

Commonwealth of Virginia Funding Programs for Economic Development

Fairfax County Board of Supervisors
Revitalization Committee

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FAIRFAX COUNTY
ECONOMIC DEVELOPMENT AUTHORITY

Commonwealth Opportunity Fund (COF)

- Incentive offered at the discretion of the Governor
- COF is a deal-closing fund used to win significant projects in a competitive situation
- Localities are asked to match the COF grant on a dollar-for-dollar basis; Fairfax County does not provide a cash match; only infrastructure projects that are already funded, and can be accelerated
- The locality and the company sign a performance agreement (PA). All PAs are reviewed by VEDP general counsel and County Attorney's office
- COF grants have been instrumental in winning the HQs of such companies as Bechtel, Intelsat, Northrop Grumman, Hilton, and VW America
- Over the past five years, 9 prospects in Fairfax County have been funded through the COF program, totaling \$10,200,000 awarded by the state

Recommendation: EDA continues to negotiate for COFs for strategic, qualifying projects

Virginia Jobs Investment Program (VJIP)

- Cash grant from the state to a qualifying company which can be used to offset the costs of training for new hires
- EDA staff facilitate the discussion between the prospect company and the VJIP coordinator
- After a review of a company's projected job growth and training needs, the state develops a budget of payment for each net new, full-time job
- There is no local match required
- VJIP has recently revised the requirements for companies to qualify for the grants. There is now a focus on specific industry sectors for approved projects
- In the past five years, 57 EDA prospects have been awarded VJIP grants, totaling \$7,556,654

Recommendation: EDA continues to pursue VJIP grants for qualifying prospects

Virginia Economic Development Incentive Grant (VEDIG)

- **Performance based grant awarded at the discretion of the Governor**
- **Utilized to win prospects with significant job creation and higher annual salaries**
- **Basic requirements to qualify**
 1. **Companies bringing 300 new full-time employees must be paying annual salaries that are twice the prevailing average wage for Fairfax County per VEC data**
 2. **Companies bringing 400 new full-time employees must be paying annual salaries that are 1.5 times the prevailing wage**
- **There is no local match required**
- **EDA staff facilitates the discussion for prospects which qualify for the VEDIG grant and work to have it included in the final incentive package**
- **In the past five years, one HQ prospect in Fairfax County was funded with a VEDIG grant and the award was for \$400,000**