

Hampton Roads Partnership 14th Annual Board Meeting Summary

"2010 Vision Hampton Roads Update"

June 18, 2010

at ODU's VMASC, Suffolk VA



Hampton Roads, America's First Region

I. Welcome & Call To Order by Co-Chair, Jack Ezzell

Jack Ezzell declared a quorum of Partnership members present and welcomed members of the *Vision Hampton Roads* Strategy Committee.

Bill Bell (now representing Northrop Grumman) and nominated new member Dan Bell (Canon ITS-Information Technology Services) were recognized.

The membership applauded Virginia Beach City Manager, Jim Spore, selected by the International City/County Management Association (ICMA) as the recipient of the Award for Career Excellence.

II. Special Presentations by Jack Ezzell *see attachment: Presentations*

Since forming over fourteen years ago, HRP has been fortunate to have the best leaders in the region working in creative ways to improve economic competitiveness and regional cooperation. Thank you all for your continued commitment to HRP's mission and work. Your support is needed more now than ever before!

Six members retire from board service at the end of this month, two of whom are leaders, not only retiring from our board, but also from their positions. The combined service to HRP of these six leaders comes to 56 years.

Retiring from service: Dr. Carolyn Meyers, President of Norfolk State University; Dr. Douglas Boyce, President of Paul D. Camp Community College; Dr. Milt Liverman, Superintendent of Suffolk Public Schools and representative for the Region II School Superintendents; and Mr. Jim Babcock, retired President of First Virginia Bank and a founding member of HRP.

Two of our greatest regional advocates are retiring: Mayors Jeanne Zeidler of Williamsburg and Joe Frank of Newport News. Mayor Frank was presented a resolution of appreciation to thank him for his service on the Board and Executive Committee and his positive impact on Hampton Roads. Mayor Zeidler's will be presented at a later date.

A recap of Mayor Frank's remarks: "The Partnership is a great opportunity for the region, especially with the outstanding people and organizations represented. It must continue to find ways to collaborate and look ahead. For my 'swan song' – and as I have said many times before – our failure to do transportation effectively is our Achilles' heel. People and businesses don't have to stay here.



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If businesses are moving today, it’s overseas. The congressional delegations of Texas, California and Florida are a challenge to us. We don’t want to be on the ‘short end’ of the stick. We can have the greatest amenities, workforce and education, but if we don’t have mobility, people won’t stay here. At the core of moving forward is fixing transportation. I’ve had the most wonderful ride and am deeply grateful for the support, encouragement and friendships developed throughout the region.”

III. Implementing *Vision Hampton Roads*, Introduction by Jack Ezzell

Progress reports on *Vision Hampton Roads* will be the focus of HRP meeting agendas going forward. The plan focuses on where we see ourselves as a region in the next five years. *Vision Hampton Roads* will change and improve with each review. What we have learned since approving this strategic plan: people that hear about it do embrace it. It will be critical for us to build upon assets we already have.

Last week we learned from Opportunity Inc.’s *State of the Workforce* summit how important it will be for regions to focus on “innovation.” We must also prepare for inevitable changes in defense spending that will have a significant impact on Hampton Roads. The time is right for this regional strategy.

Raising public awareness is part of understanding the need and value that comes when a region acts and works like a region. HRP Board members and publishers of their respective newspapers, Digby Solomon and Maurice Jones, are working on a special joint project to address this, and we ask you to give them your support.

A. Marketing and communication by Digby Solomon, Daily Press *see attachment: [Vision Special Section](#)*

This fall the Daily Press and The Virginian-Pilot will jointly deliver “**Bridges Between Us**” to the region. What is the purpose and target audience?

There is a fundamental lack of public awareness, and thus buy-in, on regional issues. There is a basic lack of trust at local levels which drives the fear of making regionally-based decisions which are so critical to the region’s collective success.

Can we help people learn more and understand the significance of these issues?

The centerpiece of “**Bridges Between Us**” will be stories following families in various areas of the region, how they work, live, play and how they are affected by the interdependence of our economic fortunes.

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This special full-color, glossy-cover, up to 48-page publication will be inserted into both papers on Sunday, September 19th with additional copies available to advertisers for off-the-shelf distribution. It will reach over 700,000 adults in Hampton Roads, i.e. three-fourths of all adults in Hampton Roads. This target audience owns homes, pays property tax and is most likely to vote in local elections.

It is imperative to reach them and infuse an awareness of the importance of our region. The special section will contain 50% editorial content including several pages by HRP on *Vision Hampton Roads*.

Salespeople from both papers will be calling; please direct your marketing staffs to support this “not-your-typical marketing-exercise” effort.

B. Lead organization reports, introduction by Dana Dickens

see attachment: Vision Update

With the help of the localities’ economic development departments, HRP is currently working to prioritize the projects featured in the *Vision Hampton Roads* document. This is a requirement of the EDA before we may receive official certification as an Economic Development District.

A copy of the most up-to-date *Vision Hampton Roads* Dashboard of performance measures was distributed. These ten economic measures, with the addition of “Public Transit” and “Traffic Congestion,” will continue to be used to track the region’s performance as we progress with implementing the plan. (The latest Dashboard and all other documentation, including strategies and actions may be downloaded at <http://VisionHamptonRoads.com>.)

As mentioned before, the *Vision* process focused on the core of Hampton Roads’ economy, Federal/Military, Port/Maritime and Tourism/Arts & Culture, which makes up 75% of GRP. This dependence puts the region in a vulnerable position. The Opportunities Task Force is working on the diversification issue and has been sub-grouped into: Energy, Environment and Healthcare. Infrastructure, Intellectual/Human Capital, Innovation and Sense of Place Task Forces are in place to address the cross-cutting issues.

HRP members are encouraged to stay abreast of the work underway and consider an area of interest where they may best become involved.

Reports from Task Force Leadership:

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i. Federal (Dana Dickens, President & CEO, HRP)

Frank Roberts, Executive Director of the Hampton Roads Military and Federal Facilities Alliance, is leaving his post, and this Task Force is reorganizing.

ii. Infrastructure (Dwight Farmer, Executive Director, HRTPO)

The Transportation Planning Organization (TPO) is nearly ready to implement its Project Prioritization and 2034 Long-Range Transportation Plan (LRTP) with a full-court press on the General Assembly and Congress.

The current 2030 LRTP considered 145 projects at \$19.2B and, after attributing fiscal constraint, included 111 projects at \$5.8B.

The draft 2034 LRTP received some 200 projects submitted from public hearings and local elected officials. The Transportation Vision Plan, once allowed by the feds, is no longer acceptable. Fiscal constraint is required, i.e., can it be funded? Air quality must be maintained as well.

Nationally, the TPO is on the bleeding edge with its Project Prioritization tool which addresses utility (*can it solve issues?*), viability (*is it financially feasible?*) and vitality (*does it support regional plans and quality of life?*). Scores for each project are determined in each of these three program priorities.

The TPO has spent a year going through the development of the appropriate weighting process and is now at the stage of actually ranking projects based on the tool's criteria.

Next steps: "expect fireworks at the TPO's October 20 Board meeting" when initial rankings are revealed. Based on the timing, it would be appropriate to include this information in "**Bridges Between Us**" to give the public advance notice of the meeting and enlist greater public participation.

The critical part will be public reviews and taking the region's transportation priorities, including its due diligence, to the General Assembly to "make our case." Project Prioritization addresses past failures of the region's leaders to prioritize on a regional basis and positions us for future success.

Two important documents are available on the TPO website:

- Strategic Campaign and Vision Plan for Passenger Rail (TEMS), on results of financial impact and economic impact

http://hrtpo.org/MTG_AGND/HRTP/2010/June2010/A13_TEMS_HRTPO_Board.pdf

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- Citizen Advisory Committee CNU Focus Groups Final Report, on life in general and transportation specifically

http://hrtpo.org/Documents/External%20Documents/2010/CNU_Focus_Group_Final_Report.pdf

iii. Intellectual & Human Capital (Judy Begland, President & CEO, Opportunity, Inc.)

The harder side of economic development is “it’s all about people” and growing a 21st century workforce. Talent and supply support cutting edge technology-based business. As we move forward, we have identified the importance of entrepreneurship, exiting military personnel and sectors of port, transportation and warehouse. Innovation is about products, processes and organizations.

How do we support innovation within professional business services, one of our largest workforce sectors? Innovation is an important unique competitive advantage for the region. Very simply, if we increase productivity, we increase wealth and quality of life.

Common wisdom today tells us that our children won’t make the same financial strides that we did. And we should question that.

Today, we have the first region-wide economic development strategy and that’s “downright exciting.”

Last week, the 2010 State of the Workforce Report was released; the last one was five years ago. Download it at:

http://hrp.org/Site/docs/ResourceLibrary/Opplnc_2010_SOW_with_cover_FINAL.pdf

Workforce not only drives economic development; it can steer it. And it’s a supply and demand issue. The region’s population is not growing as fast; mobility is at issue; graduation rates are lower; drop-out rates are higher. The region will fracture, if we don’t fix transportation.

We address advanced placement and special education students but not the other 60% of school kids who are lost. They don’t know what they’re going to do with their lives. Our SOL (Standards of Learning) rankings are good, but SOLs are the floor, not the ceiling of performance measures.

We are in a Great Reset and determining what we want our future to be. Hampton Roads is a major force in Virginia but doesn’t get the credit it deserves. We educate 20% of the state’s children and have 25% of the workforce living here.

Hampton Roads has had a workforce skill shortage for 10 years, and it will only get worse. Literacy is more than just reading skills. It’s the ability to be educated

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in one thing and work in another, to learn basic skills that allow a person to jump disciplines throughout a lifetime.

Next steps: Many components of the strategic plans of the workforce boards play into the *Vision* plan. Representatives from nonprofit corporations are being placed on workforce boards, and the boards are seen as "neutral" regional space. Opportunity, Inc. and the Peninsula Council for Workforce Development collaborate well and treat Hampton Roads' workforce as one "labor shed."

iv. Opportunities (Dana Dickens, President & CEO, HRP)

Art Collins, Task Force Lead, could not be here to report today. The first implementation meeting was held jointly with the Opportunities and Innovation Task Forces; it was decided to break up Opportunities into three sub-groups:

1. Ted Henifin, General Manager of Hampton Roads Sanitation District, will lead the environmental sub-group;
2. Don Combs, Associate Dean for Planning and Health Professions at Eastern Virginia Medical School, will lead the healthcare sub-group; and
3. Josh Prueher will lead the energy sub-group and reports today.

Energy Sub-group (Josh Prueher, President, Earl Energy, LLC and VOW-Virginia Offshore Wind, Vice Chair)

Leadership of the Energy sub-group of the Opportunities Task Force is important as a self-serving opportunity for Earl Energy to progress the alternative energy agenda in Virginia. Important to the industry is the opportunity to develop the needed workforce for today's and tomorrow's business. For example: a \$60M solar panel installation on Navy bases in four states, including Virginia, resulted in not one qualified installer from Virginia.

There's much enthusiasm and buzz in the industry, with the public and with business. How do we navigate this fast-moving technology landscape? By helping people gain access and facilitating financing for projects.

The merger of public policy and commercial interests, represented by HRP, is the perfect venue for this work. Main opportunities are: we have the smart energy infrastructure in support of economic development which requires large capital investment, the greening of commercial and government fleets (cars, trucks, buses) which requires small capital investment and off-shore wind.

Earl Energy is a founding member of VOW, a consortium of cities and commercial entities focused on the immense off-shore wind opportunities here. Hamp-

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ton Roads has the accessibility and could produce enough power by 2030 to serve 12M homes and create 20,000 new jobs. The supply chain alone could produce \$80B and 10,000 new jobs. The first state with wind turbines in the water wins. States on the east coast are competing for federal grants; Virginia has only received \$10M of the \$100M already awarded.

Hampton Roads needs an anchor manufacturing tenant, because the rest of the industry develops around them. These manufacturers are surveying East Coast ports now, and their location decisions will be made in 2010.

Hampton Roads has open (no bridges) and deep water; the power substations are already here at Fentress and Dam Neck. We have Class 5 and 6 wind resources within 100-foot water depths, the most cost effective. In fact, 70% of that availability is in the Mid-Atlantic between New Jersey and northern South Carolina; Hampton Roads sits in the middle.

Governor McDonnell is expected to speak at the North American Offshore Wind Conference in Atlantic City, NJ in October to lure manufacturing tenants to Virginia. <http://offshorewindexpo.org>

v. **Innovation (Lee Beach, Executive Director, Innovate!HR)**

The work of Vision and the final document recommended the creation of *Innovate!HamptonRoads* as an arm of HRP dedicated to the alignment of regional technology clusters. Hampton Roads Research Partnership will go away. HRRP’s current membership is expanding to include community colleges, workforce development and businesses to create *Innovate!HR* and its related support system, *IdeaWorksHamptonRoads*.

The WIRED program provided financial support to research best practices and do a gap analysis in Hampton Roads. The concept is that of regional services collaboration with geographically disbursed centers of excellence. Memoranda of Understanding (MoU) are in negotiation now. Two proposals to EDA, which supported HRRP for the last six years, are in development for on-going financial support. One of the proposals will be for the newly created **i6 Challenge**, a \$12 million innovation competition with monetary awards to teams with the most innovative ideas to drive technology commercialization and entrepreneurship in their regions. <http://www.eda.gov/i6>

Dr. Joe Bouchard has been recruited to lead this Task Force.

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vi. Port & Maritime (Russell Held, Deputy Executive Director- Development, VPA-Virginia Port Authority)

Lots of energy and activity is occurring within all of the strategies of this objective and approximately 80% of the action items. VPA is close to taking over the APM terminals, which is “all about competitiveness.” This opens up the Portsmouth Marine Terminal (PMT) for other activity. Companies are lining up to get a piece of PMT for break bulk and cargo use.

Norfolk Southern’s Heartland Corridor and CSX’s National Gateway are close to completion, expanding the reach to markets and improving Hampton Roads’ competitive advantage.

The International Longshoremen's Association (ILA), the maritime workers union, defeated the proposed wage concession on handling break bulk and intra-harbor barge cargo – a transportation issue, i.e., keeping trucks off Hampton Boulevard and Interstate 64, not a matter of competitiveness.

The Task Force goes far beyond VPA focus only in order to expand other maritime opportunities in the region. The ship repair industry (including cruise ship and military ship repairs), for example, was an action item identified by the Federal Task Force but, due to its significance, has been added also to the Port Task Force.

The Task Force is reaching out to ancillary businesses for more information on how to enhance that segment of maritime industry.

The Port Task Force issues also seem to cut across the other Task Forces, i.e. wind energy, workforce development, etc., proving how inter-related we really are. As an example of how far we’ve come: workforce development’s efforts on truck and forklift drivers as important skill sets have paid off, and now our workforce is used as a selling point in the port industry and related economic development. Collaboration of activities is the key.

vii. Tourism, Arts & Culture

HOT TOPIC: If It Bleeds it Leads // Focus on Crime Reporting is Hurting Hampton Roads Tourism and our Region’s Self-Image

In the absence of a Task Force report, HRP Communication Manager, Missy Schmidt, invited Board members and/or their senior communication professional to a special meeting of the “Communicators Regional Roundtable,” an informal group of communication, public information and public affairs profes-

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sionals from government, military, business, education that meets semi-quarterly to discuss and collaborate on issues of regional importance.

Meeting will be held on Thursday, July 22nd, from 10:00 a.m. to 12:00 noon at ODU's Virginia Modeling, Analysis & Simulation. For discussion: a recent travel article on Virginia Beach, published in an upstate NY newspaper, provided this cautionary tale: "What's a "must avoid" there? Unless they know where they are going, travelers should avoid the surrounding cities of Norfolk, Newport News and Hampton at night; crime rates are higher in parts of these cities." *see attachment: Hot Topic*

viii. Discussion

Vision Hampton Roads is a region-wide plan and is not limited to HRP. HRP staff cannot do this alone. HRP members are encouraged to become involved.

IV. Other Business Items by Jack Ezzell

The Partnership co-hosted an Early Childhood Summit with LEAD Hampton Roads on June 9th featuring the Secretary of Education, Gerard Robinson.

To tighten the budget this year, a half-day Board meeting will be held on the morning of Friday, September 24th at VMASC, rather than the normal two-day retreat.

A copy of the new 2010-2011 edition of Living in Hampton Roads magazine was provided. On behalf of the Partnership, Missy Schmidt served as Associate Editor. With the help of key regional institutions and organizations such as ODU, the Planning District Commission and Transportation Planning Organization, Hampton Roads Association of Commercial Real Estate (HRACRE), and others, the Business sections on Economic Development, Employment Opportunities and Transportation (pages 46-54) were rewritten to focus on *Vision Hampton Roads*. The magazine may be downloaded at http://dardenpublishing.net/Media/LIHR2010_0511.pdf or a full-color, glossy coffee table copy may be obtained from the HRP office.

There being no further business, the meeting was adjourned.

NEXT FULL BOARD MEETING – Half-Day (Morning) Retreat

Friday, September 24, 2010; Times to be determined

Virginia Modeling, Analysis & Simulation Center (VMASC)

1030 University Blvd, Suffolk, VA 23435

<http://www.vmasc.odu.edu/about/directions.shtml>