

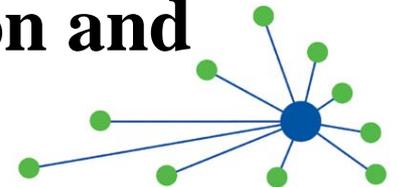
Virginia Department of Business Assistance

Agency Overview & Review of Governor's Economic Development Initiatives

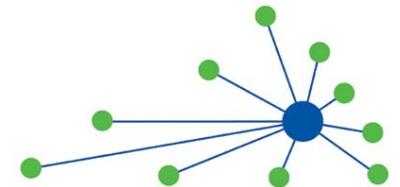
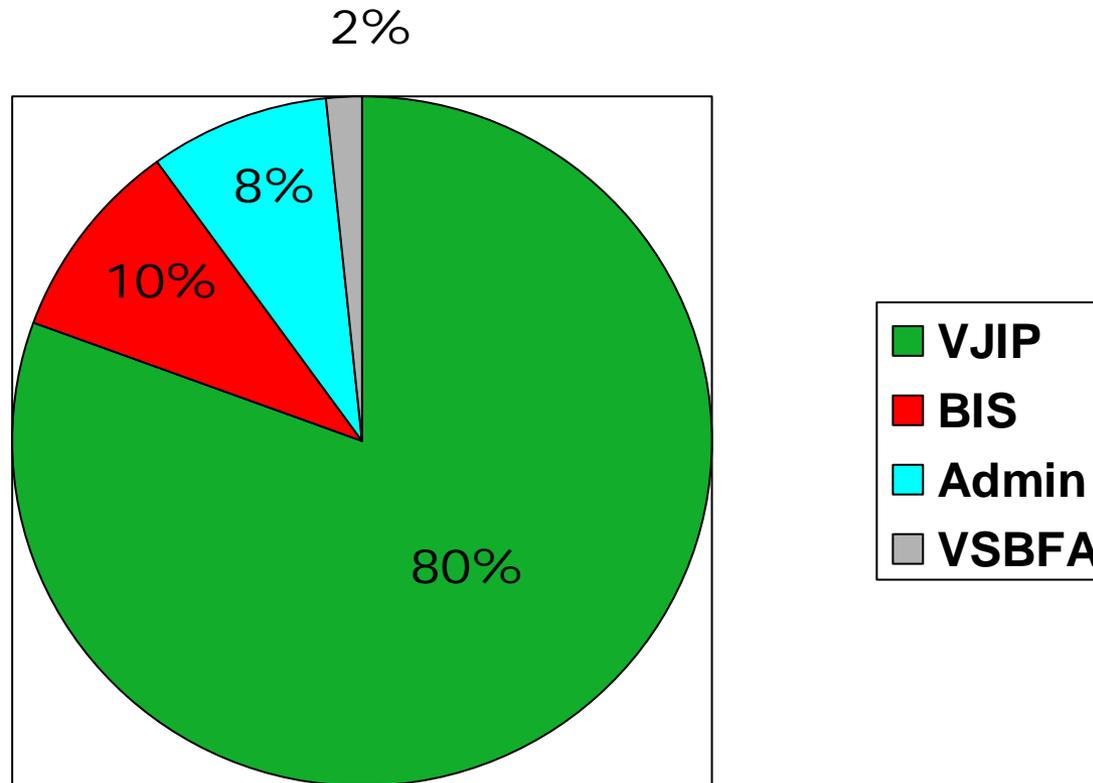


Providing Programs and Services to Support Economic Development

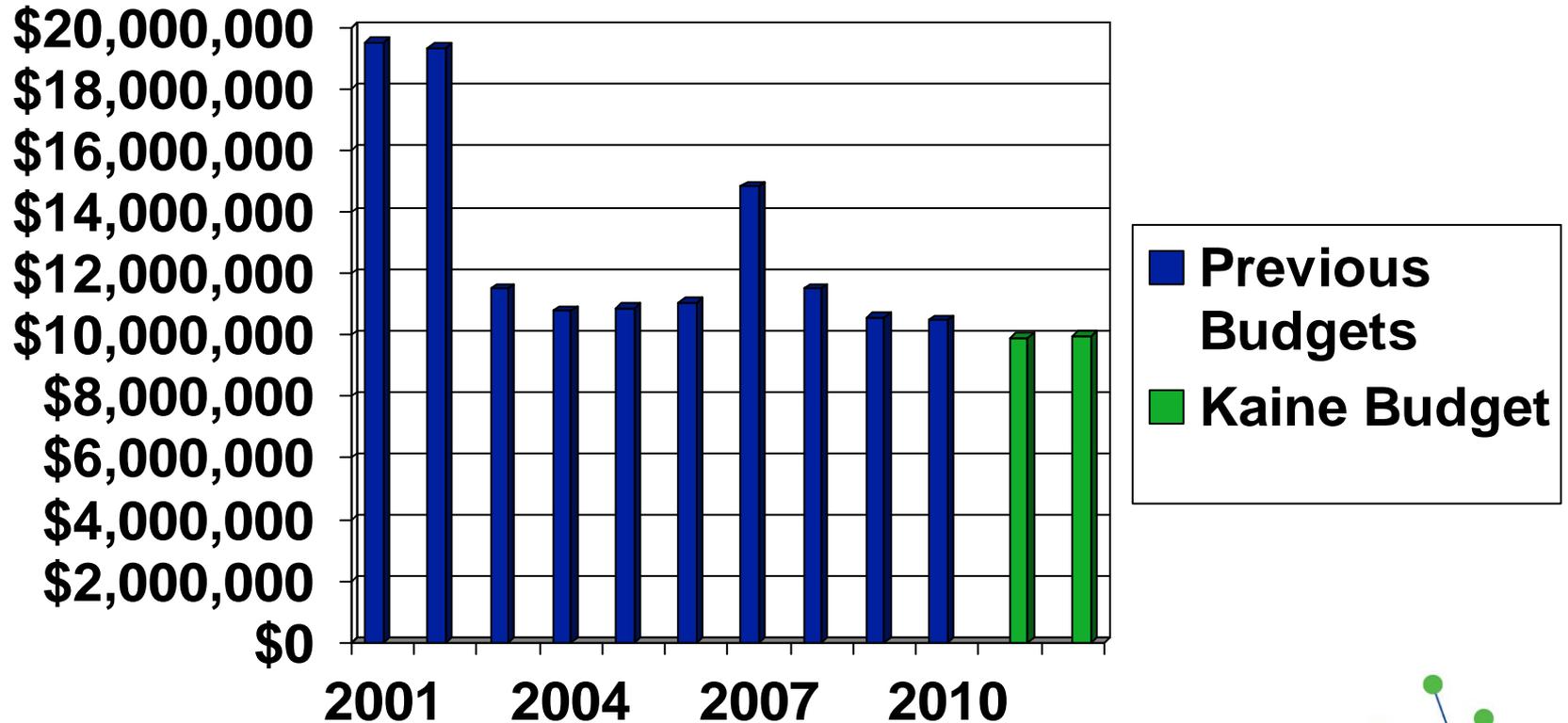
- **“Business One Stop” – assistance with business formation**
- **Access to information and resources for entrepreneurs and existing businesses**
- **Access to financing for expanding businesses, entrepreneurs and other economic development projects**
- **Workforce training incentives and value-added services to support business expansion and recruitment**



FY 2010 GF Budget Breakdown



Budget History



49% reduction since 2001

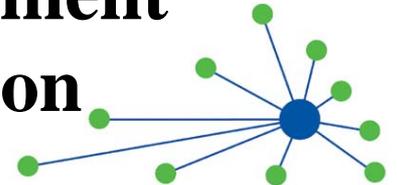
Successes Within the Past 18 Months

- Served more than **39,000** businesses and entrepreneurs across the Commonwealth
- Businesses assisted by VDBA have created and retained over **22,400** jobs
- Facilitated more than **\$579,000,000** in financing for Virginia businesses
- Provided customized workforce development training to more than **14,000** employees of businesses locating and expanding in Virginia
- Provided technical assistance to over **27,000** businesses and entrepreneurs



Major Milestones in 2009

- **Virginia Jobs Investment Program recognized by Forbes as a “smart incentive” and cited as one of the reasons Virginia retained its #1 ranking as Best State for Business**
- **“Business One Stop” passed the 15,000 mark in number of entrepreneurs assisted**
- **Virginia Small Business Financing Authority’s active portfolio of economic development financing projects surpassed \$1 billion**

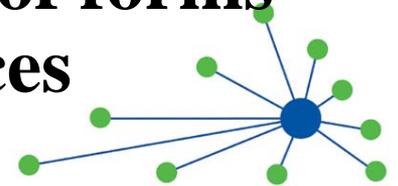


Governor McDonnell's Economic Development Initiatives

Make business formation easier and more efficient:

\$500,000 requested each year of the biennium to fund the “Business One Stop” project

- **\$200,000 to repay PIF loan used for the development of “Business One Stop”, Phase II**
- **\$50,000/yr. to cover VITA maintenance fees**
- **\$750,000 to cover complete build-out of the system to provide digital processing of forms (speeds formation process and reduces processing costs)**

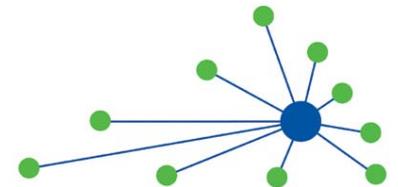


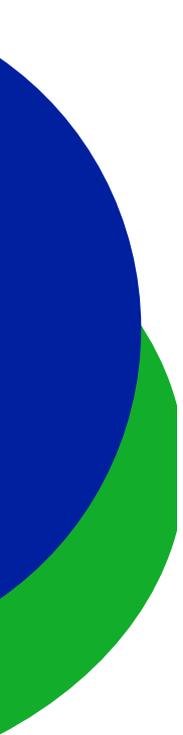
Governor McDonnell's Economic Development Initiatives

Ease access to debt capital for businesses:

\$1,000,000 requested for FY 2011 to fund the Virginia Small Business Financing Authority

- **75 businesses impacted**
- **400 estimated jobs**
- **Leverage \$5.5 private dollars per each public dollar spent on a project**





What is VJIP?

The Virginia Jobs Investment Program (VJIP) is an economic development incentive addressing one of the major issues for businesses:

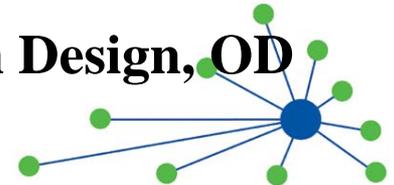
WORKFORCE

We assist with job creation by reducing the up-front human resource development costs for new and expanding companies throughout the Commonwealth.

Major Functions of VJIP

Enhance Virginia's Economic Development Efforts

- Performance Based Incentives, Prospect Presentations and Proposals
- Support Company's Efforts to create and save jobs through 3 programs
 - New Jobs Program (greater than 250 employees)
 - Small Business Program (250 employees or less)
 - Retraining for Technological or Process Change
- Customized Services for Companies include:
 - Funding, Recruiting, Training Analysis, Program Design, OD Services, and Other Resource Development





Recent Program Activity

- **ACCOMPLISHMENTS**
- **FY09 Data**
 - **Appropriation: \$7,966,747**
 - **14,587 Jobs Created or Retained**
 - **458 Projects**
- **FY10 Data**
 - **Appropriation: \$7,961,287**
 - **Estimated Jobs: 13,000**
 - **Estimated Projects: 500**



Projected Impact of Additional Proposed Funds for FY11-12

- **Current Biennial Budget (\$15.9MM)**
 - 21,868 Jobs Created or Saved
- **Incremental Increase in FY11 (\$6.5MM)**
 - 6,906 Jobs Created or Saved
- **Total Impact:**

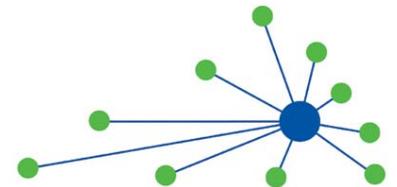
****28,774 Jobs over the biennium****

\$1 invested in VJIP in FY11 would return \$4 to the Commonwealth in the initial 12 months after hire.



Thank you for your time!

Questions?



VIRGINIA DEPARTMENT OF BUSINESS ASSISTANCE
Connecting Businesses with Resources