



FAIR FINANCE

UVA Wise and Entrepreneurship in Appalachian Virginia

Can a state higher education institution add entrepreneurship to a region's economic development agenda and create more options for students?

Impact in Action: Profiles of Higher Education is produced by the Beeck Center for Social Impact + Innovation at Georgetown University, funded by Lumina Foundation

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ABOUT THE SERIES

Impact in Action: Profiles of Higher Education is a three-part series looking at new partnerships and financial strategies enabling higher education institutions to serve as catalysts for impact-centered economic and workforce development. The series looks at the strategies and tactics schools can implement for greater success and stability.

Part 1, Rowan University: A Blue-Collar Soul, we see how the Glassboro, New Jersey school used a number of new ideas to maintain its mission of serving first-generation students while its enrollment and stature as a research institution was on the rise.

Part 2, Untapped Assets: Stillman College And The Landscape Of HBCUs, shows how Historically Black Colleges and Universities are working with investment and development firms to use real estate assets to generate revenue, catalyze economic development in underserved areas and provide workforce training for their student populations.

Part 3, University of Virginia Wise And Entrepreneurship In Appalachian Virginia features new partnerships and financial strategies that drive development for underserved communities.

These profiles were produced by the Beeck Center for Social Impact + Innovation at Georgetown University with support from Lumina Foundation. As a collection, they show academic institutions using innovative approaches including:

- Using multiple tools to build stronger financial positions including new public financing programs such as Opportunity Zones and New Market Tax Credits, as well as regional programs
- Building new and enhanced partnerships with local business and government communities
- Creating innovative approaches to online learning.

To cope with the unprecedented challenge of a pandemic and the worst economic downturn in nearly a century, these colleges and universities are adopting an expansive mindset that sheds old ideas about the boundaries of an academic institution.

Table of Contents

Executive Summary | **1**

The Weight On His Shoulders | **5**

UVA Wise On The Front Lines | **7**

Focus on Entrepreneurship | **9**

Surprising Synergy in Entrepreneurship and Clinch River Research | **10**

UVA Wise's Role in Opportunity Zones | **11**

Keeping Talent and Investment Local | **15**

Conclusion | **16**

For Further Engagement | **16**

Research Sources & Notes | **16**

About the Authors | **18**

EXECUTIVE SUMMARY

Overview

Originally known as the Clinch Valley College of the University of Virginia, UVA Wise was established in 1954 as the first public liberal arts college in the heart of the Appalachian region. By 1966, the college started offering four-year degrees and in 1999, officially changed its name to UVA Wise. As of the Fall semester of 2020, UVA Wise enrolled 2,015-students. This public university is on the front lines of a transformative change in the economy in Southwest Virginia. Coal mining left environmental and economic scars that the state wants to heal through investment, job training, technology and environmental conservation – and, in the past decade, entrepreneurship.

The communities near UVA Wise are full of people who want to create their own economic opportunities at home – because they don't want to leave it.

UVA Wise's model of community-centered leadership offers valuable lessons for other second and third-tier state institutions that may find themselves by far the best-resourced institutions in their communities

Economic development is a long game – and UVA Wise was established to build deeply embedded growth initiatives over time. The institution has had economic development as part of its mandate from the beginning, and the state has remained supportive of that mission. UVA Wise achieved success because it works within a well-organized vertically integrated system of partnership that includes the Commonwealth of Virginia, state-funded higher-education institutions, regional development initiatives, and private companies. It is anchored by the UVA Office of Community and Economic Development where university staff and faculty have developed critical relationships with state agencies and local institutions to support this economic growth. The qualities endemic to these crucial partnerships are: **Trust, Creativity, and Inclusion** and are crucial to progress in the region. Regional leaders who are drivers of change emphasized they maintain long-term horizons to build the community connections, education, and political will that supports innovation. The challenge to maintain this focus is daunting when almost 40 percent of the population in rural areas still does not have access to broadband, hampering the development of technology jobs crucial to growth.

According to Shannon Blevins, Associate Vice Chancellor, Economic Development and Engagement at UVA Wise, “If you only focus on, say, industry recruitment and workforce development, you’ll have wins. But unless you really take a systems approach to economic development and transformation, those wins will be Band-Aids.”

This public university is on the front lines of a transformative change in the economy in Southwest Virginia. Coal mining left environmental and economic scars that the state wants to heal through investment, job training, technology, environmental conservation and, in the past decade, entrepreneurship.

Key Takeaways

THE WEIGHT ON HIS SHOULDERS

Building the kind of ecosystems in distressed areas that produce and sustain entrepreneurs and their endeavors demands a deep connection to the community that rural public universities are uniquely situated to build.

One of the legacies of coal mining is that entrepreneurship has not been part of the mindset in rural Southwest Virginia. Many people, including many students at UVA Wise, considered a job at a coal company the ticket to a good life. The partnership between the main campus and the UVA Wise team helped establish an entrepreneurial ecosystem with a systemic approach to foster start-ups in the region. These new businesses, led by entrepreneurs, could hire local labor who would be more likely to stay, while the business could grow and reinvest regionally.

UVA WISE ON THE FRONT LINES

In 2020 the Appalachian Regional Commission (ARC) designated 80 counties as distressed. Four of the distressed counties are in Virginia, including Wise. UVA Wise uniquely maintains in-state tuition rates for students who live in the 13-state area covered by the Appalachian Regional Commission, “a large strip of land that goes from a portion of New York to Mississippi.” UVA Wise also established a new tuition program labeled the “Within Reach Initiative” enabling all students from families in Virginia making \$40,000 or less annually to attend the college free of tuition and fees.

UVA Wise benefits from its association and collaboration with the main UVA campus in Charlottesville. The Economic Development office at UVA Wise is unusually powerful with a set of diverse and far-reaching relationships and in November 2019 developed a new full-time position to identify opportunities for collaboration between UVA and UVA Wise faculty.

FOCUS ON ENTREPRENEURSHIP

By 2012, UVA Wise was beginning to see traction with its efforts to develop entrepreneurship in the region. In that year, it pulled together 35-40 partners to establish a blueprint for supporting small business and entrepreneurship. Their three main goals include:

1. Building the entrepreneurial ecosystem,
2. Growing entrepreneurship and new ventures; and
3. Promoting the region as a vibrant entrepreneurial hub.

SURPRISING SYNERGY IN ENTREPRENEURSHIP AND CLINCH RIVER RESEARCH

In 2016, the scientific potential of UVA Wise's strategic location near the natural resource, the Clinch River, and the entrepreneurial energy coalesced when a group of local leaders donated a former senior center to UVA Wise. Redeveloped and renamed the Oxbow Center, the building was converted from a space that was not in use to one that is adding value as a sustainable redevelopment initiative. The building has turned into a physical manifestation of the university's commitment to economic partnership and community development by housing research and a technology industry cluster. The newly redeveloped space is also being used for co-working space that will hire interns from UVA Wise. One of the advantages of the center is that it offers broadband that might not be available in the surrounding rural country.

UVA WISE'S ROLE IN OPPORTUNITY ZONES

UVA Wise, through its economic development office, has been a critical research partner as well as a trusted community catalyst for the Opportunity Zone program in the region and is a member of the Opportunity Appalachia Steering Committee.

The players in Southwest Virginia and Central Appalachia have been recognized nationally by Forbes and the Sorenson Impact Center for their approach to Opportunity Zone development. Part of their success is attributable to the steering committee's ability to:

1. Identify good projects;
2. Provide community education to help local business owners and non-profit leaders understand the benefits of OZ investment, and
3. Bring a diverse range of technical assistance partners to create new business models included in proposals.

Tools such as Opportunity Zone incentives and impact investment are available, but pursuing them requires a full-time, multi-year approach. State universities with limited budgets may find it difficult to dedicate the staff time to secure the technical assistance necessary to pursue these sources.

Conclusion

The current COVID crisis is expected to lead to significant drops in enrollment at some schools and increases at others. Universities in rural areas, including state-funded schools, are facing an extreme financial challenge.

Rural areas face a critical shortage of jobs, investment, capital, and the skills needed by the local population to build growth, in part because they lack the basic infrastructure of broadband. University programs supporting economic growth are more important now than ever, but funds for such activities are much more limited at present. For this reason, innovative programs and approaches that can generate financing will be the most sought-after models for universities and colleges to consider. Economic development success requires a systems approach that includes entrepreneurship, a self-perpetuating and home-grown source of jobs.

Higher-education institutions with established relationships and well-integrated strategies for economic growth including entrepreneurship will be positioned to sustain themselves and to support their regions economically in the next several years.

For this reason, innovative programs and approaches that can generate financing will be the most sought-after models for universities and colleges to consider. Economic development success requires a systems approach that includes entrepreneurship, a self-perpetuating and home-grown source of jobs.

THE WEIGHT ON HIS SHOULDERS

Hunter Hess wore a formal suit and tie to the [American Evolution Innovators Cup](#) in Charlottesville, Virginia. The city, home to the 21,000-student flagship campus of the state university system, was a metropolis compared with the tiny town of Wise, population 3,000. That's where he attended another school in the state system, UVA Wise. "I was very definitely nervous," he says. "I felt the weight of what I was doing." Students from the small school had gone to the competition as observers in years past, thanks to a grant from the University of Virginia. But UVA Wise had never sent anyone as a competitor before. And Hess felt the differences keenly. He had taught himself the code powering his startup, CrowdIQ. Looking over his competition, he knew most of them had probably been in classes that



UVA Wise student Hunter Hess presenting his startup, CrowdIQ, at the 2019 American Evolution Innovators Cup. Credit: UVA Wise

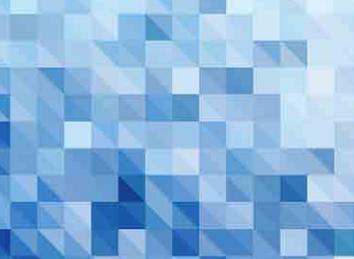
covered artificial intelligence. He gave his pitch: With a small mounted camera above an advertising sign combined with artificial intelligence, CrowdIQ could enable companies to figure out how many people noticed their signs.

The 2019 competition – which involved students pitching their ideas and prototypes to a group of judges – was a victory for him. He reached the semi-finals, and got connected with an expert who helped figure out what patents existed near his technology, which he needed to work around. Hess was pleasantly surprised. "Most of the entrepreneurs from UVA were accepting," he says. He walked away feeling like he belonged.

UVA Wise, a 2,000-student public university eight hours from Washington, D.C., is a rural institution on the front lines of a transformative change in Southwest Virginia's economy. Anchored by the UVA Office of Community and Economic Development, university staff and faculty partner with state agencies and local institutions to support economic growth. In Southwest Virginia and the Appalachian region, UVA has established

a companion Community and Economic Development Office at the Wise campus led by the vice chancellor. The partnership between the main campus and the UVA Wise team has helped to establish an entrepreneurial ecosystem in Southwest Virginia that is now beginning to bear fruit – as the recent opening of the first co-working space in the area, the Oxbow Center, shows.

Shannon Blevins, now Associate Vice Chancellor, Economic Development & Engagement at UVA Wise, knew entrepreneurship needed to be part of the economic development strategy for the region from the beginning of her tenure, back in 2007. One of the legacies of coal mining is that entrepreneurship hasn't been part of the mindset in Southwest Virginia. Many people, including many students at UVA Wise, considered a job at a coal company the ticket to a good life. If it wasn't a coal company, another large business would do. But even in Richmond, where she'd worked for the administrations of governors Mark Warner and Tim Kaine, most of the economic development focused on big companies. Blevins started by bringing those connections with her, successfully convincing CGI, a Canadian multinational IT consulting firm, that it could find coders and consultants out of the UVA Wise computer science department. Northrop Grumman, the big defense contractor, was another coup. It began recruiting from UVA Wise, too.



“If you only focus on, say, industry recruitment and workforce development, you’ll have wins. But unless you really take a systems approach to economic development and transformation, those wins will be Band-Aids.”

But Blevins knew that real success would require a systemic approach. Innovation and entrepreneurship needed to be part of the program. Companies founded in the region would be more likely to stay, grow, and invest. They could also produce spin-off companies. “If you only focus on, say, industry recruitment and workforce development, you’ll have wins. But unless you really take a systems approach to economic development and transformation, those wins will be Band-Aids,” she said. “Innovation and entrepreneurship is one of the most important things we can do.” Innovative and successful firms grow rapidly and become a wellspring of jobs and economic growth, or quickly fail and exit the market, allowing capital to be put to more productive uses, [according to the Kansas City-based Ewing Marion Kauffman Foundation](#). Companies younger than five years account for almost all net new job creation in the United States and around the world, economists have found. But building the kind of ecosystems that produce and sustain entrepreneurs and their endeavors demands a deeper connection to the community that local universities can uniquely build.

In June 2020, the Center for Rural Innovation issued a report on the [role of higher education in rural innovation ecosystems](#). The report focuses specifically on colleges and universities in rural settings and how those schools are working to support economic

development in their surrounding communities in creative ways. The researchers identified four key common approaches that universities are adopting successfully to build their programs and support their local populations including:

- Working with formal accelerator and incubator programs,
- Physical space and co-location,
- Digital skilling programs, and
- Collaboration within and across institutions.

The challenge is large, however. **Almost 40 percent of the population in rural areas still does not have access to broadband. That hampers the development of technology jobs crucial to growth.**

UVA Wise On The Front Lines



“The coal company owned the home, the company store. You lived a very good life but everything was controlled by company.”

On one hand, the team at UVA Wise knew entrepreneurship ran counter to the paternalistic mindset created by the long history of the coal companies in the region. “We have a history around extractive industries,” says Josh Sawyers, manager of UVA Wise’s Oxbow Innovation Center. “The coal company owned the home, the company store. You lived a very good life but everything was controlled by company.” On the other hand, the idea of growing companies at home fit right in. The communities near UVA Wise were full of people who wanted to create their own economic opportunities at home – because they don’t want to leave it. Blevins grew up in nearby Dickenson County. She has turned down other opportunities to stay at UVA Wise. “I couldn’t check the box of ‘heart,” she said. “Our family cultures are very much: Stay close by.”

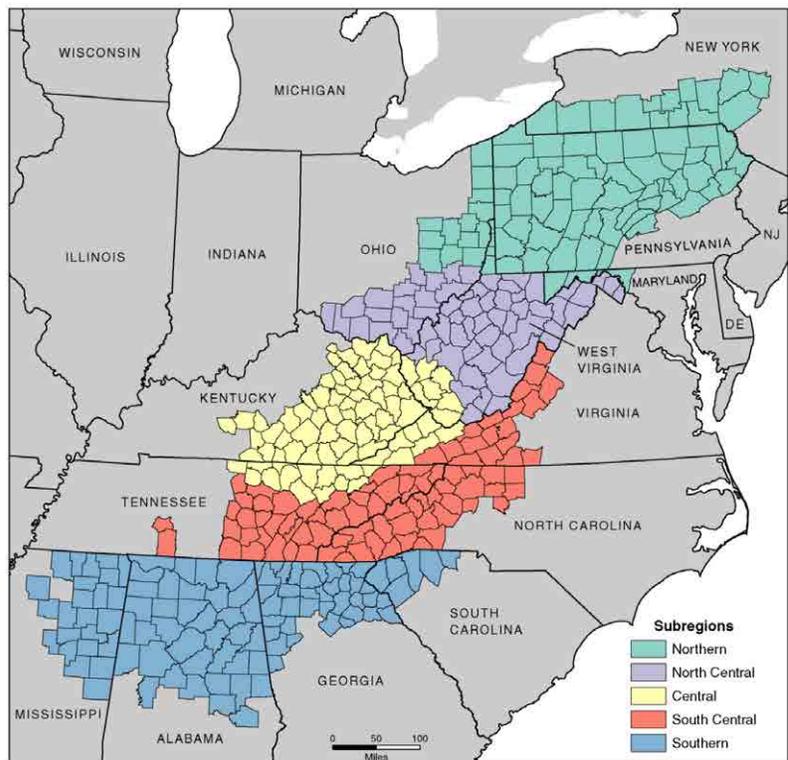
With all this in mind, shortly after arriving 13 years ago, she suggested to a “well-endowed strategic partner” that they launch a business competition. “They were so focused on industrial recruitment, they weren’t able to get any traction with their executive committee,” she said. “I was told no.” Then she sat by and watched while economic development advocates in Northeast Tennessee started their own competition, called **Will This Fly**. But economic development is a long game – and UVA Wise is unusually well-positioned to build initiatives over time. The institution has had economic development as part of its mandate from the beginning, and the state has remained supportive of that mission. Shortly after Blevins arrived, UVA Wise studied regions that had transformed themselves. It found that rural higher education institutions were a key. “As the institution grew, so did the region,” she said.

Originally known as the Clinch Valley College, the school was established in the early 1950s as the first public liberal arts college in the heart of the Appalachian region. The school began by offering two-year associate degree programs with a student population dominated by returning Korean War veterans. By 1966, the college started offering four-year degrees and in 1999, officially changed its name to UVA Wise.

UVA Wise now enrolls 2,015 students mostly from the surrounding rural area of Southwestern Virginia. However, UVA Wise uniquely maintains in-state tuition rates for students who live in the 13-state area covered by the Appalachian Regional Commission (ARC), “a large strip of land that goes from a portion of New York to Mississippi.” UVA Wise has also established a new tuition program labeled the “[Within Reach Initiative](#)” enabling all students from families in Virginia making \$40,000 or less annually to attend the college free of tuition and fees.

The ARC, which is the state-federal partnership office responsible for economic development in this region, defines Appalachia as the geographic land mass encompassing more than 410 counties in 13 states, all the way from the Canadian border and the Green Mountains in Vermont to the Great Smoky Mountains along the North Carolina-Tennessee border. Given the size of this vast territory, demographers often

refer to three sub-regions including Northern, Central and Southern Appalachia. These regions are divided into economic development categories based on per capita income, poverty, and unemployment. The categories of development include counties that are significantly disadvantaged economically or “distressed”; those that are transitional but still under national average; counties that are attaining economic goals and those that are at or beyond national averages. The majority of the region falls into the transitional category. However, in 2020 the ARC designated 80 counties as distressed, meaning that those counties are among the worst 10 percent in the nation for unemployment, income levels and poverty. Most of the distressed counties in Appalachia are in Kentucky and



Regional map indicating the counties of the Appalachian Regional Commission.

Credit: ARC, 2009

West Virginia. Four of the distressed counties are in Virginia, including Wise. UVA Wise is therefore an incredibly important source of employment and economic growth for Wise County and the region. The Wise campus offers both BA and BS degrees in more than 33 major fields.

The University of Virginia at Charlottesville is often considered to be among the top five public universities in the country, and UVA Wise benefits from that association and collaboration. Although most students who attend UVA Wise do not attend classes in Charlottesville, the two schools have developed regular faculty and research collaboration funded by both federal and state grants.

The Economic Development office at UVA Wise is unusually powerful with a set of diverse and far-reaching relationships. For instance, it has collaborations with organizations including the Solar Workgroup of Southwest Virginia, which it convened along with Appalachian Voices and People Incorporated. The Solar Workgroup was established as a result of the 2016 SWVA Economic Forum, and was hosted by UVA Wise. The workgroup is developing a locally rooted solar industry as an economic catalyst for the region – another in a web of initiatives that promote entrepreneurship. Recently, the group awarded two \$500 mini-grants to local high school students for solar projects, an example of entrepreneurial education. “We can’t do everything, and we shouldn’t do everything,” Blevins said. “We all have a heavy lift – I’m careful not to crowd out our strategic relationships.” Nevertheless, the office has extended its reach to include a public health team, the Healthy Appalachia Institution, since 2015. The chancellor of the university system also has moved students’ career services to economic development.



“Our motto is opportunity through community. Our role is to be an unbiased facilitator and neutral convener.”

In November of 2019, UVA Wise created a new full-time position to identify opportunities for collaboration between UVA and UVA Wise faculty. The role includes opportunities to increase engagement with the economic development entity, Opportunity Appalachia. Blevins and other university officials understand both the importance of this role and the necessity of active coordination with other state organizations. For instance, UVA Wise is careful to leave the regional marketing role to the Virginia Economic Development Authority. “We never want them to think we can compete for prospects,” Blevins said. “We pull data and help advise.”

Focus on Entrepreneurship

By 2012, UVA Wise was beginning to see traction with its efforts to develop entrepreneurship in the region. In that year, it pulled together 35-40 partners to establish a blueprint for supporting small business and entrepreneurship. The group convenes each month.

The principles embraced by the group – many of them partners that had worked together on other economic development initiatives – include a focus on:

- Individual talents, interests and risks;
- Profound respect for our extraordinary natural resources and rich cultural heritage;
- Integration of health, wellness, prosperity and education and
- Creation of new business ideas, resources and opportunities.

The blueprint established three main goals – build the entrepreneurial ecosystem; grow entrepreneurship and new ventures; and promote the region as a vibrant entrepreneurial hub. The strategy also recommended a host of actions under each goal, such as creating on-line business resource kits for entrepreneurs and starting a dialogue with local business officials on the importance of entrepreneurship; working with high school clubs to promote entrepreneurship and creating a regional network of entrepreneurship cafes; and focus on areas of “collaborative strength,” highlighting entrepreneurship that could grow up around the region’s unique resources.

BLUEPRINT TO ENTREPRENEURSHIP
1) Build the entrepreneurial ecosystem
2) Grow entrepreneurship and new ventures
3) Promote the region as a vibrant entrepreneurial hub

Southwest Virginia is a biodiverse region of deep forests that includes the Clinch River, home to rare water mussels and trout. In the late 19th and early 20th centuries the Clinch produced a large crop of freshwater pearls from the mussels that lived in its ecosystem. It’s a magnet for scientific research, a potential asset for communities that want to develop waterfront amenities, and an outdoor recreation gem.

Surprising Synergy in Entrepreneurship and Clinch River Research

As UVA Wise's work on entrepreneurship was evolving, a parallel effort, called the Clinch River Valley Initiative, was working on a plan to make the most of the river, including obtaining funding to develop the area into a state park. "It's the most biodiverse river in America," said Sawyers. "Other colleges were coming to camp and studying the river. Some of the old Appalachia forest we have is a national treasure, a rainforest."

The scientific potential and the entrepreneurial energy coalesced when, in 2016, a group of local leaders donated a former senior center to UVA Wise. Use had declined after competing facilities were built in surrounding counties. A local coal company used it for safety training, and then it sat vacant for two years, as a coalition of local leaders, operating under an Oxbow Foundation umbrella, devised the plan to donate it to UVA Wise. It now houses space for scientific initiatives and co-working space. The economic development team hopes the physical proximity may result in the evolution of some "Deep Tech" ventures that commercialize scientific discoveries.

The connection between two of the university's initiatives wasn't obvious – but to Blevins, they could prove fruitful. **"We want to bring two target areas together for economic diversification. We want to find synergy between the region's ecological assets as well as to pursue a technology industry cluster that falls within the VCEDA geography,"** said Blevins. VCEDA is the Virginia Coalfield Economic Development Authority.

UVA Wise is on track with national trends. A recent report by Schmidt Futures and Different Funds found an [investment gap and an opportunity for economic growth](#) in companies based on scientific research. In the context of recovery from COVID-19, there is a new movement to direct more funding to research institutions.

UVA Wise spent about \$1 million to renovate the 2,300-square foot space. Oxbow plans to host about 12 people who will rent coworking space, with some larger spaces for companies including a contractor for Intuit and Atomicorp, a local cybersecurity company that has also hired interns from UVA Wise. The Appalachian Telemental Health Network is also at the Oxbow Center.

The scientific research center includes bunk rooms for visiting scientists and lab space. Though COVID-19 threw roadblocks into the center's path, the Oxbow Center launched late last year. Staff has returned to work and the center has been hosting small business workshops in partnership with the GO VA state office at the center to help attract new firms to the facility.

One of the advantages of the center is that it offers broadband that might not be available in the surrounding rural country. "We have a really strong broadband here, of 10 gigabytes," said Sawyer. "In this area, there's not always last mile coverage, but middle mile, we can benefit from."



Aerial of UVA Wise Campus, Photo Credit: UVA Wise

UVA Wise’s Role in Opportunity Zones

The region around UVA Wise is dotted with Opportunity Zones. OZs, as they’re known, are an incentive that allow investors to defer paying taxes on capital gains rolled into investments in the zones. New gains held for at least 10 years are permanently excluded from capital gains taxation. There are more than 8,700 OZs nationwide.

But the OZ incentive was not attractive to local entrepreneurs at first, and the community did not understand the ways that OZ funding was different from other forms of investment, according to Donna Gambrell, CEO of Appalachian Community Capital, a community development finance institution.

One of the key factors in helping to establish the OZ program and identify good projects in the region was the work performed by a steering committee of six regional institutions, including UVA Wise and Appalachian Community Capital. Shannon Blevins was a key participant on the Steering Committee from the beginning, Gambrell noted. Opportunity Appalachia initially identified the long-term potential to create 1,800 new jobs and bring in \$235 million in project investment to the region with OZ funding.

UVA Wise and the Steering Committee played three key roles:

- Identifying core project areas that could support new ventures
- Bringing in a range of regional technical assistance partners who worked with developers to create new business models, that were eventually included in proposals

- Community education to help local business owners and non-profit leaders understand the benefits of OZ investment/development funding.

Opportunity Appalachia is the prime organization behind the effort to bring Opportunity Zone investment to the region, which includes West Virginia, Ohio and Southwest Virginia. But UVA Wise has been deeply involved, along with entities in West Virginia and Ohio, and a national group, Main Street America.

Last year, a group that included UVA Wise won an Appalachian Regional Commission grant for \$1.2 million. The money will be awarded to communities and projects through the region that include opportunity zones to market themselves to investors. In July of this year, the group chose five awardees out of about 15 applications.



Hunter Hess and Marshall McGlothlin present their winning Browns IQ idea at the 2017 UVA Wise Concept Cup.

Credit: UVA Wise

According to [Opportunity Appalachia](#), the five awardees include:

- **Blue Ridge Plateau Initiative II, Pathogen Free Sheep Production/Farming, Fries, VA**

“This company created a flock of specific pathogen free (SPF) sheep free of over 50 pathogens. The project is working in collaboration with Professor Peter Ziegler, an animal epidemiologist at Virginia Tech; Lincoln Memorial University College of Veterinary Medicine (LMU), and others joined as a Team in developing plans for a Tissue Harvest Facility for harvesting pathogen free Animal Derived Materials (ADMs) from SPF sheep. The harvested ADM will meet FDA and USDA compliance and regulatory standards and will be sold into well-defined markets, both domestic and overseas.”

- **Micronic Technologies, water sources for clean energy applications, Bristol, VA**

“Micronic Technologies, a certified woman-owned small business, was established to develop, patent, and commercialize an advanced state-of-the-art water purification system. The system, MicroEVAP™, removes virtually all contaminants from almost any source water. Leveraging various corporate and educational institution relationships, Micronic is rapidly moving toward commercializing its technology in the industrial wastewater markets. Once to market, Micronic will be a worldwide manufacturer and distributor of industrial wastewater products. Micronic is interested in establishing a pipeline of employees with local colleges and universities and various state organizations chartered to help train and place displaced workers. Currently, Micronic has existing relationships with East Tennessee State University, the University of Virginia at Wise, and Virginia Tech.”

- **Mount TERRA LLC, Virginia Ave Warehouse and Virginia Ave Boutique Hotel, Bluefield, VA**

“Serving as the only lodging in downtown, this project is anticipated to employ 6-10 individuals with a mixture of full and part-time positions, creating between \$100-\$200k in salaries. This project will preserve and beautify a vacant “1905” building on main street in downtown Bluefield Va, along with the VA Ave Warehouse project that is located next door (roughly 200ft) from this location.”

- **City of Galax, Vaughan Furniture Building, Galax, VA**

“The mixed-use redevelopment of this anchor building with approximately 10 acres under roof will create a vibrant new landmark destination for Galax and Downtown. It is anticipated that one-half of the redeveloped building, 220,000 square feet, will be residential. One-half will be retail, including lodging, dining, commercial uses, event spaces, and shared work spaces or business incubators. The Virginia Tech Office of Economic Development completed a 122-page Vaughan Furniture Redevelopment Proposal in May 2019 which outlines this mixed-use redevelopment.”

- **Bristol Sports and Events Complex, Bristol, VA**

“The proposed sports facility will be a multi-use indoor sports facility consisting of 8 basketball courts, 16-20 volleyball courts, turf fields for several sports including but not limited to; soccer, baseball, softball, football, and golf. It will also house an indoor track which will meet standards for hosting local high school indoor track meets, and will have convertible space for gymnastics, wrestling, special olympics, Paralympics, and tennis just to name a few. Aside from sports, the facility will also be used for conventions, meetings, & parties.”

UVA’s role in Opportunity Zones is an example of the complex role it plays as it works with development partners. But the cooperative approach does have its downsides, Blevins acknowledged. It can slow a process considerably. It also means that if UVA Wise applies for grant funding itself, its previous role and successes are not always known beyond its circle of partners.

For instance, in its Opportunity Southwest Virginia work, “you could never tell from outside appearances that UVA Wise was providing staffing and leading the effort. It’s probably hurt us a little bit later, because when we started to apply for grants they hadn’t developed a brand.”

Mindful of the lesson, Blevins said that in the future UVA Wise will make sure its branding is incorporated more into coalition communications.

Keeping Talent and Investment Local

When the Oxbow Center opened, Hunter Hess, the student founder of CrowdIQ, was one of the speakers. The son of a network administrator and a special education aid, he grew up in the town of Hanaker. He's been interested in business and entrepreneurship since he was a kid: There's a photograph of him sitting on his father's lap at the age of four, moving a mouse.

His idea for CrowdIQ won one local entrepreneurship competition and a \$5,000 grant before getting the semifinalist award at the Charlottesville competition. After he graduated in 2018, he got a consulting job at CGI, but he's still working on his venture on the side. He's also mentoring student entrepreneurs at UVA Wise. Before he arrived, most of the ventures were non-technical, like restaurants and services companies. That's beginning to change. One of the ideas he's mentoring is a new social network for student athletes, for instance.

The next evolution, a scalable company that creates jobs and inspires the next generation of students, may happen at the Oxbow Center, with cross-currents of professionals, academic science researchers, and student entrepreneurs. "That's a really nice, cleaned up space," he said. "The Nest at UVA Wise, though friendly, is more a typical student atmosphere."

He'd like to live somewhere else eventually, but for now, Southwest Virginia is where he's "made his roots at," he said, in an unabashed drawl. "The lifestyle is quite a bit more laid back." Not to mention that it's beautiful. He runs an aerial channel on YouTube that takes pictures of the region with drones.

Meanwhile, Sawyers is working to expand the occupancy at the Oxbow Center. UVA Wise's renovation of it from an unused space into a vital center was both a development and sustainability play. COVID-19 is slowing the effort, but most of the decade-plus effort to build entrepreneurship in the region has been slow. Many of the things that UVA Wise does are groundbreaking. "The Oxbow Center was really the first coworking center in our area of Virginia," he said. "The huge advantage that we had was the building. "You're not going to get the scale and numbers right off the bat. We're looking to shift the cultural mindset."



“You’re not going to get the scale and numbers right off the bat. We’re looking to shift the cultural mindset.”



CONCLUSION

The current COVID crisis is expected to lead to significant drops in enrollment at some schools and increases at others. Universities in rural areas, including state-funded schools, are facing an extreme financial challenge.

Rural areas face a critical shortage of jobs, investment, capital, and the skills needed by the local population to build growth, in part because they lack the basic infrastructure of broadband. University programs supporting economic growth are more important now than ever, but funds for such activities are much more limited at present. For this reason, innovative programs and approaches that can generate financing will be the most sought-after models for universities and colleges to consider. Economic development success requires a systems approach that includes entrepreneurship, a self-perpetuating and home-grown source of jobs.

Higher-education institutions with established relationships and well-integrated strategies for economic growth including entrepreneurship will be positioned to sustain themselves and to support their regions economically in the next several years.

For Further Engagement

Kathy Still, Communication Director And College Spokesperson at UVA Wise, and Shannon R. Blevins, Vice Chancellor Economic Development & Strategic Initiatives, have kindly agreed to receive emails from higher education decision-makers. They can be reached at kathy.still@uvawise.edu and sblevins@uvawise.edu.

Research Sources & Notes

Research for this white paper was conducted during a time of unprecedented turmoil as the COVID-19 pandemic closed large areas of the world. Our interviews were conducted by phone and Zoom. The authors would like to thank UVA Wise for making staff and students available for interviews during this difficult time in the interests of sharing best practices for long-term growth that aligns with the mission of serving under-represented students.

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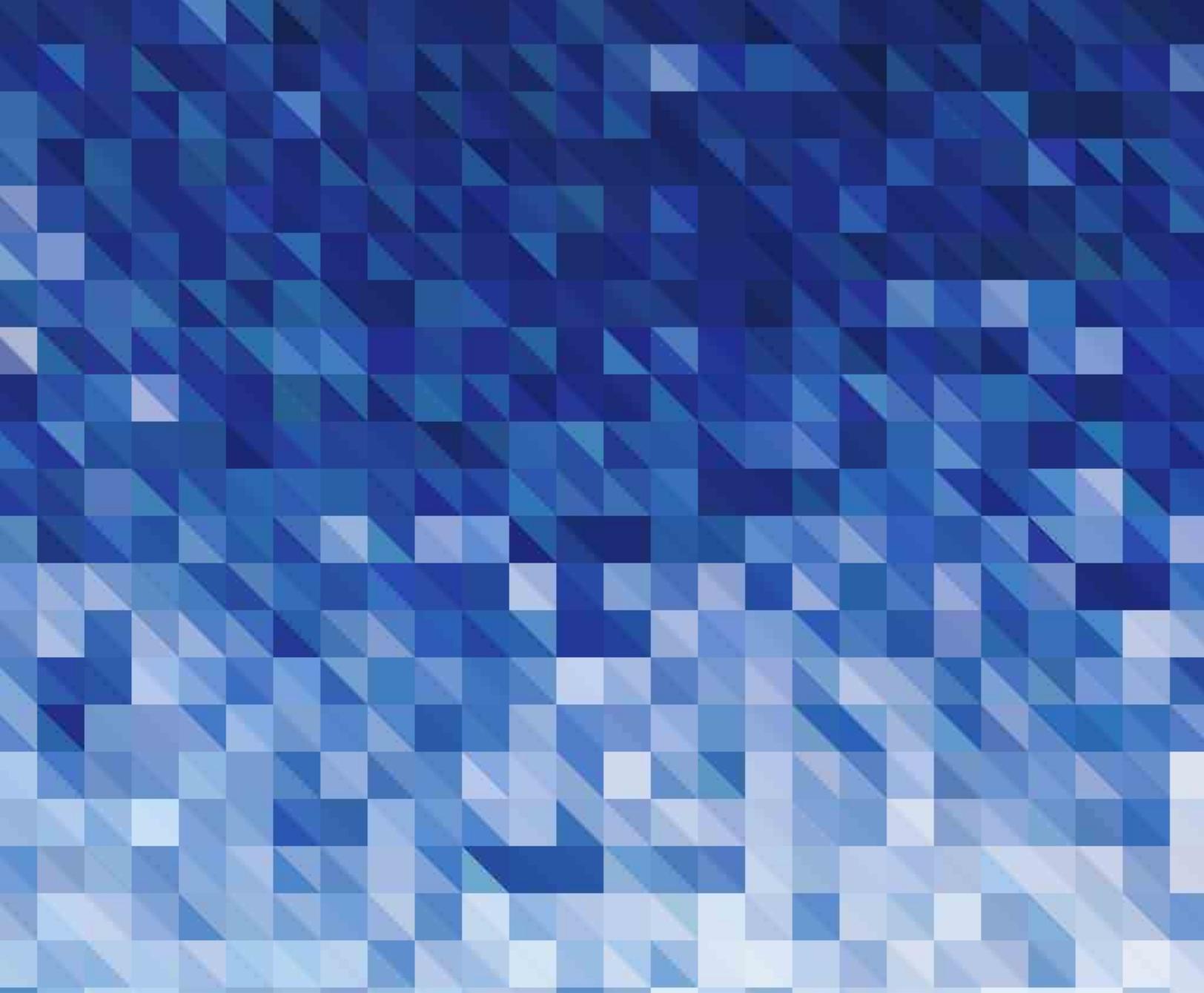
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About the Authors

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