Recommendations and policy options: GO Virginia Program

JLARC staff typically make recommendations to address findings during reviews. Staff also sometimes propose policy options rather than recommendations. The three most common reasons staff propose policy options rather than recommendations are: (1) the action proposed is a policy judgment best made by the General Assembly or other elected officials, (2) the evidence indicates that addressing a report finding is not necessarily required, but doing so could be beneficial, or (3) there are multiple ways in which a report finding could be addressed and there is insufficient evidence of a single best way to address the finding.

Recommendations

RECOMMENDATION 1

The Department of Housing and Community Development should change its "number of jobs created/filled" outcome measure for the GO Virginia program by (i) splitting the criteria into separate "jobs created" and "jobs filled" measures, (ii) removing the "estimated" and "expected" qualifiers so that only actual jobs created or filled are counted, and (iii) clarifying that any jobs created or filled must be clearly attributable to the project's activities, and the method for attributing jobs created or filled must be clearly explained in the project contract and reports. (Chapter 2)

RECOMMENDATION 2

The Department of Housing and Community Development should revise the Core Grant Outcomes list for GO Virginia projects to ensure that outcome measures are narrow enough to avoid mixing different program activities, are clearly defined, and are appropriate and specific to the project type. (Chapter 2)

RECOMMENDATION 3

The Virginia Growth and Opportunity Board should revise its policies to assign responsibility for the review of outcome calculation methods and outcome data verification to staff at the Department of Housing and Community Development. (Chapter 2)

RECOMMENDATION 4

The Virginia Growth and Opportunity Board should develop and implement a policy to assess the long-term impact of individual projects and the GO Virginia program as a whole, including which information should be collected to facilitate this long-term assessment. The board's actions should proceed under the guidance of its new project evaluation committee and with the assistance and input of Department of Housing and Community Development staff and regional council support staff. (Chapter 2)

RECOMMENDATION 5

The Virginia Growth and Opportunity Board should revise its policies to include a more detailed definition of traded sector activities, modeled on the definition used by the Virginia Economic Development Partnership's Virginia Jobs Investment Program, which can be used to determine project eligibility. (Chapter 3)

RECOMMENDATION 6

The Virginia Growth and Opportunity Board should revise its policies to allow exceptions to the traded sector requirement for healthcare grant projects that meet the following criteria: (i) are consistent with the region's growth and diversification plan, (ii) provide evidence that the project will help address an unmet healthcare need in the region, and (iii) provide evidence that addressing the healthcare need will benefit the regional workforce or economy. Eligibility determinations should be made on a case-by-case basis early in the application process, not at the final board vote. (Chapter 3)

RECOMMENDATION 7

The Virginia Growth and Opportunity Board should replace the eligibility requirement that all grant projects must create higher wage jobs with a requirement that all grant projects must create a new or expanded workforce or economic development activity. (Chapter 3)

RECOMMENDATION 8

The Virginia Growth and Opportunity Board should either eliminate or reduce the local match requirement for all grants. (Chapter 3)

RECOMMENDATION 9

The Virginia Growth and Opportunity Board should expand eligibility requirements for statewide competitive funds by allowing a single region to apply for funds if the grant amount being requested (i) exceeds their available per capita fund balance, or (ii) is equal to or greater than half of the region's annual funding allocation. Projects that involve multiple regions should continue to be eligible for these funds. (Chapter 3)

RECOMMENDATION 10

The Virginia Growth and Opportunity Board should eliminate the requirement that all projects show a positive return on investment to the state to be eligible to apply for GO Virginia funding. (Chapter 3)

RECOMMENDATION 11

The Virginia Growth and Opportunity Board should revise its policies to delegate grant approval authority to the director of the Department of Housing and Community Development for any regional per capita implementation grant that has been dutifully reviewed and approved by a regional council and recommended for administrative approval by a board-designated workgroup. The board should also delegate approval authority for projects it has voted to defer, pending resolution of specific issues it has identified with the application. (Chapter 4)

RECOMMENDATION 12

The Virginia Growth and Opportunity Board should revise its policies to clarify that only grant applications that seek a significant award are required to include an estimated return on investment (ROI). The ROI should be tailored to each project and calculated by experienced professionals using established methodologies, and the costs should be paid for by the GO Virginia program out of its existing fund balances. (Chapter 4)

RECOMMENDATION 13

The General Assembly may wish to consider amending the Code of Virginia to add the secretary of labor to the list of cabinet secretaries eligible to be appointed by the governor to the Virginia Growth and Opportunity Board. (Chapter 5)

RECOMMENDATION 14

The General Assembly may wish to consider amending the Code of Virginia to require that, among the Virginia Growth and Opportunity Board's 14 citizen members, there must be at least one member appointed from each of the nine GO Virginia regions. (Chapter 5)

RECOMMENDATION 15

The Virginia Growth and Opportunity Board should adopt a formal policy that defines a cycle for full and lighter reviews of regional growth and diversification plans. (Chapter 5)

RECOMMENDATION 16

The Virginia Growth and Opportunity Board should revise its policies to allow regions to award up to 25 percent of their annually allocated per capita funds for planning grants and raise or eliminate the \$100,000 per grant limit. (Chapter 5)

Policy Options to Consider

POLICY OPTION 1

The General Assembly could amend § 2.2-2489 of the Code of Virginia to change the match requirement for GO Virginia grants to being at least equal to half of the grant amount.

POLICY OPTION 2

The Virginia Growth and Opportunity Board could revise its policies to allow smaller organizations, which meet criteria specified by the board, to receive a portion of their GO Virginia award at the start of the grant period. (Chapter 4)