

**ALBEMARLE COUNTY
ECONOMIC DEVELOPMENT AUTHORITY MINUTES
March 19, 2024
4:00 P.M.**

Directors present: Don Long, Chair; Andrea Johnson, Secretary/Treasurer; Jeff Morrill; John Mottola; David Storm

Directors present virtually: Stephen McNaughton (Medical)

Directors absent: George Ray, Vice-Chair (Personal)

Staff present: Trevor Henry, Deputy County Executive; Barry Albrecht, Director of Economic Development; J.T. Newberry, Deputy Director of Economic Development; Ashley Hernandorena, Business Development Manager; Liz Hatcher, Management Analyst; Richard DeLoria, Senior Assistant County Attorney

Guests present: Nikki Hastings, PhD, Co-Founder and Executive Director, CvilleBioHub; Pace Lochte, Assistant Vice President for Economic Development, University of Virginia; Shannon Holland, GO Virginia Director, Central Virginia Partnership for Economic Development

1. Call to Order and Establish Quorum

Chair Long called the meeting to order at 4:00 p.m. and established a quorum.

Motion to allow Mr. McNaughton to participate virtually due to medical reasons made by Ms. Johnson and seconded by Mr. Morrill.

MOTION: The motion passed unanimously.

Chair Long asked Mr. McNaughton to provide his general location.

Mr. McNaughton said that he was located in Troy, Virginia.

2. Matters from the Public

Ms. Hernandorena confirmed no speakers had signed up or raised their hands to speak.

3. Approval of Minutes

Motion to approve minutes from February 20, 2024 made by Mr. Storm and seconded by Mr. Mottola.

MOTION: The motion passed unanimously.

4. Financial Report - Period ending January 31, 2024

The financial report was provided for the period ending January 31, 2024.

5. New Business

a. Resolution to Provide GO Virginia Grant Matching Funds for the Charlottesville Biotech Accelerator

Mr. Newberry said that he would provide some brief context from staff's perspective before introducing their guest at today's meeting, Dr. Nikki Hastings. He said that the life science businesses supported by CvilleBioHub were part of a target industry, and support for this program was consistent with Project ENABLE and the regional economic impact of the industry.

Mr. Newberry said that the proposed action before the EDA today was to commit to a \$300,000 local grant match to leverage a \$4 million grant from the state, which he would note was a 13 to 1 return on investment. He provided a timeline for next steps in applying for and appropriating this grant if awarded.

Mr. Morrill asked if it was possible that the Board of Supervisors could decide not to appropriate these funds because they had not yet been awarded.

Mr. Newberry said that was true. He said that in the past, staff had adopted policies to allocate funds for anticipation of specific grants, but they did not have such a policy for GO Virginia grants. He said that due to that fact and the reason that this would be the largest grant the EDA had awarded, staff would return to the Board for appropriation after consideration by the state.

Chair Long said that as a part of their future joint meeting with the Board of Supervisors, the Directors may want to discuss how they would determine the framework for how much authority the Supervisors would like to exercise in these situations.

Dr. Nikki Hastings gave a presentation on the Charlottesville Biotech Accelerator Program. She provided a project-specific overview of their work to move companies out of the university setting from early stage biotech to commercialized entities with shared services and support under one roof to bolster success of the businesses.

Dr. Hastings said that the total match request for the GO Virginia grant was \$300,000 from the EDA, in the form of \$100,000 per year for the Charlottesville Biotech Accelerator 3-Year Pilot Project. She explained that the funding would be applied directly to the contract advisors who will be guiding company founders towards success and growth.

Pace Lochte stated that Dr. Hastings was an exceptional leader and advocate for this initiative, and her accomplishments over the past few years were very impressive considering her limited resources. She emphasized that this type of project could not be completed by one person, and all parties must commit to collaborative economic development in order to be successful. She encouraged the EDA to closely examine this opportunity to build out the life science sector in such a meaningful way.

Shannon Holland stated that this particular type of project has been an identified opportunity for economic impact in their entire region since 2007, when the first growth plan for the region was established. She said that through steadfast collaboration with UVA, CvilleBioHub, and public and private sectors, they had exceeded expectations in their past projects and positioned themselves for success in this endeavor.

Chair Long said that this investment allowed the County to succeed because it solved the longstanding issue of providing space to these companies. He asked what other biotechnology accelerators or seed programs had seen in regards to return on investment.

Dr. Hastings answered that the most sustainable of these types of models had a side fund where they took a significant stake at the front-end, and then follow up with more money to those that had demonstrated success. She said that the key to theirs would be having the best investors and advisors to support the program and provide expertise when determining next steps.

Mr. Storm said that he had voiced the concern last month that after these companies were successfully deployed from the incubator, they would need more space in order for them to stay local without the reliance on UVA.

Dr. Hastings said that she shared that concern, and would note that a step taken prior to getting this project was to attract real estate developers specific to life sciences to the region. She said that if they began building this, they could re-engage with developers for the ecosystem build-out.

Ms. Lochte said that while the physical space did not exist today, it would definitely be built as real estate developers looked to grow the opportunities that would be occurring at North Fork.

Mr. Storm said that his concern was that they may not move quickly enough and the companies in the accelerator program would move to another locality with available facilities.

Ms. Lochte said that the additional activity opened up many new avenues for that development.

Barry Albrecht said that in his experience, when there was not enough space but investment was made in a certain area, as the market changed with the growth, there were developers and investors that would move quickly to catch up once reaching a point of obvious justification. He noted that this program would employ existing members of the County, which was a focus of Project ENABLE's goals with the biotechnology sector.

Dr. Hastings said that specialized programming would be provided to these companies to prepare them for their next space through legal, accounting, and real estate partnerships, with emphasis on local opportunities for growth.

Motion to adopt this Resolution subject to all contained terms and conditions and to authorize the Authority Chair and Treasurer to execute all documents necessary to complete this grant made by Ms. Johnson and seconded by Mr. McNaughton.

COIA: Mr. Morrill recused himself.

MOTION: The motion passed by roll call vote.

b. Staff Report

Mr. Newberry presented the staff report, which included information regarding the VEDA Conference Charlottesville, Tech Talent on Tap, Piedmont Pitch, the joint BOS-EDA meeting, and AUSA Conference.

Liz Hatcher provided a recap of the Virginia Economic Development Association Conference in Charlottesville. She noted that this was the largest conference held to date, with over 300 attendees. She said that conference discussion topics included the Virginia community college system, public policy, and sports tourism.

Ashley Hernandorena said that the Piedmont Pitch would take place on April 10, 2024 at City Space on the downtown mall. She said that anyone interested in judging contestants should contact her. She said that Central Virginia Partnership was joining CBIC, UVA and Techlink to host a Tech on Tap networking event on April 9, 2024 at the Dairy Market Brick Cellar at 944 Grady Avenue in Charlottesville for college students and local tech businesses hiring for entry-level careers.

Mr. Albrecht said that as a community with a large presence of defense industry, part of their outreach and support to defense companies would include his own participation in a conference held by the Association of the United States Army next week.

Ms. Johnson asked what the purpose of the organization was.

Mr. Albrecht replied that it was a trade association for the United States Army. He explained that any company that was involved in business with the military was included. He said that the upcoming conference for the spring was heavily themed on particular topics and had about 6,000 attendees and 200 displays, and the conference later in the year would have 33,000 attendees and 700 displays.

Ms. Johnson asked if Charlottesville was hosting this event.

Mr. Albrecht said no; he was attending to show the County's support to their existing companies and raise awareness of what they were doing in other areas.

Ms. Johnson said that it would likely be beneficial for their area to host the conference in the future.

Mr. Albrecht said that staff was discussing hosting a different conference in October, so he believed it would be very in line with the vision of the defense industry in their area.

Ms. Hernandorena said that the joint meeting with the Board of Supervisors and the Economic Development Authority was scheduled for Wednesday, August 14, 2024 at 5:30 p.m. She noted that Chair Long would not be present.

Ms. Johnson asked if those invitations had been sent out.

Ms. Hernandorena said that it was a calendar hold and that the Clerk of the Board of Supervisors would handle the organization of that meeting.

6. Unfinished Business

There was none.

7. Other Matters

There were none.

8. Adjourn

Chair Long adjourned the meeting at 4:55 p.m. The next meeting is April 16, 2024 in Room 241.

Teste DocuSigned by:
Donald D. Long
00BFC74F492F4B4...
Donald Long, Chairman

Approved DocuSigned by:
Barry Albrecht
D4CA454ACF5F4AC...
Barry Albrecht, Assistant Secretary