

Application to DHCD Submitted through CAMS

Central Virginia Partnership for Economic Development

Wine Industry Implementation Grant

Application ID: 115201282025144823

Application Status: Incomplete

Program Name: GO VA Per Capita Grants Region 9 (FY25)

Organization Name: Central Virginia Partnership for Economic Development

Organization Address: 1001 Research Park Boulevard
Charlottesville, VA 22911

Profile Manager Name: Shannon Holland

Profile Manager Phone: (434) 979-5610

Profile Manager Email: sholland@centralvirginia.org

Project Name: Wine Industry Implementation Grant

Project Contact Name: Shannon Holland

Project Contact Phone: (434) 979-5610

Project Contact Email: sholland@centralvirginia.org

Project Location: 1001 Research Park Blvd, Suite 301
Charlottesville, VA 22911-5848

Project Service Area: Albemarle County, Fauquier County, Fluvanna County, Greene County, Louisa County, Madison County, Nelson County, Orange County, Rappahannock County, Charlottesville City, Culpeper Town

Total Requested Amount: \$224,125.00

Required Annual Audit Status: Accepted

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Budget Information:

Cost/Activity Category	DHCD Request	Other Funding	Total
Administration (8% limit)	\$16,600.00	\$0.00	\$16,600.00
Administration	\$16,600.00	\$0.00	\$16,600.00
Program Operations	\$207,525.00	\$209,784.00	\$417,309.00
Contract Services	\$124,750.00	\$36,000.00	\$160,750.00
Legal Expenses	\$0.00	\$8,250.00	\$8,250.00
Rent/Lease	\$0.00	\$2,000.00	\$2,000.00
Salaries	\$0.00	\$163,534.00	\$163,534.00
Other: CS Bus Fin Svcs Trng Programs	\$22,750.00	\$0.00	\$22,750.00
Other: CS Workforce and Intern Prog	\$10,375.00	\$0.00	\$10,375.00
Other: CS Data Rptg Cost Prod Rpt	\$49,650.00	\$0.00	\$49,650.00
Total:	\$224,125.00	\$209,784.00	\$433,909.00

Budget Narrative:

Contract Services (CS); 124,750 Establish and manage coalition and advisory, website, resource directory, etc; 22,750 CS Specialized Business and Financial Services Training and consultation services; 10,375 support workforce and internships programs; 49,650 research and publish cost production report MATCH: \$36,000 cash for contract services; 2,000 in-kind rent/lease; 8,250 legal expenses in-kind; 163,534 Salaries in-kind.

Questions and Responses:

1. ECONOMIC IMPACT

Provide an overview of the proposed project and project activities included in the project budget. ATTACHMENTS: A 1-2-page Executive Summary must be uploaded with the application.

Answer:

Virginia's wine industry stands at a pivotal juncture. Over the past two decades, it has experienced remarkable growth and resilience despite numerous challenges. In 2024, a part of this region was honored as the Wine Region of the Year by Wine Enthusiast magazine, highlighting its potential and excellence.

This Wine Industry Implementation proposal seeks to harness the collective expertise of industry professionals to drive growth, enhance consumer engagement, and achieve global recognition. By leveraging best practices and fostering innovation, we aim to propel Virginia's wine industry to new heights.

In 2023, the Region 9 Council awarded a Planning Grant to tackle export barriers of the regional wine industry, a key sector in the region's Food & Beverage Manufacturing target. The 2024 Region 9 Wine Industry Report and Action Plan identified 25 critical recommendations to address existing gaps. This proposal will advance 10 of these recommendations, detailed below. For the full report, visit here: <https://www.govirginia9.org/about/reports/> . The Action Plan is attached for reference.

Funding Request

We are seeking \$224,125 in GO Virginia funds to implement key recommendations from the 2024 Wine Industry Report. Led by Nelson County and involving all 10 regional localities, the project has secured \$209,784 in committed match funds, including \$191,534 from local sources, \$14,350 from the private sector, and \$17,000 from the Central Virginia Partnership and Piedmont Virginia Community College. Our goals include supporting 104 existing businesses, creating 20 jobs, and helping 25 businesses expand across state lines over the two-year grant period.

The Region 9 footprint currently includes over 104 wineries and vineyards, spanning Central Virginia and parts of the

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Northern Virginia Wine Region. These wineries are integral to the Food and Beverage Manufacturing Cluster in the region. In 2023, wineries employed over 1,266 people with a location quotient of 10.47. Notably, the 2022 Commercial Wine Grape Report indicates that of the 5,000 acres of vineyards planted in Virginia, at least 2,186 acres are located within 7 of the 10 counties in GO Virginia Region 9. According to the recent Region 9 Wine Industry Report, only 22% of Region 9 wineries sell out of state, with just 3% of their sales in the traded sector. As an important traded sector connected to the maturing agriculture industry and the region's top hospitality industry, this implementation grant will create solutions to move wine into the traded sector.

Objectives

Our primary objective is to fortify the region's wine industry and enhance out-of-state exports through a pioneering business-led coalition. This coalition will align strategies and priorities, advancing recommendations from the Wine Industry Report such as:

- Creating a comprehensive resource website
- Addressing unmet technical assistance and business resource needs
- Connecting the industry to workforce support services
- Establishing feedback and data reporting mechanisms

Initial export efforts will target surrounding states, Washington D.C., New York, and beyond.

Innovative Coalition Model

Inspired by the successful CvilleBioHub model for the Biotech sector, this coalition model is designed to be scalable across other regions in the Commonwealth. Similar successful initiatives, like those in Walla Walla, Washington, serve as a testament to the potential impact of this approach.

Advancing Key Recommendations

This initiative will advance ten of the 25 recommendations from the Wine Industry Report and Action Plan, highlighted here:

1. Industry Coalition: Establish a coalition of industry professionals and support organizations.
2. Professional Contracting: Engage a private sector consultant to implement report recommendations.
3. Business Services Consultation: Offer free or low-cost consultation sessions for wineries.
4. Resource Directory Expansion: Develop and market a comprehensive guide of available resources.
5. Industry Speaker Series: Fund a bi-annual speaker series with industry experts.
6. Workforce Development: Invest in workforce development programs.
7. Internship Support: Provide financial incentives for hiring interns.
8. Finance Education: Create training materials on industry-specific accounting challenges.
9. Access to Capital: Clarify financing options for vineyard and winery owners.
10. Cost of Production Review: Develop metrics to enhance profitability by reducing production costs.

Planned Activities

- Coalition Development: Lead by an industry expert, the coalition will develop resources, create a website, host meetings, and engage stakeholders. (\$124,750)
- Workforce Services: Connect the industry to workforce services and create internship opportunities. (\$10,375)
- Financial Management Resources: Develop resources on financial management and access to capital. (\$22,750)
- Cost Management Tools: Research and deliver a Cost of Production Report and tool. (\$49,650)

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2. What industry clusters, as identified in the region's Economic Growth and Diversification Plan, will this proposal target? How does this proposal help implement the Plan's identified strategies and goals?

Answer:

This proposal is aligned with the Region 9 Growth & Diversification Plan (2023) by focusing on the wine industry within the Food & Beverage Manufacturing target sector. The project will pursue at least two identified grant opportunities, including:

- "Support implementation grants from gaps identified through planning grants or other regional reports such as the CEDS Plans..." and
- "Support sector-led verticals to address business-identified and validated sector gaps to traded sector growth."

This initiative also corresponds with the Super Regional Opportunities for supporting the Food & Beverage manufacturing cluster, as outlined by the Comprehensive Economic Development Strategies (CEDS), accepted by the Region 9 Council in February 2024.

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3. Identify the project outcomes and deliverables that will be achieved during the grant performance period. For any quantitative outcomes that will measure the impact of the project, be sure to select the most relevant outcomes listed in the GO Virginia Core Grant Outcomes (includes the definitions). What mechanism does the project team or its partners have in place to track these outcomes? ATTACHMENTS: The GO Virginia Core Grant Outcomes spreadsheet must be uploaded with the application.

Answer:

To ensure outcomes are being tracked to satisfy Region 9 reporting needs, a meeting will be held with Region 9 staff in the first month of this grant to discuss appropriate systems, etc.

Project Deliverables will include:

- a. Established coalition of industry professionals and support organizations to Report and catalyze coordination between private sector needs and public/private resources to create a model that could be used state-wide. (Rec. 1)
- b. Hire Consultant to organize and lead coalition (Rec. 2)
- c. Website
- d. Business Services Consultant Program (Rec. 5)
- e. Resource Directory (Rec. 6)
- f. Deliver Speaker Series (2 per year) (Rec. 14)
- g. Internship referrals to VTOP etc. (Rec. 17)
- h. Referrals to workforce services (Rec. 16)
- i. Referrals to VTOP or other internship programs (Rec. 17)
- j. Finance Education training tools and resources workshops (2 workshops) (Rec 21)
- k. Industry specific guides for Access to Capital (Rec. 22)
- l. Cost of Production Report (Rec. 23)

Expansion of Wine Exports:

Goal: 25 businesses will expand to export wine across state lines.

Current Status: 19 wineries in Region 9 currently sell wine out-of-state, accounting for only 3% of their sales.

Target: Increase to 25 new wineries in the traded sector.

Tracking: Baseline and progress will be tracked by the consultant and reported quarterly.

Job Creation:

Goal: Create 20 new jobs.

Focus: Roles supporting exports, such as sales and marketing, which are typically higher-paying jobs in the sector.

Business Support:

Goal: Serve 104 businesses in Region 9.

Current Status: Contacts for all regional wineries are already established from the planning grant.

Tracking: Future contact and surveys will set new baseline metrics for expanding businesses and providing business resources. Names of companies served will be tracked.

Other Outcomes tracked:

There are 200 Virginia wineries outside of Region 9 in the Commonwealth. The same resources that will be available to the Region 9 wineries can be made available, for the most part, to the wineries outside the region through the Coalition, the Virginia Wine Marketing Office, Virginia Wineries Association and other regional and statewide organizations. In recognition of funding sources, most of the work will serve region 9 to identify the best practices for expansion.

Similar to the CvilleBioHub model, since we have a concentration of this industry in Region 9, our work can be expanded with knowledge and tools offered for statewide deployment when the time is right. We have discussed this statewide potential with Regions 8 and 7.

Though this grant is targeting a traded sector, efforts to strengthen the wine industry will also positively impact related businesses such as hospitality, retail, restaurants, distributors and tourism.

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4. Describe how the Return on Investment (ROI) estimates were determined and the timeline for achieving the expected ROI. Include an explanation and source any data used as the basis for ROI and job projections. Please note that the ROI template is an evaluation criterion but not a requirement for eligibility. ATTACHMENTS: The DHCD ROI template should be uploaded with the application.

Answer:

The ROI is attached. This project will create 20 new jobs by the end of the two-year grant period – 5 in the first year and 15 in the second. As the coalition builds toward sustainability it expects to impact 10 additional new jobs per year. It aims to build a coalition for efficiency, resulting in 30 jobs in 3 years and potentially 50 in 5 years. Average wages at \$55,000, slightly increasing each year. The job-based ROI is -close to breakeven in 3 years at -12% and projected to be 136% in 5 years. The types of jobs delivered are expected to be connected to growing exports out of state such as distribution, sales, or marketing.

Baseline salaries were pulled from the annual Wine Industry Magazine annual salary and wages edition, (<https://www.winebusiness.com/wbm/article/292594>).

5. REGIONAL COLLABORATION

Identify which local units of government are actively participating in the project and describe their participation. At least two local units of government are required to participate. See the Regional Collaboration and Local Participation guidelines on how to demonstrate regional collaboration through meaningful local participation.

Answer:

Participating Units of Local Government:

All 11 localities in Region 9 will join this project, leveraging their strong winery base or related industries. The 2023 planning grant was initiated by Francoise Seillier-Moiseiwitsch of Revelation Vineyards, with support from Nelson and Madison County economic developers. An advisory committee, including original members, will continue to serve through this 2-year grant. Letters of support and verbal commitments have been received.

Letters of Support Received:

- Central Virginia Partnership for Economic Development
- Nelson Economic Development and Tourism Department – Grant Lead
- Fauquier County Economic Development and Tourism Departments
- Charlottesville Economic Development and Tourism Departments
- Culpeper Economic Development and Tourism Departments
- Fluvanna Economic Development and Tourism
- Albemarle Economic Development
- Orange Economic Development and Tourism Departments
- Madison Economic Development and Tourism Department
- Piedmont Virginia Community College

Verbal Commitments:

- Greene County Economic Development and Tourism
- Louisa Economic Development and Tourism Departments
- Rappahannock County

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6. Discuss how the Regional Council and project development team consulted with local government entities regarding the strategy and implementation of the project. Describe private industry and subject matter experts' involvement in the validation, development, and implementation of this project.

Answer:

As noted, local economic development leaders served on the Planning Grant Advisory Committee (2023) and helped to ensure success of that effort. The planning grant team has presented updates on planning efforts to the Region 9 Council at two Council Meetings. Additionally, a final draft of the report and recommendations were delivered to the Council in October 2024.

Private industry and subject matter experts have guided the Planning Grant throughout and are poised to implement the report recommendations. Many wineries participated in the planning survey, provided one-on-one-feedback and/or served on advisory or other feedback committees to inform this proposal.

Additionally, many state agencies have been engaged in the development of the Report, Action Plan and this subsequent implementation grant, such as, leadership of the Wine Board, the Wine Board Marketing Office, Office of the Secretary of Agriculture. The VEDP Food and Beverage team has been in transition during grant preparation but is aware of efforts. These organizations have expressed their support for this project and the importance of the work.

The Region 9 Council Grow Existing Business Task Force reviewed, scored, and discussed the proposal on January 7. They led the discussion at the Council Meeting. The Council approved the proposal subject to removing a professional credentialing activity for further planning and validation, and expanding descriptions of project activities. This proposal includes those changes.

The planning grant has spurred a great amount of interest and already private sector business leaders and support organizations have volunteered to serve as Coalition industry members either as members or regional or state support members.

To date, these include:

1. Francoise Seillier-Moiseiwitsch - GO Virginia Region 9 Council, Owner, Revalation Vineyards
2. Lance Lemon – Owner, Commonwealth Crush (Shenandoah Valley) and innovator of the Parallax Project
3. Matthieu Finot - Winemaker and Consultant, Monticello Wine Trail, Sustainability Project
4. George Hodson - CEO, Veritas, Virginia Wine Board, Virginia Wineries Association
5. Marybeth Williams - Owner, Williams Compliance
6. Central Virginia Partnership for Economic Development
7. Venture Central
8. Central Virginia Small Business Development Center - craft beverage assistance program
9. Jay Youmans – MW (Master of Wine) - Capital Wine School
10. Josh Grainer – MW, RdV Vineyards
11. Athena Eastwood - Owner, Eastwood, Winery Cooperative/Incubator
12. Greg Rosco - Virginia Piedmont Community College, Industry expert
13. Jess Trapeni - Owner, Imbibe Solutions
14. AJ Greely - Virginia Vineyards Association, Hark Vineyards
15. Doug Zerbst - Virginia Governor's Cup, Republic National Distribution Company
16. Wynn Robertson - Bourbon Steak sommelier
17. Tracey Love - Monticello Wine Trail, Oenoverse
18. Paige Read - Culpeper Economic Development, GO Virginia Region 9 Council
19. Albemarle Economic Development
20. Kerry Hannon - winery general manager, Monticello Wine Trail
21. Virginia Wine Marketing Office
22. Joy Ting - Winemakers Research Exchange
23. Stan Joynes - Virginia Wine Distribution Company
24. Katie Conner - Virginia Tourism Corporation
25. Charles Green or designee - Virginia Department of Agriculture/Cooperative Extension

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7. Name the applicant/fiscal agent and all partner organizations involved with the implementation of the project. Describe each entity's role in completing the scope of work, their financial or in-kind match commitment, and their capacity to successfully execute their duties as they relate to the project. Partners may include but are not limited to school divisions, community colleges, public and private institutions of higher education, economic and workforce development entities, local governments, regional organizations, planning district commissions, and nonprofit organizations. ATTACHMENTS: Match Verification Form(s) must be uploaded with this application.

Answer:

Nelson County will serve as the applicant/fiscal agent. Nelson County will provide project oversight, organize and manage the Advisory Board, report to GO Virginia as well as hire and manage the consultant. The County has successfully completed the planning grant contract and activities.

The current advisory board is committed to continuing for another two years. See Match Commitment Forms and Letters of Support from members of local government, winery owners, etc. The current Advisory Board members who have agreed to continue their role include:

- County of Fluvanna
- Orange County
- Fauquier County
- Nelson County
- Charlottesville Albemarle Convention and Visitors Bureau
- Fluvanna County
- Town of Culpeper
- Madison County
- City of Charlottesville
- Rappahannock County
- Albemarle County
- Greene County
- Venture Central

Additionally, the grant planning team has already begun promoting the Wine Industry Report and continues to garner support and volunteers for the coalition. In 2024, the grant team presented the report at the Wine Industry Annual Meeting this year at the Virginia Wine Board Meeting. The report has been shared widely with related state agencies such as Economic Development, Tourism and Agriculture. The grant team has also been invited to participate in workforce efforts such as serving on panels for Virginia Career Works-Piedmont Region. There is regular communication with Virginia Piedmont Community College.

Existing entrepreneur service organizations (ESOs) will also be supporting this grant including:

- Central Virginia Small Business Development Center
- Virginia SBDC's Craft Beverage Assistance Program
- Central Virginia Partnership for Economic Development

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8. Identify cost efficiencies, repurposing of existing funds, leveraging of existing assets, or other evidence of collaboration that can be demonstrated as a result of the project.

Answer:

One area identified during the proposal was that there are many private sector-led initiatives such as the Virginia Wine Board, the Virginia Vineyards Association, and state organizations such as the Virginia Wine Marketing Office, Virginia Department of Agriculture and support services such as accounting firms, legal services, etc. that are serving this sector but not in a coordinated way. These entities have expressed interest in supporting a collaborative approach to driving support in this industry statewide and are willing to pilot efforts in Region 9.

Because the Wine Industry Planning Grant coordinated and collaborated with other GO Virginia, wine industry, talent and workforce, regional and state economic development efforts during the Planning Grant, there was much efficiency and collaboration and therefore much more information and data collected and shared. That same method will be continued during and beyond the implementation grant. The grant team was invited to workforce coalition meetings and internship training due to contacts made during grant development. This industry now has a presence at these important discussions, thanks to the coalition and its leader. This serves as a validation of the future efforts proposed.

Other entities supporting the wine industry advancement include the Central Virginia Small Business Development Center, Virginia SBDC's Craft Beverage Assistance Program, the Venture Central accelerator team, and Virginia Economic Development Partnership.

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9. Discuss any existing programs with similar goals and explain how the proposed project is not duplicative of, but additive to, other efforts to support economic diversification and growth of traded sector industries. Have existing efforts been successful and sustainable?

Answer:

No prior study or program has specifically identified the barriers and gaps in this sector. Therefore, the outcomes and deliverables from the Planning Grant will uniquely support economic diversification and growth in this traded sector industry.

While there are concurrent initiatives, such as the GO Virginia-funded Regional Entrepreneurship Investment project and Virginia Career Works' food and beverage program, these efforts address broader or different aspects of economic development. For example, Eastwood Winery's incubator focuses on enabling new winemakers, and the Vineyard Sustainability Certification program aims at sustainability practices. Additionally, the proposed food and beverage business accelerator by Venture Central excludes alcoholic beverages.

These initiatives complement rather than duplicate the proposed project. The Planning Grant will collaborate with existing organizations and initiatives, including the Central Virginia Partnership Economic Department, Central Virginia Small Business Development Center, Venture Central, and others, to share resources and findings.

The proposed project is distinct in its focus on Virginia wine, excluding even cider. It will coordinate communication and collaboration among all organizations involved, something currently lacking. Unlike the Central Virginia Partnership Economic Department, which assists in recruiting new businesses, this project targets existing wine businesses. The Central Virginia Small Business Development Center's Craft Beverage Assistance Program covers all craft beverages, not just wine.

The Virginia Wine Board, Virginia Wine Marketing Office, Virginia Tourism Corporation, Virginia Wineries Association, and Vineyards Association have a statewide focus but are keen on using GO Virginia Region 9 as a model to move Virginia wine into the traded sector. The Virginia Wine Board funds research, education, and marketing but does not implement projects. The Coalition will fill this gap by providing specialized programs and services to advance job growth and increase wages in the wine industry. As a 501(c)(3), it can raise necessary funds to sustain its work. Piedmont Workforce Network and Virginia Talent + Opportunity facilitate internship readiness, while Community Colleges and the University of Virginia are ready to assist with curriculum and programs. The Virginia Department of Agriculture/Cooperative Extension and the VEDP Food and Beverage Manufacturing program and VALET program are supportive allies awaiting the project's implementation and results.

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10. PROJECT READINESS

Describe the project timeline and the specific project milestones that will be utilized to track project progress and fund disbursement. Address the applicant's ability to meet these milestones and to take remedial actions in the event that they are not achieved. ATTACHMENTS: Project Milestones including a proposed Drawdown Schedule must be uploaded with the application.

Answer:

Here is an overview of the 2-year project timeline: For details, SEE MILESTONES AND DRAWDOWN SCHEDULE ATTACHED.

First Six Months:

- Coalition and Advisory Board Setup: Establish the coalition, advisory committee, plan activities and goals, set up the website, and define communication and meeting processes.
- Project Management: Set up project management for grant tracking and outcome/deliverable management
- Kick-off activities: Connect and engage with stakeholders to optimize delivery of this grant

Next Six Months:

- Begin or Fine Tune – Launch or begin developing unique businesses services to industry supporting workforce and internship connectivity
- Collaboration: Work with existing organizations and initiatives to share resources and findings.

Following Year:

- Program Development: Develop specialized programs and services for the wine industry.
- Implementation: Continue implementing programs to support job growth and wage increases.
- Improve processes
- Identify the next steps for coalition

Ongoing:

- Financial Sustainability: Evaluate and take action on Financial Sustainability Model and Plan
- Program Delivery - Support and Training: Collaborate with educational institutions and workforce networks to provide training and support.

These milestones have been collaboratively developed to ensure feasibility. A team of resources from the advisory committee and coalition membership will be available to address concerns, along with other stakeholders willing to assist. The grant team has previously managed a GO Virginia planning grant and is familiar with the expectations and processes required for successful delivery.

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11. Describe the total project budget, explaining how GO Virginia funds will be used, how matching funds will be used, the sources and uses for matching funds, and any additional leverage for matching funds, if applicable. Additional leverage may consist of other state funds not eligible for GO Virginia match, or additional federal resources to allow application reviewers to understand the full scope of work that is not part of the required match. ATTACHMENTS: Sources and Uses Budget template must be uploaded with this application.
- Does the project have the required \$2:1 match?
 - Does the application request a waiver of the local match? See the Match Waiver Request Guidelines. Currently, at least 20% of the match must be provided by units of local government. ATTACHMENTS: Include the Local Match Waiver Request Form if applicable.

Answer:

The project is requesting \$224,125 of GO Virginia funds to address recommendations identified in the Wine Industry Planning Grant from Region 9 and implement the Action Plan by coordinating activities. (See Optional Attachment: Report, and Action Plan) The project will be led by Nelson County in collaboration with all 10 other Region 9 localities. Project match is \$209,784 with local match of \$191,534.
For details see the attached BUDGET WORKSHEET.

Expense Summary:

\$124,750 - Create, staff, and support industry coalition efforts and meetings, create website, ensure all activities are delivered (Rec. 1, 2); create resource directory (Rec 6); Deliver annual speaker series (Rec. 14)
\$22,750 - Create and deliver unique industry specific free or low-cost industry consultation service on packaging design, branding marketing, etc. (Rec. 5); Create and deliver unique industry specific tools and training for addressing accounting and financial management challenges. (Rec. 21)
\$10,375 - Convening, connecting, and facilitating support for industry workforce needs from existing workforce support services such as VTOP, VCW, community colleges, etc. (Recs. 16 & 17)
\$49,650 - Establishment of industry feedback and ongoing data reporting and collection and publish first Cost of Production Review to provide guide for industry cost savings (Rec. 23)
\$16,600 - Post award grant management (support organization)

Match Summary:

Fourteen organizations have committed \$209,784 in matching funds, including \$36,000 in cash. Nine of these are local government entities or funded by them. Three private sector organizations contributed a total of \$13,250. Additional private sector time will be donated through engagement activities but is not included in the workbook for better project management.

- Does the project have the required \$2:1 match?
Yes. In fact, committed match is closer to 2:2.
- Does the application request a waiver of the local match? See the Match Waiver Request Guidelines. Currently, at least 20% of the match must be provided by units of local government. ATTACHMENTS: Include the Local Match Waiver Request Form if applicable.
No

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12. Discuss any major barriers to successful implementation and other associated risks along with a plan to overcome them. How will the project administrator address these barriers?

Answer:

Hiring consultant – If the hiring of a consultant or contractor to lead this initiative is delayed it could delay this project. The grant team hopes to continue engaging the current consultant to ensure consistency.

The wine industry certification would be a first time tried initiative so early planning and coordination is needed to establish a successful plan for creating and communicating this new initiative.

State budgets can affect some activities of the participating state agencies to implement some recommendations. If that happens there are enough industry experts at the table to identify new paths forward.

This grant is for Region 9 and other regions may want to be involved. We will work with Region 9 to identify reasonable ways to work to solutions or establish partnership for future statewide-focused initiatives.

13. Discuss any prerequisite activities undertaken by the project partners to increase efficiency of program delivery and support for the project once launched.

Answer:

The past year has been invested in developing the Wine Industry Report and through that activity the stakeholders have been “at the table” for the past year contributing to the plans for this grant. As noted previously, most are continuing to serve on the advisory committee and new members will join the coalition. Additionally, the grant team has visited many related state agencies and talked with stakeholders in other regions to develop this plan. Through this process, it was determined which recommendation GO Virginia could be a funding source for and which were not. New sources for funding are in development for 15 of the 25 recommendations in the plan.

The creation of the Coalition is the first activity to be implemented and will increase the efficiency of program delivery, provide support for the project during the grant period as well as beyond and strengthen industry communication and collaboration.

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14. PROJECT SUSTAINABILITY

Discuss how the program will achieve stable, long-term sustainability beyond the initial funding period? Have any funding sources been secured to continue implementing the program or strategy following the exhaustion of these funds?

Answer:

Because there is such strong industry support for the activities outlined in the Planning Grant, several non-GO Virginia funding sources have already agreed to fund smaller projects that are outside the scope of eligible GO Virginia funding. These include, but are not limited to the Virginia Wine Board, Virginia Wine Marketing Office, Virginia Tourism Corporation, local Destination Marketing Organizations and the Virginia Wineries Association. These are typically much smaller grant funding sources. But it should be noted that those grants came directly from the Wine Industry Report recommendations.

Future financial sustainability has been considered among the group developing this grant and several potential models exist. That said, it will ultimately be up to the coalition to create a plan for future financial sustainability.

Financial sustainability will be a standing discussion item on the Advisory and Coalition agendas to keep this issue at the forefront. By the end of this grant a financial sustainability report will be delivered, as well.

Ideas under discussion now include:

Study the CvilleBioHub model, as the first industry specific vertical nonprofit organization that has moved from concept to sustainability. The grant project team has met with this group to identify the best practices, some of which were included in this Report and Action Plan, such as the Speaker Series.

Learn from other national wine regions that have taken similar actions over time, to identify best practices.

Membership and sponsorships in a 501c3 entity could be a model for funding in the future. The coalition should consider whether it makes sense to become a 501 c3 to gain the benefit of fundraising and other financial support pathways.

The grant writing team thinks there is also an opportunity to join with other Virginia wine regions or GO Virginia regions to address industry issues at scale. Such expansion could also help drive future funding opportunities through collaboration. Winery

One of the project recommendations not included in this grant proposal was to develop a professional wine credential for the state of Virginia that could be deployed worldwide to professionals in the global industry – targeting those that make wine purchasing decisions such as distributors, sommeliers, restaurants, etc. There is industry support for this credential and it has been done in many other wine regions, i.e. California. If developed it could potentially provide an income source for the coalition or non-profit to continue activities.

Finally, since the funds in this grant are being used to catalyze activity it's unlikely that all activities will need the same level of funding in the future.

Attachments:

Executive Summary

WineIndImpEXECSUMMREVandCouncilSummary1272025128202545431.pdf

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Milestones Overview

WineIndustryImpMILESTONESREV1272025128202545713.pdf

Match Verification Form

WineIndustryALLMATCHForms1272025128202550309.pdf

GO Virginia Core Outcomes

WineIndustryRevOUTCOMES1232025128202550324.pdf

Return on Investment (ROI)

WineIndustryROIRev1232025128202550714.pdf

Budget Overview

WineIndImpBUDGETREV21252025128202550725.xlsx

Letters of Support

WineIndustryALLLOS12122024128202550756.pdf

(optional)

WineIndustryACTIONPLANCAMS1282025128202551111.pdf