



Economic Impact Study Results

Charlottesville City Council

15 May 2023



UNIVERSITY
of VIRGINIA

Weldon Cooper Center
for Public Service
Center for Economic and Policy Studies



What was the Motivation?

- ❖ Quantify missing elements from *Virginia Military Factbook*
- ❖ Determine Rivanna Station impact to inform BRAC
- ❖ Identify and estimate contributions of other major industry components
- ❖ Ferret out hidden aspects of defense industry ecosystem (e.g., non- Rivanna Station contractors; university startups; other small, innovative defense-related businesses)
- ❖ Provide objective information for education, outreach and support from community





Thank you to the Sponsors



About the Study

- ❖ Description of Albemarle-Charlottesville Region Defense Industry (history, size, growth and features)
- ❖ Economic impact of industry in 2021
- ❖ Community benefits in terms of quality of life, safety, volunteerism, and innovation



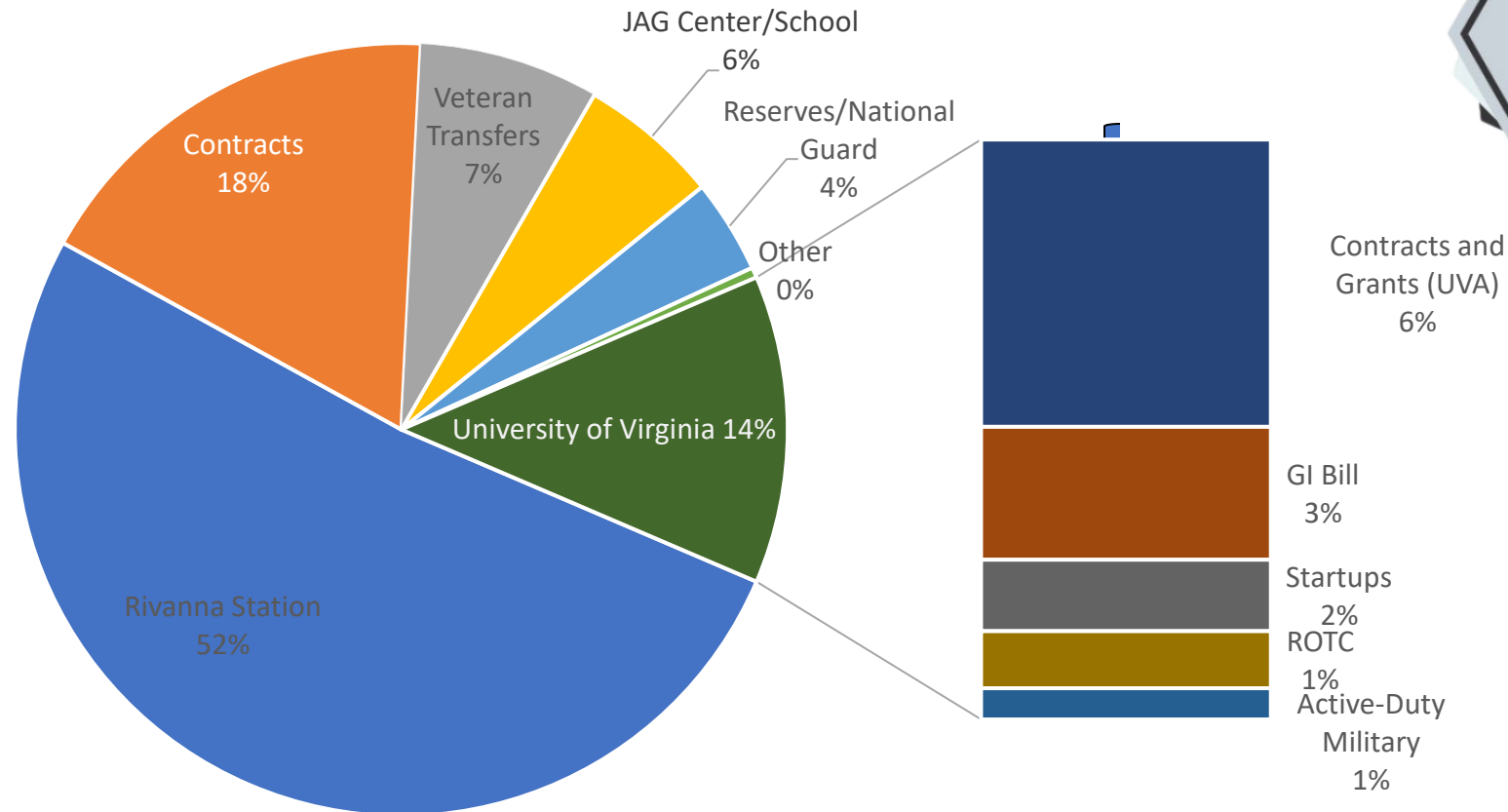
What was Considered the Defense Industry for Purposes of the Study?



- ❖ Rivanna Station
- ❖ DoD Contracts in region
- ❖ The Judge Advocate General's Legal Center & School
- ❖ University of Virginia
 - Contracts & Grants
 - GI Bill Students
 - ROTC
 - Active-Duty Military
 - University Start-ups
- ❖ Veterans
- ❖ Reserve & National Guard
- ❖ Other (i.e.. PVCC, Grants to non-UVA entities, recruitment)

Defense Industry Employment Impacts

Largest percentage in Albemarle County



Snapshot of Local Engagement

- ❖ Approximately 100 local companies with DoD Contracts of \$50K or more (FY 2012-2021).
 - ❖ About 70 firms received DoD contracts of any value in FY2021.
- ❖ 18 local companies with 71 SBIR/STTR Grants (FY2012-2021)
 - ❖ Small Business Innovation Research (SBIR)
 - ❖ Small Business Technology Transfer (STTR)
 - ❖ SBIR/STTR are highly competitive programs that encourages domestic small business to engage in Federal Research/Research & Development (R&D) with the potential for commercialization. (<https://www.sbir.gov/about>)
- ❖ 11 UVA Start-Ups that got its funding from Department of Defense
 - ❖ 57 DoD sponsored patents since 2000

\$1,200,000,000

Total Economic Impact
Defense Sector, 2021

TOTAL REGIONAL ECONOMIC IMPACT

Direct, Indirect & Induced Impact

7,347 Jobs

\$618 million in labor income

\$831 in value added

Total: \$1.2 Billion Output

What does this all mean?

After the University of Virginia and
all its components-

The DEFENSE Sector

A Stealthy Presence

Is the 2nd highest economic
engine in our region.



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...Now what?

- What do we do with this information?
- Is the goal to maintain, grow, expand this sector?
- What would the economic picture look like if we lost it?
- What steps should Charlottesville City Council take, if any?



Questions?

