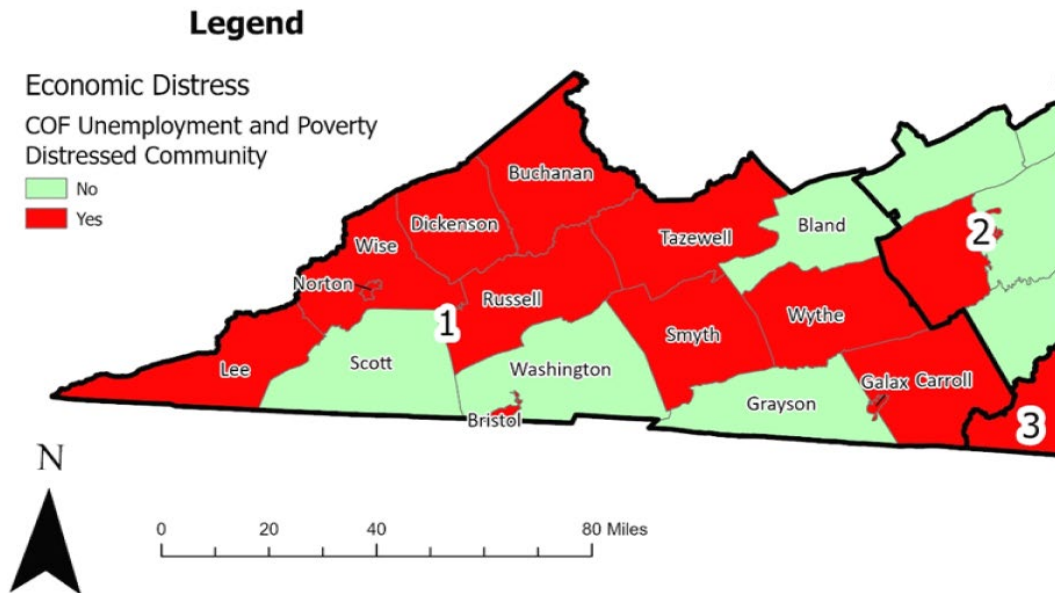
Scholarships/Tuition: Tuition paid by enrolled students may not be committed as match. Nonstate funds used for the express purpose of paying for participants' tuition/enrollment fees to participate in a training program related to a workforce development project may be applied as match. This could include local contributions from school divisions to allow students to participate in dual enrollment courses, private/philanthropic contributions, or federal fund commitments from a local workforce board.

TOTAL MATCH WAIVER

Projects requesting a reduction of the total match required for a project must meet the criteria established in state code of demonstrating either fiscal distress or an extraordinary economic opportunity. The Board has established one (1) criterion to demonstrate fiscal distress and three (3) primary criteria to demonstrate exceptional economic opportunity.

To become eligible for a waiver under the fiscal distress criterion, at least 50% of the participating localities meet the Virginia Economic Development Partnership's definition for Economic Distress – Double Distress. (A locality with an unemployment rate above the average statewide unemployment rate and with a poverty rate above the statewide average poverty rate.)

GO Virginia Region 1: Localities and Economic Distress



To become eligible for a waiver under the exceptional economic opportunity criteria, applicants may select of more of the following:

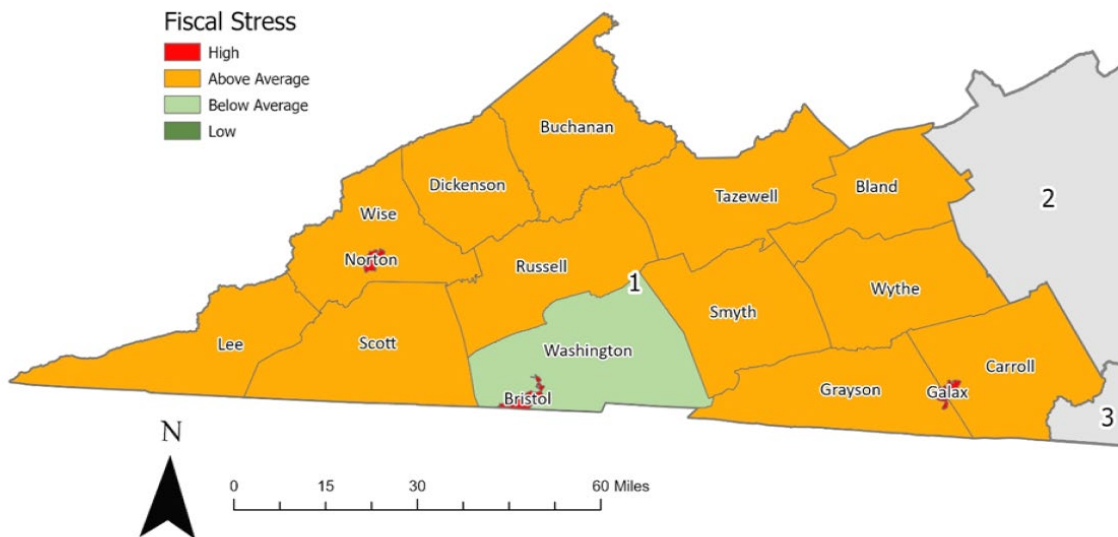
- The application demonstrates strong alignment with primary GO Virginia program goals.
 - Regional Collaboration - Majority of the match being contributed is local match (cash or in-kind).
 - Industry Cluster Engagement - Majority of match contributions for this effort are being contributed by industry partners.
 - Job Growth Accelerator - This project will increase employment in the targeted industry cluster by at least 10% over a base (see most recent G&D plan for baseline numbers).
 - Transformational Economic Diversification - This project will lead to growth in a new or emerging industry cluster with the potential to significantly diversify the regional economy.
- This application aligns with the Commonwealth’s InnoVAtive Framework for Economic Development and will support the expansion of the knowledge sector, manufacturing, or logistics industry.
- This application will enable the subgrantee to leverage this award to pursue a nonstate funding opportunity in an amount at least two times the amount of this grant request. This award decision on the nonstate funding opportunity must be made within 12 months of the State Board approving the project

Applicant must submit the [Total Match Waiver Request](#) form.

LOCAL MATCH WAIVER

Projects requesting a full or partial waiver of the local match required for an implementation project should demonstrate that localities are unable to provide the required contribution, either through the majority of localities being categorized as having “high” or “above average” levels of fiscal stress in the Commission on Local Government’s [Fiscal Stress Index](#), or a demonstration of effort to solicit support from the participating localities and supporting letters explaining why they are unable to support the project.

GO Virginia Region 1: Localities and Fiscal Stress



The fiscal stress index illustrates a locality’s ability to generate additional local revenues from its current tax base relative to the rest of the Commonwealth. The fiscal stress index has three components: Revenue capacity per capita; Revenue effort; Median household income.

Applicant must submit the [Local Match Waiver Request](#) form.

INDIRECT CHARGES

It is the policy of the Virginia Growth and Opportunity Board that the indirect rate an applicant may apply for through a GO Virginia grant of any type shall not exceed 10% of the total grant allocation for a single project.

SECTION 3: HOW TO APPLY

STEP 1: CONTACT THE REGION 1 SUPPORT ORGANIZATION

For those considering applying for GO Virginia funds, the first point of contact should be the [Region 1 Support Organization](#). Support organizations administer the GO Virginia program in each region and will facilitate the application process for that region. GO Virginia projects must be approved first by the Region 1 Council in order to be submitted for consideration by the State Board. Once approved by the regional council, the support organization submits an application to DHCD through the Centralized Application Management System (CAMS). Submitted applications are reviewed by DHCD staff for program requirements, and a workgroup of board members and subject matter experts for additional input. Applicants are given the opportunity to respond to staff and workgroup feedback.

STEP 2: REVIEW THE REGION 1 GROWTH & DIVERSIFICATION PLAN

Potential applicants should review the regional Growth and Diversification plan with the Region 1 support organization in order to gauge how a project may fit into Region 1 priorities.

The Region 1 Growth and Diversification Plan identifies and prioritizes economic opportunities, needs and challenges facing the region and is designed to assist the regional council in evaluating which potential projects best address the identified priorities. It outlines the needed enhancements where GO Virginia grant funds may support collaborative programs between at least two or more localities that will lead to the creation of higher paying jobs. This plan guides the regional council's work to develop talent pipelines, grow existing businesses, encourage the entrepreneurial activity of the region and advance joint site and infrastructure development.

All GO Virginia Region 1 proposals must align with the [Region 1 Growth and Diversification Plan](#).

STEP 3: IDENTIFY THE TARGETED INDUSTRIES IMPACTED

Potential applicants should work with the Region 1 support organization to establish which targeted industry cluster(s) will be impacted by the project and how the proposed project addresses a specific need for that cluster(s). Industry sectors in Region 1 that have the best potential to grow and create higher paying jobs include:

- advanced manufacturing
- agriculture and food/beverage manufacturing
- information technology
- energy and minerals
- logistics, transportation, and warehousing

STEP 4: IDENTIFY THE PROGRAM INVESTMENT STRATEGY

GO Virginia supports four economic development strategies – workforce development, site and infrastructure development, innovation and entrepreneurial ecosystems, and cluster scale-up activities. In alignment with the GO Virginia strategies, Region 1 is focused on the following regional strategy framework that includes three main strategies, combining innovation and entrepreneurial ecosystems, and cluster scale-up activities into one strategy focused on Innovation and Scale Up Support. These underpin all of the industry sectors operating in the region, supporting both existing and new employers in the region.

- **Talent Development**
- **Sites and Infrastructure Development**
- **Innovation and Scale Up Support**

WORKFORCE DEVELOPMENT

(Region 1: Talent Development)

No issue is more important to the economic diversification, growth, and competitiveness of Virginia than the quality of its workforce. GO Virginia emphasizes aligning talent with current and prospective job opportunities, adapting education and training programs to meet current and prospective Virginia business needs, and attracting and retaining needed talent from outside Virginia.

The overall goal of GO Virginia investments in workforce initiatives is to build new capacity that, in turn, creates a larger pool of qualified workers to meet unmet employer demand and address the need for new/emerging skills within area talent pools. In addition, training programs funded by GO Virginia resources should focus on occupations integral to the industry sectors identified in the region's Growth & Diversification Plan and helping to prepare workers for sustainable jobs in those industries.

In keeping with the foundational elements of the GO Virginia Program, workforce development and talent attraction initiatives need to demonstrate strong engagement and support from industry partners. Specifically, projects around this framework should be substantiated by quantitative and qualitative data confirming the essential skills gaps and unmet needs of regional employers. Solutions or new programs funded by GO Virginia should be innovative and not redundant or duplicative of other training resources in the region.

GO Virginia proposals focused in the workforce development investment strategy should first consider a region's Talent Pathways Initiative Planning effort early on in the proposal's development, whether the region's TPI Planning project is already underway or if under consideration by a regional council.

Project Elements and Allowable Activities

Skills Training: GO Virginia can be used to develop and implement new and innovative training programs that are not currently available within that region, or within a reasonable distance of the project location. For projects replicating training that exists elsewhere in the region or Commonwealth, those that can effectively scale, rather than duplicating, an existing program will be more appropriate. Scaled or expanded projects are generally those that involve collaborations across and between regions.

Industry Partnerships: GO Virginia strongly encourages private-industry partnerships for all types of projects. Securing financial and resource commitments from private-industry partners is a best practice, along with pledges to hire trainees or to upskill existing employees. Projects that address an explicit industry need, and demonstrate a clear, long-term demand for the skills and credentials provided by the program/project, will be the most successful. Those aiming to address a short-term need or the workforce requirements of a single business are ineligible for GO Virginia funding.

Expansion of Work-based Learning Opportunities: Projects that demonstrate a direct line of sight to job creation through student credentialing or work-based learning will have the best alignment with GO Virginia. This can include establishment of internships, apprenticeships, or other work-based learning opportunities supported and offered by businesses in the region's targeted sectors, as well as "match-making" activities that help facilitate student interests with available opportunities.

Sustainability: GO Virginia funds should be utilized to build the region's capacity to create jobs in the targeted sectors, and projects that demonstrate the ability to sustain that capacity will be most successful. Projects that reflect a short-term solution that is financially or functionally unsustainable will be viewed less favorably. Furthermore, projects that can be sustained through non-State resources are preferred to those creating new or expanded obligations for the State.

Online Platforms: GO Virginia can be utilized to establish platforms that will match talent with available opportunities (jobs or training), as is being pursued throughout the Commonwealth. Regions should pursue opportunities that can be scaled across boundaries, or systems that work in coordination with existing platforms, to avoid duplication of efforts. GO Virginia funds should be focused on the buildout of such platforms, while marketing and outreach (for the platform or for a training program) would be more appropriately sourced from matching funds.

6th-12th Grade Initiatives: GO Virginia can be used to develop stronger connections between secondary education and the creation of higher paying jobs in the traded sectors. For projects with longer timelines between execution and outcomes (e.g. job creation), GO Virginia funds will be more difficult to attain, particularly those focused on early childhood and primary education.

Programs focused on skills development and exposure to targeted sectors for students in grades 6-12 will be viewed favorably by the GO Virginia Board. Similarly, education and training opportunities that provide for direct transition into the labor force or a related post-secondary training program can generally be supported. These initiatives should include elements that allow high school students to earn credentials or move into a community college program.

Workforce Development Project Outcomes

Project outcomes demonstrating success and achievement of the stated goals should be established for each project.

GO Virginia project outcomes for workforce development projects can include:

- Number of students trained
- Number of upskilled employees/jobs retained
- Number of new jobs created
- Number of businesses served
- Number of new internships created
- Number of new apprenticeships created
- Number of new programs/credentials implemented
- Number of credentials awarded
- Number of students enrolled in dual enrollment programs

SITES DEVELOPMENT AND INFRASTRUCTURE

(Region 1: Sites and Infrastructure Development)

In May 2019, the GO Virginia State Board directed the Department of Housing and Community Development (DHCD) to work with the Virginia Economic Development Partnership (VEDP) to identify strategies for aligning investments through collaboration between GO Virginia and VEDP's Virginia Business Ready Sites Program (VBRSP). Since both entities share the goal of increasing the number of business-ready sites both regionally and statewide, additional site development activities will enhance the Commonwealth's competitive position, and ultimately expand the number of economic development prospects (new and expanding businesses) that choose Virginia.

In 2019, VEDP used VBRSP funds to analyze and characterize 466 sites across the State to augment the Commonwealth's sites inventory, and to determine the types and amount of investment required to make these sites shovel-ready. The VEDP Site Characterization process evaluated each property using a 5-level tiered system to show the degree of readiness for economic development. The sites readiness scoring system, along with a prioritization process guided by VEDP and aligned with each region's Growth and Diversification Plan, should serve as a guide to site investments by GO Virginia. Likewise, GO Virginia site development projects should be aligned with the Virginia Collaborative Economic Development Act, wherever possible.

The GO Virginia State Board approved Board Policy #9 - Use of GO Virginia Funds for Site Development Investments on December 9, 2019, stating that funds may be used for regional site planning efforts, as well as regional site development implementation activities. Specifically, GO Virginia funding of regional site planning projects should be used to initiate due diligence activities or advance a site through the lower level tiers of the VBRSP scoring system (e.g. 1-3). For site development implementation projects, investments should advance properties towards achieving Tier 4 or 5 status under the Virginia Business Ready Sites Program criteria. Sites that have been previously certified as Tier 4 or 5 may be considered for funding if the applicant can demonstrate that the investment will significantly increase the marketability of the site, as well as position the property for capital investment and job creation activities.

Regional Broadband Infrastructure Projects: GO Virginia funds may be used to support regional planning efforts that inform and encourage private sector broadband infrastructure build out. GO Virginia funds may be used to fund middle-mile broadband infrastructure projects, including, but not limited to, fiber and conduit, that extend telecommunications networks in partnership with the private sector and focus on meeting the business needs of a community.

Further guidance about these topics can be found in the [Regional Broadband Infrastructure Project Guidance](#) document.

Site Development Documents

- [Regional Site Development Project Guidance](#)
- [Property Information Form](#)

Regional Site Development Project Outcomes

1. Number of acres advanced to higher tier per Virginia Business Ready Sites Program (VBRSP)
2. Increased locality engagement in establishing a RIFA/revenue sharing agreement
3. Number of prospects (active company visits)
4. Number of businesses attracted
5. Number of linear feet of sewer/water infrastructure
6. Total acres impacted/developed

STARTUP ECOSYSTEM

(Region 1: Innovation and Scale Up Support)

Innovation and entrepreneurship initiatives refer to activities that foster the necessary elements of a thriving environment for the launch of new businesses and foundational support systems in each region. Collectively, this “entrepreneurial ecosystem” should provide both the infrastructure and culture that allows innovation and entrepreneurial ventures to be successful. When aligned with the targeted industry sectors in each region, GO Virginia can be a valuable catalyst to establish or enhance the fundamental building blocks of such an effort.

In 2018, the Department of Housing and Community Development (DHCD) engaged TEconomy Partners, LLC to provide each GO Virginia region with an independent and objective assessment of its entrepreneurial development position. The analysis identified strengths and gaps across the region which were used to formulate recommendations for bolstering start-up activities and resources in both rural and urban areas. Each region was also provided with a baseline assessment that can be utilized by the regional councils to define strategies for improving innovation, as well as a pipeline of initial projects to support regional entrepreneurship.

While the TEconomy study provided valuable ideas based on the unique attributes of each region, it also presented a significant finding applicable across the Commonwealth. Specifically, TEconomy noted that each region would benefit from the identification and designation of an entrepreneurial coordinating entity to advance regional ecosystem development activities. The coordinating entity may use a dedicated staff member or an outside consultant to assist with the delivery of the items outlined in these guidelines; however, each proposed plan must include specific deliverables and metrics which will be used to measure success.

Although the coordinating entity’s primary role is to identify opportunities and needs within the targeted traded sectors and facilitate implementation, in March 2019 the GO Virginia Board outlined and approved detailed guidance on the responsibilities of the coordinating entity. Now referred to as the Regional Entrepreneurship Initiative (REI), each regional council will provide oversight of the coordinating entity to ensure the following:

1. Development of a strategy for implementing the TEconomy recommendations or other concepts derived from the stakeholder engagement process that aligns with the regional growth and diversification plan;
2. Development of a structure for advancing the entrepreneurial ecosystem;
3. Development of strategies to sustain the initiative after the initial GO Virginia grant.

Project Elements and Allowable Activities

Creation of a Regional Entrepreneurship Initiative (REI): As outlined above, regional councils can apply to the GO Virginia Board to utilize up to \$300,000 in per capita funding for development of a regional entrepreneurial investment plan.

Region 1 awarded the REI funding to Opportunity SWVA in collaboration with UVA Wise to develop the Launch SWVA Region 1 Strategy for Entrepreneurship and Innovation Investment. The Region 1 REI Strategy can be

found [here](#). In 2022, implementation funds were awarded to UVA Wise to implement SWVA Startup in coordination with Opportunity SWVA.

Business Accelerators and Pre-accelerators: Business accelerators and pre-accelerators can provide educational opportunities to individuals who seek to create their own start-up businesses. While accelerators often provide businesses with mentorship and demonstration opportunities, pre-accelerators focus on the early stages of business development.

Business Incubators: Business incubators generally provide physical space – collaboration, co-working – and an array of support services needed by entrepreneurs. Services may include: assistance in writing business plans, objective feedback and review of business ideas, connection to financing sources, and identification of markets for products or services. Business incubators may also offer a series of educational modules that aspiring business owners can complete before launching new ventures.

Entrepreneur in residence programs: Entrepreneur in residence programs can provide newer businesses with the opportunity to work with a knowledgeable and experienced entrepreneur.

Innovation Hubs: These are locations that support an “open innovation” business model, foster co-location, and promote easy and constant interaction among many different industries and disciplines. They are often comprised of a wide variety of creative workers – such as artists, scientists, and engineers – collaborating or interfacing under the same roof. Innovation hubs are typically designed to provide work spaces and resources that facilitate clustering and interaction among multidiscipline leadership teams and partners, in order to create a thriving center of innovation.

Industry and Mentor Networks: These are organized groups that encourage interaction, stimulate further innovation, help develop specialized services to support area companies, and encourage cross-industry partnerships. These networks usually also include knowledge sharing and expertise, strategy development, and leadership guidance.

Workshops & Training: Topic-specific, educational programming and training sessions geared towards entrepreneurs in the region’s targeted business sectors. Common programming elements include communications and media relations, technology resources, fundraising, tax and legal issues, and HR regulations. Training programs may also include entrepreneurial “bootcamps” that provide comprehensive, intensive coursework in an accelerated time frame.

Ideation/Proof of Concept Support (POC): A costly but critical step for entrepreneurs is validating that a new product, technology, or service idea is both viable and marketable. Thus, ideation support includes specialized review and technical guidance by subject matter experts (SME’s) to test product design ideas or market assumptions before advancing a business idea or enterprise. Since the main purpose of developing a POC is to demonstrate functionality and verify a certain concept or theory can actually be achieved through product or service development, services that help entrepreneurs through this key step can provide a much-needed “reality check” before aspiring entrepreneurs incur significant expense.

Innovation Districts & Mega-Partnerships: Creation of innovation districts or establishment of mega-partnerships with industries and/or universities are also allowable projects under the Start-up Ecosystem framework; however, these projects must facilitate interaction and collaboration between key players operating in the region’s targeted industry sectors.

Start-up Ecosystem Project Outcomes

Project outcomes demonstrating success and achievement of the stated goals should be established for each project.

GO Virginia project outcomes for startup-ecosystem projects can include:

- Number of jobs created
- Number of businesses attracted
- Number of business retained
- Number of existing businesses expanded
- Number of new businesses created
- Number of businesses served
- Total capital raised by fund manager
- Total capital deployed by fund manager
- Venture capital investment in served businesses
- Number of fund investments
- Average deal size
- Research and development (R&D) funding deployed
- New products completed/released to production
- Total patents filed
- Total patents awarded
- Revenues increased from export-sales

CLUSTER SCALE UP

(Region 1: Innovation and Scale Up Support)

While the focus of many economic development activities is on the recruitment of new companies, an equally important strategy for job creation and economic diversification is through the growth of successful small- and medium-sized enterprises already in the region. By working with these companies to expand and retain their operations, each of the GO Virginia regions can significantly enhance their economic prospects. In fact, with the growth of existing companies typically generating 70-80% of new jobs and investment, business retention and scale-up activities can be the most impactful on regional economies. More importantly, nothing demonstrates the vibrancy and attractiveness of business locations to prospective investors better than those with thriving companies operating in balanced, healthy economies.

The most effective growth strategies are those aligned with and built around regional assets that can continually support the primary requirements of targeted industry sectors. Through specific initiatives that identify and expand new customer and supplier networks, provide business mentoring, and enhance access to capital, well-defined scale-up activities can significantly improve employment and revenue generating opportunities within each region.

Unlike start-up and entrepreneurial ecosystem initiatives which focus primarily on innovation and foundational support systems for launching new business ventures, cluster scale-up activities are centered around second-stage companies ready to commercialize proven ideas. Additionally, cluster scale-up focuses on expansion of capacity, retooling and modernization of production facilities, as well as growth and/or improved coordination of supply chains. More importantly, a distinct element of cluster scale-up is that growth in one area generally precipitates growth in a related or ancillary function – e.g. increased production generates increased need for distribution. Thus, the outcomes of cluster scale-up projects may ultimately lead to creation of new jobs in a variety of occupations, as well as increased revenue streams from outside of the Commonwealth.

Cluster Scale-up projects can also be defined by their efforts to support the growth of an emerging or nascent industry. This nascent industry could be in an early stage of existence based out of R&D effort or be new to the Virginia economy. Projects targeting nascent or emerging sectors can also be considered when costs are shared between collaborating partners, and outcomes are in keeping with those required of all GO Virginia projects.

Project Elements and Allowable Activities

Business Accelerators: Business accelerators are those that offer intense programs and required infrastructure to established companies. Common elements include access to mentorship, investors, and other support systems that help an enterprise to rapidly scale production and growth. Accelerator programs target businesses that have moved beyond the earliest stages of operations and, essentially, have entered their “adolescence” – meaning they can stand on their own two feet but need guidance and peer support to commercialize or ready “proven” products for the marketplace in a short period of time. In addition to mentorship and investment opportunities, a business accelerator often gives growing companies access to logistical and technical resources, as well as peer networks with whom experiences can be shared.

Second-stage Growth Programs: These programs are intended to focus on well-established and more mature enterprises looking to address distinct growth challenges. Second stage companies already have proven leadership and generally have been operating for at least two years with solid and reliable revenue streams. Thus, these programs should center around activities that help companies identify and develop new markets, refine and update business models, or strengthen supplier/customer networks. Additionally, second-stage growth programs may focus on strategies that allow for enhancement of commercialization opportunities or expansion of production capacities such as shared manufacturing facilities.

R&D Collaborations: GO Virginia can be a mechanism to stimulate and facilitate collaboration between both industry partners and academia. Projects built around sector-based research and development activities, especially those that facilitate retooling of operations or enable implementation of new technologies, are good candidates for GO Virginia.

Sector-Based Supply Chain Initiatives: Initiatives that improve/enhance access to raw materials – particularly those that reduce production costs – can be valuable projects in the Cluster Scale-up framework. Examples can include development of technology platforms that “match” in-state suppliers and producers, identification of supply chain gaps, or establishment of consortia within industry sectors requiring similar support systems or shared distribution channels.

Cluster Studies: Projects that identify or refine industry sectors best suited for the region are good candidates for GO Virginia funding. This may include assessment of nascent sectors and alignment of regional assets with those required by these emerging industries.

Cluster-Pivot Strategies: Projects focused on cluster-pivot strategies can be particularly impactful in regions where long-standing industries are waning. Thus, activities that identify how and where existing skill sets, and other regional assets, can be adapted or transferred into different industry sectors are ideal opportunities for GO Virginia.

Cluster Scale-up Project Outcomes

Project outcomes demonstrating success and achievement of the stated goals should be established for each project.

GO Virginia project outcomes for cluster scale-up projects can include:

- Number of jobs created/retained
- Number of businesses retained
- Number of existing businesses expanded
- Number of businesses served
- Revenues increased
- Operations costs reduced
- New products completed/released to production

STEP 5: IDENTIFY THE APPROPRIATE APPLICATION

	Planning Grant	Per Capita Implementation Grant	Statewide Competitive Grant	Site Development Planning Grant	Site Development Implementation Grant	Regional Entrepreneurship Initiative (REI)	Talent Pathways Initiative (TPI) Planning
<i>Type of activity</i>	Planning, pilots, and feasibility studies	Two or more localities collaborating - impact to targeted industry cluster(s) in one of four core investment areas	Two or more regions working together - Impact to targeted industry cluster(s) in one of four core investment areas	Initiate due diligence activities or advance a site through the lower level tiers of the VBRSP scoring system (1-3)	Advance properties towards achieving Tier 4 or 5 status under the Virginia Business Ready Sites Program criteria	Establish and develop coordinating entity, structure, and strategies to advance entrepreneurial ecosystem	Conduct situational analysis and support development of regional talent pathway strategy for workforce needs of priority targeted industry clusters
<i>Regional collaboration</i>	✓	✓	✓	✓	✓	✓	✓
<i>Targeted industry clusters</i>	✓	✓	✓	✓	✓	✓	✓
<i>Maximum funding</i>	\$100,000 <i>(No more than \$250,000 per region per year)</i>	Determined by regional budget – consult with support organization	Determined by regional budget – consult with support organization	\$100,000 <i>(No more than \$250,000 per region per year)</i>	Determined by regional budget – consult with support organization	\$300,000	\$250,000
<i>Duration of project</i>	1 year project period, discretionary performance period if producing outcomes	2 year project period, 1 year performance	2 year project period, 1 year performance	1 year project period, up to 1 yr. performance	2 year project period, 1 year performance	2 year project period, discretionary performance period	1 year project period, discretionary performance period

The links to each of the applications are found on the GO Virginia website under the [Apply](#) section. Each document also specifies the additional required information that should be included with the application questions, which are also linked on the website.

CORE GRANT OUTCOMES

For GO Virginia, each subgrantee is required to track specific and measurable outcomes that demonstrate how the funds granted are achieving the goals of the region’s growth and diversification plan. GO Virginia provides a list of core grant outcomes intended for GO Virginia funding. Project teams may choose to track project-specific metrics beyond GO Virginia core grant outcomes, but those project-specific metrics are tracked in addition to the core grant outcomes. Outcomes are emphasized through the entire process, from application to award to closeout. If a project is awarded funding, outcomes of the project will be formalized in the contract between DHCD, the grantee, and the subgrantee. Quarterly reporting provides an opportunity for the project team to report on any achieved outcomes each quarter. At the end of a grant period, project closeout procedures provide the final opportunity to report on cumulative grant outcomes.

Implementation projects will be required to submit the [GO Virginia Core Outcomes](#) form with the application.

RETURN ON INVESTMENT (ROI)

Return on investment (ROI) measures how much money or profit is made from an investment relative to the costs of the investment. When determining the economic impact of a proposed grant request, the Board will give preference to those applications which can demonstrate a positive ROI within three years, however, it is not the only measure used when allocating funds. Income tax revenue and sales tax revenue are used for determining ROI. DHCD uses a fiscal impact calculator to determine the fiscal impact that a project will have on state revenue in 3 and 5 year intervals. For competitive projects, DHCD uses a third-party to validate inputs to ROI models and calculate the fiscal impact.

ROI Formula:

$$\frac{(\$ \text{ Increase in State Revenue}) - (\text{GO Virginia Funding Amount})}{(\text{GO Virginia Funding Amount})} = \text{ROI \%}$$

DHCD provides an excel template for estimating ROI for a proposed project, which can be found [here](#). Applications for per capita implementation and competitive projects require both a 3 and 5-year ROI submission using this same excel template.

An explanation of the ROI methodology assumptions and calculated ROI, as well as the timeline for achieving the expected ROI should be included in the project application. Additionally, other performance outcomes, both qualitative and quantitative, should be included.

STEP 6: COMPLETE AND SUBMIT APPLICATION

Full applications for GO Virginia Region 1 funding must be submitted by the published application deadlines. Applications meeting these criteria will be given full consideration by the Region 1 Council for submission to the GO Virginia State Board for review. The GO Virginia Region 1 Council reserves the right to make no funding awards or withhold funds should the proposed grant requests not meet certain minimum requirements or address the goals or purposes of the Growth and Diversification Plan.

APPLICATION DEADLINES FOR 2024

Friday, February 23, 2024

Friday, May 31, 2024

Friday, August 30, 2024

Friday, November 15, 2024

Applicants should contact the Region 1 support organization as soon as a proposal is considered. Applicants will submit their application through a secured online Box account.

Applications and all attachments should be created as a Word document. All attachments, templates, and project charts are to be submitted as separate documents and should not be embedded within the response to any question. Applicants are encouraged to reference all attachments in the narrative as they pertain to each question.

If recommended for funding, applications will be loaded into the Virginia Department of Housing and Community Development's Online Portal (CAMs) by the Region 1 support organization, UVA Wise. This system limits answers to 6,000 characters for each question. Please attach as a separate document with your response to any question that exceeds this limit.

SECTION 4: GRANT SCORING CRITERIA

In determining the eligibility of the project and the amount to be awarded for grant requests, the Board and the regional councils shall follow the following criteria. The Board reserves the right to not make an award to proposed grant requests that have a low score in one of more of the following areas:

Economic Impact: 35%

- This criteria demonstrates a project's return on investment (ROI), other tangible results, and alignment with the regional Growth and Diversification Plan

Regional Collaboration: 30%

- This criteria looks at the amount of participation by localities or other entities in the region, as well as the amount and form of match being contributed to the project.

Project Readiness: 20%

- This criteria shows that the project partners are able to implement the project by outlining project partners, prerequisite activities, and any potential barriers to the project's implementation.

Project Sustainability: 15%

- This criteria shows that there has been planning for how the project will continue after grant funds are exhausted.

For more information, please see the [GO Virginia Grant Scoring Guidelines](#).