



IMPROVING THE COMPETITIVENESS OF HAMPTON ROADS

Report No. 3: Recommendations of the Hampton Roads Regional Structure Project

Prepared by the Future of Hampton Roads, Inc.
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The Future of Hampton Roads, Inc.

A private organization established in 1983 to foster regionalism and the competitiveness of the metropolitan region of Hampton Roads, Virginia organized the

The Hampton Roads Regional Structure Project

A public dialog and research program, involving 150 volunteers, to develop structural proposals for improving regional decision making, regional efficiency, and the regional voice

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Preface

The region of Hampton Roads—the sixteen cities and counties of Southeastern Virginia—is named for the magnificent harbor that is the core of its maritime economy. Renowned as the first permanent English settlement in America, Hampton Roads today is the largest military base in the world, a key port on the Eastern seaboard, a world-class tourist destination, and an important matrix of institutions for research and higher education.

Recognizing that such regions are the primary units of economic competition in the global economy, Future of Hampton Roads Inc. was established in the mid-1980s to organize the region's first visioning project. We have continued to promote regional cooperation as a means to improve the region's competitiveness.

With this theme in mind, FHR organized a region-wide conference in 2003 at which *all* the speakers, including notables such as former Governor Baliles and political analyst Larry Sabato, made the same point: That the single most important impediment to the improved economic performance of Virginia's regions is the state's structure of local government.

By this they meant that Virginia's strict adherence to the Dillon Rule, which reserves to the Commonwealth all powers not strictly delegated to localities, provides few mechanisms and fewer incentives for local governments to collaborate on reaching shared *regional* goals for the economy and quality of life.

This striking assertion motivated the board of FHR to undertake the Hampton Roads Regional Structure Project. By "regional structure" we mean the institutions that deal with the shared issues that comprise the regional agenda—their membership, powers, internal procedures, and relationships with each other and with external governments. Since people play the roles assigned by the structures in which they find themselves, structural change offers the possibility of different, and better, performance.

Over the past five years, the Regional Structure Project has pursued a public process of research and dialog about Hampton Roads's institutions of regional governance, listed in Appendix I. The process is described in Appendix II, the many participants are recognized in Appendix III, and the resulting publications are listed in Appendix IV.

The present document highlights the principal recommendations of the Project. They have been separately presented to the institutional leaders who will decide whether and how to implement them. We commend the elected and administrative leaders of Hampton Roads for their many signal contributions to regionalism in Hampton Roads. We know that our government officials are as committed as we are to an improved performance of our unique maritime economy and a richer quality of life for all of us in Southeastern Virginia.

The purpose of this presentation is to make our work available to the general public and to encourage interested citizens to declare their support for our proposals.

It is with great appreciation that we acknowledge the strong concern and hard work of the many participants in this project of regional cooperation.

Hon. Vincent J. Thomas, Chairman
Future of Hampton Roads, Inc.

James F. Babcock, Project Manager
Hampton Roads Regional Structure Project

October, 2008

Introduction

This report is a call to action. The proposals for reform of regional governance offered here are needful, practical, affordable, and actionable. Key influencers among the general public, civic organizations, business associations, educational institutions, social services and the media are urged to speak up in support of these recommendations. With such a consensus, the leaders most able to undertake their implementation will be encouraged to do so.

While delivered here in summary form, the recommendations are based on research and analysis described in detail in the written reports of the study groups that prepared them. That work in turn was based on brainstorming and dialog carried out by numerous participants in a number of public conferences. Future of Hampton Roads believes that this careful process and extensive participation lend credibility to the recommendations. While some of the recommendations have been worked out in detail, implementation will require further planning.

The importance of the regional concept is based on the recognition that metropolitan regions are the primary units of competition in the global economy. Accordingly, the federal government uses Metropolitan Statistical Areas to collect information on regional performance, while Virginia provides for local government collaboration on regional issues through twenty-one Planning Districts. Ironically, however, although government is a key player in economic performance and regions are the primary economic competitors, most American metropolitan regions lack effective governmental structure. This lack underscores the utility of regionalism, i.e., the promotion of regional cooperation as a means not to establish regional government but to effect better regional governance.

To overcome this systemic weakness in Hampton Roads, we recommend neither full-blown regional government nor merger of local governments. Instead, we focus on reforms to our current institutions.

The need for improvement

The Future of Hampton Roads, as the sponsoring organization for the Regional Structure Project, believes that some simple but fundamental changes are necessary in the way our regional organizations make and implement decisions. If the region's citizens and governments show the will to collaborate, these structural changes should enable us to work together even more effectively than we already do.

The initial report issued by the Structure Project justified the need for structural reform of the region's institutions by describing the opportunities that comprise the regional agenda, the public and private institutions that handle the agenda, and the legal framework of regionalism in Virginia.¹ Its message: We do regional cooperation fairly well, but there is room for a more proactive program and more assertive procedures to enhance our economy and quality of life.

While our region has shown a growth spurt since 2001, based mostly on defense spending that has temporarily raised our per capita income to the national average, we need to do much more to sustain our future prospects for growth, better jobs, and increased wealth. The region needs a stronger profile, stronger voice, and stronger program.

¹ FHR Inc., *Report No.1: How the Region Works*, 2005

When setting out to critique and recommend structural change, we believe it important to acknowledge that Hampton Roads, in the absence of regional government, already provides an excellent example of regional cooperation. Many persons, both elected officials and private citizens, working hard over several decades, are responsible for this healthy condition. A simple structure of public and private decision-making bodies has been created, some truly regional, some not. Results are mixed.

Some regional issues are very well handled indeed. Management of the port facilities and unified marketing through the Virginia Port Authority is an outstanding example of a world-class regional competitor. Transportation planning, responding to federal and state requirements for funding, receives thorough technical attention from the Planning District Commission. The Hampton Roads Partnership links the regions elected and business leaders in a promising vehicle for dealing with key regional priorities. With its Cultural Alliance as a vehicle for information sharing and advocacy, the arts community has turned Hampton Roads into the arts capital of Virginia. Various public authorities coordinate delivery of key services. In 2006 the Mayors & Chairs Caucus created the Hampton Roads Military and Federal Facilities Alliance to defend the region's assets from encroachment by others. Last year the region's two separate economic development organizations recognized that a merged single organization can do a better job of marketing the region. Recently the localities' visitor bureaus launched a Southeastern Virginia Tourism Alliance. These are exciting examples of pragmatic regionalism.

Thus our region's short-comings are relative, and any program that sets out to recommend reforms to our structure of regional governance must first acknowledge the good work that has been done and continues to be done. There is no need to be unduly negative.

On the other hand, consider the following anecdotal evidence:

- A visitor to the region's new high tech training center asks the students in a programming class whether any of them plan to seek jobs outside the region. *All* raise their hands.
- One of our city councils votes against using tolls to expand a badly congested tunnel. The tunnel is a *regional* asset: It is used daily not only by that city's residents but also by commuters from five other municipalities, but none of the users are consulted. The project languishes.
- The eight public and private institutions of higher education in the region altogether receive research grants totaling less than \$115 million. The three major research universities elsewhere in Virginia receive annual grants, *individually*, of \$109, \$182, and \$232 million.
- As highways become more clogged, funds for new construction are close to exhaustion, but the region's state legislators are not involved in creating the transportation plans they are asked to fund, causing loss of time and funding.
- The region's legislative delegation does not meet before each annual session to agree on a regional agenda. During the session, when a delegation of twenty representatives of a local minority organization make a presentation, only four legislators attend.
- Despite the region's size, there are few world-class hotels or convention centers and no major league sports franchises. The region is potentially a major tourist destination, but it has no coordinated tourism development strategy.

- Although the region is a single labor market, two duplicative workforce development programs are maintained.

Aside from these specific examples, the overall economic performance lags: The region's per capita income has usually been well below the national average, it grows its population and economy at a slower rate than the state and competing metro areas, and it finds it difficult to diversify away from naval and other military and federal spending as the basis of the economy.

These facts underscore the need for improvement in regional governance in Hampton Roads.

The work of the Regional Structure Project

The task the Regional Structure Project set for itself was to focus not on particular regional issues but on the structural arrangements—both organizations and processes—that characterize regional decision making. All of us—whether elected officials, business executives, or citizens—play the roles assigned to us by the structures in which we find ourselves. Therefore, to effect change, we often need to change the structures—the organizations, their members, their procedures, and how they relate to each other.

During early 2006 some 150 conferees, meeting in facilitated brain-storming sessions, developed preliminary raw proposals for change. Many useful ideas were offered, and there was notable consensus on fundamental points. Our citizens are not experts on the specifics of governance, but they are both idealistic and practical, and they know what is important. Their proposals were summarized in the Project's second report.²

Thereafter, thirteen study groups were formed to refine the initial proposals into finished recommendations. The study groups completed their individual reports during 2007 or 2008, and the reports were batched for presentation in individual interviews with decision makers. Some recommendations have been implemented and others are under consideration. All of this work, performed entirely by volunteers, has taken much time as it has demanded reasonably thorough research and discussion in order to avoid superficiality. The process is described in detail in Appendix II.

This third report summarizes the project's recommendations in their finished form. Each study group report provides additional data and analysis and further explanation of these recommendations, including useful examples from other regions.

The report aims to indicate to our leaders and citizens where structural changes would be helpful in improving the competitiveness of our region. As always, the will to work together is more important than mere structural arrangements, but structure does have its impact on the ability to work together effectively.

² FHR Inc., *Report No.2: Transforming the Regional Structure*, 2006.

The Recommendations

The recommendations are self-standing and each can be implemented separately. However, taken together, they embody a vision of a regional governance structure whose members share a will to work together based on a robust understanding of the value of regionalism for strengthening individual localities.

Surveys show that the public generally supports regional cooperation, but structural weaknesses among our regional institutions often retard or dilute the sort of effective activity that produces significant results.

Both local and state elected leaders need to speak up in support of more effective regionalism. That the citizens of our various localities have both local and regional needs is generally acknowledged, if reluctantly, by their elected leaders. And in fact the city mayors and county chairs do work together in our regional institutions so as to adequately serve all the interests of their citizens. This has been less evident among the members of the region's Legislative Caucus, but recent frustrations with transportation funding are pushing that group toward more effective collaboration.

Despite these encouraging signs, our several regional entities were established at different times for different purposes, and it isn't clear that one or the other is empowered to provide leadership or act as spokes-person for the region as a whole. ¹

These defects retard regional development. Proliferation of governmental bodies is also inefficient. And the increasing size of the mass of the electorate makes dialog difficult between citizens and leaders. The recommendations of the Regional Structure Project aim to remedy these weaknesses.

Some of the proposals may appear radical, but in fact they are mostly common sense fine tuning of existing entities that were created over time as practical responses to the felt need for regional cooperation. In a competitive world, and with a weakening economy, the need is more important than ever.

A fair question is, what will all these reforms cost? As the manner of implementing some of the reforms will require further detailed planning, the study groups have not attempted to estimate costs. However, most reforms are procedural, no new grand bureaucracies are required, little additional staffing is proposed, and some of the reforms offer potential for considerable savings.

With an overall objective of improving the competitiveness of Hampton Roads, the Case Statement for the Hampton Roads Regional Structure Project set three goals for the project: ³

- (a) to accelerate economic development,
- (b) to achieve economies in local government by additional sharing of services regionally, and
- (c) to create a more effective political voice to advance the region's interests.

The Project recommendations are discussed below as they relate to these three goals.

¹ See Appendix I for a description of Hampton Roads' regional institutions.

³ FHR Inc., *A Proposal to Explore Alternatives for Stronger Mechanisms of Regional Cooperation*, 2004.

I. Create a Stronger Regional Voice

A. Establish a Hampton Roads Metropolitan Council¹

1. The Need for Leadership. The ability of Hampton Roads to compete more effectively as a region in the global economy requires more assertive and energetic leadership. The requirement for political legitimacy requires that this leadership be provided primarily by locally elected officials empowered to reach out both to the electorate and to state and federal governments while using effective channels to tap private sector expertise and public opinion. None of the present *regional* entities quite provides for this stronger voice speaking authoritatively in support of regional needs. This role in Virginia is performed by its local governments rather than regional entities, and the regional agenda has sometimes suffered neglect.

2. Fix the structure. To deal with this structural deficiency, the Structure Project recommends the region's local governments seek legislative authority to create a Hampton Roads Metropolitan Council. The city mayors and county chairs would comprise the membership, elect a Chairman as regional spokesperson, and deal with regional matters by consensus, majority voting, or weighted voting depending on the nature of the issue. Staff support would be provided by the Planning District Commission, as it now does for the Mayors & Chairs Caucus and Chief Administrative Officers Association. As at present, decisions would be implemented by individual local governments, authorities, or other appropriate bodies, existing or to be created. The Council would be funded by local government contributions, similar to the funding of the Planning District Commission. In effect, the Metro Council would amount to a formal upgrading of the present informal Mayors and Chairs Caucus. Successful models exist elsewhere.

3. Functions. What is sought is a more definite and energetic direction of regional affairs. Among specific functions of the Metro Council would be oversight of regional planning and visioning. Government planning matters would continue to be handled by the Planning District Commission and Metropolitan Planning Organization, but the Council would invite the Hampton Roads Partnership to periodically update the regional strategic vision, since that organization's broad membership of both elected leaders and representatives of business and other sectors enables it most easily to convene the necessary large numbers of participants. Similarly, the Metro Council might invite the collaboration of the Partnership in producing an annual list of legislative initiatives dealing specifically with regional issues to present to the Legislative Caucus.

4. Alternatives. While creation of a separate Metro Council is one way, and perhaps the best way, to fill the need for stronger leadership and a stronger voice, it would be possible to do so instead through modification of one of the other existing regional organizations. The Planning District Commission would serve if it were empowered to do more than governmental planning. However, the Metropolitan Planning Organization, already undergoing reform and already provided legally with majoritarian voting powers, could also be the chosen vehicle for providing more assertive regional direction; indeed, MPOs have emerged as the principal regional leadership organizations in many other states. Finally, if opened up to more public scrutiny, the Hampton Roads Partnership, already well regarded by the General Assembly, might be tailored to do the job. Various successful models exist elsewhere from which particular features could be borrowed, including the Twin Cities Metro in Minnesota, UNIGOV in Indianapolis, Metro-Dade in Florida, and the Portland Metro in Oregon.

¹ Study Group Report SG1A

5. Disclaimers. It is important to point out that this proposal involves neither merger of any of the local governments, which are already very efficiently structured under Virginia's unique Independent Cities Act, nor creation of a full-blown regional government bureaucracy with powers of taxation and enforcement. It is, instead, a strengthening of pre-existing regional structures to emphasize the role of legitimate leadership, speaking forcefully for regional interests.

6. Legal Basis. To underscore the authority of the proposed Council to provide leadership and direction, it should have a state charter that spells out its mission, membership, and powers.²

B. Improve Public Participation in Decision Making³

As the size of the electorate grows and politics becomes more polarized, modern techniques of mass communication can be utilized in connection with appropriate principles of democratic discourse to help decision makers, public and private, solicit thoughtful public opinion on key regional issues. To seek this higher level of public participation, the study group recommended that an independent nonpartisan regional service organization be created to help embed public dialog as an ongoing process in local and regional decision making. With the encouragement of the Future of Hampton Roads, the study group's members responded to their own recommendation by serving as the founding board of directors for a Hampton Roads Center for Civic Engagement. The entity has been funded and began operations in 2008.

C. Organize a Regional Services Review⁴

Among the tasks of the proposed Metro Council would be to review the performance of the numerous independent authorities and other bodies providing regional services. The review would include, for example, such entities as the Hampton Roads Sanitation District and the Southeastern Public Service Authority, among many others. Based on a scan of the agencies' existing reports by Planning District staff rather than an audit or investigative procedure, the purpose of the reviews would be to ensure that the activities of the diverse agencies comport with the region's strategic vision for quality service delivery and financial integrity. Such oversight has come to be important in states, such as New York, where independent appointive agencies have proliferated. Even if a Metro Council is not created, this function should be undertaken by the Planning District Commission.

II. Accelerate Economic Development

A. Reform the Metropolitan Planning Organization⁵

1. Separate from PDC. As the entity required by federal law to prepare the region's multi-modal transportation plan, the Hampton Roads MPO has traditionally been subordinated to the Planning

² Study Group SG1B (included in SG1A)

³ Study Group Report SG5

⁴ Study Group Report SG1C

⁵ Study Group Report SG3

District Commission, which by Virginia law also has planning responsibilities not only for transportation but also other local government functions. In recent years, the federal government has begun adding more functions to MPOs, including coordination of land use and environmental decisions. Elsewhere, the MPOs of large metro regions have in many cases become the predominant regional leadership organizations. Our MPO has not tracked these trends, and it appears that our region has lost both time and funding as a result of not using the full capabilities of the MPO. As a first step, the MPO needs to be disentangled from the PDC.

2. Close the Communications Gap. The MPO structure should be strengthened most notably by overcoming the communications gap between the MPO, responsible for transportation planning, and the region's Legislative Caucus, responsible for transportation funding, as required by federal law. Elsewhere, for example in Northern Virginia, legislators sit on the MPO board. In addition, representatives should be added from the Virginia Port Authority and Virginia Department of Rail and Public Transit. Given federal requirements for public participation, Transportation Advisory Committees should be organized as has been done elsewhere. Finally, staff should be reinforced eventually by adding a separate MPO manager with appropriate prior MPO experience and individuals with expertise in public communications and transportation legislation.

3. Modernize Procedures. The MPO's procedures should be upgraded to include more careful adherence to federal guidelines, a separate MPO budget, training for board and staff members in best practices and federal regulations, and membership in national associations to keep abreast of important trends. The stature of the organization should be increased by having its own stationery, communicating its decisions directly to the public rather than through member localities, creating its own newsletters, and other techniques that will shine light on the organization and increase its stature.

4. Clarify Legal Roles. Finally, the roles and missions of the region's several transportation organizations should be clarified and, especially for the MPO, updated legal documentation should be prepared.

B. Strengthen the Hampton Roads Partnership

1. Augment HRP's Focused Planning with Strategic Visioning.⁶ Because of its own limited staff and funding, the Partnership tends to select particular short term issues on which to focus its efforts. The excellent program of regional metrics currently being organized as an extension of the work at state level of the Council on Virginia's Future similarly chooses to focus on a limited range of big issues. However, just as frequent checking of an auto's gas and oil has to be supplemented by a periodic tuneup of the entire engine, so a region has many moving parts, all of which are needed for regional competitiveness. As the primary convener, the Partnership should therefore also undertake to update the overall regional vision statements at least every seven to ten years by involving hundreds of participants from the main economic clusters and service sectors in setting goals, strategies, and action plans. Such plans are not a substitute for the focus on main priorities, but they do tend to accelerate development, are useful in marketing the region, and have utility for motivating regional unity and citizenship.

2. Arrange for HRP to Prepare an Annual Legislative Agenda.⁷ As the Hampton Roads Legislative Caucus heretofore has made little effort to act as a bloc on important regional issues, the Hampton Roads Partnership should create an annual process of consultation with local governments,

⁶ Study Group Report SG2B

⁷ Study Group Report SG2D

business organizations, and the general public to determine the region's most pressing priorities for legislation. This agenda should not serve to endorse priorities of particular interest groups but should focus on the few most essential regional matters. It should be presented to the Legislative Caucus before the upcoming General Assembly session in time for legislators to decide how to pursue it.

3. Make the HRP Board Representative of the Entire Region⁸

a. Add Non-Profits to the Board. As a private government-business partnership with a board of one hundred members from local government, higher education, business, labor and the military, the Hampton Roads Partnership can better realize its claim to be the most representative organization for the entire region by adding CEOs of leading non-profit organizations in K-12 and preschool education, workforce development, social services, arts and culture, and the environment. These sectors are key players both in the economy and in quality of life factors that impact regional competitiveness. They should be at the table.

b. Create Roundtables. The Partnership should also consider strengthening its basic networking and communications functions by creating roundtable groups to meet once or twice a year to discuss regional issues. Roundtables might be formed among members of city and county councils, various business clusters, and media representatives.

4. Add a News Bureau to an Improved HRP Communications Plan.⁹ As a body that deals with important public issues, the Partnership needs to create more awareness among the general public of its functions, goals, and programs. To generate support for its plans it needs to have a more general program of public participation in its goal setting process. It would be worthwhile to study the communication methods—internal and external—employed by competitor metro areas. Finally, to promote not only its own work but to build the regional image externally as a great place to live, work, and play, the Partnership should operate a Hampton Roads News Bureau to generate human interest articles about the region for the national media. This task would be best supported by a thought-out regional message. A News Bureau facility would stand ready to answer media inquiries and could be part of an emergency regional communications net.

C. Prepare a Regional Tourism Development Strategy¹⁰

Tourism is a preeminent regional industry, one that generates significant external income, but one whose marketing is highly fractured among local governments. The region's elected officials should direct that the Planning District Commission undertake to create a regional tourism development plan in collaboration with the recently formed Southeastern Virginia Tourism Alliance (which should be renamed Hampton Roads Tourism Alliance to conform with the naming of other key regional organizations). This entity might eventually be designated as the regional convention and visitors bureau; its government membership should be amplified to incorporate representatives of the hospitality industry; and its primary mission should be to promote a unified image of Hampton Roads as a world-class tourism destination. The focus would include not only the region's beaches and other recreational diversions but also its famous museums, fine performing arts events, and many other cultural attractions. A regional tourism strategy can eventually realize savings in both promotion and servicing.

⁸ ⁸ Study Group Report SG2A

⁹ ⁹ Study Group Report SG2C

¹⁰ ¹⁰ Study Group Report SG4B

III. Improve Regional Efficiency

A. Create an Efficiency Commission¹¹

The region's elected officials should create a Hampton Roads Commission on Local Government Operations to examine all aspects of local government overhead and service delivery systems for opportunities to improve service and/or reduce costs through various forms of regional cooperation or consolidation. Many shared services already exist, and modern communications, transportation, and management practices should allow others. This can be done without merging localities or establishing full-blown regional government. Practical alternatives for sharing particular services might include authorities, commissions, coordinating committees, contracting for support of one locality by another, or outsourcing to the private sector. The Commission should be composed of one elected leader and one business executive from each participating locality and be assisted by a technical committee composed of chief administrative officers and business volunteers with skills in public accounting, management consulting, and public law. Quarterly reports should be rendered to the supervising body, i.e., the proposed Metropolitan Council or the Planning District Commission, which should supply staff support. Many models exist elsewhere. In combination with the work of the Hampton Roads Partnership on the performance budgeting and metrics project of the Council on Virginia's Future, this initiative could generate significant savings for taxpayers.

B. Merge the Workforce Investment Boards¹²

Hampton Roads is a single labor market and the region's two workforce investment boards, serving workforce investment areas 14 and 16, provide identical services. The region's elected officials should therefore direct the two boards to merge. A single board can accommodate interregional differences among employers and other local preferences. The headquarters should be established on the Peninsula, and Surry County should be invited to join (as many of its citizens work on the Peninsula). As the service delivery structure is decentralized, the merger will not result in significant cost savings. However, it is worth doing because it will create a single strong voice for workforce development, a top regional priority. The governor's recent designation of the community colleges to oversee the workforce investment areas will not obviate the need for a coordination of regional policy through some appropriate structure.

C. Simplify The Local Government Charter Amendment Process¹³

The region's elected officials should request the General Assembly to adopt a procedure that allows specified classes of local government charter amendments to be made without prior legislative approval as all such changes are routinely approved unless there is local objection. The proposed procedure, which will save time and expense both for the localities and the legislature, can provide for review and objection after the fact. Based on a detailed review of amendment bills passed in the past thirteen years, a text for the proposed bill has been provided by the study group and several legislators have expressed interest in sponsoring it.

¹¹ Study Group Report SG4A

¹² Study Group Report SG4C

¹³ Study Group Report SG4D

Institutions of Regional Governance

Aside from organizations and authorities with particular service functions (such as the Hampton Roads Economic Development Alliance or Hampton Roads Sanitation District), the principal regional governance institutions in Hampton Roads are:

- Hampton Roads Planning District Commission (PDC)
- Hampton Roads Metropolitan Planning Organization (MPO)
- Hampton Roads Mayors and Chairs Caucus (M&C)
- Hampton Roads Chief Administrative Officers Association (CAOs)
- Hampton Roads Partnership (HRP)
- Hampton Roads Legislative Caucus (LC)

None of these bodies has the complete powers of government, that is, decision making by majority vote with powers of taxation, regulation, and enforcement.

The PDC is one of 21 planning districts created by Virginia law. Sixteen cities and counties of southeastern Virginia have board membership with weighted representation based on population. The Commission governs by consensus, has no administrative powers, and deals only in planning, but does not do comprehensive visioning or overall regional strategic planning.

The MPO is a federally mandated entity with local government, state, federal, and transit agency membership and with majority voting. The MPO conducts the regional transportation planning and programming process which produces the region's long term and short term multi-modal transportation plans. Federal legislation has steadily increased MPO responsibilities in recent years, and this trend will continue. Elsewhere in the U.S. MPOs are self-standing bodies and often the leading organ of regional governance, but the Hampton Roads MPO has traditionally been subordinated to the PDC.

The Mayors & Chairs is an informal luncheon group of the elected leaders with chief administrative officers as invited guests. At monthly meetings the members sometimes vote on specific topics.

The Chief Administrative Officers also meet monthly to provide technical advice to the other bodies.

The Hampton Roads Partnership, formed in 1995, with a 100 member board of all the mayors and chairs, university presidents, major military commanders, and influential business executives, has tremendous clout but is a private organization. It focuses on key issues but has not done overall strategic planning for the region, and though it is the body most representative of the main producers in the regional economy, it suffers by not having adequate representation from the non-profit sector and by operating out of the public limelight.

Finally, the Legislative Caucus, composed of the region's 10 state senators and 24 delegates, has the potential to concert agreement on regional issues in order to exercise influence as an important bloc in the General Assembly, but it has seldom done so. With Dillon Rule powers, legislators often intervene in local government matters but they do not take responsibility for administration. The Caucus has seldom met before sessions to agree on regional priorities.

It is not clear which of the entities described above may be said to be the primary regional organization for purposes of decision making and representing the region's interests internally or externally.

Project Process

This appendix describes the steps taken by the Hampton Roads Regional Structure Project to develop the recommendations summarized in this report.

Regional Forum. During Fall 2003, the Future of Hampton Roads sponsored a three-session Forum on “Improving the Competitiveness of Hampton Roads.” All of the speakers recognized that regions are the basic units of competition in the world economy. All indicated that the principal impediment to a more effective economic performance of Virginia’s regions is the lack of an adequate structure by which local governments can work together on a shared agenda of regional issues. All recommended similar proposals for reform, including stronger regional governance, relaxation of the Dillon Rule restrictions on local and regional governmental authority, and consolidation of some local government entities or functions for efficiency and better decision-making.

Case Statement. The structural issues identified by the Forum speakers concern all regions in Virginia, and to implement changes of the scope proposed by them would require action by the Virginia General Assembly. Rather than attempt to organize a statewide reform effort, the Board of Future of Hampton Roads chose to organize a process for accomplishing minimum necessary reforms for the region it understands best—Hampton Roads. During early 2004, the Board appointed a Planning Committee which prepared a Case Statement in support of a project that would bring together the leaders and citizens of Hampton Roads in a deliberative process to identify practical reforms to our regional structure.

Project Goals. The Case Statement specified three objectives for the reforms: “(a) accelerate economic development, (b) exploit cost savings through additional vehicles of joint service delivery, and, (c) most importantly, create a stronger political voice to advance the region’s interests.”

Project Principles. Several ground rules were also specified: (a) given the relatively high degree of regional cooperation already achieved by Hampton Roads localities, the Structure Project would not assign blame for shortcomings, (b) merger of localities would not be considered, and (c) although it would be a possible alternative, full-blown regional government would not be urged.

Steering Committee. During the remainder of 2004, the Planning Committee used the Case Statement to recruit a project Steering Committee, eventually composed of the 34 regional organizations listed in Appendix II. The tasks given to the Steering Committee were to develop a project strategy, oversee the project process, and to approve project recommendations.

Project Strategy. The Steering Committee approved the Planning Committee’s proposal to organize the project in three main phases to answer strategic questions: *Phase I: Where Are We Now?*—I.e., what issues comprise the shared regional agenda, what institutions handle those issues, and what is the legal basis of regionalism in Virginia? *Phase II: Where Do We Want To Go?*—I.e., what do citizens and leaders see as viable proposals for reform and how can such ideas be shaped into practical recommendations? *Phase III: How Do We Get There?*—I.e., what process can be pursued to persuade regional institutions to implement the recommendations?

Report No. 1. To answer the Phase I questions, the members of the Steering Committee engaged in focus group discussions during July 2005. These deliberations were collated in a written report, *How the Region Works*, that (a) described seventeen issues that represent the main shared concerns of the entire

Appendix II (cont.)

regional population, (b) catalogued the institutions that make decisions relative to the issues, and (c) briefly summarized Virginia laws that affect the practice of regionalism.

Brainstorming Proposals. In January 2006, as a first step to deal with Phase II questions, three public conferences were convened in Norfolk, Virginia Beach, and Hampton, at which some 150 registered participants, having previously received copies of Report No. 1, were briefed on the Project goals and then participated in facilitated discussions to develop specific proposals for reforming the region's institutions and processes. The raw proposals were summarized in Report No. 2, *Transforming the Regional Structure*, copies of which were given limited distribution to the Mayors & Chairs Caucus and executive committee of the Hampton Roads Partnership so that the members of those organizations could be given interim notice of the directions the Project would be taking.

Study Groups. Following the conferences, the raw proposals listed in Report No. 2 were assigned to the 13 study groups listed in Appendix II. Each study group was given the task of refining a specific proposal into a finished recommendation in a form that could be implemented by the appropriate regional body. Membership of the study groups varied, but was kept small enough to facilitate deep discussion and careful research. Monthly meetings of the Planning Committee were used to oversee the process, which occupied the remainder of 2006 and much of 2007. Each study group produced a written report, and as the reports were completed, they were presented to semi-annual meetings of the Steering Committee for review and acceptance for use in the implementation process. *The Regionalist Papers*, a series of essays on key topics, were simultaneously prepared as part of the background research. These documents were then posted on the Web site of Future of Hampton Roads.

Implementation. For Phase III of the Project, study group reports were batched for presentation to the appropriate decision makers: (1) Planning District Commission and Metropolitan Planning Organization; (2) Chief Administrative Officers Association and Mayors & Chairs Caucus; (3) Hampton Roads Partnership; and (4) Workforce Investment Boards. During 2007 and 2008, presentations were made in the form of private interviews with individual members of these bodies. While this approach was time consuming, it offered the best method of ensuring that each decision maker was informed about the purpose and tenor of the recommendations affecting his or her organization while giving the opportunity to deal with questions and comments that might not be made in a public meeting. In this way, for example, the leaders of Study Group 3 on the Metropolitan Planning Organization held over 200 interviews with local, state, and federal officials involved with the important regional issue of transportation. Similarly, individual interviews were held with all 32 members of the Executive Committee of the Hampton Roads Partnership. This process continues. In addition, the study group on public participation proceeded directly to organize the Hampton Roads Center for Civic Engagement.

Current Status. As of the date of this final Report No. 3, all of the recommendations except one have been presented to decision makers, and many specific recommendations have been implemented or are being considered. The exception: The proposal to create a Hampton Roads Metropolitan Council was deferred for presentation with this summary report because the Metropolitan Planning Organization is now engaged in a thorough examination of best practices, and the reforms it is implementing hold promise of achieving some of the goals sought by the proposal to create a Metro Council. As discussed herein, the Hampton Roads Partnership and Planning District Commission are also potential candidates for this role.

Participants

Future of Hampton Roads thanks the many organizations and individuals that participated in one or more of the Project's several phases. All reports were accepted by vote of the Steering Committee and FHR Board, but inclusion of an organization or individual in this expression of appreciation does not necessarily imply endorsement of all of the recommendations of the Regional Structure Project.

Steering Committee Organizations

Chesapeake Alliance
 Chief Administrative Officers
 CIVIC Leadership Institute
 Cultural Alliance of Hampton Roads
 Empower Hampton Roads
 Entrepreneurs Forum of Hampton Roads
 Future of Hampton Roads, Inc.
 Girl Scout Council of Colonial Coast
 Greater Norfolk Corporation
 Hampton Roads Association for Commercial Real Estate
 Hampton Roads Chamber of Commerce
 Hampton Roads Economic Development Alliance
 Hampton Roads Health Coalition
 Hampton Roads Maritime Association
 Hampton Roads Partnership
 Hampton Roads Sanitation District Commission
 Hampton Roads Transportation Alliance
 Leadership Hampton Roads
 Leadership Institute of the Virginia Peninsula
 League of Women Voters
 Portsmouth Partnership
 Region 2 School Superintendents
 Senior Services of Southeastern Virginia
 Suffolk Tomorrow
 The 200+ Men, Inc.
 Urban League of Hampton Roads, Inc.
 Virginia Beach Taxpayers Alliance
 Virginia Beach Vision
 Virginia Peninsula Chamber of Commerce
 Virginia Ship Repair Association
 Virginia Tidewater Consortium for Higher Education
 Volunteer Hampton Roads
 Williamsburg Area Chamber of Commerce
 World Affairs Council of Greater Hampton Roads

Represented by

Donald Buckley
 Sanford Wanner, James Oliver
 George Slaven
 Patricia Rublein, Minette Cooper
 Angela James
 Joel Nied, Jefferson Cooper
 Vincent Thomas
 Tracy Keller
 Deborah Stearns
 C.J. Skip Smith
 Richard Werber, John Hornbeck
 John Padgett, Jones Hooks
 Barbara Wallace, Steve Cyrus
 Art Moye, David White
 Dana Dickens
 William Pierce
 Benjamin Berry
 Richard Werber
 Anna McNider
 Lynn Gordon, Betsy McBride
 Donald Comer, Jr.
 David Stuckwisch
 John Skirven
 George Barnett
 George Crawley, Vincent Carpenter
 MaryAnne Dukas
 Robert Dean
 Matthew Breitenberg
 Clyde Hoey
 Malcom Branch
 Lawrence Dotolo
 Elizabeth Lloyd
 Robert Hershberger
 Raynor Taylor, Lawrence Wetzel

Appendix III (cont.)

Members of the Planning Committee

Hon. Vincent J. Thomas, Chairman		
James Babcock, Project Manager	Raynor Taylor, Editor, <i>The Regionalist Papers</i>	
Joseph Bouchard	Louis Guy	James Oliver
Edward Brickell	John Hadfield	Suzanne Puryear
Daniel Cawley	Timothy Kerr	Jeanne Reporter
David Clark IV	Edward Maroney	Robert Sharak
Arthur Collins	Betsy McBride	Byron Tobin
Minette Cooper	Anna McNider	Harry Train
Durwood Curling	Ted Minor	Richard Werber

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Judy Begland	Tim Kerr	Anna McNider
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Joe Bouchard	Lynn Gordon	Joseph W. Montgomery
Malcolm P. Branch	John S. Hadfield	James B. Oliver, Jr.
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James L. Chapman, IV	John A. Hornbeck, Jr.	Roseann Runte
Will Christopher	Brad Face	Bert Schmidt
David Clark IV	Brock L. Field	John T. Stone
Arthur L. Collins	Thomas R. Frantz	William R. Van Buren, III, Esq.
Minette Cooper	Don Goldberg	Richard Werber
Durwood Curling	William W. King	Raymond K. White
Deborah DiCroce	James V. Koch	A. Bruce Williams
Brad Face	Robert G. Krebs, Jr.	Junius H. Williams, Jr.
Doyle Hull	John Lawson	<i>LHR Intern:</i>
Dottie Jordan	Robert P. Leber	James Carr

Conference Hosts

Hampton Roads Planning District
Tidewater Community College
Thomas Nelson Community College
Virginia Wesleyan College

Conference Keynote Speakers

Hon. Gerald Baliles, former Governor of Virginia
Hon. Dana Dickens, President, Hampton Roads Partnership
Hon. Joe Frank, Mayor, City of Newport News
Hon. Meyera Oberndorf, Mayor, City of Virginia Beach
Prof. Larry Sabato, University of Virginia

Appendix III (cont.)

Conference Participants

D. A. Ablowich	Mark Geduldig-Yatrofsky	Joel Nied
Mason C. Andrews	Robert Gibson	Robert O'Connor
Jeffrey Anthony	Robin Gilbert	James Oliver
Robert Armbruster	Robert Glover	James Owens
Thomas Atherton III	Lynn Gordon	Anna O'Reilly
James Babcock	Marvin Gordon	John Padgett
Robert Bagley	Sallie Grant-DiVenuti	Gordon Parker
Edward Baird	Joseph Green Jr.	James Pendergast
George Barnett	Robert Goodman Jr.	Karen Perreault
Charles Bauman	Louis Guy	Mark Perreault
Alonzo Bell, Sr.	John Hadfield	Harrell Peterson
James Bergdoll	Dennis Hartig	William Pierce
Benjamin Berry	Joyce Heffington	Jackson Pope
Barry Bishop	Russ Held	Wade Powell
Seneca Bock	Clyde Hoey II	Beau Price III
Joseph Bouchard	Clarence Holland	Suzanne Puryear
Malcolm Branch	John Hornbeck	Jay Reist
Matthew Breitenberg	Rosalyn Houston	Jeanne Reporter
Albert Burckard	Joseph Howell	Martha Rollins
Sandra Bryant	Doyle Hull	Diana Roache
Donald Buckley	Kelly Jackson	Patricia Rublein
Albert Burckard	Angela James	Thomas Rumley
Carmen Burrows	Catherine Johnson	Roseann Runte
K. R. Campbell	Ross Kearney	Henry Ryto
Vincent Carpenter	James Kellam	Walter Satterwhite, Jr.
Daniel Cawley	Timothy Kerr	Angela Scott
David Clark IV	William King	Glenn Scott
Mary Cole	Ben Krause	Robert Sharak
Arthur Collins	Constance Laws	Jose Simon
Donald Comer, Jr.	Wayne Lett	John Skirven
Jefferson Cooper	Cathy Lewis	George Slaven
Minette Cooper	Elizabeth Lloyd	Todd Solomon
Jennifer Crabtree	J. R. Locke	Mandy Stallings
George Crawley	Randolph Lougee	Deborah Stearns
Durwood Curling	Max Lindner	David Stuckwisch
Philip Damuth	John Maniscalco	Raynor Taylor
Robert Dean	Joanna McAnulty	Vincent Thomas
Herb DeGroft	Betsy McBride	Byron Tobin
Dana Dickens	Timothy McCarthy	Robert Trahan
Michael Dingerson	Mac McGinty	Harry Train
Lawrence Dotolo	Lorraine McGovern	Alan Wagner
MaryAnne Dukas	Anna McNider	Jesse Wallace
Robert Duvall	Ernestine Middleton	Neil Walsh
Midge Eason	Shep Miller	Sanford Wanner
William Faulkner	Joan Minor	Richard Werber
Larry Filer	Edward Minor	David White
James Flinchum	Alice Mountjoy	Mary White
Lynn Francois	Arthur Moye	Joseph Widoff
Vaughn Frederick	Lisa Mullins	Matthan Wilson
Rick Gallagher	Nancy Munnikhuisen	Rod Woolard

Appendix III (cont.)

Study Group Leaders

SG1A	Metro Council - Structure	Joseph Bouchard, Chair
SG1B	Metro Council - Legal Issues	John Padgett, Chair
SG1C	Metro Council - Services Review	John Hadfield, Chair
SG2A	H.R. Partnership - Structure	Louis Guy, Chair
SG2B	H.R. Partnership - Visioning	James Babcock, Chair
SG2C	H.R. Partnership - News Bureau	Clyde Hoey, Co-Chair
		Mary Fugere, Co-Chair
SG2D	H.R. Partnership - Legislative Agenda	David White, Chair
SG3	MPO - Structure	Ray Taylor, Chair
SG4A	Local Government Operations	Sanford Wanner, Co-Chair
		Harry Train, Co-Chair
SG4B	Tourism	Daniel Cawley, Chair
SG4C	Workforce Investment Board	Timothy Kerr, Chair
SG4D	Local Government Charter Amendments	James Babcock Chair
SG5	Effective Public Participation	Suzanne Puryear, Co-Chair
		Betsy McBride, Co-Chair

Study Group Members

Charles Applebach	Dana Dickens	Beau Price III
James Babcock	Doyle Hull	Jay Reist
George Barnett	Kelly Jackson	Patricia Rublein
Lee Beach	Michael Dingerson	Robert Sharak
Lonnie Bell	Larry Dotolo	Peter Shaw
Joseph Bouchard	Douglas Dwoyer	Andrew Sinclair
Malcolm Branch	Nathan Eckstrand	John Skirven
Matthew Breitenberg	Mary Fugere	George Slaven Jr.
Edward Brown	Bob Gibson	Deborah Stearns
Sandra Bryant	Lynn Gordon	John Stone
Donald Buckley	Marvin Gordon	David Stuckwisch
Amanda Burbage	Sallie Grant-DiVenuti	Raynor Taylor
Vincent Carpenter	Louis Guy	Vincent Thomas
Daniel Cawley	John Hadfield	Jake Tobin
David Clark IV	Clyde Hoey	Harry Train
Arthur Collins	John Hornbeck	Sanford Wanner
Donald W. Comer, Jr.	Nancy Munnikhuysen	Rich Werber
Minette Cooper	James Oliver	David White
Craig Cope	John Padgett	Bruce Williams
Durwood Curling	Mark Perreault	Stephan Woodard
Robert Dean	William Pierce	

Appendix IV

Publications

These reports may be downloaded from the Future of Hampton Roads Web site at *fhrinc.com*.

A. Summaries and conference proceedings

1. Case Statement in support of the Regional Structure Project
2. Summaries of Project Phases
 - Report No.1: How the Region Works
 - Report No.2: Transforming the Regional Structure
 - Report No.3: Recommendations of the Regional Structure Project
3. Conference Proceedings
 - On Regional Structure: 7/27/05, 1/14/06, 1/21/06, 1/28/06
 - On Regional Unity: 4/26/08

B. Study group reports and related documents

1. Recommendations for the Mayors & Chairs Caucus and CAOs
 - SG1A Hampton Roads Metropolitan Council
 - SG1B HRMC – Legal Issues (*incorporated in SG1A*)
 - SG1C HRMC – Regional Services Review
 - SG4 Improving Regional Efficiency
 - SG4A Commission on Local Government Operations
 - SG4B Regional Tourism Development Strategy
 - SG4C Workforce Investment Boards
 - SG4D Dillon Rule: Charter Amendment Process
2. Recommendations for the Hampton Roads Partnership
 - SG2 Strengthening the Hampton Roads Partnership
 - SG2A HRP – Structure
 - SG2B HRP – Visioning and Measurement
 - SG2C HRP – News Bureau
 - SG2D HRP – Legislative Agenda
3. Recommendations for the Planning District and MPO
 - SG3 Hampton Roads Metropolitan Planning Organization
4. Recommendation to create a Hampton Roads Center for Civic Engagement
 - SG5 Effective Public Participation
 - Business Plan of the HRCCE