

Hon. E. Dana Dickens, III
Hampton Roads Partnership
Board of Directors Meeting
June 16, 2006 – 10th Anniversary

Thanks to Jimmy for coming today and for his distinguished service to HRP. His good work laid the foundation for what we are doing ... Let's give him a round of applause to show our appreciation for his efforts. I must say a very competent and loyal staff ably supported his efforts. Donna Morris, who will celebrate her 10th year with HRP in August, Bob Sharak has been with HRP since April 1997 and Joyce Thacker kept Jimmy and the office in good order since May 2000. Our newest employee, Andrew Sinclair has been a valuable addition and shows great potential. My thanks to the staff for all their good work.

I will share as much of that good work with you as I can in my allotted time but I strongly recommend you read the report we sent with the agenda for more details.

It has been a very busy year for your HRP staff. We have made progress with most of the ambitious Action Plan, however we have focused much of our effort on a few of the items.

Fresh in everyone's mind is the campaign for Regional Citizenship, which we kicked off on April 26th at Cape Henry. Many of you participated in or witnessed the signing of a proclamation by the Mayor and Chairs from all 17 jurisdictions in Hampton Roads. The signing was symbolic but a very important and public acknowledgement of the interdependence of our region.

The economic stability of our region has been severely tested over the past year with impending closings of Ft. Monroe, the Ford Plant and the future of the Master Jet Base at Oceana in question and Carriers seriously threatened.

As Mayor Paul Fraim said in his remarks at Cape Henry, " It is abundantly clear to everyone that regardless of where you might live, the Peninsula or Southside, what happens in your community has an impact on the lives of the people who live in the region's other

political jurisdictions.

The developments of the past year have underlined the fact that “business as usual” is no longer acceptable. Now more than ever, it’s absolutely imperative that the political leaders, the business community and citizens of Hampton Roads come together as one region. We can not compete successfully against other regions in the United States if we continue to compete against each other. We are doomed to failure if we dare to compete in a global economy without a cohesive and truly unified approach.”

The 17 signers resolved to call on local governments, organizations of all kinds and individuals citizens to reflect on our shared history, acknowledge our social and economic interdependence and to commit to seek and pursue opportunities for partnerships and alliances ... in order to enhance the commercial vitality and quality of life in this exceptional community for many years to come.

To that end, The Hampton Roads Partnership has declared April 2006 -07 as the Year of Regional Citizenship (YORC) and have embarked on several initiatives to call attention to the interdependence of the region and the need for our citizens to acknowledge and embrace that concept.

We have met with, Cox, WAVY, WTKR, WVEC and WHRO, and received a very warm and positive reception from each. All understand instinctively that Hampton Roads is entering a critical stage in its history and that they must assume a strong, positive and proactive role through news reporting and other station programming. WAVY has already agreed to a weekly feature that will focus on the people of Hampton Roads with an emphasis on enhancing their regional pride and identity. We are working with Channels 3 and 13 to develop programming about economic competitiveness. Both newspapers have been and continue to support the effort. Thanks to both for the nice articles on the YORC kick-off.

We will keep you informed as the year of regional citizenship unfolds. Joel Rubin and Dan Cawley have been an extension of our staff in developing this initiative. Joel is here with us today.

Regional Economic Strategy

The Partnership's regional economic strategy began with a breakdown of how the Hampton Roads economy works – its areas of competitive advantage – and an identification of actions that can be taken to improve regional economic outcomes. This was undertaken in conjunction with the Hampton Roads Planning District Commission's economic cluster and entrepreneurship analyses in 2004. Also in 2004, a Partnership work group examined the 10 clusters identified in the HRPDC report and chose five on which to focus. In the past year, the Partnership has made significant advances on most elements of the plan, however, there is much still to do.

The clusters identified are: port, trucking and warehousing; information technology and Sensors, modeling and simulation; technical services; and tourism. Industry clusters are important because through their interactions with each other and their customers, they tend to develop innovative, cutting edge products and processes that make them and the region more competitive. Clusters span jurisdictions within the economic region. It is important to note that we work very closely with the HREDA and the industries they market are closely aligned with the clusters we work on.

- In area of IT & Sensors -- HRP joined the Tech Council to better organize and develop this cluster. Group is currently working on "Analytical IT" from data to decision
- Modeling & simulation – has been HRP's primary focus ...it has one-half billion dollar economic impact on the region and certainly an industry we have a competitive advantage that we need to exploit. Efforts include:
 - We helped stand up EMTASC (a consortium of 17 large and small defense contractors and ODU, which provides command and management training for emergency management decision-makers)
 - Guided the development of a 30 million budget request to enhance M/S infrastructure in HR. We have educated state legislators on the importance of M&S to the region and state

- HRP participates in workgroups exploiting Medical M&S and Instructional Gaming
- Tourism – After several months of organizing and fundraising, the HRP will formally launch the Hampton Roads Film Office on July 1 to provide a central point of contact for attracting film, TV and advertising production work to Hampton Roads. Economic impact on HR of this industry was close to \$70 Million since 2000, according to a recent article in the Virginian Pilot. Jeff Frizzell who was involved with location efforts of Mission Impossible III will be leading our regional office and he is with us today.

Fundamental assets is another category

Every region has certain “fundamental assets” upon which its economy is built. These drivers of the regional economy include various human and physical assets that can spur innovation and productivity such as transportation and infrastructure, education and workforce development, research and technology, services and amenities, culture and recreation and community improvements. Such assets extend beyond the boundaries of individual jurisdictions and make their impact throughout a region. Therefore, a regional approach to addressing fundamental assets is critical.

- Transportation has consumed a good deal of time this year.
 - We established *Move Hampton Roads* as a 501(c)(4) so that we could actively lobby for better transportation. Move Hampton Roads raised \$150,000 and hired the team of Kemper Consulting and Troutman Saunders
 - Endorsed and promoted the Metropolitan Planning Organization (MPO) -approved Regional Transportation Plan, establishment of a regional authority; sustainable revenue to supplement tolls proposed in MPO plan as a source of sustainable funding
 - Recruited advocate groups to assist in promoting and advocating for the HRP position. A special thanks to our members and those advocacy groups who contacted our delegation when we asked. We appreciate your support.

- By many accounts, HRP made a difference. Some have said that sustainable funding for transportation would have died an early death had it not been for the involvement of HRP Team. We have worked hard and I remain confident that something good will come from a Special session.
- Technology-based economic development
 - We support the Hampton Roads Research Partnership (HRRP) including assistance in winning a \$83,000 grant from EDA University Technical Assistance Program. HRRP has adapted a new cluster development approach to promoting research based economic development. The plan is compatible with the Partnership's cluster plan. Lee Beach leads the HRRP and is with us today.
- Ports
 - We continue advocacy for port growth issues including expansion of Craney Island, the Heartland Corridor project, the all important transportation improvements,
- Federal assets
 - Following BRAC announcements, Protecting Regional Military and Federal Assets was a focus of HRP board retreat in September 2005
 - The outcome of our discussion was a plan developed by HRP staff, which led to establishing the Hampton Roads Military and Federal Facilities Alliance. The Hampton Roads Mayors and Chairs Caucus has taken the lead.
 - The Alliance will be physically located next to the Partnership offices in the World Trade Center

Opportunities ahead

Regional Citizenship will be major focus this year.

- We continue to build a comprehensive plan with activities built around Awareness of regional assets, Appreciation of our interdependence, Access and Action, specifically:
 - Answer “what’s in it for me?”

- Foster greater cooperation among local governments and non-government entities
- Create a culture of cooperation
- Specific initiatives include:
 - Bringing local elected officials together in a series of special events to promote and celebrate successful cooperation, produce a blueprint for enhancing cooperation, culminating in the creation of a Hampton Roads Compact – a statement of regional interdependence and concrete goals for greater cooperation
 - There will be a promotional campaign launched later featuring prototype logos for business/organization use in marketing Hampton Roads as America’s First Region. This logo will be used by the Hampton Roads Economic Development Alliance (HREDA) for coordinated internal and external marketing.

Performance Accountability Model for Regional Planning

- Dubby Wynne introduced the Exec Committee to a planning model developed by the Council on Virginia’s Future
- Designed to align the state and regions in planning process
- HR will be first region and serve as a model
- Focus is establishing high priority issues and accountability measures
- Engages citizens in dialogue about the region’s future
- Initial meeting with a small group of Partnership members has been scheduled to discuss next steps

In summary, this has been a very busy, very successful year at the Partnership.

A call to action for everyone in the room today is this: Your staff cannot do what needs to get done without lots of help. You are the leaders of Hampton Roads. Each of you sitting on one or more boards. We ask you to look for opportunities to speak out about regional citizenship, regional thinking, and regional solutions to problems. For example, Joel Rubin told me yesterday of a city

developing a plan to address the gang problem. They were looking for solution “within the city boundaries” Gangs do not know city boundaries and operate through out the region. Joel spoke out, “ why not get multiple localities together to find a regional solution to a regional problem?” You can do that, every day, on every board on which you sit ... and the region will be the better for it.

On behalf of our staff – thanks for your support. Happy 10th Birthday Hampton Roads Partnership!