

# VEDP OVERVIEW

SEPTEMBER 14, 2016

Dan Gundersen  
Interim President and CEO and  
Chief Operating Officer



# THE VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP (VEDP)

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## Critical Role

- Virginia's Business Welcome Center
- Global Gateway for Virginia Companies
- Ally for Virginia's Communities
- Revenue Generator for Virginia's Citizens
- Good Steward

## Unique Structure

- Public/Private Authority
- Report to Board of Directors
  - 24 members
  - 18 appointed by the Governor or the General Assembly
  - 6 ex-officio members
  - 6-year terms
- Report to the Secretary of Commerce and Trade

# VEDP BOARD OF DIRECTORS

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C. Daniel Clemente, **Board Chairman**  
Chairman and Chief Executive Officer  
Clemente Development Company Inc.

Vincent J. Mastracco, **Board Vice Chairman**  
Partner  
Kaufman & Canoles PC

Stephen R. Adkins  
Chief, Chickahominy Tribe

Edie M. Bowles  
Director of Foundation and Corporation  
Relations  
Sweet Briar College

Valerie K. Brown  
Executive Pastor  
Mount Lebanon Global Fellowship of  
Churches

Lee Coburn  
Director, Creative and Marketing Services  
Radford University

Elizabeth H. Crowther  
President  
Rappahannock Community College

William D. Euille  
Alexandria

# VEDP BOARD OF DIRECTORS



Mark D. Heath  
President and Chief Executive Officer  
Martinsville-Henry Economic Development  
Corporation

William B. Holtzman  
President  
Holtzman Corporation

David Hudgins  
Director, Member and External Relations  
Old Dominion Electric Cooperative

H. Michael Ligon  
Vice President, Corporate Affairs  
Universal Corporation

Chris A. Lumsden, Past Chairman  
President  
Halifax Regional Health System

Ned W. Masee  
Croatan Advisors

Dan M. Pleasant  
Chief Operating Officer  
Dewberry

John G. Rocovich, Jr.  
Chairman  
Moss & Rocovich Attorneys at Law

Samuel A. Schreiber  
President  
Chain Bridge Bank, N.A.

Gary Walker  
Charlotte

# VEDP BOARD OF DIRECTORS

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## Ex-Officio:

Ralph S. Northam  
Lieutenant Governor

Richard D. Brown  
Secretary of Finance

Glenn DuBois  
Chancellor, Virginia Community College System

Basil Gooden  
Secretary of Agriculture and Forestry

Todd Haymore  
Secretary of Commerce and Trade

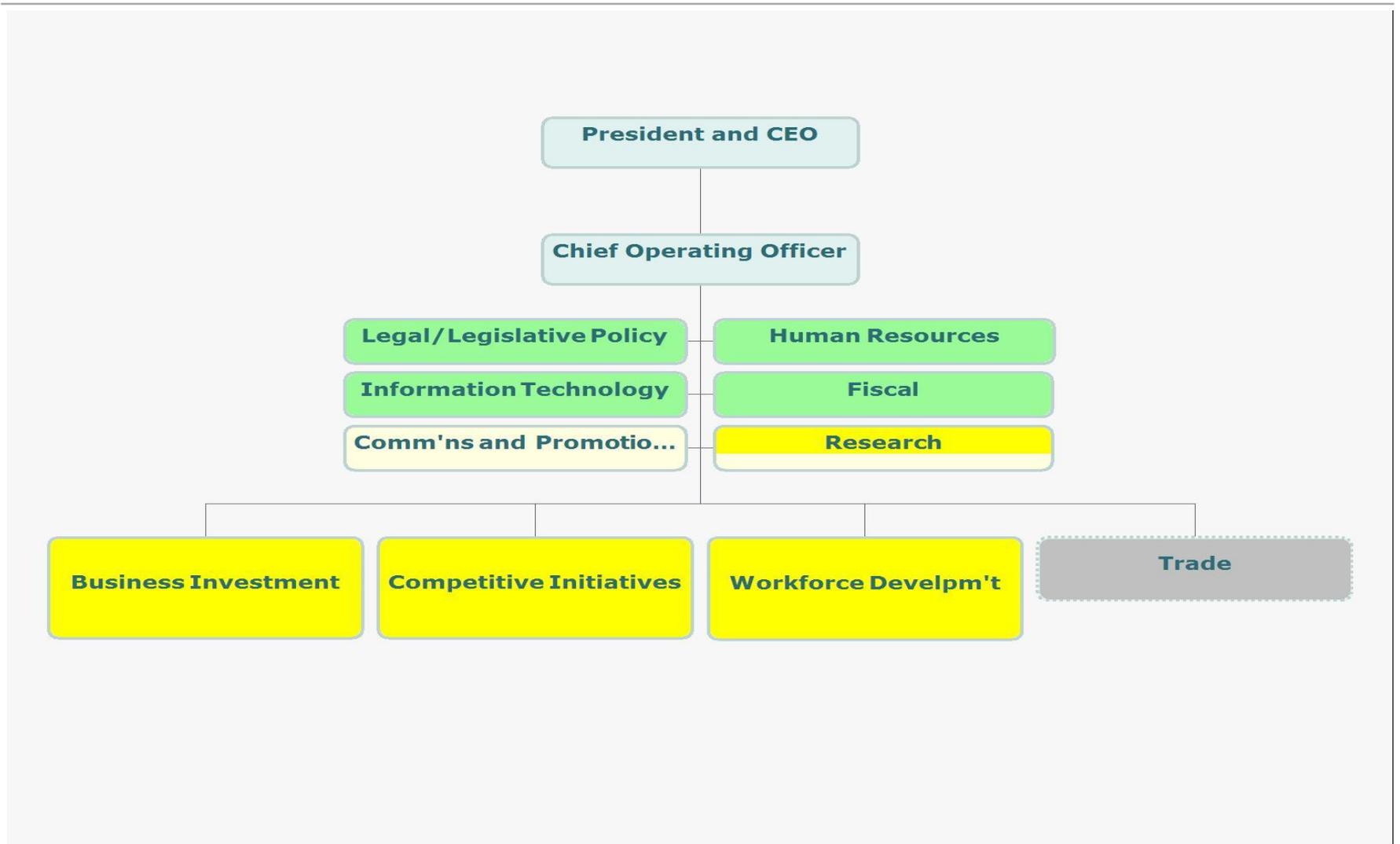
Karen Jackson  
Secretary of Technology

# VEDP MISSION STATEMENT

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- To enhance the quality of life and raise the standard of living for all Virginians, in collaboration with Virginia communities, through aggressive business recruitment, expansion assistance, and trade development, thereby building the tax base and creating higher income employment opportunities.

# NEW ORGANIZATION



## What is it?

- A **process** that influences the growth and restructuring of local economies

## How is it done?

- Understanding the dynamics of business change and taking early, proactive **business-friendly** steps to help companies grow

## Why—for what purpose?

- Largely to create jobs and draw **new income** into the regional economy that can then be spent within the community and support non-basic employment sectors
- Assure **economic prosperity** and contribute to a better quality of life

# ECONOMIC DEVELOPMENT ORIGINS

## Early 20<sup>th</sup> Century: Move from Farms to Metropolitan Areas and the Birth of the Corporate Real Estate Industry

- Immigration and explosion of growth in cities
- Mass-production manufacturing results in *centering* activity in resource rich and urban areas
- Rise of central business districts, “modern” skyscrapers and large offices as symbols of corporate strength
- Rise of Bell Telephone facilitating communications between centers



# ECONOMIC DEVELOPMENT ORIGINS

## Mid 20<sup>th</sup> Century: The Interstate Highway System Post War World II and the Dawn of the Economic Development Discipline

- From Rust to Sun Belt, from Cities to Suburbs: sprawling residential, office, corporate and industrial parks result in *decentralization* of business activity spurred by public sector incentives
- Hollowing out of CBDs and dense neighborhoods, onslaught of public financing programs to spur urban renewal
- In 80s and 90s, overheated corporate real estate leads to savings and loan debacle, the rise of REITs and risk adverse projects



# ECONOMIC DEVELOPMENT ORIGINS

## New Millennium: Data Driven Globalization, Networked Communities & Maturing of the Economic Development Profession

- Aging, shrinking workforces, technology, and social changes in a knowledge-based economy
- Local to Global: Globalization permitting work anywhere across time zones, less office need, more *integrated and collaborative* space
- Shorter business life cycles with profit focus produce more near term leases and greater flexibility with real estate plays, talent and energy advantages result in return of manufacturing (“on-shoring”)



# ECONOMIC DEVELOPMENT APPROACH

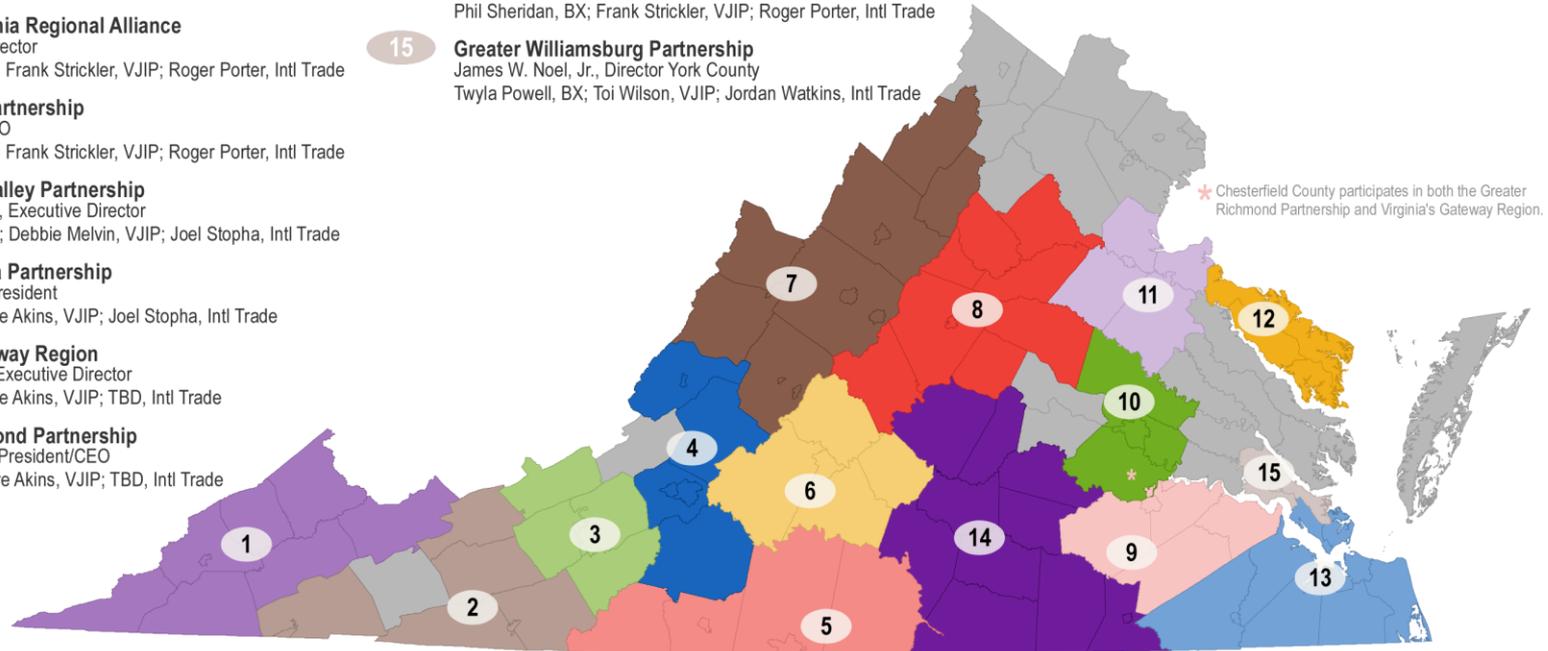
Traditional Economic Development	Toward a New Model (Traditional +)
<b>Government Distributive</b> <ul style="list-style-type: none"><li>• “Open for Business”</li><li>• Political</li><li>• Incentive Toolbox</li><li>• Jobs, jobs, jobs</li></ul>	<b>Investor Perspective</b> <ul style="list-style-type: none"><li>• Sustained Growth</li><li>• Data-driven</li><li>• Advice and Advocacy</li><li>• Competitiveness and Productivity</li></ul>
<b>Project and Deal Centric</b> <ul style="list-style-type: none"><li>• Tactical and Transactional</li><li>• Prescriptive</li><li>• Bricks-and-Mortar</li><li>• One-offs</li></ul>	<b>Focus on Economic Growth</b> <ul style="list-style-type: none"><li>• Strategic, Integrated and Prioritized</li><li>• Consultative and Collaborative</li><li>• Human Capital</li><li>• In-the-center-of-it-all Leadership</li></ul>
<b>Swinging for the Bleachers</b> <ul style="list-style-type: none"><li>• Big-Game Hunting</li><li>• Next Big Thing (the Silver Bullet)</li><li>• “Build it and They will Come”</li><li>• Local Legacy</li></ul>	<b>Improving the Economic Base</b> <ul style="list-style-type: none"><li>• Entrepreneurial Ecosystem</li><li>• Focus on Diversifying Base/ Resiliency</li><li>• Benchmark to Focus Resources</li><li>• Regional &amp; Global Growth</li></ul>

# WORKING AS ONE: VEDP, RDOS AND PARTNER GROUPS

- 1 Virginia's e-Region (Virginia Coalfield EDA)**  
Jonathan Belcher, Executive Director  
Joe Gillespie, BX; Lea Loftly, VJIP; Diane Thomas, Intl Trade
- 2 Virginia's aCorridor**  
Eric Workman, Regional Contact  
Joe Gillespie, BX; Lea Loftly, VJIP; Diane Thomas, Intl Trade
- 3 New River Valley Economic Development Alliance**  
Charlie Jewell, Executive Director  
Matt McLaren, BX; Debbie Melvin, VJIP; Diane Thomas, Intl Trade
- 4 Roanoke Regional Partnership**  
Beth Doughty, Executive Director  
Matt McLaren, BX; Debbie Melvin, VJIP; Roger Porter, Intl Trade
- 5 Southern Virginia Regional Alliance**  
Steve Bridges, Director  
Phil Sheridan, BX; Frank Strickler, VJIP; Roger Porter, Intl Trade
- 6 Region 2000 Partnership**  
Megan Lucas, CEO  
Phil Sheridan, BX; Frank Strickler, VJIP; Roger Porter, Intl Trade
- 7 Shenandoah Valley Partnership**  
Carrie H. Chenery, Executive Director  
Matt McLaren, BX; Debbie Melvin, VJIP; Joel Stopha, Intl Trade
- 8 Central Virginia Partnership**  
Helen Cauthen, President  
Kelly Evko, BX; Tre Akins, VJIP; Joel Stopha, Intl Trade
- 9 Virginia's Gateway Region**  
Renee Chapline, Executive Director  
Kelly Evko, BX; Tre Akins, VJIP; TBD, Intl Trade
- 11 Greater Richmond Partnership**  
Barry I. Matherly, President/CEO  
Kelly Evko, BX; Tre Akins, VJIP; TBD, Intl Trade

- 11 Fredericksburg Regional Alliance (Fredregion)**  
Curry Roberts, President  
Jackie Hudson & Tracy Tynan, BX; Doug Parsons, VJIP;  
Michael Howley & Ellen Meinhart, Intl Trade
- 12 Northern Neck - Chesapeake Bay Regional Partnership**  
Jerry W. Davis, Executive Director  
Kelly Evko, BX; Tre Akins, VJIP; TBD, Intl Trade
- 13 Hampton Roads Economic Development Alliance**  
Kevin Sweeney, Interim President and CEO  
Twyla Powell, BX; Toi Wilson, VJIP; Jordan Watkins, Intl Trade
- 14 Virginia's Growth Alliance**  
Jeffrey G. Reed, Executive Director  
Phil Sheridan, BX; Frank Strickler, VJIP; Roger Porter, Intl Trade
- 15 Greater Williamsburg Partnership**  
James W. Noel, Jr., Director York County  
Twyla Powell, BX; Toi Wilson, VJIP; Jordan Watkins, Intl Trade

- No RDO Affiliation**
- Eastern Shore**  
Twyla Powell, BX; Toi Wilson, VJIP; Jordan Watkins, Intl Trade
- Northern Neck/Piedmont/Central**  
Kelly Evko, BX; Tre Akins, VJIP; TBD, Intl Trade
- Northern Virginia**  
Jackie Hudson & Tracy Tynan, BX; Doug Parsons, VJIP;  
Ellen Meinhart & Michael Howley, Intl Trade
- N. Valley**  
Matt McLaren, BX; Debbie Melvin, VJIP; Joel Stopha, Intl Trade
- S. Valley**  
Matt McLaren, BX; Debbie Melvin, VJIP; Roger Porter, Intl Trade
- Southwestern**  
Joe Gillespie, BX; Lea Loftly, VJIP; Diane Thomas, Intl Trade



11/2015



## VEDP's "Top-Line" Metrics



**Announcements**



**Jobs**



**Capital Investment**



**Wages**



**Projected  
Increase in State  
Tax Revenue**



**Projected  
Increase in Local  
Tax Revenue**



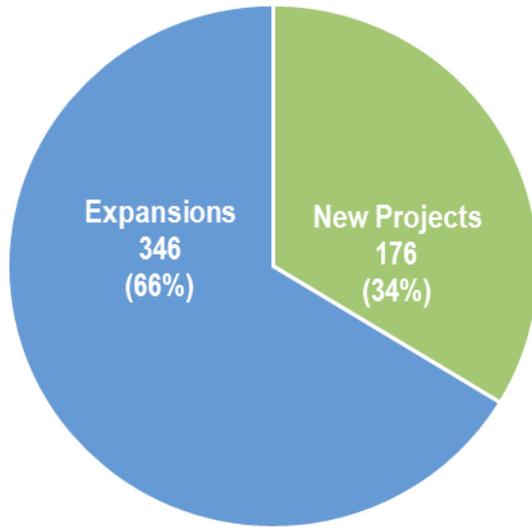
**Return on Investment**

# VEDP ASSISTED PROJECTS

## MCAULIFFE ADMINISTRATION TO-DATE

January 11, 2014 – September 9, 2016

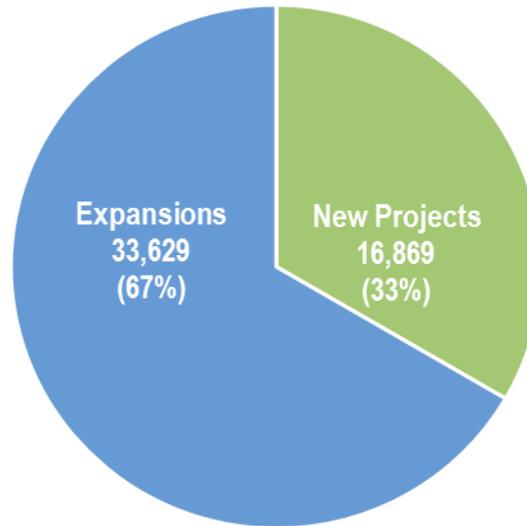
### Announcements



522

+2  
Weekly Change

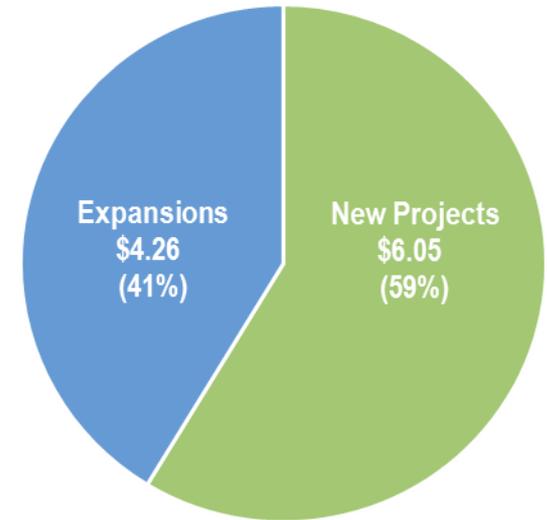
### Pledged New Jobs



50,498

+63  
Weekly Change

### Pledged CapEx (in Billions)



\$10.3B

+\$11.7M  
Weekly Change

# VEDP PROGRESS AND PIPELINE

FY17 TO-DATE

July 1, 2016 – September 9, 2016 (20% through FY17)



Announcements: **40**

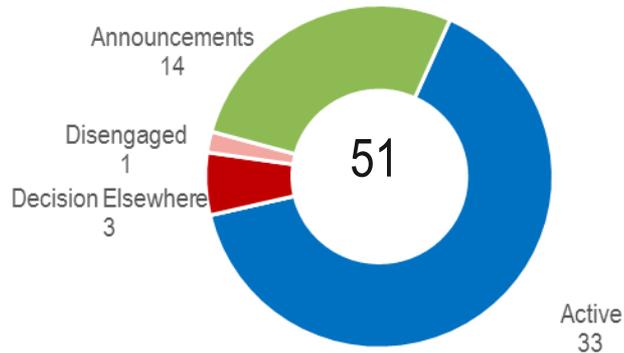
CapEx



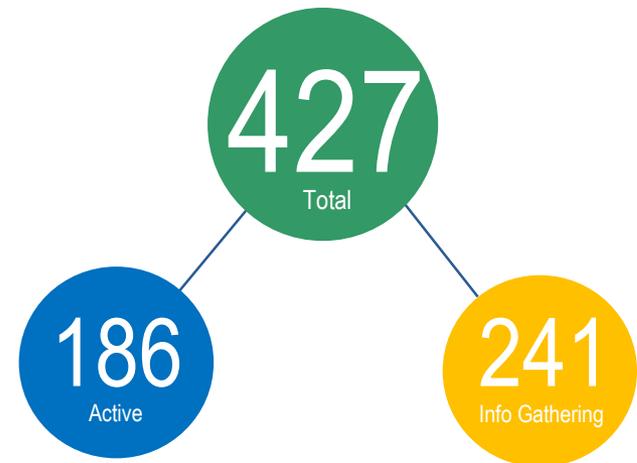
Jobs



New Active Projects Added to Pipeline



VEDP Open Pipeline



Pipeline Changes

(09.03.16 – 09.09.16)

- Announcements: **2**
- New Actives: **4**
- Info Gathering: **5**
- Disengaged/Lost: **7**

# QUESTIONS?

Thank You



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP