



## Annual Report

September 30, 2011

*Prepared by*  
**Hampton Roads Partnership**



The Hampton Roads Partnership (HRP) is a public private organization that was formed on May 15, 1996. The Partnership represents ten cities, six counties and one town, equaling approximately 1.6 million citizens of Virginia. Its mission is to provide leadership on those strategic issues that will improve Hampton Roads' competitive position in the global economy.

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## Introduction

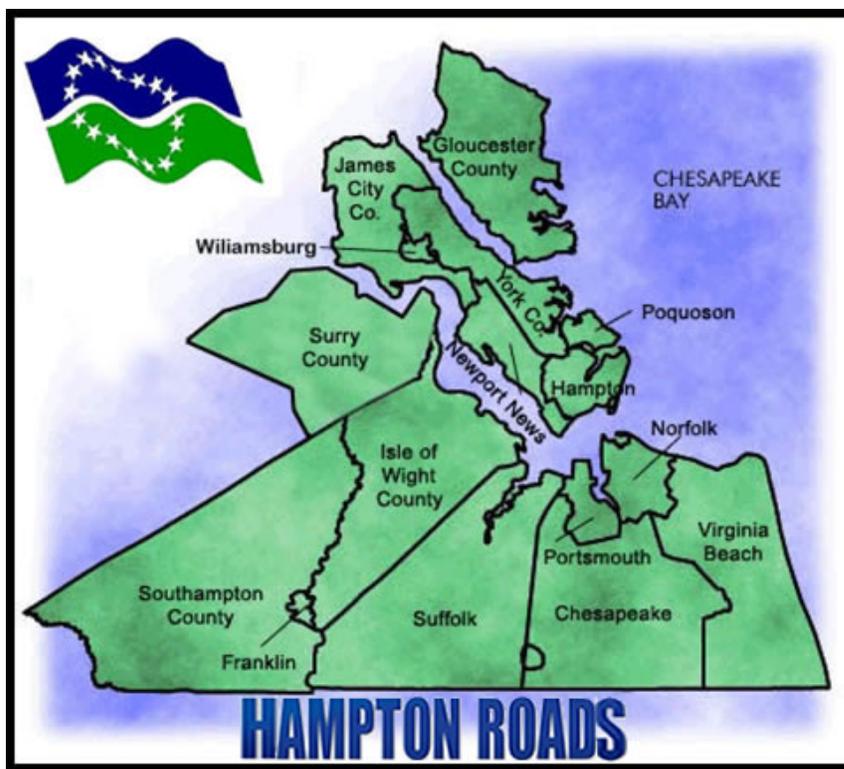
The 2011 Annual Performance Report on the regional Comprehensive Economic Development Strategy (CEDS) also known as *Vision Hampton Roads* fulfills the requirement set by the Economic Development Administration (EDA) to report on the progress in achieving goals of the plan.

*Vision Hampton Roads* was adopted by the Strategy Committee on February 19, 2010 and approved by the EDA on November 23. *Vision* is a regional plan that includes broad strategies and specific actions of prioritized importance that will position Hampton Roads as an impactful leader in the global economy. *Vision* is an economic development planning tool intended to aid local governments as well as regional and local organizations in decision-making. The Annual Performance Report is a supplement to the *Vision Hampton Roads* document which is available for download at:

<http://hrp.org/Site/programs/strategic-plans> or <http://VisionHamptonRoads.com>.

### ***Hampton Roads Region***

The Hampton Roads region is located in Southeastern Virginia and is roughly contiguous with the Virginia Beach-Norfolk-Newport News Metropolitan Statistical Area (MSA). Specifically, Hampton Roads, as defined by the Hampton Roads Partnership, includes the ten (10) cities of Chesapeake, Franklin, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach and Williamsburg; the six (6) counties of Gloucester, Isle of Wight, James City, Southampton, Surry and York; and the town of Smithfield. Hampton Roads is a diverse region of 1.6 million citizens that includes urban, suburban and rural communities, prosperous as well as distressed areas.



## Regional Performance

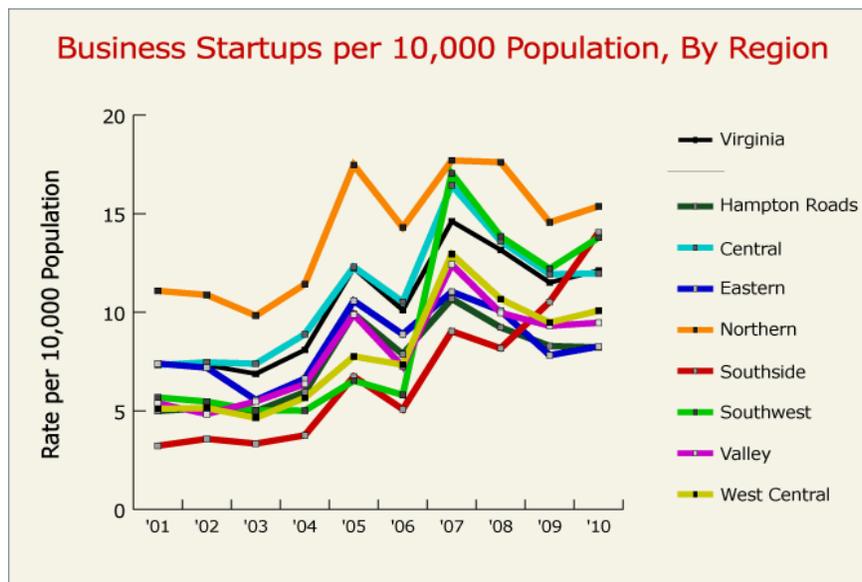
Hampton Roads Performs (<http://hamptonroadspersforms.org>) tracks progress and provides insight into those aspects of life that will ensure the region's competitive position in the global economy. The measures that follow comprise the "dashboard" used to track specific indicators we hope to improve through the successful implementation of Vision Hampton Roads.

### **Business Startups: Maintaining** ➔

The number of new businesses in the Hampton Roads region (relative to the size of the population) has risen over the last ten years, but has experienced recent declines due to the recession.

Why is This Important? Entrepreneurship is often viewed as an engine of economic growth. While the number of new business startups typically corresponds with economic expansions, the role of entrepreneurship in job creation is less clear. One view of the relationship between startups and economic growth is that entrepreneurs breed innovation. However, low rates of survival and the limited growth of most small businesses suggest that business startups do not significantly contribute to [employment growth](#).

### How is Hampton Roads Doing?



Within Virginia, the Hampton Roads region had the lowest rate of business startups per 10,000 population in 2010, although the trend has generally been rising since the decade began. The number of business startups per 10,000 increased from 4.99 in 2001 to 8.22 in 2010 -- with a peak of 10.68 during pre-recession 2007. As the data shows, startups experienced peaks in most regions in 2005 and again in

2007 before dropping markedly during the Great Recession. Most regions have seen new business startups pick up again in 2010.

What Influences Business Startups? Low cost of capital and high [unemployment](#) rates can serve as catalysts for new business startups. Lower cost of capital reduces the expense and risk involved with starting a business. Higher rates of unemployment encourage jobless individuals to opt for self-employment. Additional factors that influence the rate of business startups are the [educational attainment level](#) of the population, physical infrastructure and access to finance, the business climate, and the existence of networks that may encourage clusters of similar startups.

Data Definitions and Sources:

Population estimates: U.S. Census

[Virginia Employment Commission](#)

New small business startups were firms that had at least one employee and matched the following criteria:

\*Setup Date and Liability Date occurred during the same year and quarter.

\*Establishment had no Predecessor UI Account Number.

\*Business is privately owned.

\*Average employment is less than 250.

\*No other accounts with the same UI Account Number existed that did not match the above criteria.

[The fifth criterion ensures that there were no other previous establishments by the same enterprise.]

Mata, Jose, Small Firm Births and Macroeconomic Fluctuations, Review of Industrial Organization 11, (1996): 173-182.

Audretsch and Acs, New-Firm Startups, Technology, and Macroeconomic Fluctuations, Small Business Economics 6, (1994): 439-449.

Schumpeter, J., The Theory of Economic Development, Oxford: Oxford University Press, 1934.

Popkin, Joel and Company, [Small Business During the Business Cycle](#), (PDF) Small Business Administration, Washington, D.C., 2003

Firm Startups, Technology, and Macroeconomic Fluctuations, Small Business Economics 6, (1994): 439-449.

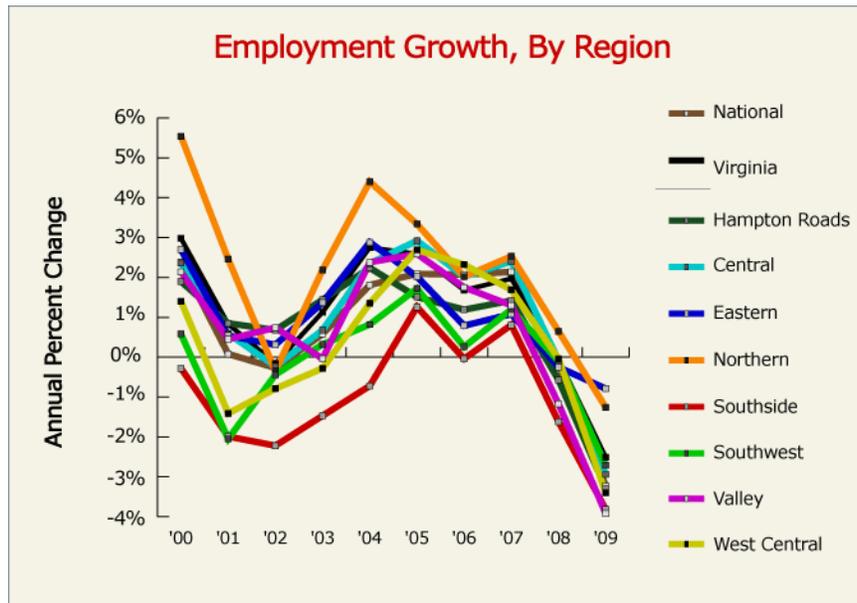
**Employment Growth: Maintaining** 

*Employment growth reflects the speed at which the economy can create and fill new jobs. The rate of employment growth was negative in 2008 and 2009 as the national recession continued.*

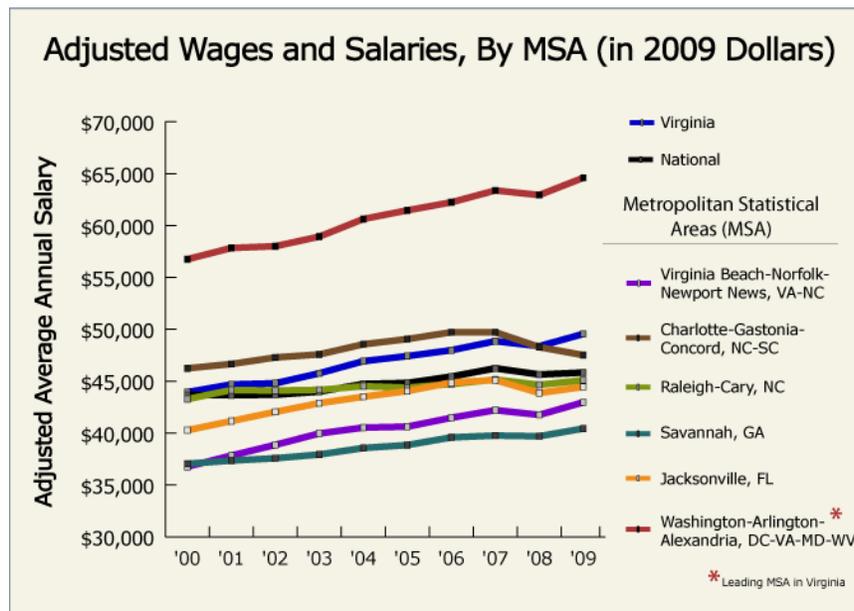
Why is this important? Employment growth is an indicator of expansion in the economy that represents an increase in the economic opportunities available to the citizens of a region or the state. Employment growth is generally tracked as a percentage change from a previous year.

How is Hampton Roads Doing? All regions in Virginia have seen employment growth shrink since 2007. The Hampton Roads region had the fourth lowest rate of employment growth at -3.3 percent in

2009, while the Eastern region saw the least shrinkage at -0.8 percent. The statewide rate of employment growth was -2.5 percent.

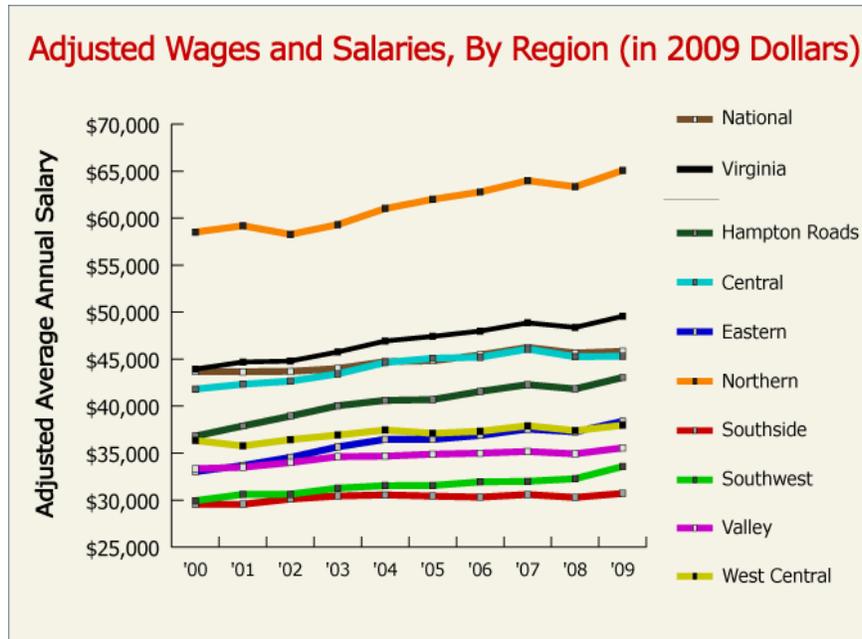


Among peer Metropolitan Statistical Areas (MSAs), the Jacksonville, FL MSA had the lowest employment growth rate in 2009 at -4.32 percent. The Virginia Beach-Norfolk-Newport News, VA-NC MSA (Hampton Roads MSA) saw an employment growth rate of -3.3 percent in 2009. The leading Virginia MSA was the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA with a -1.2 percent employment growth rate.



## Wages and Salaries

Average wages and salaries, coupled with employment growth give an even better measure of a region's economic health. In 2009, the Hampton Roads area (both MSA and region) continued to have average salaries and wages below both the Virginia and national averages. It had the second lowest average wages and salaries among peer MSAs at \$42,969. The leading MSA in Virginia was the Washington-Arlington-Alexandria, DC-VA MSA at \$64,601. Regionally speaking, however, the Hampton Roads area did enjoy the third highest average salary or wage, exceeded only by the Northern and Central regions.



What Influences Employment Growth? Some of the factors influencing employment growth in a region include the national business cycles and the mix of industries in the region. Expansions and contractions in the national economy influence employment growth due to the fluctuations in private and federal spending, as well as other factors. Furthermore, the mix of industries directly affects the magnitude of business cycle fluctuations in a region. In the Hampton Roads region, the U.S. military is a major employer and, therefore, U.S. military spending is an important influence on employment growth.

Data Definitions and Sources: [U.S. Department of Commerce, Bureau of Economic Analysis](#)

### **Modeling and Simulation: (Data has not been updated)**

Why is This Important? Modeling and Simulation (M&S) refers to the process of developing a mathematical model of a real world process, such as the flow of containers through a port facility, and solving the model under different conditions. The information extracted from the model can be used to enhance the effectiveness of the real world process and increase efficiency and profitability.

How is Hampton Roads Doing? Hampton Roads is one of the country's three leading regions in M&S along with Orlando, FL and Huntsville, AL. The unique strength in the Hampton Roads region is in command and control M&S for improving decision-making. The Virginia Modeling Analysis and Simulation Center (VMASC) at Old Dominion University and the US Joint Forces Command (JFCOM) have been the key contributors to this sector of the economy. With the disestablishment of JFCOM economists say jobs in Hampton Roads lost are expected to come in at about half the level originally predicted - about 2,000 or fewer when all the cuts are final. Most of those are private contract employees.

The overall impact on the region's economy is projected to range between \$200 million and \$300 million a year rather than the billion-dollars that was forecast when the Pentagon announced in August 2010 that JFCOM would be closed.

While the impact of the command's disestablishment has not yet been fully felt, government and business leaders say the region - Suffolk and Norfolk, in particular - has avoided the devastation that Old Dominion University economist James V. Koch likened at the time to a hurricane.

What Influences Modeling and Simulation? The majority of activity is concentrated around military applications and the Department of Defense. To maintain growth, the M&S industry has expanded into other application areas, such as homeland security, transportation, logistics, medicine, education, and gaming. The VMASC is leading cluster activities in many of these areas. Eastern Virginia Medical School, Norfolk State University and Hampton University have also initiated M&S programs.

*Data Definitions and Sources: ANGLE Technology, *The Economic Impact of Modeling, Simulation and Visualization in Hampton Roads (Virginia) Update* December 2007*

*Hampton Roads Planning District Commission, *Modeling, Simulation & Visualization Economic Impact and Cluster Analysis Study for Hampton Roads Virginia* March 2005*

*Hampton Roads Planning District Commission, *Hampton Roads Regional Benchmarking Study* December 2007*

### **Net Migration: Worsening** ↓

*More than one million people live in the Hampton Roads metropolitan statistical area (MSA), but over the last seven years, the region experienced the lowest population growth in Virginia.*

Why is This Important? Net migration is a measure of people moving into and away from an area. The total net migration for an area is comprised of two parts: internal migration and international migration. Simply stated, internal migration is the number of people moving from one area in a country to another, while international migration tracks the movement of the foreign born as well as the emigration of the native born. The flow of people from one place to another can be a useful tool in

assessing the strengths and weaknesses of a region, both economically and socially. People move to areas that offer the jobs they need and the quality of life they desire.

How is Hampton Roads Doing? The Virginia Beach-Norfolk-Newport News, VA-NC MSA (Hampton Roads MSA) experienced a net migration loss between 2008 and 2009. Although there was a slight increase in international migration, a large deficit in internal migration resulted in a decline in net migration. This outflow was more than offset by a strong natural population increase (births-deaths) of 11,507, resulting in a net gain of 4,273 people in the Hampton Roads MSA.

#### Recent Change in Net Migration, By MSA, July 2008 to July 2009

Total Population Change						
Geographic area	Number*	Percent	Natural Increase (Births / Deaths)	Total Net Migration	Inter-national Migration	Internal Migration
Virginia	72,753	1.1	47,534	39,166	20,928	18,238
United States	2,631,704	0.9	1,776,800	854,905	854,905	
Virginia Beach-Norfolk-Newport News, VA-NC	4,273	0.3	11,507	-7,185	867	-8,052
Charlotte-Gastonia-Concord, NC-SC	39,055	2.3	15,006	23,889	4,678	19,211
Jacksonville, FL	11,616	0.9	8,035	3,518	1,760	1,758
Raleigh-Cary, NC	35,419	3.2	11,378	23,655	3,560	20,095
Savannah, GA	8,530	2.5	2,374	6,166	359	5,807
Washington-Arlington-Alexandria, DC-VA-MD-WV -- leading VA MSA	78,935	1.9	38,463	40,115	22,549	17,566

#### Change in Net Migration, By MSA, April 2000 to July 2009

Total Population Change						
Geographic area	Number*	Percent	Natural Increase (Births / Deaths)	Total Net Migration	Inter-national Migration	Internal Migration
Virginia	803,542	11.4	425,738	375,639	204,219	171,420
United States	25,581,948	9.1	15,875,579	8,944,170	8,944,170	
Virginia Beach-Norfolk-Newport News, VA-NC	97,573	6.2	107,040	-17,992	2,013	-20,005
Charlotte-Gastonia-Concord, NC-SC	414,972	31.2	122,742	298,363	49,984	248,379
Jacksonville, FL	205,394	18.3	68,191	142,734	15,968	126,766
Raleigh-Cary, NC	328,717	41.2	91,627	232,684	38,323	194,361
Savannah, GA	49,790	17.0	19,376	32,133	3,280	28,853
Winchester, VA -- leading VA MSA	20,993	20.4	5,658	15,846	1,764	14,082

Similar trends are visible when migration and population changes are considered over a longer period of time. Census Bureau numbers for Hampton Roads between April 1, 2000, and July 1, 2009, also show net migration numbers significantly below those of peer metropolitan areas (MSA). Consistently strong birth rates kept the population from falling; however, the growth rate was well below the Virginia state population growth rate. The Winchester MSA is the fastest growing MSA in Virginia.

**What Influences Migration?** Economic factors, such as employment opportunities and costs of living, are influential in choosing a place of residence but they are by no means the only forces at work. A host of personal factors also influence migration such as age, family ties and aspirations, opinions on rural and urban lifestyles, and even climate preference.

**Data Definitions and Sources:** Migration and Population Change Data - [Population Division](#), U.S. Census Bureau: Tables 2-5, 9, 10.

For further definitions or explanations of migration terms consult the [U.S. Census Bureau](#). Note: County and independent city population estimates from the U.S. Census Bureau explicitly account for overseas military movement, an important component of the Hampton Roads population change.

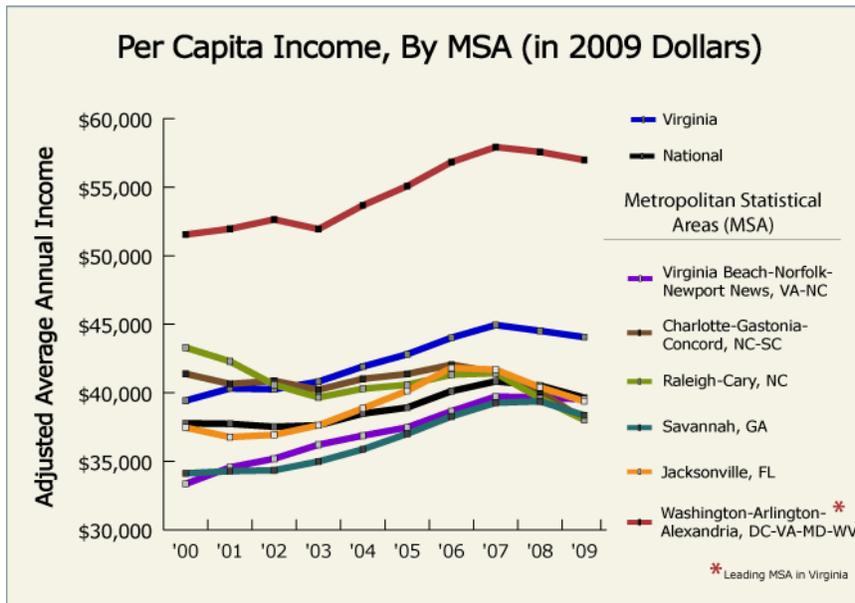
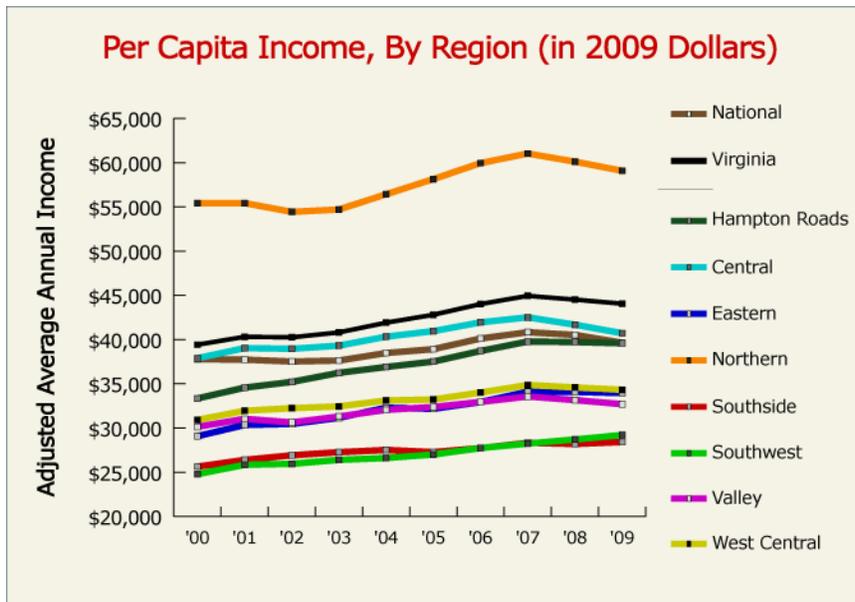
\*Population change also includes a residual estimated by the Census Bureau that results from the incorporation of additional information. This residual is not reflected in the table of population change. Therefore, the components of population change will not sum up to the total population change.

## **Personal Income: Improving**

*A strong economy is characterized by prosperity that is reflected in improving standards of living. Per capita income in the Hampton Roads region increased steadily until the 2007-2009 recession, and it remains higher than its peer MSAs. The region's per capita income is also increasing faster than the rate for Virginia and the United States as a whole.*

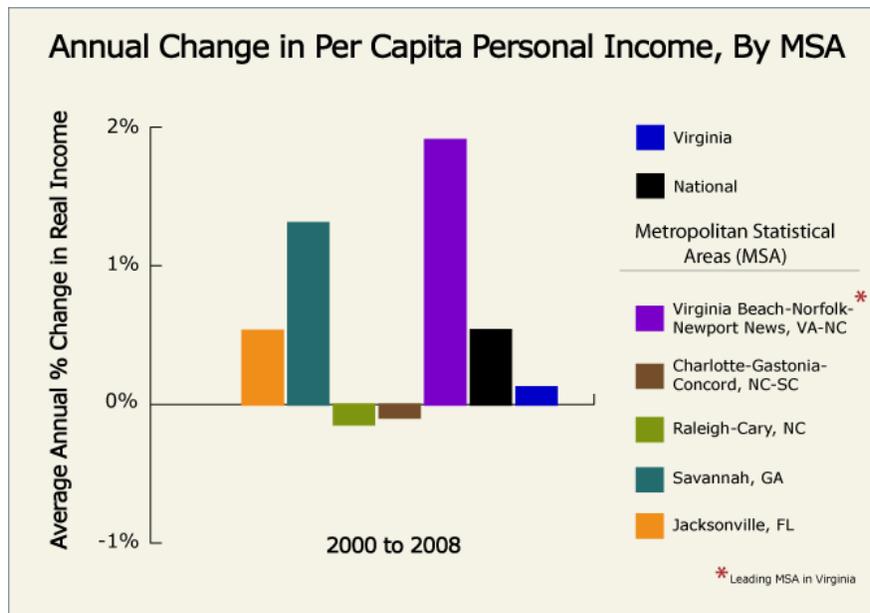
**Why is This Important?** Per capita personal income, which includes wages and salaries, transfer payments, dividends, interest, and rental income, is used as the broadest indicator of the magnitude of improvement in an economy. Rising income levels enable individuals to purchase homes, provide for their families, and improve the quality of their lives.

**How is Hampton Roads Doing?** Relative to other regions in Virginia, the Hampton Roads region ranked third highest (\$39,576) in per capita income in 2009, exceeded only by the Northern (\$59,082) and Central (\$40,716) regions.



In 2009, real (adjusted) per capita personal income in the Virginia Beach-Norfolk-Newport News, VA-NC MSA (Hampton Roads MSA) inched ahead of its peers and closed in on the United States average -- quite a difference from 2000, when it had the lowest per capita income among its peers. It has also enjoyed the fastest income growth rate from 2000 to 2009, at 1.9 percent.

What Influences Personal Income? In the short run, personal income is affected by the strength of the local, state and national economy. In the long run, factors that may influence personal income include tax burdens, public infrastructure, rates of business failure, industry structure, and knowledge stocks. Given the importance of the military bases in the region, Hampton Roads is also influenced by U.S. military expenditures.



Average wages and salaries reflect the productivity and demand for workers and the types of industries in a region. Workers who are better skilled or have relatively more education generally have higher wages. Economic upturns and downturns can influence the demand for workers and, consequently, the wages and salaries employers must offer to attract workers.

Data Definitions and Sources: U.S. Department of Commerce, Bureau of Economic Analysis.

The growth rate in income is computed using a compound interest formula.

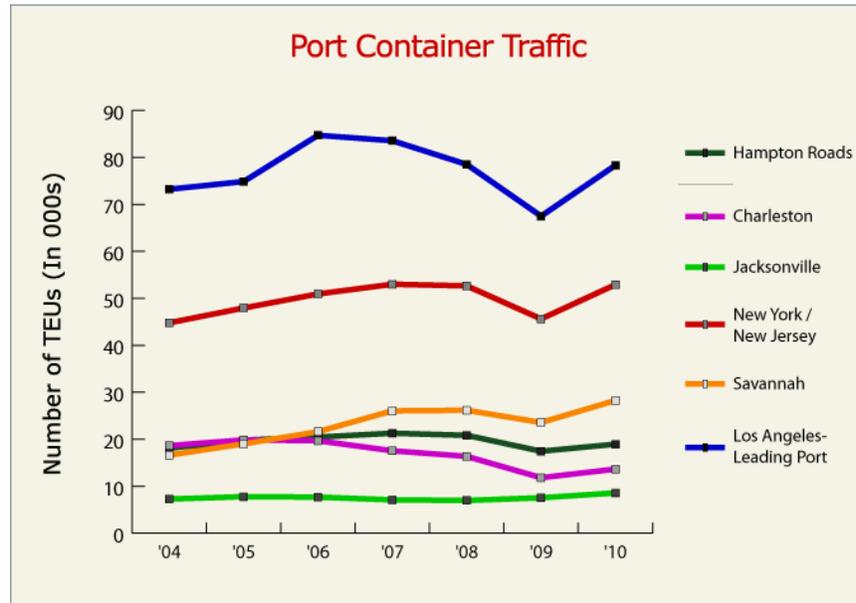
Bauer, Paul, Mark Schweitzer, and Scott Shane, *State Growth Empirics: The Long-Run Determinants of State Income Growth*, Federal Reserve Bank of Cleveland Working Paper 06-06, May 2006.

### Port/Maritime: Maintaining ➡

*The Port of Hampton Roads is widely regarded as one of the top deepwater harbors on the East Coast. With channels reaching 50 feet in depth and year-long freedom from ice, the Port of Hampton Roads can accommodate ships of all sizes and purposes, from the largest of container ships to the cruise ships that dock at the Norfolk Terminals. Currently the Port of Hampton Roads sees interaction with over 300 different ports in more than 100 countries.*

Why is This Important? Port activity has a substantial economic impact on the Hampton Roads region. The Virginia Port Authority alone averages yearly operating revenue of more than \$250 million. Operations of this size translate to significant impact on local area income and employment. A 2008 economic impact study estimates that port operations generate \$12.3 billion in local output, \$4.1 billion in employee compensation, and 100,244 in total employment.

How is Hampton Roads Doing? The Port of Hampton Roads experienced a significant decline in tonnage and twenty-foot equivalent units (TEUs) shipped as a result of the national "Great Recession." TEU totals had been down nearly 400,000 units from their 2007 peak of 2.1 million, but growth in all areas has resumed as the economic recovery takes hold and expansion projects around the port are completed. General tonnage increased 2.3 percent from 2009 to 2010 and TEUs increased 7 percent over the same period. The Port of Virginia website has the latest monthly results.



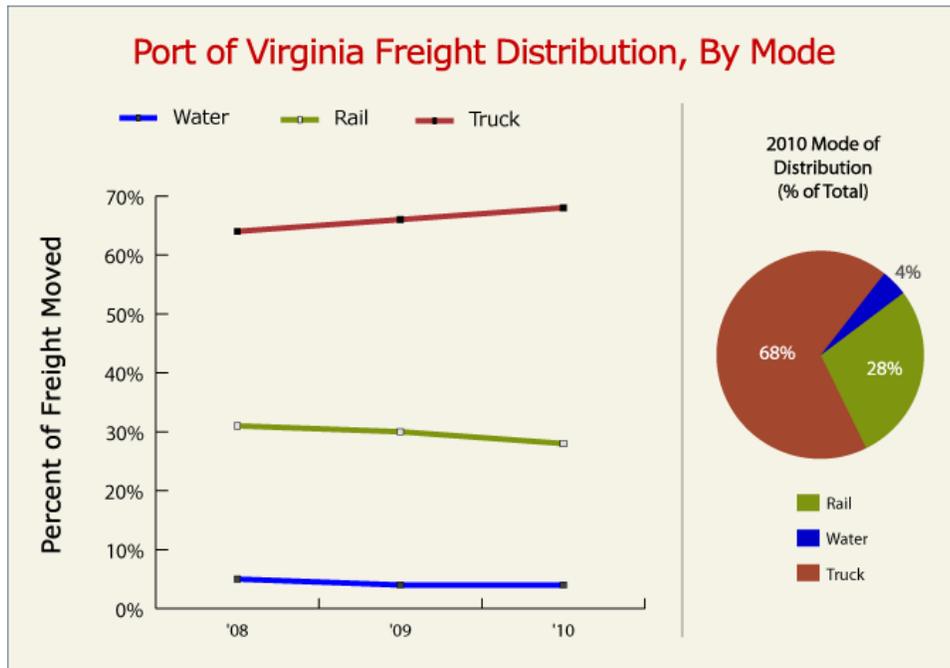
Activity in the port is managed principally by the Virginia Port Authority, which oversees Virginia International Terminals, Inc. in its operation of the Newport News Marine Terminal, Portsmouth Marine Terminal and the Norfolk International Terminals. Numerous coal and oil terminals also dot the harbor, and the new APM/Maersk Terminal will usher in a new era of maritime financing and construction.

Among the ports in the United States, the Hampton Roads Port has the 7th highest volume of cargo. In its peer group, however, it still trails New York / New Jersey and Savannah in this category.

Port of Hampton Roads Cargo Summary, Tons of Cargo							
	2004	2005	2006	2007	2008	2009	2010
<b>General Tonnage</b>	14,857,683	15,964,018	16,583,479	17,726,251	17,833,147	14,908,490	15,322,702

In 2004, 81 million tons of freight were transported into the Hampton Roads area from within North America alone. Another 48 million tons left Hampton Roads destined for various locations around the continent. Sixty-eight percent of freight transport in and out of the port area was by truck in 2010. Despite the easy access to rail and air services provided by Norfolk International Airport's freight

terminal and four rail providers nearby, the ability of truck transport to reach so many destinations gives it an advantage over other forms of transportation.



As the capacity of the port increases, the capacity of storage facilities and available transportation must increase as well. Estimates from 2004 put the available warehouse space in the Hampton Roads area at 14.6 million square feet, 29 percent of which was still available. Port activity into the future will largely be influenced by the ability of the Hampton Roads region to manage the timely storage and transportation of an increasing volume of freight. The price, availability, reliability and expediency of freight transportation to and from the port are major decision factors influencing the structure of the transportation system.

Another influence on activity comes from the ease with which more complicated foreign transactions are allowed to take place. The Port of Hampton Roads contains a number of Free Trade Zones that allow for the re-exportation of merchandise, as well as attractive international duty policies.

Data Definitions and Sources:

**A short ton** is a unit of mass equal to 2,000 pounds, common in measuring freight

**Twenty-foot equivalent units (TEU)** is a measurement based on the volume of a twenty-foot long shipping container

[Virginia Port Authority](#) -- Freight Data and Port Comparisons

The Fiscal Year 2006 Virginia Economic and Fiscal Impacts of Virginia Port Authority Operations, College of William and Mary, Mason School of Business Compete Center

Intermodal Management System Regional Freight Study (T0-702), Hampton Roads Planning District Commission, 2007.

[American Association of Port Authorities](#) (AAPA) Survey.

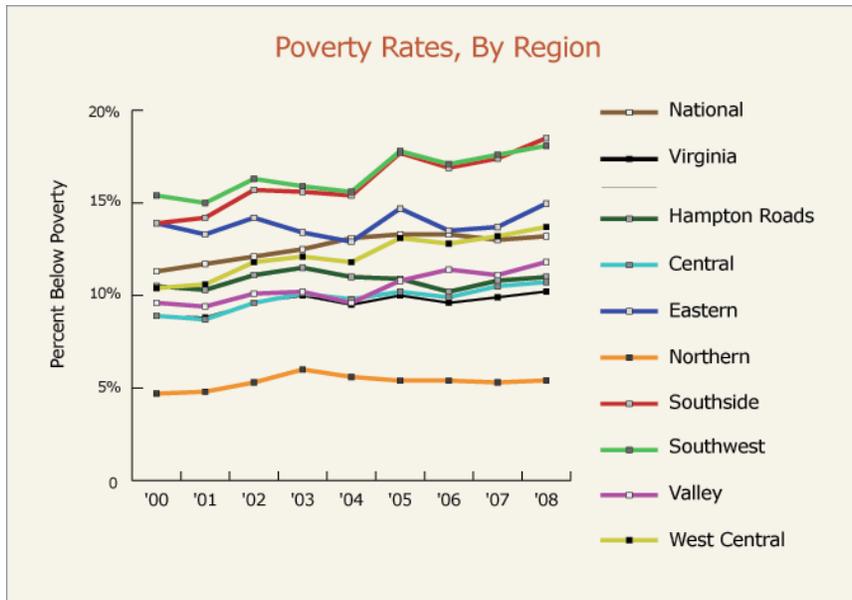
[Hampton Roads Transportation Planning Organization](#). Hampton Roads Intermodal Management System.

## **Poverty: Maintaining** ➡

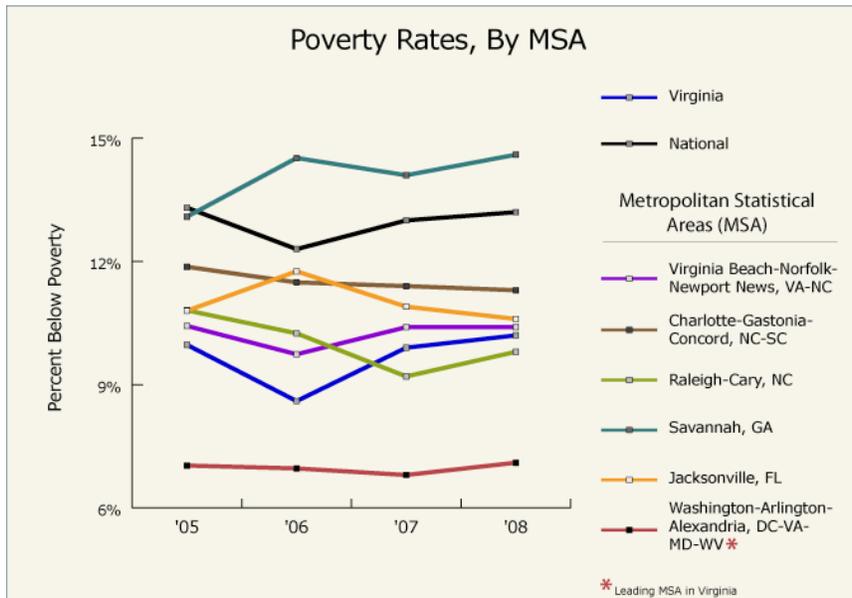
*Poverty imposes far-reaching hardships, not only on the poor but also on all who share their communities. The poverty rate in the Hampton Roads region is the third lowest among the regions but exceeds the state average.*

Why is This Important? Poverty has a significant impact on individuals and society at large. Children who live in poverty are more likely to suffer from poor nutrition during infancy, experience emotional distress, and are at an increased risk for academic failure and teenage pregnancy. Adult men and women who live in poverty are at a high risk of violence. Poverty can also affect senior citizens' ability to obtain health care and prescription medications or to care for themselves.

How is Hampton Roads Doing? The Hampton Roads region ranked third lowest among the regions in Virginia for the percent of residents whose income was below the federal poverty level in 2008, which was \$10,991 for an individual. The poverty rate in the Hampton Roads region (11.0 percent) exceeded the Northern (5.4 percent) and Central (10.7 percent) regions, as well as the Virginia rate overall (10.2 percent).



The Virginia Beach-Norfolk-Newport News (Hampton Roads) metropolitan statistical area showed no change in poverty levels between 2005 and 2008. Among peer MSAs, Hampton Roads ranks second lowest, but is higher than the leading MSA in Virginia (Washington-Arlington-Alexandria, DC-VA-MD-WV) and the state average.



What Influences Poverty? Poverty is strongly influenced by both educational attainment and the economy. Education generally makes workers more knowledgeable and productive, which increases average wages and employment levels. In the short run, the local, state, and national economy can affect poverty through fluctuations in wages, job availability, and prices. During an economic downturn, there may be less demand for workers; and with fewer jobs and possibly lower wages, poverty can be

expected to increase. Inflation may also increase poverty rates due to the unexpected costs of everyday consumption. Specifically in the Hampton Roads region, the U.S. military and its related activities have a strong influence on the poverty rates in the area.

**Data Definitions and Sources:** Poverty Data by locality (2000-2008), State and U.S. (2000-2004), U.S. Census Bureau: [Small Area Income & Poverty Estimates](#).

Poverty Data by MSA, State and U.S. (2005-2008), U.S. Census Bureau: [American Communities Survey](#).

Beginning with the estimates for 2005, data from the American Community Survey was used to estimate poverty rates for states and metro areas; all prior years used data from the Annual Social and Economic Supplements of the Current Population Survey.

### **Research and Technology: Maintaining** ➡

*Research and technology are key components in the continued economic growth of the Hampton Roads area. As home to 11 colleges and universities, as well as an active business community, the Hampton Roads region has the potential to stay on the forefront of technology-based business and industrial activity.*

Why is This Important? An active research and technology base is important in attracting both the type of people and firms that can spur growth in the Hampton Roads economy. The benefits, however, go beyond economic growth. Research and technology can also help to improve the quality of life in the region. Through initiatives seeking to improve education, communication among organizations, and environmental sciences, the public at large can also benefit.

How is Hampton Roads Doing? In the area of research, the Hampton Roads region follows the pattern for Virginia as a whole. In 2009, Virginia colleges and universities ranked 14th nationally for expenditures in research and development, 16th in federally financed research projects and 8th for state and locally funded research. Three Hampton Roads colleges and universities rank in the top 200 among educational institutions nationwide in federally funded research and three rank in the top 200 for expenditures in research related to science and engineering.

Financing levels vary from year to year, especially with smaller institutions.

Institution	Rank	2003	2004	2005	2006	2007	2008	2009
Johns Hopkins University -- Leading in Nation	1	1,450,611	1,561,627	1,586,005	1,596,233	1,608,032	1,674,947	1,856,270
VT -- Leading in Virginia	44	288,934	305,226	318,558	342,367	379,694	371,953	396,681
Old Dominion University	154	35,357	39,545	51,636	53,172	53,943	66,301	71,909

William & Mary	174	51,272	56,127	55,085	55,364	51,584	54,894	51,169
Eastern Virginia Medical School	193	38,245	38,385	37,043	35,131	32,544	30,668	36,678
Hampton University	265	21,772	35,940	47,201	30,547	24,850	21,014	12,824
Norfolk State University	318	5,284	7,041	7,424	5,474	6,716	7,865	6,878
Christopher Newport University	519	2,396	2,304	2,132	840	734	802	1,038

**Federally Funded Research and Development Expenditures** (in thousands), Adjusted to 2009 dollars

Institution	Rank	2003	2004	2005	2006	2007	2008	2009
Johns Hopkins University -- Leading in Nation	1	1,290,686	1,396,280	1,403,105	1,391,354	1,410,128	1,420,030	1,587,547
University of Virginia -- Leading in Virginia	48	202,227	213,652	218,169	216,855	205,154	218,648	218,499
Old Dominion University	170	22,016	24,278	26,873	29,271	26,586	28,197	27,644
College of William and Mary	179	25,642	29,584	29,547	30,990	26,885	25,554	24,248
Eastern Virginia Medical School	180	17,992	19,909	21,936	20,644	21,336	17,437	24,083
Hampton University	230	21,474	35,710	47,007	30,418	24,663	20,836	12,662
Norfolk State University	289	5,135	6,876	6,651	4,918	6,206	7,261	6,306
Christopher Newport University	485	2,268	2,162	1,838	625	617	628	761

**Science and Engineering Expenditures for FY 2009** (in thousands), Adjusted to 2009 dollars

Institution	Rank	Environmental Science	Math / Computer Science	Physical Science	Engineering	Life Science
Johns Hopkins University -- Leading in Nation	1	51,224	99,969	146,274	703,165	787,092

VT-- Leading in Virginia	43	7,324	16,624	21,212	163,437	168,495
Old Dominion University	149	7,091	3,693	7,450	37,459	11,056
College of William and Mary	176	31,277	1,346	5,851	0	2,915
Eastern Virginia Medical School	181	0	0	0	0	36,678
Hampton University	257	5,003	253	5,888	1,369	149
Norfolk State University	302	1	1,219	3,961	10,126	307
Christopher Newport University	485	0	0	601	0	436

The commitment of the Hampton Roads region to research and technology stretches beyond the classroom and the laboratory. There are a number of organizations in the area dedicated not only to research, but also to the integration of businesses, research centers, and institutions of higher education for the economic and social benefit of the Hampton Roads region. Innovate Hampton Roads (IHR) and Technology Hampton Roads (THR) are two such organizations.

The mission of *Innovate!HamptonRoads™* (<http://innovatehamptonroads.com/>) is to promote locally-grown business, technology-based economic development in Hampton Roads, Virginia, so the region is recognized internationally for clusters of excellence, fueled by a culture of innovation, entrepreneurship and economic and educational opportunities.

The Goals of *Innovate!HamptonRoads™* are to:

- Stimulate high growth-potential new business formation,
- Accelerate the growth of our existing tech businesses, and
- Ignite the commercialization of research innovation.

Partners include higher education and institutional research, federal facilities such as NASA Langley Research Center and the Department of Energy’s Jefferson Lab, the non-profit National Institute of Aerospace, technology businesses and the region’s technology council, *Technology Hampton Roads*, economic development entities and workforce investment boards.

Technology Hampton Roads (<http://www.hrtc.org/>) is a member-based association of technology organizations and technology resource companies that network to connect purchasers and providers, locate and build synergistic relationships, and collaborate on various topics, initiatives, and programs in an effort to advance technology in Hampton Roads – one day making Hampton Roads a national leader in innovative companies, innovative individuals, and innovative thought.

Both organizations, and others like them, are involved in the [Hampton Roads Economic Development Alliance](#). The cooperation of such organizations, colleges, universities, businesses and governmental organizations alike is vitally important in harnessing the potential gains from research and technology.

What Influences Research and Technology? A significant portion of research takes place at colleges and universities. The availability of funding from federal, state, local and private sources influences the level and effectiveness of research and technology in producing tangible gains for the region.

In addition, the ties among local government, businesses and research institutions can be important. Networking across these different sectors can provide support and guide research efforts along lines that make them more applicable to the needs of the region.

*Data Definitions and Sources:* National Science Foundation, National Center for Science and Engineering Statistics (NCSES). 2011. [WebCASPAR. Integrated Science and Engineering Resources Data System](#).

[Innovate Hampton Roads](#)

[Technology Hampton Roads](#)

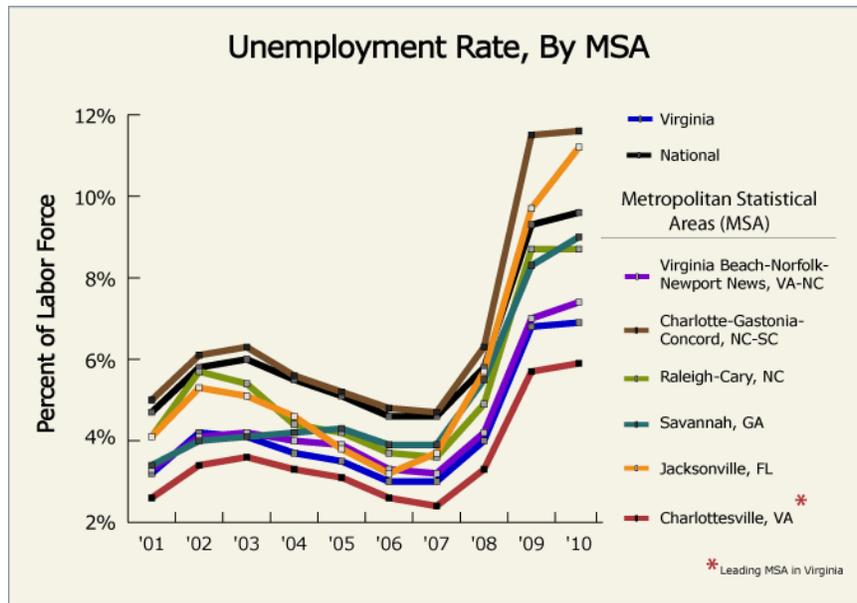
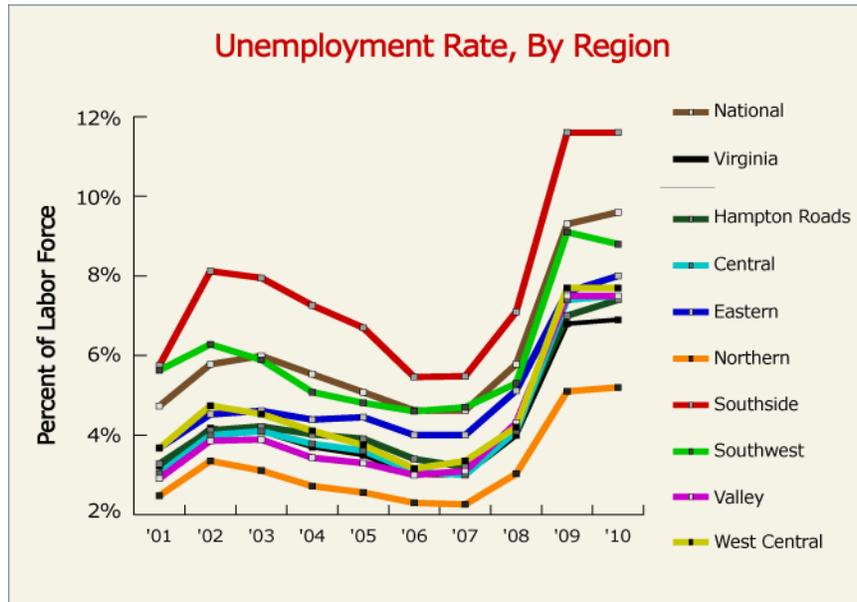
## **Unemployment: Worsening** ↓

*The unemployment rate -- the number of employable but currently unemployed people seeking jobs -- is a vital indicator of the health of a region's economy and the happiness and satisfaction of its citizens. Even as the nation began to recover from the national recession in 2010, unemployment rates continued to rise in many regions across the country. The unemployment rate in the Hampton Roads region remained slightly higher than Virginia's overall unemployment rate, but lower than the national average. A strong military presence in the region has helped stabilize unemployment rates.*

Why is This Important? Unemployment is a measure of how many people without jobs are actively seeking employment. Since most people earn a living from a job, unemployment is a measure of how well the economy provides opportunities for individuals to support themselves and their families. Unemployment not only hurts the personal finances of those without jobs, but also reduces their participation in the overall economy. The inability to find work is also associated with psychological stress, health problems, and stress on family relationships.

How is Hampton Roads Doing? Although the national economy began to emerge from recession in 2010, unemployment rates continued to rise for many. The Hampton Roads region saw an increase in its unemployment rate from 7.0 percent in 2009 to 7.4 percent in 2010; however, the region did enjoy

the second lowest unemployment rate among Virginia's eight regions. Unemployment rates were lower only in the Northern region (5.2%) and for Virginia as a whole (6.9%).



A 2010 unemployment rate of 7.4 percent in the Virginia Beach-Norfolk-Newport News, VA-NC MSA (Hampton Roads MSA) was also lower than its peer MSAs and the average for the United States. However, the rate for other Virginia metropolitan areas was 6.8 percent, while the Charlottesville MSA had the lowest rate among Virginia's MSAs at 5.9 percent in 2010.

**What Influences Unemployment?** In the short-term, the rate of unemployment fluctuates with the national business cycle. Federal spending within Virginia also influences the economy. The long-term factors that affect the unemployment rate in Virginia and the Hampton Roads region also affect the area's overall competitiveness: education, infrastructure investments, tax rates, and the regulatory environment. Any changes that improve the region's attractiveness as a place to live or do business will, over longer periods of time, tend to reduce the unemployment rate.

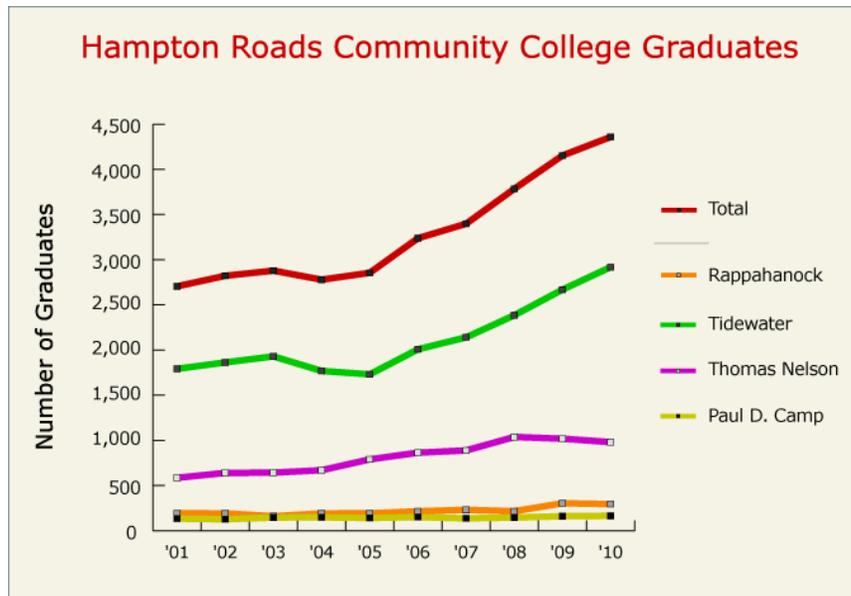
*Data Definitions and Sources:* [U.S. Bureau of Labor Statistics](#)

## **Workforce Quality: Improving**

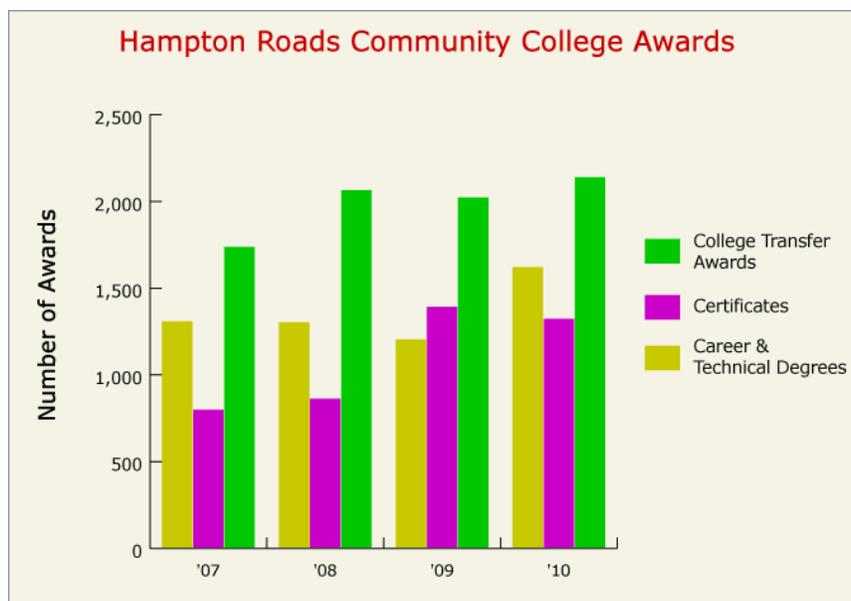
*The quality of Hampton Roads' workforce is highly correlated with the region's educational attainment. Hampton Roads has been successful both in providing educational opportunities to its population and in attracting educated workers from other regions. Factors such as proximity to D.C., 15,000 military retirees annually, and 27 colleges, universities and other post-secondary institutions contribute to the educational levels of the workforce.*

**Why is This Important?** At the time of the 2000 Census, almost 85 percent of the adults in the Hampton Roads region had at least a high school diploma. However, in today's dynamic economy, jobs increasingly require education beyond high school. Whether it is a university or college degree, a degree or certificate from a community college, or a technical education certificate earned while in high school, additional education not only prepares individuals for the tasks required by a job, but it also enhances their ability to adapt to new working environments.

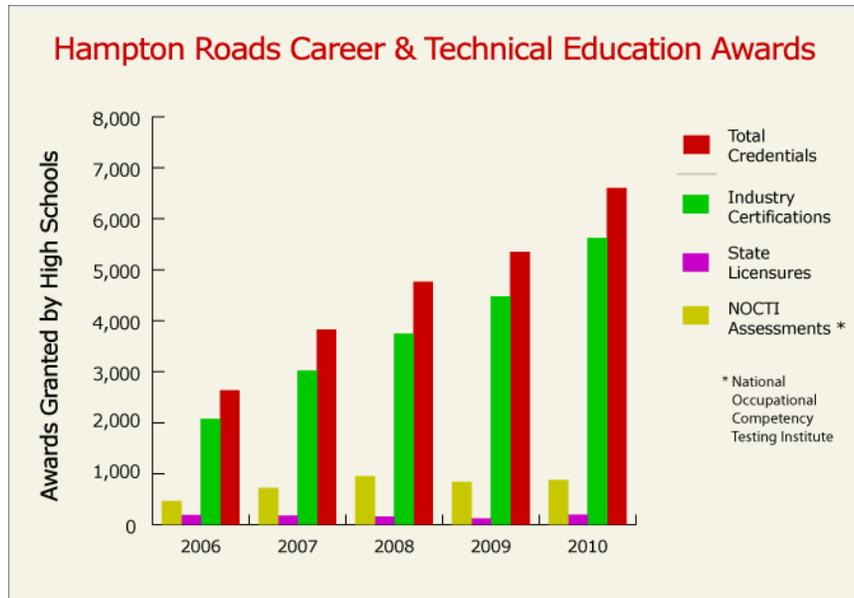
**How is Hampton Roads Doing?** More than 27 percent of the residents of the Virginia Beach-Norfolk-Newport News, VA-NC metropolitan statistical area (Hampton Roads MSA) hold at least a Bachelor's degree. ([See Educational Attainment.](#)) In addition, the Hampton Roads region has increased the number of community college graduates in recent years, growing from a total of 2,762 graduates in 2000 to 4,359 graduates in 2010. Awards in 2010 also included 2,120 college transfer awards, 1,602 career and technical degrees, and 1,303 certificates.



Many of the high schools in the Hampton Roads region offer students the chance to prepare for a career by completing career and technical education programs before they graduate. Students can earn state licenses, industry certifications, or pass National Occupational Competency Testing Institute (NOCTI) assessments. In the 2009-2010 school year, the high schools in the Hampton Roads region granted a total of 6,561 such awards, up from 5,302 the previous year.



What Influences Workforce Quality? The existence of a skilled workforce in a region is an indicator of both the presence of industries that demand such workers and a measure of a region's ability to educate or attract skilled workers. Workforce quality can be strengthened by investing in education and by creating a business-friendly environment that attracts knowledge-intensive businesses and the skilled workforce that these businesses employ.



*Data Definitions and Sources:* Career and technical education programs are, on average, two year programs designed to train technicians, semiprofessional workers, apprentices and skilled crafts persons for employment in industry, business, the professions and government. Such programs are offered in a number of fields from agriculture to health and medicine. For more information on the types of programs and awards offered by the Hampton Roads community colleges, visit the [Virginia Community Colleges website](#).

U.S. Census, [Educational Attainment 2000](#)

U.S. Census Bureau, [2009 American Community Survey Educational Attainment For The Population 25 Years And Over](#)

Virginia Department of Education, [Office of Career and Technical Education](#)

## ***Vision Hampton Roads***

***Vision Hampton Roads*** is creating regional transformation, engaging citizens, embracing ongoing region-wide economic development practices and embedding a working process in all that we do ... thinking, living and acting regionally.

Institutions, organizations, and local governments throughout the region used *Vision Hampton Roads* this past year either in their own strategic planning or as a foundation for launching specific initiatives. A few examples include *Bearing on the Future: The Tidewater Community College Strategic Plan* (2011-2012 Planning Supplement); *Old Dominion University Business Gateway*; and local planning efforts within the cities of Hampton, Poquoson, Portsmouth, and Virginia Beach.

Over the past decade, *State of the Region Hampton Roads* (SOR), an annual report produced by ODU's Regional Studies Institute, has examined a wide array of regional issues including economic performance. The 2010 SOR report included the *Vision Hampton Roads* dashboard indicators ([http://bpa.odu.edu/forecasting/sor/2010/2010\\_SOR\\_Dashboard.pdf](http://bpa.odu.edu/forecasting/sor/2010/2010_SOR_Dashboard.pdf)).

The Hampton Roads Planning District Commission released a local funded *Hampton Roads Regional Competitiveness Report*. The report provides a comprehensive review of literature and data concerning regional competitiveness and mechanisms for achieving productivity growth. Evidence suggests that each region's path to sustained growth is unique, growing organically on regional strengths and economic clusters. In reviewing both the failures and successes of development efforts across the globe it is evident that the most important aspects in achieving sustainable growth are to focus on developing a culture and environment that is built upon regional strengths, invests in education, encourages entrepreneurship and business growth, and has an effective system of governance. The report recommendations reaffirm the purpose and approach of *Vision Hampton Roads*. The full report is available at <http://www.hrpdc.org/Documents/Economics/2011/Hampton%20Roads%20Regional%20Competitiveness.pdf>

The Hampton Roads Community Foundation is conducting a situational analysis on regional competitiveness to determine the obstacles to effective regional cooperation. Their research and recommendations will be useful in executing *Vision Hampton Roads*.

While there has been very positive response to *Vision Hampton Roads* our challenge has been accountability associated with plan implementation considering the many organizations and volunteers involved. Recognizing that it is critical actions that move a strategic plan from a document that sits on the shelf to events that drive economic growth, the Hampton Roads Partnership engaged **FranklinCovey** through a connection with the Hampton Roads Quality Management Community (HRQMC) and to help develop an execution strategy for *Vision Hampton Roads*. Through extensive training over the past few months using *The 4 Disciplines of Execution* several *Vision Hampton Roads* Task Force leads have defined Wildly Important Goals (WIGs), developed the key measures to track progress and have begun to build peer to peer accountability that will produce results. This is a necessary commitment and will be essential to achieve the objectives, strategies and actions of *Vision Hampton Roads*.

## Adjustments, Progress and Achievable Goals in the Year Ahead

The pages that follow include adjustments to the original *Vision Hampton Roads* plan.

Under the **progress** heading are projects/initiatives that have been either been implemented or underway to advance strategies and actions within the plan.

**Achievable goals in the coming year** are also noted.

### Federal

*The Hampton Roads Military and Federal Facilities Alliance (HRMFFA) is the lead organization overseeing the Federal component of Vision Hampton Roads.*

*Since submission of the strategic plan to the Economic Development Administration in April, 2010 HRMFFA's staff leadership changed. The new Director (RADM Craig Quigley) has provided adjustments to the objective, strategies, and actions under the Federal component of the plan. A strike-through followed by highlighted text indicates where adjustments were made.*

**OBJECTIVE 1: Hampton Roads will be the premier ~~Mission-Ready~~ region hosting Federal assets critical to the Commonwealth of Virginia and the Nation.**

**Strategy 1: Retain **and grow** organizations, capabilities and investments owned, operated or funded by the Federal Government in Hampton Roads.**

**Action 1:** Develop and implement a proactive, action-oriented strategy led by HRMFFA that addresses stability, ~~and viability~~ **and growth** of ~~mission-critical~~ **Federal** entities including:

- ~~• Aircraft stationed Oceana Naval Air Station, Langley Air Force Base, Fort Eustis;~~
- ~~• Army (Fort Eustis/ TRADOC);~~
- **All tenant commands, senior staffs and operational forces stationed at regional military installations;**
- **U.S.** Coast Guard;
- **Thomas Jefferson National** Lab;
- Joint **Staff South** (**former U. S.** Joint Forces Command (JFCOM));
- NASA Langley Research Center;
- NATO's Allied Command Transformation;
- **All national park and national wildlife refuge properties.**
- ~~• Navy ships home-ported in Hampton Roads and Norfolk Naval Shipyard.~~

**Action 2:** ~~Support contractors that serve federal installations by implementing appropriate economic development strategies such as creating on-site spaces and developing a regional water strategy.~~ **Remain aggressively engaged with organizations, capabilities and investments**

**owned, operated or funded by the Federal government and closely monitor all possible opportunities to expand Federal sector presence.**

**Action 3: Help to maintain and grow the ship building and ship repair industries in the region.**

**Strategy 2: Attract and expand new organizations, capabilities and investments owned, operated or funded by the Federal government in to Hampton Roads.**

~~**Action 1:** Remain aggressively engaged with organizations, capabilities and investments owned, operated or funded by the Federal government and closely monitor all possible opportunities to expand Federal sector growth.~~

**Action 21:** Diversify the types of **new** Federal activities located in **attracted to** Hampton Roads by demonstrating logistical and economic sense **synergy** for locating in the region.

**Action 32:** Leverage the region's proximity to Washington, DC to position **strengthen** the region's **attractiveness** to host additional Federal assets.

**Action 3: Aggressively pursue public-private partnerships, as well as public-public partnerships, as a way of attracting new Federal activities to the region.**

**Strategy 3: Achieve Increase public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth and the nation.**

~~**Action 1:** Maintain and grow the federal infrastructure and Navy presence in the region and sustain ship building and ship repair industries. **Aggressively seek out public speaking engagements, professional forums and other opportunities to inform a variety of audiences about the critical importance of the Federal sector to our regional economy.**~~

**Action 2:** Enhance and coordinate political engagement among local elected leaders, the Hampton Roads Caucus of the General Assembly, the Governor and his staff and the Virginia Congressional delegation in order to raise their constituents' awareness of the critical role played by the Federal sector to our regional economy.

**Action 3:** Build relationships with key regional business leaders in order to highlight the importance of all Federal assets in the region to the economic health of Hampton Roads, the Commonwealth and the nation.

~~**Strategy 4: Grow the indirect and induced investments and business located in the Hampton Roads region because of federal assets.**~~

~~**Action 1:** Quantify the indirect and induced investments and business using assets available (research capability, wireless connectivity, etc.).~~

~~**Action 2:** Use data to motivate/inform specific strategies to mitigate negative impacts and enhance positive impacts (i.e., promoting region as a preferred location for federal government retirees).~~

~~**Action 3:** Identify and address the needs of ancillary and emerging businesses.~~

**Progress:**

The Federal presence in Hampton Roads continues to comprise approximately 45% of the region's economy. The Hampton Roads Military and Federal Facilities Alliance (the LEAD in implementing the Federal component of *Vision Hampton Roads*) has been successful in their efforts to mitigate the effects of the U.S. Joint Forces Command disestablishment as 50% of all assets remain in place. The Alliance has also been successful in blocking the movement of an aircraft carrier to Florida and progress continues in refining a solid business plan for the Program for Air Mobility Innovation in the 21<sup>st</sup> Century (PAMI 21).

**Achievable goals for the coming year:**

- Maintain or increase staffing levels at Joint Staff South (former U.S. Joint Forces Command)
- Work to mitigate adverse effects of expected Federal government budget cuts on the region
- Initiate the Program for Air Mobility Innovation in the 21<sup>st</sup> Century (PAMI 21)
- Mature the Hampton Roads Energy Corridor concept  
([http://HRP.org/Site/docs/Publications/Strategy\\_Committee\\_meeting\\_04Mar11\\_Energy\\_Corridor.pdf](http://HRP.org/Site/docs/Publications/Strategy_Committee_meeting_04Mar11_Energy_Corridor.pdf))
- Establish an Atlantic UAS Test Range, with partners including NAS Patuxent River, NASA Wallops, NASA Langley and National Institute of Aerospace
- Assist in the historically-compatible redevelopment of Fort Monroe
- Advocate for robust ship building and ship repair funding in the Federal budget
- Continue advocacy and awareness campaigns among a variety of constituencies to protect and grow the Federal presence in Hampton Roads

**Infrastructure**

*The Hampton Roads Transportation Planning Organization (HRTPO) and Hampton Roads Planning District Commission (HRPDC) are the two lead organizations that address the region's infrastructure challenges and opportunities.*

*Infrastructure was a cross-cutting issue in the planning process, included in every sub-committee's work plan and recommendations. The sub-committee reference remains in the plan as a reminder of the importance of adequate infrastructure to other strategic areas.*

***Identified by Tourism, Arts & Culture Sub-committee:***

**Strategy 4: Achieve an adequate transportation system to enhance regional mobility, facilitate ease of travel from outside the state and allow for full participation in the diversity of the Hampton Roads tourism and arts and culture experience upon arrival.**

- **Action 1:** Address transportation by rail with the expansion of the current light rail project and encourage the possibility of higher speed rail to facilitate travel from the Northeastern corridor through to Southside Hampton Roads, along with improvements on the Peninsula.
- **Action 2:** Address transportation by roads and the constant congestion of the area and continue to investigate the possibility of additional Hampton Roads Harbor crossings.
- **Action 3:** Address transportation by ferries by ensuring continued service between Surry and Williamsburg and examine capabilities for crossing the mouth of the James River.
- **Action 4:** Address air service development by monitoring and continuing to cultivate service with major airlines that feed airline service to Newport News/Williamsburg International Airport and Norfolk International Airports.

***Identified by Federal Sub-committee:***

- **Action 1:** Provide adequate surface connections (road and rail) to enhance regional mobility and access to federal facilities and to Washington, DC, recognizing infrastructure improvements create jobs and wages today and taking into account the safety of navigation, force protection and homeland security concerns of the Navy and other Federal agencies.
- **Action 2:** Enhance the connectivity required to improve telework/telecommuting opportunities in order to retain organizations, capabilities and investments owned, operated or funded by the Federal Government in Hampton Roads.

***Identified by Port Sub-committee:***

- **Action 1:** Provide adequate surface connections (road and rail) to enhance regional mobility and improve access to inland markets recognizing infrastructure improvements create jobs and wages today in order to maintain the Port as an economic engine for the Hampton Roads region, the Commonwealth of Virginia and the Nation.
- **Action 2:** Meet the present and future needs of the Port of Hampton Roads through the provisions of safe, efficient and environmentally compatible commercial and military navigation systems and related land-based support facilities in order to maintain the Port as an economic engine for the Hampton Roads region, the Commonwealth of Virginia and the Nation.

**Progress:** The following HRTPO initiatives and accomplishments have been achieved in 2010-2011 through regional transportation planning and programming processes.

- **Project Prioritization Tool** – To assist the HRTPO Board with prioritizing regional transportation investments in the Long-Range Transportation Plan (LRTP), a Project Prioritization Tool was developed. The Prioritization Tool considers three components in evaluating candidate transportation projects: Project Utility, Economic Vitality, and Project Viability. The Prioritization Tool was used to analyze 155 candidate regional transportation projects under consideration for inclusion in the 2034 LRTP.

- **Fiscal-Constraint of LRTP Projects** – Using the scores produced by the Project Prioritization Tool, recommendations from the HRTPO Transportation Technical Advisory Committee (TTAC), the Freight Technical Advisory Committee (FTAC), the Governor’s Transportation Funding Proposal and with input from stakeholders (local, State, Federal, private sector, and public), the HRTPO staff developed a fiscally-constrained list of recommended regional transportation priorities for Hampton Roads.
  - a. **Analysis and Mapping of Environmental Justice** – Using Census data, HRTPO staff analyzed seven criteria (low income, minority, disabled, elderly, limited-English proficiency households, zero-vehicle households, and households that received public assistance) to identify concentrations of populations that may experience barriers to mobility. This analysis was used in the development of, and outreach for the 2034 LRTP.
  - b. **Extensive Public Outreach for LRTP** – The HRTPO staff conducted extensive public outreach during the development of the LRTP. Outreach strategies included: surveys, a website dedicated to the development of the 2034 LRTP, library outreach (bookmarks, flyers, surveys, and reports), visualization techniques in the form of an online interactive map, implementation of a school outreach program, and several public meetings across the Hampton Roads region.
  
- **High Speed and Inter-city Passenger Rail (HSIPR) Preliminary Vision Plan and Blueprint** – In the interest of improving the potential for making high-speed rail and improved intercity passenger rail service to Hampton Roads a reality, the HRTPO Board retained the services of consultant that specializes in passenger rail projects. To-date, this effort has resulted in two reports - 1) Hampton Roads High-Speed and Intercity Passenger Rail Preliminary Vision Plan (Phase 1), approved by the HRTPO Board in July 2010; and 2) Hampton Roads Strategic Long-Term High-Speed and Intercity Passenger Rail Plan – Phase 1(B) Blueprint Study, approved by the Board in January 2011.
  
- **Reformatted Transportation Improvement Program (TIP)** – In an effort to improve the transparency of the TIP as well as enhance the capability of HRTPO staff to monitor the status of projects in Hampton Roads, staff overhauled the TIP format. The new TIP, approved by the HRTPO Board in June 2011, significantly improves access to project information, including funding allocations, scheduled obligations, and expenditures. Visualization techniques have been applied to the TIP in the form of project location maps and a soon to be implemented online interactive map.
  
- **State of Transportation in Hampton Roads: 2010 Update** – This report is produced as part of the Congestion Management Process and details the current status of all facets of the transportation system in Hampton Roads, including air, rail, water, and highways. The 2010 Update was approved by the HRTPO Board in January 2011.

- **Congestion Management Process** – The Congestion Management Process (CMP) is an on-going process that identifies congested locations, determines the causes of congestion, ranks the most congested segments, and develops transportation strategies to reduce traffic congestion and enhance safety and mobility region-wide. The most recent update of the CMP was approved by the HRTPO Board in September 2010.
- **Military Transportation Needs** – HRTPO staff initiated a study of military transportation needs in Hampton Roads. The study included a review of the Strategic Highway Network (STRAHNET) and identified the military sites in Hampton Roads and the network of roadways that serve those sites. This work will be expanded upon in FY 2012.
- **Regional Safety Study: General Crash Data and Trends 2010 Update** – This report updates the General Crash Data and Trends portion of the Hampton Roads Regional Safety Study. Trends are analyzed for crashes, injuries, and fatalities on a regional and jurisdictional level. The 2010 Update was approved by the HRTPO Board in March 2010.
- **Regional Land Use Map** – Existing and Future Regional Land Use maps were developed for the Hampton Roads region to assist in the transportation planning process. HRTPO is one of the few MPOs to develop standardized classifications of land use across the region. The Regional Land Use Map was approved by the HRTPO Board in June 2011.
- **Inland Port Study** – The competitiveness of the Port of Virginia is impacted by roadway congestion in Hampton Roads. One possible solution to bypass this congestion and make the Port of Virginia more competitive is an inland port to the west of the congested areas of Hampton Roads. This study examined the impacts that a hypothetical inland port in Hampton Roads would have on roadway travel and congestion, both today and in the future, throughout the region. The HRTPO Board the study for release September 15, 2011.
- **Legislative Agenda 2010** – For the first time, in October 2010, the HRTPO Board developed and approved a list of legislative priorities to form the 2011 Legislative Agenda for the purpose of conveying the information to the Virginia General Assembly (GA) for its review, consideration, and approval for the 2011 GA session.
- **Development of Regional Performance Measures** – HRTPO staff developed a set of measures to be used to gauge the performance of regional planning and programming in Hampton Roads. The measures have been approved by the Commonwealth Transportation Board
- **Citizens Guide** – Provides citizens of Hampton Roads with a compact view of the HRTPO, its programs and projects and provides a step by step guide to becoming involved in the

transportation planning process. The Citizens Guide is nearing completion and is expected to be approved in October 2011.

- **Development of Rural Long-Range Transportation Plan** (first time) – The Rural Long-Range Transportation Plan (RLRP) is part of a new initiative to create regional transportation plans in rural areas that complement those in Virginia’s metropolitan and small urban areas. The RLRP looks at improvements that can be made in order to assess the effects of population and employment growth upon the transportation system. Each RLRP was developed as a blueprint, or vision plan, to address all of the needs of the transportation system, regardless of anticipated funding availability. This regional plan can then be used by local, regional, and state agencies to identify transportation funding priorities.

**Achievable goals in the coming year:**

- **HSIPR – Preliminary Vision Plan and Blueprint** – During FY 2012, the HRTPO plans to continue working with the consultant on a Phase 2 study, which will evaluate the status of federal programs and include information to aid in securing environmental funding for the Hampton Roads to Richmond corridor with speeds up to 110-mph.
- **Military Transportation Needs Study** to be expanded (*Hampton Roads Military Transportation Needs Study: Highway Network Analysis*). During FY 2012, the HRTPO staff plans to work with local military officials to distribute a military personnel survey to determine transportation challenges and problems in Hampton Roads, particularly during daily commutes.
- **Development of Regional Performance Measures** – Target values for each performance measure will be established during FY 2012.
- **2012 Legislative Agenda** – To be reviewed by the HRTPO in October 2011. Once approved the agenda will be presented to the Virginia General Assembly for consideration and approval.

***Identified by Opportunities Sub-committee:***

- **Action 1:** Develop a long-term adaptation strategy for the impacts of climate change and sea level rise on Hampton Roads in order for Hampton Roads to be a region of excellence for environmental distinction.
- **Action 2:** Utilize the strengths of the region’s modeling and simulation industry to develop tools to support regional leaders in developing climate change and sea level rise adaptation strategies in order for Hampton Roads to be a region of excellence for environmental distinction.

- **Action 3:** Support transportation policies including investment in transit and programs that will promote more compact land use in order for Hampton Roads to be a region of excellence for environmental distinction.

**Progress:**

HRPDC has been engaged in climate change research, education, and outreach for the past two to three years. Most of this effort has been funded through collaboration with the Virginia Coastal Zone Management Program, which is currently contributing half of the total budget of a three-year Focal Area Grant studying climate change adaptation in Hampton Roads. This project has so far resulted in two research reports. The first gave a broad overview of climate change, its projected effects, and its potential impacts on the region. It also documented engagement with local government staffs. The findings of this report were presented to the Commission at its meeting on April 21, 2010. The second report described an analysis of the region's exposure to storm surge in terms of land area, population, roads, critical infrastructure, and businesses. The findings of this report were presented to the HRPDC at its meeting on June 16, 2011. In addition to these reports, HRPDC staff helped organize four listening sessions in Virginia Beach along with the Institute for Environmental Negotiation, Wetlands Watch, and the City of Virginia Beach. HRPDC staff also gave presentations to several city councils and boards as well as other organizations, and participated in the "Water Group" led by ODU Economics Professor and President Emeritus James V. Koch.

HRPDC is currently engaged in several complementary efforts, including the final year of the Coastal Zone grant (CZM), participation in the "Water Group," and several smaller or less public efforts. The final year CZM project is looking at the use of adaptive management in planning for and adapting to climate change's impacts. It is also looking at the region's LIDAR resources and needs and providing a study of various adaptation options, their feasibility, and their cost. The "Water Group" continues to meet. HRPDC staff continues to present to organizations and participate in workshops. HRPDC and HRTPO are partners with a team from the University of Virginia studying the impacts of climate change on transportation infrastructure. HRPDC is also working with Drs. James Koch and Vinod Agarwal of Old Dominion University on a project that is estimating the economic impact of storm surge and sea level rise on the region (this was presented to the Commission at its July 21, 2010 meeting). HRPDC has also sponsored/supported grant applications from UVA and ODU for Sea Grants addressing climate change. UVA received a grant for a second round of listening sessions; planning/implementation will start once the Fall 2011 semester begins. The ODU Sea Grant application is still being considered, but no result has been issued.

**Achievable goals for the coming year:** Climate change will continue to be a pressing issue for the region to address. There are three general, non-exclusive paths HRPDC could take in dealing with climate change. These are (1) continued research, (2) public outreach and education, and (3) coordination of other groups' efforts to better serve the region. HRPDC is already doing each of these to varying degrees. Potential projects for future study in the coming year are listed below.

### **Planning**

- Sustainable Communities Regional Planning Grant (Regional Plans for Sustainable Development require comprehensive climate change impact assessments)
- Coastal Zone Management: Virginia Coastal Zone Management Program (VCZMP) offers competitive grants for PDCs which can be used for climate change adaptation planning
- Studying how subsidence rates vary across the region
- Identifying specific data needs, such as LIDAR (e.g. what quality and geography are needed)
- Further study of adaptation options, including types, where they are appropriate and/or feasible, and what they could cost

### **Public Education/Outreach**

- Smaller special reports
- Blog articles
- Handouts

### **Water Resources**

- How will climate change impact sea level rise and precipitation pattern changes that affect the interface between salt and freshwater in aquifers and surface waters?
- Support data gathering (continued monitoring of sea level rise, subsidence, salinity (wells and rivers), precipitation, etc.)
- Study how temperature increases could change evaporation/transpiration patterns and the effects of those changes on groundwater sources, reservoirs, and water quality

### **Emergency Management**

- What is the vulnerability of industrial facilities and/or pollution sources (such as Superfund sites) to storm surge or sea level rise?
- How will sea level rise affect flooding during storms? How will sea level rise/storm flooding affect emergency services?

## **Intellectual & Human Capital**

*Opportunity Inc. and the Peninsula Workforce Development Council represent two Workforce Investment Boards in Hampton Roads. They are the lead organizations responsible for the implementation of actionable items in the plan pertaining to intellectual and human capital, considered another key cross-cutting issue confirmed in the planning process.*

### **Identified by Federal Sub-committee:**

- **Action 1:** Develop and implement an action plan for job conversion for exiting military personnel to keep them in Hampton Roads, enhancing the skills and attractiveness of our workforce in order to attract and expand organizations, capabilities and investments owned, operated or funded by the Federal government in Hampton Roads.

### **Identified by Port Sub-committee:**

- **Action 1:** Support workforce development programs in the region through annual evaluation of opportunities and threats in order to grow and enhance the Port of Hampton Roads and become the East Coast port of call for all major ship lines.

**Identified by Opportunities Sub-committee:**

- **Action 1:** Address the inadequate innovation system and support for entrepreneurship in Hampton Roads by providing education and training in entrepreneurship in order for Hampton Roads to be a region of excellence for clusters of cutting edge technology-based business innovation and education.
- **Action 2:** Grow our 21<sup>st</sup> century workforce by including the knowledge, skills and capabilities of key Hampton Roads technologies in the curriculum of all Region II K-12 school divisions, addressing educational needs for a successful 21<sup>st</sup> century workforce in order for Hampton Roads to be a region of excellence for clusters of cutting edge technology-based business innovation and education.

**Progress:**

- **Opportunity Inc.’s** newest one-stop career center – **The Virginia Regional Center for USJFCOM Workforce Transition and Business Development** (<http://jfcomtransition.com/>)—officially opened its doors April 28. Located in Bridgeway Technology Center I in Suffolk, the special transition center is on a mission to help individuals and businesses impacted by the impending disestablishment of the U.S. Joint Forces Command in Norfolk and Suffolk.
- **“An Employer Guide to Hiring Exiting Military Personnel and Other Veterans in Hampton Roads”**  
In addition to staffing career development services at the region’s JFCOM transition Center, Opportunity Inc. developed this important guide to assist employers in connecting with exiting military personnel.
- The **Virginia Port Authority** has developed a **Maritime Careers Guide** for students and those entering the workforce for the first time, individuals re-entering the workforce or transitioning from other fields and individuals simply interested in learning about maritime career opportunities. The guide can be found online at <http://viewer.zmags.com/publication/fd1fd23c#/fd1fd23c/1>
- **Training for growing occupations** – Opportunity Inc. provides funds to train hundreds of Hampton Roads residents each year for careers in growing occupations. In the program year ending June 30, 2011, approximately 16% of new clients (85) received training in port or maritime (production/ship building) related occupations.
- **Change in Commonwealth of Virginia’s Standards of Learning (SOL)** – After much work and the steady influence of Hampton Roads leaders the state’s SOLs will reflect 21<sup>st</sup> Century content for grades 6-12, including the use of modeling and simulation. The new standards are to be fully implemented in 2012-2013.

- **Passage of Senate Joint Resolution 308 during the 2011 Virginia General Assembly** – Requesting the Department of Education to establish shared goals for an engineering program of study, and assign a shared responsibility for this program between the existing science, mathematics, and technology disciplines. The legislation resolves that K-12 engineering not be subsumed by just one curriculum domain, but only taught in conjunction with science, mathematics, and technology education by teachers with appropriate training in the engineering design process, the scientific method, science, and manufacture to specifications and constraints.
- **Governor's School for Science, Technology, Engineering and Math (STEM)** – The Greater Norfolk Corporation (GNC) is a group of business and political leaders that has worked since forming in 1977 to enhance Norfolk's and the region's competitiveness and quality of life. The GNC is exploring the advisability, feasibility and method of establishing a Governor's School for STEM patterned after the Thomas Jefferson High School for Science and Technology in Fairfax County (a state-chartered magnet school). The group is also exploring the feasibility of establishing a full time career/technical high school that harnesses the applied teaching strategies of high quality career/technical education (CTE) and infuses them into college-preparatory academics.
- **Virginia STEAM Academy plans are underway** – The Virginia Science, Technology, Engineering, and Applied Mathematics (STEAM) Academy is under development. The Academy is intended to be uniquely challenging experience for approximately 1,000, 9<sup>th</sup> -12<sup>th</sup> grade students with ability and potential in science, engineering, or mathematics. It is patterned after the internationally acclaimed Illinois Mathematics and Science Academy. Start up construction and operational costs are estimated at \$65 million. The estimated operating budget is \$19 million, which includes the residential component and professional development outreach. The target opening for the Academy is 2014.
- **Support for STEM education and entrepreneurship education** – In the Fiscal year ending June 30, 2011, Opportunity Inc. supported STEM education and entrepreneurship education in its Year-Round Youth Program and Youth Career Center through special programming that included:
  - **Youth Career Center**
    - Career Workshops in: Healthcare (general), Forensic Science, Dental Hygiene, Technology (general), Career s in Nursing Workshop, Game Design
    - Week long STEM Camp in partnership with ECPI University, a local technical school.
    - Four Junior Achievement workplace readiness “Boot-Camps”
  - **Year-Round Program**
    - Junior Achievement programs at Granby High School in Norfolk for in-school youth
    - Junior Achievement entrepreneurship readiness training across several jurisdictions for out-of-school youth.
    - Sponsored three robotics teams from Portsmouth Public Schools to compete in the World VEX Robotics Championship at Disney World.

**Actionable goals for the coming year:**

- **The Virginia Regional Center for USJFCOM Workforce Transition and Business Development expansion** into a one-stop workforce center for those transitioning out of military service.

- **Continue to advance STEM and entrepreneurship training** – Opportunity Inc. has reformulated its Workforce Investment Act Youth Programming to be more closely aligned with individual school system needs, particularly in the area of STEM and entrepreneurship training. Opplnc. Will partner directly with school districts, technical schools and local colleges and universities to provide training.

During the July 1, 2011 to June 30, 2012 fiscal year, Opportunity Inc. will spend \$500,000 providing STEM and entrepreneurship programming to 250 in-school youth aged 14-21 in Virginia Beach, Norfolk, Suffolk, Franklin, Isle of Wight County and Southampton County. Each community will have a different program mix. In total, the program elements include:

- **Academics**
  - Tutoring in math and science
  - Newly developed STEM 101 course at Norfolk State University (dual enrollment)
  - Modeling & Simulation (dual enrollment)
  - Geographical Information Systems (dual enrollment)
  - Biology (dual enrollment)
  - Chemistry (dual enrollment)
  - Calculus (dual enrollment)
  - Industrial Technology (dual enrollment)
  - EMT Training (dual enrollment)
  - Robotics training
- **Special Programming**
  - Saturday Scientists Program (Programming, Visual Algebra, Cyber Security, Digital Forensics, Rocketry)
  - Renewable energy “green project”
  - Robotics competitions
  - Two week residential summer research and education experience (at Norfolk State University)
- **Workplace Readiness**
  - Mentoring
  - Internships
  - Employer field trips

Additionally, several programs will take advantage of the relationship Opportunity Inc. has built with Junior Achievement to promote entrepreneurship by fielding several student JA teams.

## **Opportunities**

*The Hampton Roads Partnership serves as the lead organization with numerous partners that assist in implementing the strategies and actions focused on the environment and healthcare.*

**Objective 4: Hampton Roads will be recognized internationally as a region for centers of excellence fueled by a culture of innovation and economic opportunities.**

**Strategy 1: Hampton Roads will be a region of excellence for environmental distinction.**

**Action 1:** Develop and implement the multi-disciplinary systems capabilities to enable critical assessments and tradeoffs between energy, the environment and the economy.

**Action 2:** Develop a framework for a green economy by connecting all of the public, private, nonprofit and higher education activities aimed at coordinating the regional green agenda in order for Hampton Roads to be a region of excellence for environmental distinction.

**Action 3:** Develop and implement a regional campaign for awareness of environmental issues and their implications and methodologies for going “green.”

**Action 4:** Leverage the strong heavy-industry (primarily shipyard trade) capabilities in Hampton Roads to become a center for the manufacture and maintenance of conventional, nuclear and renewable energy-related infrastructure in order for Hampton Roads to be a region of excellence for developing and implementing offshore wind energy and other coastal energy solutions.

**Action 5:** Cooperate with regional port facilities in Delaware, Maryland, District of Columbia and North Carolina on transportation and logistics of major offshore energy components in order to establish the Port as the manufacturing and supply chain hub of the East Coast offshore energy industry.

### **Progress:**

#### ***Environmental Awareness***

- **HR Green launches** – The Hampton Roads Planning District Commission (HRPDC) has been a leader in building awareness among residents about the importance and value of finding their “inner green.” HRPDC launched HR Green (<http://askhrgreen.org/>), a region-wide public awareness campaign on July 19, 2011. Encouraging environmental stewardship is a key charge of the HRPDC. The idea for askHRgreen.org began a year ago when the HRPDC decided to consolidate its HR CLEAN, HR FOG, HR STORM and HR WET outreach programs into one regional umbrella campaign called HR GREEN. This content-rich website is the go-to place for information about recycling, smart water use, sustainable landscaping practices or anything related to the region environment. The sight has been expanded to include issues as air quality, fuel efficiency and best practices for business. The site will soon incorporate climate change and sea level rise.

## ***Energy Efficiency***

- **Building Green Awareness** – Energy efficiency and green building is where jobs and economic opportunity reside and Hampton Roads Partnership has connected with Jerry Lawson, National Manager of the U.S. EPA EnergyStar Small Business & Congregations Network. It was suggested that a regional EnergyStar campaign will help to build green awareness and associated costs savings among businesses, localities and the MUSH market (military, universities, schools and hospitals).

### **Achievable goals for the coming year:**

- **Incentivize green** -- Based on a pilot service program with an advanced composition class at Old Dominion University, “green” lesson plans will be made available on the AskHRGreen.org website. To incentivize green Mini-grants of \$500 will also be available to fund environmentally-themed projects like worm composting, rain barrel for gardening, habitat education, oyster restoration, etc. proposed by K-12 teachers or youth leaders/organizations.

### **Strategy 2: Hampton Roads will be a region of excellence for healthcare and life sciences.**

**Action 1:** Work to insure quality, cost effective healthcare is available to citizens of Hampton Roads in order that businesses may be more competitive.

**Action 2:** Address healthcare as a quality of life measure for our region.

**Action 3:** Reach out to regional leaders in healthcare to determine and address what they need to grow their industry.

**Action 4:** Leverage the academic, research, and infrastructure capabilities of local colleges, universities and federal labs as well as commercial entities to become a region of distinction for the convergence of life sciences, information technology, photonics, nanotechnology and personalized healthcare.

### **Progress:**

- **Adequate funding for Eastern Virginia Medical School (EVMS)** – EVMS is currently under-funded by the Commonwealth of Virginia when compared to the Schools of Medicine at UVA and VCU – the gap is roughly \$12 million. \$3 million was added to the state budget during the past General Assembly session to begin filling that gap.
- **Medical Modeling and Simulation** – Secured \$250,000 through a state budget amendment to grow the National Center for Collaboration in Medical Modeling and Simulation established by Congress in 2011 in Hampton Roads, including planning with ODU and EVMS.

### **Achievable goals for the coming year:**

- **Improving health in under-served neighborhoods** – Looking at our health statistics, the region is worse than the state in outcomes. EVMS will present the research (in October, 2011) that has been done to identify neighborhoods with high infant mortality rates, cancer, diabetes, etc. In the coming year a goal will be to reduce healthcare risk in 30 targeted areas by 1.5%.
- **Funding for Eastern Virginia Medical School (EVMS)** – Increase state funding support by 30%.

### **Innovation**

*The Hampton Roads Partnership is serving as the lead organization on this component of Vision Hampton Roads using Innovate!HamptonRoads. Innovate!HamptonRoads is the region's grow-your-own economic development strategy and represents the best opportunity to diversify from the region's disproportionate military and federal spending dependence.*

*Innovate!HamptonRoads is designed to inspire entrepreneurship and accelerate high growth potential businesses by building idea-generating and job-creating industry clusters in Modeling and Simulations (M&S), Sensors, Unmanned Systems and Robotics, Bioscience and Aerospace.*

*A two-year \$500,000 grant from the Economic Development Administration, leveraged with other resources will support creation and development of the Incubators Entrepreneur Support Network and jumpstart Innovate!HamptonRoads.*

#### ***Identified by Opportunities Sub-committee:***

**Strategy 1: Hampton Roads will be a region of excellence for clusters of cutting edge technology-based business innovation and education.**

***Action 1:*** Address the inadequate innovation system and support for entrepreneurship in Hampton Roads by providing business incubation and support for early stage companies in order for Hampton Roads to be a region of excellence for clusters of cutting edge technology-based business innovation and education.

***Action 2:*** Continue to grow the technology clusters of Modeling and Simulation, Sensors and Bio Science and embrace new clusters as they develop.

***Action 3:*** Encourage and support Hampton Roads' research universities as focal points of knowledge-led economic development.

***Action 4:*** Work to remove barriers to entrepreneurial activities in order to drive innovation, above average economic growth and above average net incomes for workers.

**Strategy 2: Hampton Roads will be a region of excellence for developing and implementing offshore wind energy and other coastal energy solutions.**

**Action 1:** Develop and implement the multi-disciplinary systems capabilities to enable critical assessments and tradeoffs between energy, the environment and the economy.

**Action 2:** Leverage the strong R&D capabilities developed at local colleges, universities and federal labs as well as commercial entities and Mid-Atlantic coastal location near a power grid connection point to become a Coastal Energy Center of Excellence that studies and develops offshore wind and other renewable energy sources.

**Action 3:** Support, promote, and expand the Virginia Coastal Energy Research Consortium as a Center of Excellence for the translation of basic alternative energy research into commercial economic development projects; especially in wind, algal biodiesel, and wave energy.

**Progress:**

- **Launch of Innovate!HamptonRoads and the Incubator Entrepreneurial Support Network** – The Hampton Roads Partnership was awarded a two year \$500,000 grant from the Economic Development Administration (EDA) to support creation and development of the Incubator Entrepreneurial Support Network and jumpstart *Innovate!HamptonRoads* (I!HR)(<http://innovatehamptonroads.com/>)
- **Business Start-Up Event** – Engaged Aneesh Chopra, Whitehouse Chief of Technology Officer, for a White House Business Council meeting with over 30 start-ups’ CEOs on the regional development radar to foster innovative, high-growth firms
- **Regional Day focus on Innovation** – Highlighted Hampton Roads as an “Innovation Hotspot” featuring nine of the region’s many entrepreneurs to reinforce the “grow your own” innovation development strategy ([LINK to story, video, speeches and photos.](#))
- **2010 MODSIM World Conference** – Strengthened the region’s Modeling and Simulation industry cluster (the third largest concentration in the U.S.) through promotion and networking. Over 500 attended the 2010 conference plus 1000 middle and high school students participated in new STEM education events.
- **Industry Cluster Development** – Monthly networking events like BioTech at the Beach, *UnWined* at Innovation Research Park, Aerospace Cluster united, M&S Exchange, Entrepreneur Meet-ups, and the Coastal Energy Cluster Forum are connecting aspiring entrepreneurs, business leaders, venture capitalists, research universities, federal labs, and public officials with each other and information they can use to develop the region’s growing clusters.
- **Health Information Exchange** – Hampton Roads will be the test bed for new approaches to sharing electronic health records between Defense and Veterans Affairs department clinics and local private healthcare providers. In Hampton Roads, the Virtual Lifetime Electronic Record (VLER) is being tested with DOD and VA clinics and purchase care providers Sentara Healthcare, Riverside Health System, and Bon Secours Medical Group.
- **Virginia Wesleyan College Survey Project** Five research students at Virginia Wesleyan College conducted a survey to determine:
  - The services needed by both early-stage and growth companies in the region,
  - When and how often these services need to be performed

- Which services, if any, are not desired
- If any services may also be desired that are not already proposed
- Whether or not each company belongs to an industry cluster
- Which cluster each company belongs to if they do see themselves as being part of a cluster, and
- Other potential companies who may also benefit from the service delivery program, through referrals by existing companies in the sample population.

The results of this survey were used to inform the Hampton Roads Partnership board of directors retreat discussion on *Innovate!HamptonRoads*. Find out more about the survey: <http://smartregion.org/2011/06/survey-says/>

- **Regional Competitiveness Report** – Released in July by the Hampton Roads Planning District Commission, the recommendations in this study reaffirm the need to develop industry clusters around the region’s strengths, establish incubators that assist entrepreneurs, and that the greatest opportunity for job growth will occur in growing new and existing business – this is the focus of *Innovate!HamptonRoads*.
- **Economic Gardening** – IHR launches Economic Gardening Network with the Edward Lowe Foundation (<http://innovatehamptonroads.com/>) . The program features the Economic Gardening Technical Assistance Pilot Program managed by the National Center for Economic Gardening. The program will deliver services directly to entrepreneurs, supports start-ups and early stage companies and medium size growth companies with anywhere from 10-99 employees and revenue \$1-\$50 million. Funding has been secured for the first five qualifying companies.
- **Hampton Roads Partnership Board Retreat** – The 2011 Retreat held September 16 focused on entrepreneurs – what they need to create and grow new business. Breakout meeting topics included money, marketing, management and mentoring. Next steps will be a defined action plan to address specific challenges identified.

**Achievable goals in the coming year:**

- **MODSIM WORLD 2011** (<http://www.modsimworldconference.com/>) – to be held at the Virginia Beach Convention Center October 11-14 will continue to showcase the industry, capabilities and applications.
- **Business incubation** – Target 15 companies and entrepreneurs via a physical and virtual incubator network
- **Job creation** – Target 30 new jobs
- **Private investment** – Target \$850,000 in leveraged private investment
- **Economic Gardening** – Assist 5 second stage companies

## Public Policy

*The Hampton Roads Partnership is the lead organization, coordinating efforts among local governments, organizations and institutions in the region to address public policy issues relating to components of Vision Hampton Roads.*

### ***Identified by Federal Sub-committee:***

**Action 1:** Enhance and coordinate political engagement among local elected leaders, the Hampton Roads Caucus of the General Assembly, the Governor and his staff and the Virginia Congressional Delegation in order to retain organizations, capabilities and investments owned, operated or funded by the Federal Government in Hampton Roads.

**Action 2:** Enhance and coordinate political engagement to increase the awareness and appreciation of our federal and military assets by local elected leaders, the Hampton Roads Caucus of the General Assembly, the Governor and his staff and the Virginia Congressional Delegation in order to attract and expand organizations, capabilities and investments owned, operated or funded by the Federal government in Hampton Roads.

**Action 3:** Build relationships with key business and political leadership at Local, State and National levels in order to achieve public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth of Virginia and the Nation.

**Action 4:** Build Congressional, state and local awareness/engagement of value of non-military Federal assets in order to achieve public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth of Virginia and the Nation.

### ***Identified by Port Sub-committee:***

**Action 1:** Ensure government at all levels maintains sound fiscal policies and economic development tools that support the Port in order to maintain the Port as an economic engine for the Hampton Roads region, the Commonwealth of Virginia and the Nation.

**Action 2:** Build advocacy coalitions of local, state and federal political leadership by focusing on the distinct needs and interests of each level of government in order to gain public support and appreciation of the economic value of the Port of Hampton Roads to the region, the Commonwealth of Virginia and the Nation.

### ***Identified by TAC Sub-committee:***

**Action 1:** Educate the community, including business and political leaders, about the economic impact of tourism, arts and culture in Hampton Roads thereby resulting in additional support for tourism, arts and culture in order to create sustainable regional tourism and a diverse arts and culture experience that is consistently funded, well coordinated and fully appreciated by the community.

**Progress:**

- **Additional state funding to support higher education** -- \$3 million for EVMS; \$12 million for ODU
- **Funding to advance Medical Modeling & Simulation** – Secured \$250,000 from the Commonwealth of Virginia for ODU and EVMS
- **Funds for transportation improvements**

**Achievable goals in the coming year:**

- **Increase state funding for higher education** – Target 30% increase in state support to EVMS by December 2012; support the funding requests of other state institutions
- **Capitalize Intercity Passenger Rail Operating and Capital Fund** -- the federal Passenger Rail Improvement and Investment Act of 2008 requires states assume 100% of the operating cost and 25% of the capital costs for all existing Amtrak service of 750 miles or less, and all new high speed rail service by October 2012. The Commonwealth of Virginia currently hosts six such round trip trains and is actively working to add additional service. Without dedicated and sustainable revenue source to support these new costs, existing passenger rail service is potentially in jeopardy, and funding new infrastructure and operating costs to support new service would be difficult. In 2011, Governor McDonnell proposed and the General Assembly passed legislation creating an Intercity Passenger Rail Operating and Capital Fund. However the fund has no current revenue source.
- **Create Virginia Federal Facilities and Defense Industry Caucus** – Designed to build a venue for General Assembly members to discuss issues that impact the legislative districts hosting federal installations and ancillary defense industries; improve awareness across the state and strategize appropriate measures for addressing potential issues that impact the state’s federal and defense industry; build coalitions of support; and create sufficient and necessary funding of activities to protect and expand Virginia’s national defense capabilities.
- **Additional funding for National Center for Collaboration in Medical Modeling and Simulation** – In late 2001, the United States Congress formally established the National Center for Collaboration in Medical Modeling and Simulation (NCCMMS). The NCCMMS is a joint project of Eastern Virginia Medical School (EVMS) and Old Dominion University (ODU) and a variety of academic, governmental and commercial partners. The Center will be the go-to place nationally for the vetting of modeling and simulation software and hardware applications.

**Port/Maritime**

*The Virginia Port Authority, Virginia Maritime Association and the Virginia Ship Repair Association are the lead organizations responsible for implementing this component of Vision Hampton Roads.*

**OBJECTIVE 2: Hampton Roads will be the Premier East Coast Sea Port.**

**Strategy 1: Maintain the Port as an economic engine for the Hampton Roads region, the Commonwealth of Virginia and the Nation. (#3 Ranked Strategy)**

**Action 1:** Ensure government at all levels is provided reliable and validated data sets as to the economic contribution of the port.

**Strategy 2: Grow and enhance the Port of Hampton Roads and become the East Coast port of call for all major ship lines.**

**Action 1:** Prepare to take the next evolutionary step toward becoming a mega port of the future serving as the East Coast port of call for every major ship line by maximizing the competitive advantages of our Port assets resulting in a Port Hub model, including technological advances.

**Action 2:** Leverage existing and develop new inland connections to capture a larger share of discretionary cargo moving into inland markets.

**Action 3:** Maintain focus on container cargo and continue to enhance the diversification of the Port (retrograde cargo, break bulk, rolling cargo and energy support services).

**Strategy 3: Gain public support and appreciation of the economic value of the Port to the Hampton Roads region, the Commonwealth of Virginia and the Nation.**

**Action 1:** Maximize growth with appropriate local and regional policies and vision that includes acting with environmental responsibility.

**Strategy 4: Grow and enhance indirect and induced effects of Port activities including ship building, ship repair and all related businesses.**

**Action 1:** Maintain and grow the Navy presence in the region which sustains ship repair capabilities that support maritime industries including emergency repair for cargo and cruise ships in order to grow and enhance indirect and induced effects of Port activities including shipbuilding, ship repair and all related businesses.

**Action 2:** Advance the development of logistics parks within mixed use environments, i.e., a business park with combination of land uses centered on port related activities with strategic multi modal transportation access.

**Action 3:** Determine the needs of ancillary businesses such as maritime insurance, maritime legal services and shipping line offices in order to expand their presence in Hampton Roads.

**Action 4:** Address the needs of emerging businesses, such as mega yacht repair and maritime construction.

**Strategy 5: Establish the Port as the manufacturing and supply chain hub of the East Coast offshore energy industry.**

**Action 1:** Site and develop a large break bulk terminal dedicated to offshore energy shipping, assembly and distribution, including heavy lift capability, inland rail connectivity and deep water staging.

**Action 2:** Promote governmental policy and economic development support for offshore energy supply chain development at the local, state and federal level.

**Progress:**

- **APM Terminal Lease** – The 20-year lease of the highly automated APM terminal between APM and the Virginia Port Authority (VPA) is considered the largest port deal in North America in the last three years. This state-of-the-art facility will improve the productivity of the port, ensure the efficient utilization of capacity of all facilities in Hampton Roads, defer significant capital outlay expenditures, and enable the VPA to replace containerized cargo with non-container cargo at the Portsmouth Marine Terminal.
- **Investments** – The VPA completed the build-out of the container handling capacity at the Norfolk Marine Terminal and completed the design and permitting processes, as well as obtaining federal support for the future Craney Island Marine Terminal.
- **Commonwealth Railway Mainline Safety Relocation Project** – The VPA completed this project ahead of schedule. It is an extension of the Heartland Corridor project that will reduce rail transit time and costs for carrying cargo to the Midwest and beyond. A part of this project includes the Route 164 Additional Rail Line Construction, currently underway.

**Achievable goals in the coming year:**

- **Increase TEUs (Twenty-foot Equivalent Units)** from 1.895m to 2.085m by 2013 – Tonnage consists of three categories: containers (volume of TEUs); Break Bulk (cut lumber, vehicles, steel products); and bulk (coal, grain, rocks, etc.). Of the three, containers will produce the greatest dollar value although bulk would most increase the tonnage.

**Sense of Place**

*The Hampton Roads Partnership, Urban Land Institute Hampton Roads District, LEAD Hampton Roads, and Future of Hampton Roads all have a role in developing and implementing initiatives that will help define the characteristics that make Hampton Roads special or unique, as well as foster a sense of authentic human attachment and belonging.*

**Identified by Federal Sub-committee:**

**Action 1:** Continue to enhance the current culture and movement that reinforces relationships with Hampton Roads communities and organizations in the region to work together on mutual goals in order to achieve public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth and the Nation.

**Action 2:** Involve the international community (ports, international science, etc.) in order to achieve public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth and the Nation.

**Action 3:** Promote Hampton Roads as part of the global economy in order to achieve public awareness and appreciation of the economic value of the Federal assets in the region to the Hampton Roads community, the Commonwealth and the Nation.

**Identified by Port Sub-committee:**

**Action 1:** Engage citizens in issues of importance to the Port and benefits to the region's economic health to build public awareness in order to gain public support and appreciation of the economic value of the Port to the Hampton Roads region, the Commonwealth of Virginia and the Nation.

**Progress:**

While the action steps above target building public awareness and appreciation of the economic value of Federal and maritime assets in Hampton Roads the region is preparing to engage the public in a unique planning exercise called *Reality Check*. The Urban Land Institute, Hampton Roads District Council is partnering with Old Dominion University, Hampton Roads Planning District Commission and the Hampton Roads Partnership on the project.

- **Reality Check** will be unlike anything Hampton Roads has ever experienced, as engaged individuals, led by trained facilitators, will determine guiding land use principles to map out where recreational, housing, agriculture and business uses are most appropriate. What they conceive during *Reality Check* will become a document to be shared with municipal and regional leaders. Reality Check has been a valuable planning tool in Baltimore, Tampa Bay, Washington DC, Charleston, Raleigh-Durham and Jacksonville.
- **Imagine Hampton Roads** is a project of LEAD Hampton Roads, a leadership program of the Hampton Roads Chamber of Commerce. The group hosting brainstorming sessions across Hampton Roads to develop ideas to create regional awareness and appreciation, locally and on a national scale. Their work resulted in 24 top ideas and those on the drawing board include:
  - Developing Hampton Roads online Videos
  - Enlisting the area newspapers to adopt the tagline "Serving Hampton Roads"

- Pursuing signage that includes "A Hampton Roads Community," targeting I-64 on the Peninsula
- Building a Hampton Roads mobile phone application
- Encouraging businesses to use "A Hampton Roads Company" on their letterhead
- Lobbying the Commonwealth of Virginia to refer to the region as Hampton Roads in all documentation and departments
- Developing Hampton Roads Champions

The following initiatives are currently being developed:

- A signature regional food and drink
  - An intensive regional internship program with top businesses and 4-year universities and rising seniors, called *LAUNCH* Hampton Roads
  - Promote the Hampton Roads regional license plate
- **Synergy among young professionals**, including a group seizing opportunities to retain and attract the creative class. The group, connected to Future of Hampton Roads (<http://fhrinc.org>) is looking to host an event with impact featuring author and thought leader Richard Florida and his team to conduct an assessment of Hampton Roads from which to build a plan and establish specific “sense of place” measures.

**Achievable goals in the coming year:**

- **Hampton Roads Reality Check 2012** – Half Day planning event to be held in May. The planning partners will develop a work plan that incorporates what is learned at the “game day” event and measures to track success.
- **IMAGINE Hampton Roads** – in the coming year a plan will be developed to build Regional Citizens, to include sustainability ( holding Imagine forums on a recurring basis and develop a process to pass along long term, costly projects to appropriate organizations or businesses)

**Tourism/Arts & Culture**

*The Coastal Virginia Tourism Alliance and the Virginia Arts Festival are two lead organizations responsible for implementing this component of Vision Hampton Roads.*

**OBJECTIVE 3: Hampton Roads will be the Premier Year-Round Destination of distinction and appeal to travelers while significantly increasing quality of life for residents by leveraging the variety of attractions, arts and culture, venues and performances and recreational opportunities that exist in the region.**

**Strategy 1: Develop and promote a brand identity to capture the region’s diversity as the gateway to a Virginia vacation.**

**Action 1:** Develop products that extend the tourism season in Hampton Roads.

**Action 2:** Invest in arts and culture offerings that support travel and tourism, enhance the quality of life for residents of the region and attract creative and entrepreneurial knowledge workers to relocate to the region.

**Action 3:** Promote the region's existing and new venues as innovative complements to the Hampton Roads' tourism, arts and culture experience.

**Action 4:** Define, develop and promote Hampton Roads as an eco-friendly tourism destination.

**Action 5:** Develop identification of and a regional awareness of travel and tourism target markets for Hampton Roads, including intraregional.

**Strategy 2: Attract economic investment in Hampton Roads by providing an exceptional quality of life made possible by the region's tourism and arts and culture experience.**

**Action 1:** Ensure existing arts and culture facilities are properly provided with consistent funding and dynamic programming.

**Action 2:** Determine local populace's unmet and supportable arts and cultural needs and expand the current programming to encompass those activities and events.

**Action 3:** Augment marketing strategies for the region's current tourism, arts and culture opportunities outside the state, both nationally and internationally.

**Action 4:** Attract new businesses and leverage existing business services and products to help the region tell its "brand identity" story.

**Action 5:** Quantify, through research, the economic impact of travel and tourism for new, significant investment in Tourism and Arts & Culture.

**Strategy 3: Create sustainable regional tourism and a diverse arts and culture experience that is consistently funded, well coordinated and fully appreciated by the community.**

**Action 1:** Quantify and clearly articulate the depth, scope and quality of the economic and lifestyle impact of tourism, arts and culture in Hampton Roads.

**Progress:**

- **2011 Virginia Arts Festival** – 2011 marked the 15<sup>th</sup> season of this significant economic and tourism boost for Hampton Roads and the Commonwealth of Virginia. Travelers from 42 states and seven countries participated in 52 performances held within 22 venues April 12 through June 20. The Arts Festival also held arts education and outreach events throughout the year–

this year 31,260 students were reached, 18 cities/counties represented; 9 student matinees held and 63 workshops and in-school events were held.

- **State support for Virginia Tourism Corporation** – Program funds were added to the Virginia Tourism Corporation that include incentives for film attraction and general marketing
- **Coastal Virginia Tourism Alliance growth** – formerly *the Southeastern Virginia Tourism, Alliance* expanded its membership to include communities on the Eastern Shore (an office is now open on the Chesapeake Bay Bridge Tunnel island) and both Norfolk International and Newport News-Williamsburg airports. This reinvigorated alliance provides the opportunity for the region’s meeting planners to come together, show their interdependence and market the region collectively (<http://www.visitcoastalvirginia.com/>)
- **Williamsburg/Jamestown/Yorktown – America’s Historic Triangle Collaborative** – The Historic Collaborative created a Task Force that developed and compiled research materials to serve as a foundation to the simultaneous comprehensive planning effort that will take place in the City of Williamsburg, James City County and York County in 2012.
- **Cross-visitation Study** – The first cross-visitation study in the region was launched in mid-July, setting a goal to enhance visitation between Virginia Beach and Norfolk. The year-long survey will collect tourist information during and after visits. The study will help tackle what is needed in the way of attractions and if light rail was available between Norfolk and Virginia Beach would visitors use it to go back and forth.
- **STEAM in STEM** – *Vision Hampton Roads* has inspired a group from the arts community to develop and implement a plan to put the *STEAM* in STEM. The focus is on putting arts and creativity into science, technology, engineering and math.
- **Mid-Atlantic Regional Spaceport (MARS)** at Wallops Island on Virginia’s Eastern Shore is being rebuilt for use by the Taurus II in a launch planned for the fourth quarter of 2011. This facility is developing as a *spacecoast*/spaceport tourism site.
- **State grant awards** – The Commonwealth of Virginia established a fund to increase tourism in Virginia’s localities. Funds will be matched and used for marketing initiatives. The following initiatives in Hampton Roads will be supported with these funds:
  - Virginia Beach CVB for *Live, Love, Run the Winter* (\$46,851)
  - Jamestown Settlement for *America’s Historic Triangle* (\$50,000)
  - City of Poquoson for Seafood Festival and Recreation (\$6,142)

#### **Achievable goals in the coming year:**

- The **2012 Virginia Arts Festival** schedule will be released in October 2011. The festival generates over \$10 million annually in economic impact for the region.

- The **Coastal Virginia Tourism Alliance** has set the following goals:
  - As a collaborative effort, work with City Councils and City leadership throughout the region to establish a dedicated state funding source
  - Investigate methods for working together on convention promotion within the context of the competition among localities for convention business.
  - Continue the effort to promote a region-wide approach to hosting meeting planners, travel agents and travel writers.
  - Jointly support “Thank the Visitor Day” at the Norfolk International Airport during National Tourism Week.
  - Establish a Virginia Green region through cooperative efforts to encourage hospitality and tourism businesses to adopt environmentally-friendly practices.
  - Produce a regional map for distribution at area Visitor Information Centers.
  - Produce a regional Value of Tourism video to promote the impact/importance of tourism on the region.

## 2010 Vision Hampton Roads Priority Projects – Status Report

Under Section VI of Vision Hampton Roads an addendum of prioritized projects, programs and activities were included. The following summary provides a status report of those priorities:

**Project:** *Innovate!HamptonRoads/IdeaWorksHamptonRoads*

**Objective, Strategy, Action:** 4.1.1-5; 4.2.2

Assigned as top priority of *Vision Hampton Roads*, Innovate!HamptonRoads (I!HR) is described as a system to develop technology clusters and establish a network of physical and virtual incubators called an Entrepreneurial Support Organization (ESO), now referred to as the Entrepreneurs Support Network (ESN). *IdeaWorksHamptonRoads* was our reference to describe the system of incubators that would form the ESO. While the function of providing integrated regional services through a geographically disbursed network of incubators is a key component of I!HR, *IdeaWorksHamptonRoads* moniker was removed to avoid confusion.

### **Progress:**

*I!HR is building awareness, partnerships and momentum. Please refer to page 40-42 to review progress.*

### **Regional Successes:**

- Alan B. Miller Entrepreneurship Center was created within The College of William and Mary on October 29, 2010 (<http://mason.wm.edu/entrepreneurship/index.php>)
- ODU Business Gateway was created at Old Dominion University on August 10, 2010, driving business-friendly research commercialization infrastructure ([http://odubusinessgateway.com/odubg/about\\_us/](http://odubusinessgateway.com/odubg/about_us/))
- I!HR website launched (<http://innovatehamptonroads.com/>)
- To promote entrepreneurial culture, I!HR initiated regional meet-ups
- Old Dominion University establishes Innovation Foundation June 21, 2011 (<http://www.odu.edu/ao/news/index.php?todo=details&id=27886>)
- TEDx@NASALaRC held May 24, 2011 with talks on innovation, music, technology, and how to secure funding for great ideas.
- Hampton Roads Regional Day held on May 6, 2011 focused on Innovation featuring Aneesh Chopra, Chief Technology Officer to the President of the United States ([LINK to story, video, speeches and photos.](#))
- I!HR launches Economic Gardening Network with the Edward Lowe Foundation (<http://hamptonroads.nationalcentereg.org/>)

**Project:** Capital Improvement Plan for the Northampton Boulevard Strategic Growth Area

**Objective, Strategy, Action:** 1.1.2

### **Progress:**

- Phase I design for infrastructure is complete and right-of-way acquisition is in process.
- A Request for Proposal has gone out for design on Phases 2 and 3 of the project.

**Project:** Route 58 transportation infrastructure

**Objective, Strategy, Action:** 2.1; 2.2.2; & 2.4.2

**Progress:**

- Rt. 58 widening design project - 30% complete.
- 2,000,000 gallon water tank to serve the project is currently under construction (completion expected in April 2012)
- California Cartage has leased 385,000sq.ft. at the Virginia Commerce Center in support of the Target Import Warehouse

**Project:** First Street Extension connecting Crawford Circle to Wavy Street

**Objective, Strategy, Action:** 2.4.4

**Progress:** *The city did not qualify for federal funds to subsidize this project. They will proceed with road improvements using City CIP funds. The Project will be in design this winter with construction beginning late next spring.*

**Project:** Shirley T. Holland Intermodal Park

**Objective, Strategy, Action:** 2.4.2

**Progress:** *No EDA money has been awarded to Isle of Wight over the past year for infrastructure-related improvements to the Shirley T. Holland Intermodal Park. Two major industrial prospects very close to locating in the park; both of these projects will require infrastructure improvements in 2012 to include:*

1. *Extension of waterline from Suffolk City line down US 460 to the Park*
2. *Construction of a step-down station or POD onsite in the Park for gas delivery*
3. *Possible road improvements to Old Mill Road and US 460 intersection very probable (signalization, surface overlay, turn lanes, etc.)*
4. *Electric power utility improvements (Dominion)*

**Project:** Franklin Southampton County Business Park infrastructure

**Objective, Strategy Action:** 4.1.1.

**Progress:** *Infrastructure is to be expanded to the Southampton Commerce and Logistics Park. The final utility needs will be determined as prospects commit. The utility needs planned is at the minimum at present. This project could use EDA funds to extend natural gas to the site.*

## **VISION HAMPTON ROADS STRATEGY COMMITTEE**

<b>Sector</b>	<b>Name</b>	<b>Affiliation</b>	<b>Position</b>
<b>Public Sector</b>	Jim Batterson	Commonwealth of Virginia, Senior Advisor, Education	Senior Advisor, Education
	Judy Begland	Opportunity Inc. of Hampton Roads	President and CEO
	Jerry A. Bridges	Virginia Port Authority	Executive Director
	John Broderick	Old Dominion University	President
	Deborah M. DiCroce	Tidewater Community College	President
	Anthony J. DiFilippo	Norfolk Convention & Visitors Bureau (rep Coastal VA Tourism Alliance)	President and CEO
	Dwight Farmer	Hampton Roads Planning District Commission	Executive Director
	Larry Filer	Old Dominion University	Director, ODU MBA Program
	Greg Grootendorst	Hampton Roads Planning District Commission	Chief Economist
	Russell Held	Virginia Port Authority	Deputy Executive Director-Development
	Matthew James	Peninsula Council for Workforce Development	President and CEO
	Suzanne Puryear	The Planning Council	President
	James Spore	Hampton Roads Chief Administrative Officers	Chair
	Lesa B. Roe	NASA Langley Research Center	Director
	Charlie Sapp	former member -- Hampton City Council	Retired

	Charles Stuppard	U.S. Navy Region, Mid-Atlantic	Commanding Officer, Joint Expeditionary Base (Little Creek-Fort Story)
	Jack Tuttle	City of Williamsburg	City Manager
	Frank W. Wagner	Virginia General Assembly	Senator, District 7
	Roy Whitney	Jefferson Lab	Chief Scientist/ CIO
<b>Private Sector</b>	David L. Bernd	Sentara Healthcare	President
	Joseph F. Bouchard	Cox Communications	Director, Gov't Sales
	Mal Branch	Virginia Ship Repair Association	Executive Director
	J. Robert Bray	Kaufman & Canoles Consulting, LLC	Senior Advisor
	Regina Brayboy	Virginia International Terminals	Financial Officer
	J. William Cofer	Virginia Pilot Association	President
	Arthur L. Collins	HRPDC	retired
	George Crawley	200+ Men, Inc.-Hampton Roads Chapter	Chairman
	Rob Cross	Virginia Arts Festival	Executive and Artistic Director
	E. Dana Dickens	Hampton Roads Partnership	President and CEO
	Wendy C. Drucker	Drucker & Falk, LLC	Managing Partner
	Doug Dwoyer	Innovate Hampton Roads	Program Manager
	Jack Ezzell	ZEL Technologies	President
	Thomas R. Frantz	Williams Mullen	President and COO
	Darryl W. Gosnell	Hampton Roads Economic Development Alliance	President & CEO
	William M. Grace	Grace Industries	President
	Louis S. Haddad	Armada Hoffler	President & CEO

	Robert R. Harper	Northrop Grumman	retired
	Thomas G. Johnson	Willcox & Savage, PC	Chairman of the Firm
	Maurice Jones	Virginian-Pilot	President & Publisher
	Rick Lally	Innovate!HamptonRoads	Interim Executive Director
	Harry T. Lester	Eastern Virginia Medical School	President
	Thomas M. Little	International Longshoreman's Association	Hampton Roads District
	Vincent J. Mastracco	Kaufman & Canoles Consulting, LLC	Partner
	Gary T. McCollum	Cox Communications Hampton Roads, LLC	Vice President & Region Manager
	Juan Montero	Mid-Atlantic Shippers' Association	Retired physician
	Art Moye	Virginia Maritime Association	Executive Vice President
	Craig	Hampton Roads Military and Federal Facilities Alliance	Executive Director
	Donald Seale	Norfolk Southern Corporation	Executive VP & Chief Marketing Officer
	Digby A. Solomon	Daily Press, Inc.	President, Publisher & CEO
	Deborah K. Stearns	Harvey Lindsay Commercial Real Estate	Senior Vice President
	David Tynch	Cooper Spong & Davis	Managing Partner
	Alan S. Witt	Witt Mares	Principle
	Joseph R. Witt	Old Point National Bank	Executive Vice President



[www.VisionHamptonRoads.com](http://www.VisionHamptonRoads.com)

Provides access to the full CEDS document

Strategy Committee and Task Force meeting minutes

*Hampton Roads Performs*

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Resource Library