

Governor's Economic Development and Job Creation Commision – An Update



Peninsula Council for Workforce Development
Connecting people's talents to workplace needs

Virginia Economic Developers Association

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Economically Distressed Subgroup –Initial Strategic Goals

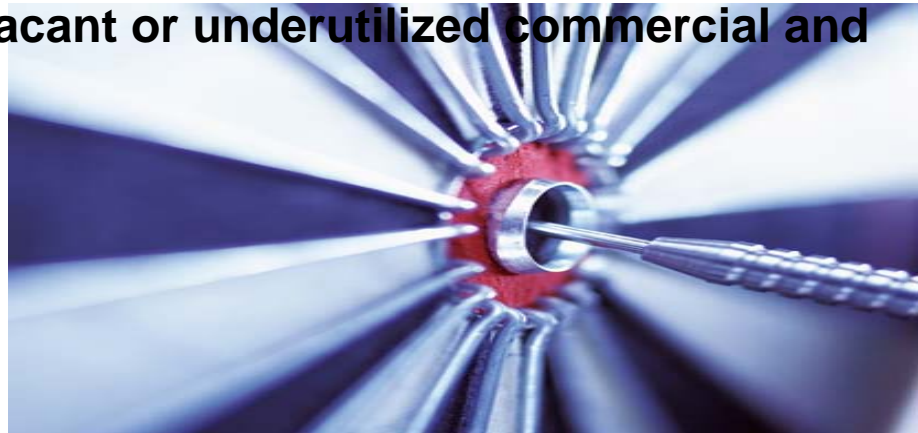
Increase the strategic investment in and deployment of high-speed broadband in economically distressed areas.

Increase state incentive programs designed to locate, retain and expand businesses in economically distressed areas of Virginia.

Encourage distressed areas to identify , embrace and promote asset-based economic development opportunities.

Increase regional collaboration.

Promote the revitalization of vacant or underutilized commercial and industrial buildings.



Economically Distressed Subgroup –Initial Strategic Goals (continued)



Promote job creation through the development of both traditional and renewable forms of energy

Increase investment in value added agri-business across the state .

Focus on creating, developing and expanding small business and entrepreneurship

Increase access to capital for businesses in distressed areas.

Build capacity of communities to development and implement strategic economic development projects and initiatives

Key Challenges



WE NEED YOUR INPUT!!!

- Structure
- Multiple Funding Streams
- Strategic Focus
- Different Customer Focus
- Best Practices
- New Ideas
- ETC.

Q&A



Interim Recommendations-Draft

- Fully fund the states Enterprise Zone grant incentives to avoid proration of awards to eligible companies. As noted above, Virginia currently funds this program at 60%.
- Increase funding for the Governor's Opportunity Fund, a proven tool to enhance economic development in distressed communities .
- Continue to leverage grants from TIC's Tobacco Region Opportunity Fund with GOF and other applicable state and local incentives to attract significant private capital investment and create jobs in distressed areas.
- Increase funding for the Virginia Jobs Investment Program and the Virginia Community College System in their efforts to provide customized recruiting and training services to new and expanding companies while strengthening Virginia's competitiveness for economic development projects.

Interim Recommendations-Draft (continued)

- Provide a \$2M grant and/or revolving loan fund for 2002 Brownfield Restoration & Land Renewal Act
- Reinstitute Funding for Derelict Structures – up to \$1M per year.
- Provide financial or tax incentives that will enhance the economic feasibility of reusing the state's former industrial sites, neighborhood commercial districts and historic downtowns.
- Allocate additional funding for Virginia's Main Street program to enhance the program's ability to help communities develop strategies to stimulate long term economic growth and promote economic and physical revitalization of historic downtowns
- Determine feasibility of implementing existing Agriculture Enterprise Zone Act.

Interim Recommendations-Draft (continued)

- Market Virginia Agriculture/Forest products at all state-sponsored events
- Find a solution for accepting more rural students into Virginia Tech and Virginia State University seeking agriculture degrees.
- Support recruitment/retention of large animal veterinarians in rural Virginia.
- Re-introduce HubZone legislation.
- Establish guidelines that better target under-represented business populations on state procurement contracts to companies that partner with higher education institutions and community non-profit organizations in economically distressed areas.

Interim Recommendations-Draft (continued)

- Provide meaningful incentives to areas that address economic development needs on a regional, rather than a local, basis. Such as including providing incentives in the allocation of state funding formulas and removing barriers to revenue sharing among localities.
- Adopt a three-tiered system of preferential tax treatment for employers in economically distressed localities of Virginia
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- Provide much needed funding and focus on existing state financing programs that have a stated mission and a proven track record of providing access to capital to Virginia's small businesses and entrepreneurs.
- Provide state funding for seed capital programs that help entrepreneur's access capital at critical business development stages or develop and fund programs that attract private capital for early-stage entrepreneurial businesses.
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Interim Recommendations-Draft (continued)

- Provide State support and investment in Virginia Community Capital to better reach underserved and distressed populations and to increase lending opportunities for affordable housing and economic development projects in the Commonwealth.
- Provide state funding for programs that provide micro-lending opportunities that help entrepreneur's access capital at early, critical business development stages and fosters entrepreneurship by funding comprehensive strategies to micro-enterprise support and development.