

Study Resolution

Effectiveness of the Virginia Growth and Opportunity (GO Virginia) Program

Authorized by the Commission on November 7, 2022

WHEREAS, the Growth and Opportunity Board and fund were created following the General Assembly's passage of the Virginia Growth and Opportunity Act in 2016; and

WHEREAS, the purpose of GO Virginia is to incentivize and reward regional collaboration while helping to strengthen and diversify regional economies and encourage the creation of high-value jobs in targeted industry sectors; and

WHEREAS, the GO Virginia Board designated nine GO Virginia regions, each with its own governance council, which are required to develop unique Growth and Diversification Plans detailing strategies to strengthen and diversify the economy in their region, including identifying targeted industry sectors and steps to align workforce development activities with the skills needed by regional employers; and

WHEREAS, GO Virginia has received \$133.7 million in general fund appropriations since the program's inception, which are included in the budget for the Department of Housing and Community Development (DHCD); and

WHEREAS, the GO Virginia Board develops guidelines and procedures for grant applications and the use of moneys in the fund, including a scoring system to award funding for grant applications; and

WHEREAS, GO Virginia provides regional grants 1) to build regional capacity for job creation and program implementation, 2) on a per capita basis for projects of regional significance, and 3) for projects of statewide economic impact and interregional collaborations; and

WHEREAS, since the program's inception GO Virginia has awarded over \$78 million in grant funding for over 200 projects across the Commonwealth; and

WHEREAS, GO Virginia projects pledge to achieve certain performance metrics, such as numbers of jobs created, acres of development sites that have advanced in business readiness, numbers of businesses served, and numbers of internship opportunities created; and

WHEREAS, overlap exists between some GO Virginia funded projects and those of other state economic development efforts, such as the Virginia Economic Development Partnership's Business Ready Sites Program and the Virginia Innovation Partnership Corporation's entrepreneurial programs (formerly CIT); and

WHEREAS, the effectiveness of the GO Virginia program in achieving its purpose has not been independently reviewed since its creation; now, therefore be it

RESOLVED by the Joint Legislative Audit and Review Commission that staff be directed to review the effectiveness of the GO Virginia Program. In conducting its study, staff shall (i) determine whether regional collaboration on economic development efforts has improved because of GO Virginia, (ii) evaluate whether the GO Virginia Board has developed effective guidelines for use of the funds and an appropriate scoring system for awarding funds, provided sufficient guidance to regions for the development of their Growth and Diversification Plans, and collected appropriate information on project performance to assess regions' progress in achieving their economic development goals, (iii) evaluate the quality of the performance metrics used for GO Virginia projects and the extent to which project performance is monitored, (iv) evaluate the success of projects that have received GO Virginia funds; (v) assess whether the information provided by regions when applying for projects, including regional workforce data, is used in a meaningful way, (vi) determine whether agency support for GO Virginia is appropriately placed in the Department of Housing and Community Development, (vii) review the overlap that exists between the GO Virginia program and other state economic development efforts, and whether this overlap is appropriate, and (viii) assess the adequacy of funding for GO Virginia, including whether funding levels should be increased for the program or redirected to other state economic development efforts.

JLARC shall make recommendations as necessary and review other issues as warranted.

All agencies of the Commonwealth, including the Department of Housing and Community Development and the Virginia Economic Development Partnership, shall provide assistance, information, and data to JLARC for this study, upon request. JLARC staff shall have access to all information in the possession of agencies pursuant to § 30-59 and § 30-69 of the Code of Virginia. No provision of the Code of Virginia shall be interpreted as limiting or restricting the access of JLARC staff to information pursuant to its statutory authority.